

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

Seventy-first Legislature.

SENATE.

No. 47

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND THREE.

AN ACT to incorporate the Pepperell Trust Company.

*Be it enacted by the Senate and House of Representatives in
Legislature assembled, as follows:*

Section 1. George F. West, Gilman N. Deering, J. B. E.
2 Tartre, George E. Morrison, Jere G. Shaw, Carlos H.
3 McKenney and Kenneth W. Sutherland or such of them as
4 may by vote accept this charter, with their associates, suc-
5 cessors and assigns, are hereby made a body corporate and
6 politic to be known as the Pepperell Trust Company, and as
7 such shall be possessed of all the powers, privileges and
8 immunities and subject to all the duties and obligations con-
ferred on corporations by law.

Sect. 2. The corporation hereby created shall be located
2 at Biddeford, York county, Maine.

Sect. 3. The purposes of said corporation and the business which it may perform, are: first, to receive on deposit, money, coin, bank-notes, evidences of debt, accounts of individuals, companies, corporations, municipalities and states, allowing interest thereon, if agreed, or as the by-laws of said corporation may provide; second, to borrow money, to loan money on credits, or real estate, or personal security, and to negotiate loans and sales for others; third, to own and maintain safe deposit vaults, with boxes, safes and other facilities therein, to be rented to other parties for the safe keeping of monies, securities, stocks, jewelry, plate, valuable papers and documents, and other property susceptible of being deposited therein, and may receive on deposit for safe keeping, property of any kind entrusted to it for that purpose; fourth, to act as agent for issuing, registering and countersigning certificates, bonds, stocks, and all evidences of debt or ownership in property; fifth, to hold by grant, assignment, transfer, devise or bequest any real or personal property or trusts duly created, and to execute trusts of every description; sixth, to act as assignee, trustee, administrator, receiver, executor, and no surety shall be necessary upon the bond of the corporation, unless the court or officer approving such bond shall require it; seventh, to do in general all the business that may lawfully be done by trust and banking companies, but said corporation shall not have the power or authority to establish branches.

Sect. 4. The capital stock of said corporation shall not be less than fifty thousand dollars, divided into shares of one hundred dollars each, with the right to increase the said capital stock at any time, by a vote of the shareholders, to any amount not exceeding five hundred thousand dollars. Said corporation shall not commence business as a trust or banking company, until stock to the amount of at least fifty thousand dollars shall have been subscribed and paid in, in cash.

Sect. 5. Said corporation shall not make any loan or dis-
2 count on the security of the shares of its own capital stock,
3 nor be the purchaser or holder of any such shares unless
4 necessary to prevent loss upon a debt previously contracted
5 in good faith; and all stock so acquired shall, within six
6 months of the time of its acquisition, be disposed of at public
7 or private sale.

Sect. 6. All the corporate powers of this corporation shall
2 be exercised by a board of trustees, who shall be residents of
3 this State, whose number and term of office shall be deter-
4 mined by a vote of the shareholders at the first meeting held
5 by the incorporators and at each annual meeting thereafter.
6 The affairs and powers of the corporation may, at the option
7 of the shareholders, be entrusted to an executive board of
8 five members to be, by vote of the shareholders, elected from
9 the full board of trustees.

The trustees of said corporation shall be sworn to the proper
11 discharge of their duties, and they shall hold office until
12 others are elected and qualified in their stead. If a trustee
13 or director dies, resigns, or becomes disqualified for any
14 cause, the remaining trustees or directors may appoint a per-
15 son to fill the vacancy until the next annual meeting of the
16 corporation. The oath of office of such trustee or director
17 shall be taken within thirty days of his election, or his office
18 shall become vacant. The clerk of such corporation shall,
19 within ten days, notify such trustees or directors of their
20 election, and within thirty days shall publish the list of all
21 persons who have taken the oath of office as trustees or
22 directors.

Sect. 7. The board of trustees or directors of said corpo-
2 ration shall constitute the board of investment of said cor-
3 poration. Said trustees or directors shall keep in a separate
4 book, specially provided for the purpose, a record of all loans,
5 and investments of every description, made by said institu-

tion substantially in the order of time when such loans or investments are made, which shall show that such loans or investments have been made with the approval of the investment committee of said corporation, which shall indicate such particulars respecting such loans or investments as the bank examiner shall direct. No loan shall be made to any officer or director of said banking or trust company except by the unanimous approval of the executive board in writing, and said corporation shall have no authority to hire money or to give notes unless by vote of the said board duly recorded.

Sect. 8. No person shall be eligible to the position of a director or a trustee of said corporation who is not the actual owner of ten shares of the stock.

Sect. 9. Said corporation, after beginning to receive deposits, shall, at all times, have on hand in lawful money, as a reserve, not less than fifteen per cent of the aggregate amount of its deposits which are subject to withdrawal on demand, provided, that in lieu of lawful money, two-thirds of said fifteen per cent may consist of balances payable on demand, due from any national or state bank.

Sect. 10. All the property or money held in trust by this corporation shall constitute a special deposit and the accounts thereof and of said trust department shall be kept separate and such funds and the investment or loans of them shall be specially appropriated to the security and payment of such deposits, and not be subject to any other liabilities of the corporation; and for the purpose of securing the observance of this proviso, said corporation shall have a trust department in which all business pertaining to such trust property shall be kept separate and distinct from its general business.

Sect. 11. An administrator, executor, assignee, guardian or trustee, any court of law or equity, including courts of probate and insolvency, officers and treasurers of towns, cities,

4 counties, and savings banks of the State of Maine may deposit
5 any money, bonds, stocks, evidences of debt or ownership in
6 property, with said corporation, and any of said courts may
7 direct any person deriving authority from them to so deposit
8 the same.

Sect. 12. Each shareholder of this corporation shall be
2 individually responsible, equally and ratably, and not one for
3 the other, for all contracts, debts and engagements of such
4 corporation, to a sum equal to the amount of the par value
5 of the shares owned by each, in addition to the amount
6 invested in said shares.

Sect. 13. Such corporation shall set apart as a guaranty
2 fund not less than ten per cent of its earnings in each and
3 every year until such fund with the accumulated interest
4 thereon, shall amount to one-fourth of the capital stock of
5 said corporation.

Sect. 14. The shares of said corporation shall be subject
2 to taxation in the same manner and rate as are the shares
3 of national banks.

Sect. 15. Said corporation shall be subject to examination
2 by the bank examiner, who shall visit it at least once in every
3 year, and as much oftener as he may deem expedient. At
4 such visits he shall have free access to its vaults, books and
5 papers, and shall thoroughly inspect and examine all the
6 affairs of said corporation, and make such inquiries as may
7 be necessary to ascertain its condition and ability to fulfill its
8 engagements. If upon examination of said corporation the
9 examiner is of the opinion that its investments are not in
10 accordance with law, or said corporation is insolvent, or its
11 condition is such as to render its further proceedings hazard-
12 ous to the public or to those having funds in its custody, or
13 is of the opinion that it has exceeded its powers or failed to
14 comply with any of the rules or restrictions provided by law,
15 he shall have such authority and take such action as is pro-

16 vided for in the case of savings banks by chapter forty-seven
17 of the Revised Statutes. He shall preserve in a permanent
18 form a full record of his proceedings, including a statement
19 of the condition of said corporation. A copy of such state-
20 ment shall be published by said corporation immediately after
21 the annual examination of the same in some newspaper pub-
22 lished where said corporation is established. If no paper is
23 published in the town where said corporation is established,
24 then it shall be published in a newspaper printed in the near-
25 est city or town. The necessary expenses of the bank exam-
26 iner while making such examination shall be paid by the
27 corporation.

Sect. 16. Any five of the corporators named in this act may
2 call the first meeting of the corporation by mailing a written
3 notice, signed by all, postage paid, to each of the other cor-
4 porators, seven days at least before the day of the meeting,
5 naming the time, place and purpose of such meeting, and at
6 such meeting the necessary officers may be chosen, by-laws
7 adopted, and any other corporate business transacted.

Sect. 17. This act shall take effect when approved.

STATE OF MAINE.

IN SENATE, February 5, 1903.

Reported by Mr. TITCOMB from Committee on Banks and Banking,
and laid on table to be printed under joint rules.

KENDALL M. DUNBAR, *Secretary.*