

# MAINE STATE LEGISLATURE

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# Seventy-first Legislature.

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SENATE.

No. 103

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## STATE OF MAINE.

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

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AN ACT to incorporate the Merrill Trust Company.

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

Section 1. Edgerton R. Burpee, Horace C. Chapman, Mil-  
2 ton S. Clifford, Henry F. Dowst, William Engel, Edwin G.  
3 Merrill, Henry Prentiss, Wilson D. Wing and Frederick H.  
4 Appleton, or such of them as may by vote accept this charter,  
5 with their associates, successors and assigns, are hereby madē  
6 a body corporate and politic, to be known as the Merrill  
7 Trust Company, and as such shall be possessed of all the  
8 powers, privileges and immunities, and subject to all the  
9 duties and obligations conferred on corporations by law.

Sect. 2. The corporation hereby created shall be located  
2 at Bangor, Penobscot county, Maine.

Sect. 3. The purposes of said corporation and the business  
2 which it may perform, are: first, to receive on deposit

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3 money, coin, bank notes, evidences of debt, accounts of  
4 individuals, companies, corporations, municipalities and  
5 states, allowing interest thereon, if agreed, or as the by-laws  
6 of said corporation may provide; second, to borrow money,  
7 to loan money on credits or real estate, or personal or col-  
8 lateral security, and to negotiate loans and sales for others;  
9 third, to purchase, erect, own, maintain and operate safe  
10 deposit vaults with boxes, safes and other facilities therein to  
11 be rented to other parties for the safe keeping of moneys,  
12 securities, stocks, jewelry, plate, valuable papers and docu-  
13 ments, and other property susceptible of being deposited  
14 therein, and to receive on deposit for safe keeping property  
15 of any kind entrusted to it for that purpose; fourth, to hold  
16 and enjoy all such estate real, personal and mixed as may be  
17 obtained by the investment of its capital stock or any other  
18 moneys and funds that may come into its possession in the  
19 course of its business and dealings, and the same sell, grant  
20 and dispose of; fifth, to act as agent for issuing, registering  
21 and countersigning certificates, bonds, stocks and all evi-  
22 dences of debt or ownership in property; sixth, to hold by  
23 grant, assignment, transfer, devise or bequest any real or  
24 personal property or trusts duly created, and to execute trusts  
25 of every description; seventh, to act as executor, adminis-  
26 trator, guardian, receiver or assignee with the same powers  
27 and duties as are imposed by law upon natural persons act-  
28 ing in the same capacities, and subject to the same control  
29 of the court having jurisdiction of the same in all proceed-  
30 ings relating to the exercise of these powers; all papers may  
31 be signed and sworn to by any officer designated by the cor-  
32 poration for that purpose, and the officers shall be subject to  
33 citation and examination in the same manner and to the same  
34 extent as natural persons acting in the same capacities. No  
35 sureties shall be required upon the bond of the corporation

36 when acting in said capacities unless the court or officer  
37 approving said bond shall require it; eighth, to hold for safe  
38 keeping all kinds of personal or mixed property, and to act  
39 as agents for the owners thereof, and of real estate for the  
40 collection of income on the same and for the management and  
41 sale of the same; ninth, to do in general all the business that  
42 may lawfully be done by trust and banking companies.

Sect. 4. The capital stock of said corporation shall not be  
2 less than one hundred thousand dollars, divided into shares  
3 of one hundred dollars each, with the right to increase the  
4 said capital stock at any time, by vote of the shareholders, to  
5 any amount not exceeding five hundred thousand dollars.  
6 Said corporation shall not commence business as a trust or  
7 banking company, until stock to the amount of at least one  
8 hundred thousand dollars shall have been subscribed and paid  
9 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 in  
5 good faith; and all stock so acquired shall, within six months  
6 from the time of its acquisition, be disposed of at public or  
7 private sale.

Sect. 6. All the corporate powers of this corporation shall  
2 be exercised by a board of directors, who shall be residents  
3 of 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 five  
8 members to be, by vote of the shareholders, elected from the  
9 full board of directors. The directors of said corporation  
10 shall be sworn to the proper discharge of their duties, and  
11 they shall hold office until others are elected and qualified in

12 their stead. If a director dies, resigns, or becomes disquali-  
13 fied for any cause, the remaining directors may appoint a  
14 person to fill the vacancy until the next annual meeting of the  
15 corporation. The oath of office of such director shall be  
16 taken within thirty days of his election, or his office shall  
17 become vacant. The clerk of such corporation shall, within  
18 ten days, notify such directors of their election, and within  
19 thirty days shall publish the list of all persons who have taken  
20 the oath of office as directors.

Sect. 7. The board of directors of said corporation shall  
2 constitute the board of investment of said corporation. Said  
3 directors shall keep in a separate book, specially provided for  
4 the purpose, a record of all loans, and investments of every  
5 description, made by said institution substantially in the order  
6 of time when such loans or investments are made, which  
7 shall show that such loans or investments have been made  
8 with the approval of the investment committee of said corpo-  
9 ration, which shall indicate such particulars respecting such  
10 loans or investments as the bank examiner shall direct. This  
11 book shall be submitted to the trustees or directors and to the  
12 bank examiner whenever requested. Such loans or invest-  
13 ments shall be classified in the book as the bank examiner  
14 shall direct. No loan shall be made to any officer or director  
15 of said banking or trust company except by the unanimous  
16 approval of the executive board in writing, and said corpora-  
17 tion shall have no authority to hire money or to give notes  
18 unless by vote of the said board duly recorded.

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

Sect. 9. Said corporation, after beginning to receive  
2 deposits, shall, at all times, have on hand in lawful money,  
3 as a reserve, not less than fifteen per cent of the aggregate  
4 amount of its deposits which are subject to withdrawal on

5 demand, provided, that in lieu of lawful money, two-thirds  
6 of said fifteen per cent may consist of balances, payable on  
7 demand, due from any national or state bank.

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

Sect. 11. An administrator, executor, assignee, guardian  
2 or trustee, any court of law or equity, including courts of  
3 probate and insolvency, officers and treasurers of towns,  
4 cities, counties and savings banks of the State of Maine may  
5 deposit any moneys, bonds, stocks, evidences of debt or of  
6 ownership in property, or any personal property, with said  
7 corporation, and any of said courts may direct any person  
8 deriving authority from them to so deposit the same.

Sect. 12. The shareholders 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 said  
4 corporation, to a sum equal to the amount of the par value of  
5 the shares owned by each in addition to the amount invested  
6 in said shares.

Sect. 13. Such corporation shall set apart as a guaranty  
2 fund not less than ten per cent of its net 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 to

2 taxation in the same manner and rate as are the shares of  
3 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 all  
8 its engagements. If upon examination of said corporation  
9 the 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 haz-  
12 ardous to the public or to those having funds in its custody,  
13 or is of the opinion that it has exceeded its powers or failed  
14 to comply with any of the rules or restrictions provided by  
15 law, he shall have such authority and take such action as is  
16 provided for in the case of savings banks by chapter forty-  
17 seven of the Revised Statutes. He shall preserve in a per-  
18 manent form a full record of his proceedings, including a  
19 statement of the condition of said corporation. A copy of  
20 such statement shall be published by said corporation imme-  
21 diately after the annual examination of the same in some  
22 newspaper published where said corporation is established.  
23 If no paper is published in the town where said corporation  
24 is established, then it shall be published in a newspaper  
25 printed in the nearest city or town. The necessary expenses  
26 of the bank examiner while making such examination shall  
27 be paid by the 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 corpo-  
4 rators, 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.

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IN SENATE, February 19, 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.*