

MAINE STATE LEGISLATURE

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SEVENTY-SECOND LEGISLATURE

HOUSE.

No. 241

STATE OF MAINE.

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

AN ACT to incorporate the Oxford Trust Company.

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

Section 1. Albion P. Gordon, Albro R. Jenness, David A.
2 Bradley, Seth C. Gordon, Tobias L. Eastman, Edwin S.
3 Hutchins, Edward E. Hastings, Eben N. Fox, Loren R.
4 Giles, William R. Copp, Almon Young, Frank D. Fenderson,
5 William Gordon, Daniel W. True, Preston Walker, George
6 W. Walker, or such of them as may by vote accept this char-
7 ter, with their associates, successors, or assigns, are hereby
8 made a body corporate and politic to be known as the Oxford
9 Trust Company, and as such shall be possessed of all the
10 powers, privileges and immunities and subject to all the
11 duties and obligations conferred on corporations by law.

Sect. 2. The corporation hereby created shall be located
2 at Fryeburg in the county of Oxford and State of Maine.

Sect. 3. The purposes of said corporation and the business
2 which it may perform, are; first, to receive on deposit, money,
3 coin, bank notes, evidences of debt, accounts of individuals,
4 companies, corporations, municipalities and states, allowing
5 interest thereon, if agreed, or as the by-laws of said corpora-
6 tion may provide; second, to borrow money, to loan money
7 on credits, or real estate, or personal security, and to nego-
8 tiate loans and sales for others; third, to own and maintain
9 safe deposit vaults, with boxes, safes and other facilities
10 therein, to be rented to other parties for the safe keeping of
11 moneys, securities, stocks, jewelry, plate, valuable papers and
12 documents, and other property susceptible of being deposited
13 therein, and may receive on deposit for safe keeping, prop-
14 erty of any kind entrusted to it for that purpose; fourth, to
15 hold and enjoy all such estate, real, personal and mixed, as
16 may be obtained by the investment of its capital stock or any
17 other moneys and funds that may come into its possession
18 in the course of its business and dealings, and the same sell,
19 grant, and dispose of; fifth, to act as agent for issuing, regis-
20 tering and countersigning certificates, bonds, stocks, and all
21 evidences of debt or ownership in property; sixth, to hold
22 by grant, assignment, transfer, devise or bequest any real
23 or personal property or trusts duly created, and to execute
24 trusts of every description; seventh, to act as assignee,
25 receiver, executor, administrator and guardian, and no surety
26 shall be necessary upon the bond of the corporation, unless
27 the court or officer approving such bond shall require it;
28 eighth, to do in general all the business that may lawfully be
29 done by trust and banking companies.

Sect. 4. The capital stock of said corporation shall not be
2 less than twenty-five thousand dollars, divided into shares of
3 one hundred dollars each, with the right to increase the said

4 capital stock at any time, by vote of the shareholders, to any
5 amount not exceeding fifty thousand dollars. Said corpora-
6 tion shall not commence business as a trust or banking com-
7 pany until stock to the amount of at least twenty-five thou-
8 sand 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 from the time of its acquisition, be disposed of at
7 public or 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 directors of said corporation shall be sworn to the proper
7 discharge of their duties, and they shall hold office until
8 others are elected and qualified in their stead. If a director
9 dies, resigns, or becomes disqualified for any cause, the
10 remaining directors may appoint a person to fill the vacancy
11 until the next annual meeting of the corporation. The oath
12 of office of such director shall be taken within thirty days of
13 his election, or his office shall become vacant. The clerk of
14 such corporation shall, within ten days, notify such directors
15 of their election, and within thirty days shall publish the list
16 of all persons who have taken 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 shall

7 show that such loans or investments have been made with
8 the approval of the investment committee of said corporation,
9 which shall indicate such particulars respecting such loans
10 or investments as the bank examiner shall direct. This book
11 shall be submitted to the directors and to the bank examiner
12 whenever requested. Such loans or investments shall be
13 classified in the book as the bank examiner shall direct. No
14 loan shall be made to any officer or director of said banking
15 or trust company except by the approval of a majority of the
16 executive board in writing, and said corporation shall have
17 no authority to hire money or to give notes unless by vote of
18 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 five 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 of said trust department shall be kept separate
4 and such funds and the investments or loans of them shall
5 be specially appropriated to the security and payment of such
6 deposits, and not be subject to any other liabilities of the cor-
7 poration; and for the purpose of securing the observance of
8 this proviso, said corporation shall have a trust department
9 in which all business pertaining to said trust property shall
10 be kept separate and distinct from its general business.

Sect. 11. An administrator, executor, assignee, guardian
2 or trustec, 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. 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 surplus
2 fund not less than ten per cent of its net earnings in each
3 and 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
8 all its engagements. If upon examination of said corpora-
9 tion the examiner is of the opinion that its investments are
10 not in accordance with law, or said corporation is insolvent,
11 or its condition is such as to render its further proceedings
12 hazardous to the public or to those having funds in its cus-
13 tody, or is of the opinion that it has exceeded its powers or
14 failed to comply with any of the rules or restrictions provided

15 by law, he shall have such authority and take such action as
16 is provided for in the case of savings banks by chapter forty-
17 eight 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 immedi-
21 ately after the annual examination of the same in some news-
22 paper published where said corporation is established. If no
23 paper is published in the town where said corporation is
24 established, then it shall be published in a newspaper printed
25 in the nearest city or town in the county of Oxford. The
26 necessary expenses of the bank examiner while making such
27 examination shall be paid by the corporation.

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

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

STATE OF MAINE.

HOUSE OF REPRESENTATIVES,
Augusta, February 23, 1905.

Reported by Mr. KNAPP from Committee on Banks and Banking
and ordered printed under joint rules.

E. M. THOMPSON, *Clerk.*