

MAINE STATE LEGISLATURE

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SEVENTY-SECOND LEGISLATURE

HOUSE.

No. 244

STATE OF MAINE.

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

AN ACT to incorporate the Belfast Banking Company.

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

Section 1. Edward Johnson, James H. Howes, Arthur I.
2 Brown, Robert F. Dunton, Fred G. White, William H.
3 Quimby and Wilmer J. Dorman, or such of them as may by
4 vote accept this charter, with their associates, successors and
5 assigns, are hereby made a body corporate and politic to be
6 known as the Belfast Banking Company, and as such shall
7 be possessed of all the powers, privileges and immunities and
8 subject to all the duties and obligations conferred on corpo-
9 rations by law.

Sect. 2. The corporation hereby created shall be located
2 at Belfast, Waldo county, 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 shall 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 securities
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 act as agent for issuing, registering and countersigning cer-
16 tificates, bonds, stocks, and all evidences of debt or owner-
17 ship in property; fifth, to hold by grant, assignment, transfer,
18 devise or bequest, any real or personal property or trusts
19 duly created, and to execute trusts of every description; sixth,
20 to act as assignee, receiver, executor, and no surety shall be
21 necessary upon the bond of the corporation, unless the court
22 or officer approving such bond shall require it; seventh, to
23 do in general all the business that may lawfully be done by
24 trust and banking companies, but said corporation shall not
25 have the power or authority to establish branches.

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 five hundred thousand dollars. Said
6 corporation shall not commence business as a trust or bank-
7 ing company, until stock to the amount of at least twenty-five
8 thousand dollars shall have been subscribed and paid in, in
9 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 trustees, 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
8 five members to be, by vote of the shareholders, elected from
9 the full board of trustees. The trustees 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 trustee or director dies, resigns, or becomes
13 disqualified for any cause, the remaining trustees or directors
14 may appoint a person to fill the vacancy until the next annual
15 meeting of the corporation. The oath of office of such trust-
16 tee or director shall be taken within thirty days of his elec-
17 tion, or his office shall become vacant. The clerk of such
18 corporation shall, within ten days, notify such trustees or
19 directors of their election, and within thirty days shall pub-
20 lish the list of all persons who have taken the oath of office
21 as trustees or directors.

Sect. 7. The board of trustees or directors of said corpora-
2 tion shall constitute the board of investment of said corpora-
3 tion. Said trustees or directors shall keep in a separate book,
4 specially provided for the purpose, a record of all loans, and
5 investments of every description, made by said institution,
6 substantially in the order of time when such loans or invest-
7 ments are made, which shall show that such loans or invest-
8 ments have been made with the approval of the investment

9 committee of said corporation, which shall indicate such par-
10 ticulars respecting such loans or investments as the bank
11 examiner shall direct. This book shall be submitted to the
12 trustees or directors or to the bank examiner whenever
13 requested. Such loans or investments shall be classified in
14 the book as the bank examiner shall direct. No loan shall
15 be made to any officer or director of said banking or trust
16 company except by the unanimous approval of the executive
17 board in writing, and said corporation shall have no authority
18 to hire money or to give notes unless by vote of the said
19 board duly recorded.

Sect. 8. No person shall be eligible to the position of a
2 director or a trustee of said corporation who is not the actual
3 owner of 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 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 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. 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 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 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 the 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
23 no 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. The necessary expenses of the
26 bank examiner while making such examination shall be paid
27 by the corporation.

Sect. 16. Any two 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*.