

# MAINE STATE LEGISLATURE

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# SEVENTY-SECOND LEGISLATURE

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HOUSE.

No. 336

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## STATE OF MAINE.

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

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AN ACT to incorporate the Stonington Trust Company.

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

Section 1. Charles H. S. Webb, Elmer E. Spofford, B.  
2 Lake Noyes, John L. Goss, Fred E. Webb, Fred A. Torrey,  
3 Augustus O. Gross, Fred P. Weed, George L. Beck, Sumner  
4 P. Mills, Elmer P. Spofford, or such of them as may by vote  
5 accept this charter, with their associates, successors and  
6 assigns, are hereby made a body corporate and politic to be  
7 known as the Stonington Trust Company, and as such shall  
8 be possessed of all the powers, privileges and immunities and  
9 subject to all the duties and obligations conferred on corpo-  
10 rations by law.

Sect. 2. The corporation hereby created shall be located at  
2 Stonington, Hancock 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, on 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 moneys, 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 hold and enjoy all such estate, real, personal and mixed as may be obtained by the investment of its capital stock or any other moneys and funds that may come into its possession in the course of its business and dealings, and the same sell, grant and dispose of; fifth, to act as agent for issuing, registering and countersigning certificates, bonds, stocks and all evidences of debt or ownership in property; sixth, to hold by grant, assignment, transfer, devise or bequest, any real or personal property or trust duly created, and to execute trusts of every description; seventh, to act as assignee, 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; eighth, to do in general all the business that may lawfully be done by trust and banking companies.

Sect. 4. The capital stock of said corporation shall not be less than twenty-five 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

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  
8 twenty-five thousand dollars shall have been subscribed and  
9 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 shares unless neces-  
4 sary 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 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 a vote of the shareholders, elected  
9 from the full board of trustees. The trustees of said corpo-  
10 ration shall be sworn to the proper discharge of their duties,  
11 and they shall hold office until others are elected and qualified  
12 in their stead. If a trustee or director dies, resigns, or  
13 becomes disqualified for any cause, the remaining trustees or  
14 directors may appoint a person to fill the vacancy until the  
15 next annual meeting of the corporation. The oath of office  
16 of such trustee or director shall be taken within thirty days  
17 of his election, or his office shall become vacant. The clerk  
18 of such corporation shall, within ten days, notify such trus-  
19 tees or directors of their election and within thirty days shall  
20 publish the list of all persons who have taken the oath of  
21 office as trustees or directors.

Sect. 7. The board of trustees or directors of said corporation shall constitute the board of investment of said corporation. Said trustees or directors shall keep in a separate book, specially provided for the purpose, a record of all loans, and investments of every description, made by said institution 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. This book shall be submitted to the trustees or directors and to the bank examiner whenever requested. Such loans or investments shall be classified in the book as the bank examiner shall direct. No loans shall be made by 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 a 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 five 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

5 specially appropriated to the security and payment of such  
6 deposits, and not be subject to any other liability 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 guaranty fund  
2 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 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  
10 in accordance with law, or said corporation is insolvent, or  
11 its condition is such as to render its further proceedings  
12 hazardous to the public or to those having funds in its  
13 custody, or is of the opinion that it has exceeded its powers  
14 or failed to comply with any of the rules or restrictions pro-  
15 vided by law, he shall have such authority and take such  
16 action as is provided in the case of savings banks by chapter  
17 forty-eight of the Revised Statutes. He shall preserve in a  
18 permanent form a full record of his proceedings, including  
19 a 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  
2 may call the first meeting of the corporation by mailing a  
3 written notice, signed by all five, 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 meeting,  
6 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.

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HOUSE OF REPRESENTATIVES,  
Augusta, March 2, 1905.

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

E. M. THOMPSON, *Clerk.*