

# MAINE STATE LEGISLATURE

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NEW DRAFT.

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# SEVENTY-SECOND LEGISLATURE

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HOUSE.

No. 337

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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 Fidelity Trust Company of  
Portland, Maine.

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

Section 1. Edward P. Ricker of Poland, Maine, Richard  
2 G. Elkins of Boston, Massachusetts, Joseph W. Symonds,  
3 Charles Sumner Cook, Charles A. Robinson, Nathan Clifford,  
4 Fred E. Eastman, Frederick O. Conant and Frank D. True  
5 all of Portland, Maine, and Henry W. Mayo of Hampden,  
6 Maine, or such of them as may by vote accept this charter,  
7 with their associates, successors and assigns, are hereby made  
8 a body corporate and politic to be known as the Fidelity  
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,  
12 except as otherwise provided herein.

Sect. 2. The corporation shall be located at Portland,  
2 Cumberland county, Maine.

Sect. 3. The purposes of said corporation and the business  
2 which it may perform, are:

First: To receive on deposit, money, coin, bank notes,  
4 evidences of debt, accounts of individuals, companies, corpo-  
5 rations, municipalities and states, allowing interest thereon,  
6 if agreed, or as the by-laws of said corporation may provide.

Second: To borrow money, to loan money on credits, or  
8 real estate, or personal or collateral security, and to negotiate  
9 loans and sales for others.

Third: To erect, construct, own, maintain and operate safe  
11 deposit vaults, with boxes, safes and other facilities therein,  
12 to be rented to other parties, for the safe keeping of moneys,  
13 securities, stocks, jewelry, plate, valuable papers and docu-  
14 ments, and other property susceptible of being deposited  
15 therein, and to receive on deposit for safe keeping, property  
16 of any kind entrusted to it for that purpose.

Fourth: To hold and enjoy all such estate, real, personal  
18 and mixed, as may be obtained by the investment of its capi-  
19 tal stock or any other moneys and funds that may come into  
20 its possession in the course of its business and dealings, and  
21 the same to sell, grant, and otherwise dispose of.

Fifth: To act as agent for issuing, registering and coun-  
23 tersigning certificates, bonds, stocks, and all evidences of  
24 debt or ownership in property.

Sixth: To hold by grant, assignment, transfer, devise or  
26 bequest, any real or personal property in trust or otherwise,  
27 and to execute trusts of every description.

Seventh: To act as agent for a person or corporation, and  
29 also to act as executor, receiver or assignee, with the same  
30 powers and duties as are conferred and imposed by law upon

31 natural persons acting in the same capacities and subject to  
32 the same control of the court having jurisdiction of the same  
33 in all proceedings relating to the exercise of these powers ;  
34 all papers may be signed and sworn to by any officer desig-  
35 nated by the corporation for that purpose, and the officers  
36 shall be subject to citation and examination in the same man-  
37 ner and to the same extent as natural persons acting in the  
38 same capacities. No sureties shall be required upon the bond  
39 of the corporation when acting in said capacities, unless the  
40 court or officer approving said bond shall require it. This  
41 corporation may become surety upon any bond required to  
42 be given by any party in any matter or proceeding in any  
43 court, or by any person holding any position of trust in which  
44 a bond is required and upon any bond required to be given  
45 under any law or regulation of any department of the gov-  
46 ernment of the United States.

Eighth: To guarantee the payment of the principal and  
48 interest of all obligations secured by mortgages of real estate  
49 running to said Fidelity Trust Company.

Ninth: To hold for safe keeping all kinds of personal or  
51 mixed property and to act as agent for the owners thereof,  
52 and as agent for the owners of real estate for the collection  
53 of income on the same and for the sale of the same.

Tenth: To do in general all the business that may lawfully  
55 be done by trust and banking companies.

Sect. 4. The capital stock of said corporation shall not be  
2 less than fifty thousand dollars, divided into shares of one  
3 hundred dollars each, with the right to increase the said capi-  
4 tal stock at any time, by a majority vote of the holders of its  
5 stock then issued and outstanding, to any amount not  
6 exceeding five hundred thousand dollars. Said corporation  
7 shall not commence business as a trust or banking company,  
8 until stock to the amount of at least fifty thousand dollars  
9 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 debt previously contracted in  
5 good faith; and all stock so acquired shall, within a reason-  
6 able time after 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 and who shall be elected by the shareholders,  
4 and whose number and term of office shall be determined by  
5 a vote of the shareholders at the first meeting held by the  
6 incorporators and at each annual meeting thereafter, unless  
7 otherwise provided by by-law of the corporation. Said  
8 board of directors may annually choose either three or five  
9 of its members to act as an executive committee of said board  
10 with such powers and duties as shall be provided herein, or  
11 by any by-law of the corporation, or by any vote of said  
12 board of directors not inconsistent therewith, and said board  
13 of directors may annually choose a president and such vice  
14 presidents, a treasurer, a clerk and such other officers and  
15 agents as, from time to time, shall be required by the by-laws  
16 of said corporation, or as are authorized by the board of  
17 directors and for such terms and with such powers and duties  
18 as shall be provided herein, or by any by-law of said corpo-  
19 ration, or vote of said directors not inconsistent therewith.  
20 The directors of said corporation shall be sworn to the  
21 proper discharge of their duties, and they shall hold their  
22 office until others are elected and qualified in their stead. If  
23 a director dies, resigns, or becomes disqualified for any cause,  
24 the remaining directors may appoint a person to fill the  
25 vacancy until the next annual meeting of the corporation.  
26 The board of directors shall also fill, for the unexpired term,  
27 any vacancy in the executive committee. The oath of office

28 of such director shall be taken within thirty days of his elec-  
29 tion, or his office shall become vacant. The clerk of such  
30 corporation shall, within ten days, notify such directors of  
31 their election, and within thirty days shall publish the list of  
32 all persons who have taken the oath of office as directors.

Sect. 7. The executive committee if elected, as provided in  
2 section 6, and if said committee shall not be elected, then the  
3 board of directors of said corporation shall constitute the  
4 board of investment of said corporation. Said directors, or  
5 the executive committee thereof, shall keep in a separate  
6 book, specially provided for the purpose, record of all loans,  
7 and investments of every description, made by said institution  
8 substantially in the order of time when such loans or invest-  
9 ments are made, which shall show that such loans or invest-  
10 ments have been made with the approval of a majority of  
11 the directors of said corporation, or of the executive com-  
12 mittee thereof, and shall indicate such particulars respecting  
13 such loans or investments as the bank examiner shall, from  
14 time to time, direct. This book shall be submitted to the  
15 directors and to the bank examiner whenever requested.  
16 Such loans or investments shall be classified in the book as  
17 the bank examiner shall direct. No loan shall be made to  
18 any officers, director or agent of said company or to any  
19 other persons in its employ, until the proposition to make  
20 such loan shall have been submitted by the person desiring  
21 the same to the board of directors of said corporation, or to  
22 the executive committee of such board, if any, and accepted  
23 and approved by a majority of such board or committee.  
24 Such approval, if the loan is made, shall be spread upon the  
25 records of the corporation; and this record shall, in every  
26 instance, give the names of the directors authorizing the loan.  
27 Said corporation shall have no authority to hire money or to  
28 give notes unless by a vote of said board or of said executive  
29 committee 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 stock.

Sect. 9. Said corporation after beginning to receive money  
2 on deposit shall, unless hereafter otherwise specifically  
3 required by law, at all times have on hand, as a reserve, in  
4 lawful money of the United States, an amount equal to at  
5 least fifteen per cent of the aggregate amount of all its  
6 deposits which are subject to withdrawal upon demand or  
7 within ten days; and whenever such reserve of such corpora-  
8 tion shall be below said percentage of such deposits, it shall  
9 not further diminish the amount of its legal reserve by mak-  
10 ing any new loans until the required proportion between the  
11 aggregate amount of such deposits and its reserve fund shall  
12 be restored; provided, that in lieu of lawful money two-  
13 thirds of said fifteen per cent may consist of balances pay-  
14 able on demand, due from any national bank, and one-third  
15 of said fifteen per cent may consist of lawful money and  
16 bonds of the United States or of this State, the absolute prop-  
17 erty of such corporation.

Sect. 10. All the money or property 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. 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 of  
5 the shares owned by each in addition to the amount invested  
6 in said shares.

Sect. 13. Said 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 the  
5 company. The said surplus shall be kept as security against  
6 losses and contingencies, and whenever the same becomes  
7 impaired it shall be reimbursed in the manner provided for  
8 its accumulations.

Sect. 14. The shares of said corporation shall be subject  
2 to taxation in the same manner and at the same rate as are  
3 the shares 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 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 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 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 imme-  
21 diately after the annual examination of the same in some  
22 newspaper published where said corporation is located. If  
23 no paper is published in the town where said corporation is  
24 located, then it shall be published in a newspaper printed in  
25 the nearest city or town.

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 said three corporators, postage paid,  
4 to each of the other corporators, seven days at least before  
5 the day of the meeting, naming the time, place and purpose  
6 of such meeting, and at such meeting the necessary officers  
7 may be chosen, by-laws adopted, and any other corporate  
8 business transacted.

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

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## 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*