

MAINE STATE LEGISLATURE

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NEW DRAFT.

SEVENTY-SECOND LEGISLATURE

HOUSE.

No. 442

STATE OF MAINE.

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

AN ACT to incorporate the State Loan Company.

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

Section 1. Samuel Boothby, Robert T. Whitehouse, Scott
2 Wilson, Constant Southworth and William M. Ingraham,
3 their associates and successors, are hereby created a corpo-
4 ration by the name of the State Loan Company, to be located
5 at Portland, in the county of Cumberland, for the purpose
6 of loaning money on the notes of individuals, firms or corpo-
7 rations, secured by mortgage of real estate or personal prop-
8 erty or right of interest therein, or by the deposit or pledge
9 of personal property of any kind or description, including
10 savings banks deposit books, life insurance policies, bonds
11 and securities of the United States or of any state or county

12 or of municipal and other corporations, shares of the capital
13 stock of corporations and other obligations of, and claims
14 against, third parties.

Sect. 2. Said corporation may acquire by foreclosure or
2 otherwise any real estate or interest therein, necessary to
3 render available its security by mortgage thereon or to
4 accomplish any of the purposes of this charter, and may sell
5 and dispose of the same, and it may hold and own real estate
6 for its own purposes.

Sect. 3. The government of said corporation shall be in
2 five directors to be chosen annually at such time as shall
3 be provided for in the by-laws, and the board thus created
4 shall elect one of their number president, and such other
5 officers as may be deemed necessary. A majority of said
6 board to be residents of the State.

Sect. 4. It shall be lawful for said corporation to invest
2 such of its funds as shall be on hand from time to time undis-
3 posed of on loans, in any of the bonds or securities in which
4 savings banks in this State are allowed to invest. And said
5 corporation may borrow money upon its own notes, not
6 exceeding the amount of its capital stock actually paid in,
7 and for periods not exceeding one year, and may secure the
8 same by pledge of any of the bonds or securities owned by
9 it under the provisions of this section.

Sect. 5. The capital stock of said corporation shall be one
2 hundred thousand dollars, and shall be divided into one thou-
3 sand shares of one hundred dollars each.

Sect. 6. Said corporation shall not proceed to business
2 under this charter until its capital stock shall have been duly
3 subscribed to the amount of ten thousand dollars, and the
4 said sum actually paid in therefor.

Sect. 7. All loans shall be for a fixed time, not exceeding
2 one year, and shall be upon the note or notes of the borrower,
3 secured as hereinbefore provided, which notes shall state

4 upon their face the nature of the security given, and if
5 secured by pledges of personal property, shall state the terms
6 and conditions upon which said pledged property shall be
7 applied in satisfaction of said notes.

Sect. 8. The corporation shall give to each borrower a card
2 inscribed with the name of the corporation, the amount of
3 the loan, the rate of compensation, the date when made, the
4 date when payable and the article or articles pledged as col-
5 lateral.

Sect. 9. Upon default in the payment of principal or inter-
2 est of any notes secured by the pledge of any personal prop-
3 erty hereinbefore mentioned, said corporation shall have the
4 right to sell said pledged property or otherwise enforce its
5 claim thereon, and apply the proceeds thereof, in accordance
6 with the terms and conditions made and signed as a part of
7 said note, subject to the provisions of law. The net surplus,
8 if any there be, after payment of said note with interest and
9 charges, as provided by the terms thereof, shall be held by
10 said corporation for one year for the benefit of the owner.
11 If not then called for, the same shall become the property
12 of said corporation.

Sect. 10. The stockholders of said corporation may estab-
2 lish such by-laws, rules and regulations for conducting the
3 business of said corporation as they shall deem necessary,
4 not inconsistent with the provisions of this charter or the
5 laws of this State.

Sect. 11. The first meeting of said corporation may be
2 called by a written notice thereof signed by any two corpo-
3 rators herein named, served upon each corporator by giving
4 him the same in hand or leaving the same at his last and usual
5 place of abode, seven days at least before the time of the
6 meeting.

Sect. 12. This act shall take effect when approved.

STATE OF MAINE

HOUSE OF REPRESENTATIVES,
Augusta, March 9, 1905.

Reported by Mr. HIGGINS from Committee on Judiciary and ordered
printed under joint rules.

E. M. THOMPSON, *Clerk.*