

MAINE STATE LEGISLATURE

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SEVENTY-THIRD LEGISLATURE

SENATE.

No. 132

STATE OF MAINE.

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

AN ACT to incorporate the "Maine Title Guarantee Company."

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

Section 1. Edward T. Cheney, Arthur R. Alexander, John
2 H. Hill, Joseph B. Reed and Arthur W. Merrill of Portland,
3 Walter B. Reed of Bangor, and Thomas M. Bartlett of New
4 York City, or such of them as may vote to accept this charter,
5 with their associates, successors and assigns, are hereby made
6 a body corporate and politic to be known as the Maine Title
7 Guarantee Company and as such shall be possessed of all the
8 powers, privileges, and immunities and subject to all the
9 duties and obligations conferred on corporations by law,
10 except as otherwise provided herein.

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

Sect. 3. The purposes of said corporation and the business which it may perform, are: first, to borrow money, to loan money on credits, or real estate, or personal or collateral security, and to negotiate loans and sales for others; second, 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, acquired in satisfaction of debts due the corporation under sales, judgments and mortgages; or by subrogation under its guarantees, and the same to sell, grant and otherwise dispose of; third, to guarantee bonds and mortgages and titles to real estate, and to make and cause to be made, and to purchase and to pay for all such searches, abstracts, indices, maps and copies of records as the directors may deem necessary; fourth, to guarantee the payment of the principal and interest of all obligations secured by mortgages of real estate; fifth, to act as agent for the owners of real estate for the collection of income on the same, and for the sale of the same.

Sect. 4. The capital stock of said corporation shall not be less than fifty thousand dollars, divided into shares of one hundred dollars each, with the right to increase the said capital stock at any time, by a majority vote of the holders of its stock then issued and outstanding, to any amount not exceeding five hundred thousand dollars. Said corporation

7 shall not commence business until stock to the amount of at
8 least fifty 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 such shares unless
4 necessary to prevent loss upon debt previously contracted
5 in good faith; and all stock so acquired shall, within a rea-
6 sonable 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
5 by 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-laws of the corporation. Said
8 board of directors may annually choose three or five of its
9 members to act as an executive committee of said board with
10 such powers and duties as shall be provided herein, or by
11 any by-law of the corporation, or by any vote of said board
12 of directors not inconsistent therewith, and said board of
13 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

18 duties as shall be provided herein, or by any by-law of said
19 corporation, or vote of said directors not inconsistent there-
20 with. The directors of said corporation shall hold their office
21 until others are elected and qualified in their stead. If a
22 director dies, resigns, or becomes disqualified for any cause,
23 the remaining directors may appoint a person to fill the
24 vacancy until the next annual meeting of the corporation.
25 The board of directors shall also fill, for the unexpired term,
26 any vacancy in the executive committee.

Sect. 7. The executive committee, if elected, as provided
2 in Section six, and if said committee shall not be elected, then
3 the 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 institu-
8 tion substantially in the order of time when such loans or
9 investments are made, which shall show that such loans or
10 investments have been made with the approval of a majority
11 of the directors of said corporation, or of the executive com-
12 mittee thereof. No loan shall be made to any officers, direc-
13 tor or agent of said company or to any other persons in its
14 employ, until the proposition to make such loan shall have
15 been submitted by the person desiring the same to the board
16 of directors of said corporation, or to the executive commit-
17 tee of such board, if any, and accepted and approved by a
18 majority of such board or committee. Such approval, if the

19 loan is made, shall be spread upon the records of the corpo-
20 ration; and this record shall, in every instance, give the
21 names of the directors authorizing the loan. Said corporation
22 shall have no authority to hire money or to give notes unless
23 by a vote of said board or of said executive committee duly
24 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 stock.

Sect. 9. Said corporation shall set apart as a 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 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 accumulation.

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 of
6 such meeting, and at such meeting the necessary officers may
7 be chosen, by-laws adopted and any other corporate business
8 transacted.

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

STATE OF MAINE.

IN SENATE, February 21, 1907.

Pending reference to Committee on Judiciary in concurrence,
tabled for printing on motion by Mr. PARKHURST of Penobscot.

F. G. FARRINGTON, *Secretary*.