

# MAINE STATE LEGISLATURE

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SEVENTY-SIXTH LEGISLATURE

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HOUSE

NO. 54

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*House of Representatives, Jan. 23, 1913.*

*Reported by Mr. Rousseau from Committee on Legal Affairs  
and ordered printed under joint rules.*

*W. R. ROIX, Clerk.*

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STATE OF MAINE

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

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AN ACT to incorporate the Maine Security Company.

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*Be it enacted by the People of the State of Maine, as follows:*

Section 1. Frank B. Nichols, Fred D. Hill, Thomas S.  
2 Gibbons, Truman R. Stiles and William J. Gamage, their  
3 associates and successors, are hereby created a corporation  
4 by the name of the Maine Security 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 cor-  
7 porations, secured by mortgage of real estate or any inter-  
8 est therein, or by pledge or mortgage of personal property  
9 of any kind, including savings bank deposit books, life in-  
10 surance policies, bonds, stock and other obligations of and  
11 against third parties, and all the powers and privileges nec-

12 essary for the execution of these purposes are hereby grant-  
13 ed, and said corporation shall begin business on or before  
14 January 1st, 1915, otherwise this charter shall be void.

Sect. 2. The amount of the capital stock of said corpora-  
2 tion shall be one hundred thousand dollars, which shall be  
3 divided into one thousand shares of one hundred dollars  
4 each. Said corporation shall not proceed to business under  
5 this charter till its capital stock shall have been duly sub-  
6 scribed and actually paid for to the amount of five thou-  
7 sand dollars. Said corporation may increase its capital  
8 stock from time to time until the same amounts to two hun-  
9 dred thousand dollars.

Sect. 3. Said corporation may purchase, hold and loan  
2 real estate and other property for its own uses and purposes,  
3 and may acquire by foreclosure or otherwise any real estate  
4 or personal property or interest therein necessary to render  
5 available its security by mortgage thereon, or to accomplish  
6 any of the purposes of this charter. It shall be lawful for  
7 said corporation to invest such of its funds as shall be on  
8 hand from time to time not disposed of on loans, in any of  
9 the bonds or securities in which savings banks in this state  
10 are allowed to invest. Said corporation may borrow money  
11 on its own notes not exceeding the amount of its capital  
12 stock actually paid in for periods not exceeding one year.

Sect. 4. The government of said corporation shall be vest-  
2 ed in a board of not less than five directors, to be chosen  
3 annually at such time as shall be provided for in the by-laws

4 and the board thus created shall elect one of their number  
5 President and such other officers as may be deemed neces-  
6 sary. A majority of this board shall be residents of this  
7 state.

Sect. 5. All loans shall be for a fixed time and for not  
2 longer than one year and shall be upon note or notes of the  
3 borrower, secured as hereinbefore provided, and the mort-  
4 gagee shall have the right to redeem his property at any  
5 time before the right of redemption as specified by his con-  
6 tract shall be foreclosed, upon payment of the amount of his  
7 loan and interest up to the time of the offer to redeem and  
8 tender of the amount due, together with the actual amount  
9 of charges incident to foreclosure.

Sect. 6. In all cases of loans for the sum of two hundred  
2 dollars or less, secured by mortgage on personal property,  
3 the rate of interest which may be charged shall not exceed  
4 two per cent. per month, and a fee of not more than two dol-  
5 lars for the actual expenses of making the loan and securing  
6 the same may be charged and collected. The note shall show  
7 the amount of the loan and the interest charged, and the  
8 interest shall not be deducted in advance.

Sect. 7. The corporation shall cause to be given to each  
2 borrower a card which shall state the name of the corpora-  
3 tion, the name of the borrower, the amount of the loan and  
4 the rate of interest, the date when the loan is made and when  
5 it is payable, and the nature of the security mortgaged or  
6 pledged for the loan, and in case of pledged articles, shall

7 state the terms upon which said pledged property shall be  
8 applied in payment of said notes.

Sect. 8. In case property pledged to the corporation as  
2 security for a loan is not redeemed within three months from  
3 the date when the loan was payable, said corporation shall  
4 have the right to sell or dispose of the same and apply the  
5 proceeds to the note, interest and charges, and the net sur-  
6 plus, after paying the loan, interest, charges and expenses,  
7 shall be returned to the borrower, or held subject to his dis-  
8 posal six months, after which time it shall become the prop-  
9 erty of the corporation.

Sect. 9. The first meeting of said corporation may be called  
2 by a written notice signed by any corporator hereinbefore  
3 named, served upon each corporator by giving him the same  
4 in hand or leaving the same at his last and usual place of  
5 abode, seven days before the time appointed for the meet-  
6 ing, unless such notice is waived in writing signed by all the  
7 corporators.