

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

NEW DRAFT.

SEVENTY-SEVENTH LEGISLATURE

SENATE

NO. 405

In Senate, March 19, 1915.

Reported by Senator Bartlett from Committee on Legal Affairs and ordered printed under joint rules.

W. E. LAWRY, Secretary.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND FIFTEEN

AN ACT to incorporate the Mutual Loan Society of Lewiston.

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

Section 1. F. X. Marcotte, Alfred G. Gagnon, J. B.
2 Janelle, Albert T. Gastonguay and Agathe Gauthier, all of
3 Lewiston, in the County of Androscoggin and State of
4 Maine, their associates and successors, are hereby incorpo-
5 rated under the name of "THE MUTUAL LOAN SO-
6 CIETY OF LEWISTON."

Sect. 2. The capital stock of said corporation shall not
2 exceed fifty thousand (\$50,000.00) dollars, divided into five
3 hundred shares of the par value of one hundred (\$100.00)

4 dollars each. No stock shall be issued unless paid for in
5 cash at par. The corporation shall not begin to do business
6 until five thousand dollars stock has been actually subscribed
7 and paid in.

Sect. 3. The purpose of the corporation is to promote the
2 habits of economy and encourage thrift especially amongst
3 young people, and to assist such persons as may become
4 members in securing loans for home-building and other le-
5 gitimate purposes at low rates of interest and on easy terms
6 of repayment.

For the purpose aforesaid it may receive deposits from
8 individuals of two dollars and thirty (\$2.30) cents per
9 month each, two (\$2.00) dollars of which shall be held by
10 said corporation to accumulate a fund for the depositor and
11 thirty (\$0.30) cents as the compensation of the corporation
12 for its services, expenses of administration and risk.

Sect. 4. A fee of five dollars and fifty (\$5.50) cents
2 called a membership fee shall be paid to the corporation by
3 each person desiring to become a member thereof before
4 obtaining a certificate of deposit, entitling said member to
5 the advantage and benefit of securing a loan from said cor-
6 poration as hereinafter stipulated.

Whenever the aggregate sum of the combined depositors'
8 credits amounts to one thousand (\$1,000.00) dollars, the
9 first depositor in numerical order of his certificate, may bor-
10 row the sum of one thousand (\$1,000.00) dollars, on real
11 estate or other security or endorsement approved by the

12 directors and shall discharge and cancel such loan by repay-
13 ing to the corporation the sum by which said one thousand
14 (\$1,000.00) dollars shall exceed the accumulated payments
15 then standing to the credit of such borrower at the rate of
16 not less than five (\$5.00) dollars per month on said loan,
17 and fifteen (\$.15) cents per month on each dollar of such
18 monthly payments for the benefit of the corporation, all pay-
19 able monthly and all without interest or any other compen-
20 sation for the use thereof; provided, however, that the cor-
21 poration may collect interest on the payment in arrears at the
22 rate of six per cent. per annum and may declare the whole
23 principal of said loan due and payable, and collect the same
24 with interest thereon at said rate, whenever any borrower
25 shall be three months in arrears on his said payments.

Sect. 5. Each succeeding one thousand (\$1,000.00) dollars
2 accumulated from the combined monthly payments of the
3 depositors, as aforesaid, shall be loaned and repaid in the
4 same manner, the despositors having a right to borrow in
5 **their numerical order.**

Any person may take as many certificate of deposits of one
7 thousand (\$1,000.00) dollars as he may desire, by paying
8 the regular membership fee above stated on each certificate
9. of deposit of one thousand (\$1,000.00) dollars.

The certificates or other evidence of ownership in said fund
11 shall be transferable, by paying the regular fee fixed for that
12 purpose by the directors, which said fee shall not exceed one
13 dollar and fifty (\$.50) cents.

Sect. 6. The capital stock and accumulation thereof shall
2 be liable for the repayment of deposits and no distribution
3 of profits shall be made to the stockholders until the direct-
4 ors shall first make a careful examination of all outstanding
5 loans and certify on the records of the corporation over the
6 signature of not less than two-thirds of them, that a sum
7 has been set aside from profits or other sources sufficient to
8 meet all losses and the amount by which any loan or loans
9 exceeds the actual value of the security therefor, personal
10 or otherwise.

Sect. 7. Said corporation may purchase, own, hold, loan,
2 sell and lease real estate and other property for its own use
3 and purposes, and may acquire by foreclosure or otherwise
4 any real estate or personal property or interest therein nec-
5 essary to render available its security by mortgages thereon,
6 or to accomplish any of the purposes of this charter.

Sect. 8. The officers of said corporation shall consist of
2 a president, vice-president, treasurer, clerk and a board of
3 not less than five directors. The directors and clerk shall
4 be chosen by the stockholder at their annual meeting. The
5 president and vice-president shall be elected by the directors
6 from their own number. The directors shall also elect the
7 treasurer and such other agents and employees as may be
8 necessary for the transaction of the business of the corpo-
9 ration.

Sect. 9. The records, books of account and securities of
2 the corporation shall at all times be open to the inspection
3 of the stockholders.

Sect. 10. Said corporation may establish by-laws and reg-
2 ulations not inconsistent with this act or the general laws of
3 the State.

Sect. 11. The first meeting for the purpose of accepting
2 this act and organization hereunder may be called by any
3 two of the corporators by notice thereof in writing served
4 upon all of the others then living in hand or mailed to them
5 at their last known residences not less than seven days be-
6 fore the date thereof; or such meeting may be held without
7 said notice in writing if all the corporators then living are
8 present thereat.

Sect. 12. If a member discontinue his monthly payments
2 before obtaining his loan from the corporation, the amount
3 of his deposits shall be paid back to him with interest at
4 four per cent per annum.

Sect. 13. At the death of a member, his heirs, executors,
2 administrators or assigns may continue the payments or
3 withdraw the amount of the deposits of said deceased mem-
4 ber with interest at four per cent per annum.

Sect. 14. The business of this corporation to be subject
2 to the supervision of the Bank Commissioner; with all the
3 powers given with respect to examinations and supervision
4 of savings banks and trust companies.

Sect. 15. Each stockholder of the corporation shall be in-

2 dividualy responsible, equally and ratably, and not one
3 for the other, for all contracts, debts, and engagements of
4 such corporation, to a sum equal to the amount of the par
5 value of the shares owned by each in addition to the amount
6 invested in said shares.