

# MAINE STATE LEGISLATURE

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SEVENTY-EIGHTH LEGISLATURE

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HOUSE

NO. 269

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*House of Representatives, Feb. 13, 1917.*

*Referred to Committee on Judiciary and five hundred copies ordered printed. Sent up for concurrence.*

*W. R. ROIX, Clerk.*

*Presented by Mr. Gurney of Portland.*

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STATE OF MAINE

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

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AN ACT to incorporate the Casco Title Guaranty Company.

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

Section 1. Ernest L. Small, Charles R. Cressey, Charles  
2 M. Hay and Charles E. Gurney of Portland, Edward C.  
3 Reynolds and Lauren M. Sanborn of South Portland, or  
4 such of them as may vote to accept this charter, with their  
5 associates, successors and assigns, are hereby made a body  
6 corporate and politic to be known as the Casco Title Guar-  
7 anty 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,  
2 Cumberland County, Maine.

Sect. 3. The purposes of said corporation and the busi-  
2 ness which it may perform, are: first, to borrow money, to  
3 loan money on credits, or real estate, or personal or col-  
4 lateral security, and to negotiate loans and sales for others;  
5 second, to hold and enjoy all such estate, real, personal and  
6 mixed, as may be obtained by the investment of its capital  
7 stock or any other moneys and funds that may come into  
8 its possession in the course of its business and dealings,  
9 acquired in satisfaction of debts due the corporation under  
10 sales, judgments and mortgages; or by subrogation under  
11 its guarantees, and the same to sell, grant and otherwise  
12 dispose of; third, to guarantee bonds and mortgages and  
13 titles to real estate, and to make and cause to be made, and  
14 to purchase and to pay for all such searches, abstracts, in-  
15 dices, maps and copies of records as the directors may deem  
16 necessary; fourth, to guarantee the payment of the prin-  
17 cipal and interest of all obligations secured by mortgages of  
18 real estate; fifth, to act as agent for the owners of real  
19 estate for the collection of income on the same, and for the  
20 sale of the same

Sect. 4. The capital stock of said corporation shall not  
2 be less than one hundred thousand dollars, divided into  
3 shares of one hundred dollars each, with the right to in-

4 crease the said capital stock at any time, by a majority vote  
5 of the holders of its stock then issued and outstanding, to  
6 any amount not exceeding five hundred thousand dollars.  
7 Said corporation shall not commence business until stock  
8 to the amount of at least fifty thousand dollars shall have  
9 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  
5 in good faith; and all stock so acquired, shall, within a rea-  
6 sonable time after its acquisition, be disposed of at public  
7 or 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, un-  
7 less otherwise provided by the by-laws of the corporation.  
8 Said board of directors may annually choose three or five  
9 of its members to act as an executive committee of said  
10 board with such powers and duties as shall be provided  
11 herein, or by any by-law of the corporation, or by any vote  
12 of said board of directors not inconsistent therewith, and  
13 said board of directors may annually choose a president and  
14 such vice presidents, a treasurer, a clerk and such other

15 officers and agents as from time to time shall be required by  
16 the by-laws of said corporation, or as are authorized by the  
17 board of directors and for such terms and with such powers  
18 and duties as shall be provided herein, or by any by-law of  
19 said corporation, or vote of said directors not inconsistent  
20 therewith. The directors of said corporation shall hold  
21 their office until others are elected and qualified in their  
22 stead. If a director dies, resigns, or becomes disqualified  
23 for any cause, the remaining directors may appoint a person  
24 to fill the vacancy until the next annual meeting of the cor-  
25 poration. The board of directors shall also fill, for the un-  
26 expired term, 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,  
3 then the board of directors of said corporation shall con-  
4 stitute the board of investment of said corporation. Said  
5 directors, or the executive committee thereof, shall keep in  
6 a separate book, specially provided for the purpose, record  
7 of all loans, and investments of every description, made by  
8 said institutions substantially in the order of time when  
9 such loans or investments are made, which shall show that  
10 such loans or investments have been made with the ap-  
11 proval of a majority of the directors of said corporation, or  
12 of the executive committee thereof. No loan shall be made  
13 to any officers, director or agent of said company or to any  
14 other persons in its employ until the proposition to make  
15 such loan shall have been submitted by the person desiring

16 the same to the board of directors of said corporation, or  
17 to the executive committee of such board, if any, and ac-  
18 cepted and approved by a majority of such board or com-  
19 mittee. Such approval, if the loan is made, shall be spread  
20 upon the records of the corporation; and this record shall,  
21 in every instance, give the name of the directors authorizing  
22 the loan. Said corporation shall have no authority to hire  
23 money or to give notes unless by a vote of said board or of  
24 said executive 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 five shares of stock.

Sect. 9. Said corporation shall set apart a guaranty fund  
2 not less than one fourth of the capital stock of said corpora-  
3 tion issued and outstanding, which shall be kept as security  
4 against any losses or contingencies by reason of its guaranty.  
5 and whenever the same shall become impaired so that it  
6 shall amount to less than one fourth of the capital stock of  
7 said corporation issued and outstanding, no guaranty shall  
8 be issued by said corporation said deficiency shall be made  
9 up. Said fund shall be invested in real estate, or in such  
10 other securities as the insurance commissioner may approve.

Sect. 10. Any three of the incorporators named in this act  
2 may call the first meeting of the corporation by mailing  
3 a written notice signed by said three incorporators, postage  
4 paid, to each of the other incorporators, seven days at least  
5 before the day of the meeting, naming the time, place and

6 purpose of such meeting, and at such meeting the necessary  
7 officers may be chosen, by laws adopted and any other cor-  
8 porate business transacted, provided that without such  
9 notice all such corporators may meet voluntarily at any time  
10 and effect their organization by electing officers, adopting  
11 by-laws and transacting other lawful business.

Sect. 11. Said corporation shall make no guaranty to any  
2 title of real estate situated outside the county of Cumberland  
3 until its capital stock is increased to two hundred and fifty  
4 thousand dollars.

Sect. 12. The guaranty department of this corporation  
2 shall be kept separate and distinct from its other business,  
3 and shall be under the direction and control of the insur-  
4 ance commissioner to the same extent as insurance com-  
5 panies in this state now are.