

MAINE STATE LEGISLATURE

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DECEMBER SPECIAL SESSION

E I G H T Y - S I X T H L E G I S L A T U R E

Legislative Document

No. 63

H. P. 51

House of Representatives, Dec. 5, 1933.

Referred to Committee on Banks and Banking. 500 copies ordered printed. Sent up for concurrence.

HARVEY R. PEASE, Clerk.

Presented by Marion E. Martin of Bangor.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND
THIRTY-THREE

**AN ACT Relating to Interlocking Directorates and Qualifications of
Directors.**

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

R. S., c. 57, § 74, amended. Section 74 of chapter 57 of the revised statutes and amendments thereto is hereby repealed and the following enacted in place thereof :

'Sec. 74. Interlocking directorates: qualifications of directors. From and after the effective date of this act, no director, officer or employee of any trust company organized under the laws of the state shall be at the same time a director, officer or employee of a corporation (other than a savings bank and loan and building association) or a member of a partnership organized for any purpose whatsoever which shall make loans secured by stock or bond collateral to any individual, association, partnership or corporation.

No person shall be eligible to the position of a director of any such company who is not the actual owner of stock amounting to \$1,000 par value, free from encumbrance. The share certificates for the minimum number or par value amount of common shares, which each director must own, shall be filed, unendorsed, unpledged, and unassigned by him, with the treasurer

of the trust and banking company. Such shares shall remain in the custody of the treasurer during the term of service of such director.

Any director who, during his term of service, pledges, assigns, or in any other manner ceases to be the owner in his own right of the shares required by this chapter, shall forthwith cease to be a director of the trust company, and his office shall be vacant. He shall not be eligible for re-election as a director of such trust and banking company for the remainder of the year for which he was elected, or for a further period of 1 year from the expiration of the full term for which he was elected. The removal of any director from this state shall immediately vacate his office if such removal leaves less than two-thirds of the membership resident in the state.'