

# MAINE STATE LEGISLATURE

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EIGHTY - SEVENTH LEGISLATURE

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Legislative Document

No. 238

H. P. 830

House of Representatives, January 31, 1935.

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

HARVEY R. PEASE, Clerk.

Presented by Mr. Philbrick of Cape Elizabeth.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
THIRTY-FIVE

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**AN ACT to Incorporate the Consolidated Mortgage Company.**

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

**Sec. 1. Consolidated Mortgage Company created; powers.** Bay E. Estes and Robinson Verrill, of Portland, in the county of Cumberland and state of Maine, and Charles L. Hildreth and Edward W. Atwood, of Cape Elizabeth, in said county of Cumberland, or such majority of them as may vote to accept this charter, their associates and successors, are hereby created a corporation by the name of Consolidated Mortgage Company, to be located at said Portland, for the purpose of buying, selling, loaning money upon, and dealing in mortgages of real estate, real estate, and also stocks, bonds, and notes, both collateraled and unsecured, and in that connection the corporation, without limiting its general powers, shall specifically have power to (1) loan money upon mortgages on real estate, (2) purchase and take by assignment mortgages of real estate, (3) purchase or loan money upon stocks, bonds, real estate, and notes, both collateraled and unsecured, (4) accept transfers of mortgages and other property in trust and to manage the same as trustee or agent, (5) sell and transfer any and all of its assets, (6) borrow money without limitation as to purpose or amount and to pledge any or all of its assets as security therefor, (7) issue, sell and deal in its bonds, debentures or notes, both secured or unsecured, or certificates of beneficial interest, (8) hold, manage, sell and dispose of real

estate, (9) transact all business incidental to that ordinarily conducted by a mortgage loan company, and (10) do all things necessary, proper or incidental to the carrying out of any of the aforesaid purposes and powers.

**Sec. 2. Directors.** The general control of the business of the corporation shall be vested in a board of directors to be composed of not less than 3 nor more than 7 of its stockholders, the precise number to be determined from time to time at any annual meeting of the stockholders of the corporation. The board thus created shall elect one of its members president and such other officers as may be deemed necessary or as may be provided for in the by-laws. All of the directors shall be residents of the state of Maine.

**Sec. 3. Capital stock.** The capital stock of the corporation shall consist of 1,000 shares having no par or face value.

**Sec. 4. By-laws, etc.** The stockholders of the corporation may establish such by-laws, rules and regulations for conducting its business as they shall deem necessary in accordance with the provisions of this charter and the laws of the state of Maine.

**Sec. 5. First meeting of corporation.** The first meeting of the corporation may be called by a written notice thereof signed by any one incorporator herein named and served upon each incorporator by giving him the same in hand or by leaving at his last and usual place of abode 5 days at least before the time of the meeting. Such notice may be waived in writing by any or all of said incorporators. At the first meeting of the incorporators, they or the survivors of them, or a majority thereof, shall have the power (1) to vote to accept or reject this charter, and to fill vacancies occurring in their own number, (2) to fix the value for the purpose of original issue of the capital stock having no par or face value, (3) to vote to purchase from the Casco Mercantile Trust Company, a banking corporation existing under the laws of Maine and having its principal office at said Portland or from the conservator or receiver thereof, and from the Fidelity Trust Company, a banking corporation existing under the laws of Maine and having its principal office at said Portland, or from the conservator or receiver thereof, mortgages and other assets, and to issue debenture bonds of this corporation, certificates of beneficial interest and the whole or any part of the capital stock of this corporation having no par or face value in such manner as may be determined between the parties in payment therefor, or in any other manner to pay therefor, and the stock so issued shall be full paid stock and not liable to any further call or

payment thereon and the judgment of said incorporators as to the value of the property so purchased shall be conclusive, (4) to call the first meeting of the stockholders of this corporation for purposes of organization.

**Sec. 6. Report to bank commissioner.** The corporation shall annually or oftener make full report of its condition to the bank commissioner of the state of Maine in such form as he may prescribe, and he shall examine its books and accounts and securities at least once annually, and oftener at his discretion.

**Sec. 7. Bonds, etc., to be legal investment for savings banks, etc.** The bonds, notes, debentures or certificates of beneficial interest of the corporation shall be legal investments for savings banks, institutions for savings and for trust funds of any form, and whether in the hands of individuals, trustees, executors, administrators, guardians, savings banks, institutions for savings, trust companies, insurance companies or other institutions, subject to the approval of the bank commissioner, and shall be exempt from taxation, other than inheritance taxes, under the laws of the state of Maine, and in computing the values or balances on which taxes shall be assessed against savings banks, institutions for savings and trust and banking companies, in accordance with the provisions of sections 63, 72 and 73 of chapter 12 of the revised statutes and all acts amendatory thereof and additional thereto, the value of such bonds, notes, debentures, certificates of beneficial interest or shares of stock issued by this corporation and owned by such banks, institutions for savings and trust and banking companies is to be deducted in the same manner as the shares of corporation stocks, such as are by law of this state free from taxation to stockholders, owned by such banks, institutions for savings and trust and banking companies.

**Sec. 8. Limitation on commencing business.** The corporation shall not commence business except as provided in section 5 unless and until at least 200 shares of its capital stock have been issued in accordance with the provisions of said section 5.

**Sec. 9. Constitutionality.** The sections and provisions of this act are separable and are not materials of mutual essential inducement. It is the intention to confer the whole or any part of the powers herein provided for, and if any of the sections or provisions or parts thereof are for any reason unconstitutional, it is the intention that the remaining sections or provisions or parts thereof shall remain in full force and effect.

**Sec. 10. Acceptance of charter.** This charter may be accepted at any time within four years from the date of enactment hereof and if so accepted, the corporation shall enjoy perpetual succession, subject to the general laws of the state insofar as the same are not inconsistent with the rights and powers specially granted by this act.