

MAINE STATE LEGISLATURE

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N I N E T Y - S E C O N D L E G I S L A T U R E

Legislative Document

No. 1152

S. P. 434

In Senate, April 6, 1945.

Reported by Senator Dunbar of Washington from Committee on Judiciary and laid on table to be printed under joint rules.

CHESTER T. WINSLOW, Secretary.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-FIVE

AN ACT to Incorporate the "General Mortgage Company".

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

Sec. 1. Corporators; corporate name. Clifford L. Swan of Windham in the county of Cumberland and state of Maine; Nathan W. Thompson of Falmouth in said county; and Carl H. Shaw of Westbrook in said county; their associates, successors and assigns; are hereby constituted and created a body corporate to be known as "General Mortgage Company."

Sec. 2. Location. The corporation shall be located at Portland in the county of Cumberland and state of Maine, and shall have its principal office at said Portland. Said corporation shall have the power to change its location and office in accordance with the general laws of the state of Maine.

Sec. 3. Purposes. The purposes of the corporation shall be the accumulation and loan of money, by lending at interest the capital of the corporation and such other funds as it may from time to time lawfully acquire, secured by secondary mortgages of real estate and real property and on the secondary security of real estate and real property as may be agreed upon between the corporation and the borrowers, and by relending in like

manner the funds arising from such loans when paid; such secondary mortgages and secondary security to be subject to primary mortgages on such property and estate granted to and/or held by banks, trust companies, loan and building associations, and/or other individuals, associations, and corporations subject to the regulation and control of the bank commissioner; for the bona fide protection of its secondary security, to hold, acquire, purchase and sell mortgages of real estate and real property and the indebtedness secured thereby; to acquire, purchase, own and sell real estate and real property; to borrow money for its corporate purposes; to do any and all things necessary and/or incidental to the foregoing. Provided however that nothing herein contained shall authorize the corporation to loan money on the security of first mortgages of real estate and real property. Said corporation may acquire from banks, trust companies, loan and building associations, and/or other individuals, associations and corporations subject to the regulation and control of the bank commissioner, and the assignees and successors thereof, first mortgages of real estate and real property for the bona fide protection of its secondary mortgages and secondary security, and upon the acquisition of such a first mortgage said corporation may in substitution for the first mortgage so acquired and the secondary security held by it, receive and hold a first mortgage of real estate and real property granted to the corporation by the mortgagor of the primary and secondary security so acquired, his heirs, successors and assigns.

Sec. 4. Capital. The capital of the corporation shall be \$100,000 divided into shares of \$10 each or such multiple or multiples thereof as the corporation may by its by-laws determine.

Sec. 5. By-laws. The corporation may adopt such by-laws and make amendments thereto from time to time as shall be desirable for the orderly conduct of its business, and not inconsistent with the laws of the state of Maine.

Sec. 6. Officers. The corporation shall elect a president, treasurer and a board of not less than 3 directors, all of whom shall be stockholders in the corporation, and a clerk who shall be a resident of the state of Maine and it may elect and/or appoint such other officers and agents as may from time to time be deemed advisable; the directors and clerk shall be elected by the stockholders, but vacancies in such offices may be filled in such manner as may be provided in the by-laws; the other officers shall be chosen as the by-laws may provide.

Sec. 7. Dividends. The corporation shall have authority to declare

and pay dividends to its stockholders in accordance with and subject to the restrictions of the general laws of the state of Maine.

Sec. 8. Limitations. Nothing herein contained, however, shall authorize the corporation to conduct a banking business as defined in section 3 of chapter 55 of the revised statutes; provided, however, the corporation shall have power to borrow money from time to time for its corporate purposes and to evidence its indebtedness, so created, by promissory notes; nor shall said corporation have authority to conduct the business of a "licensed small loan agency," as defined and provided for under sections 190 to 207, inclusive, of chapter 55 of the revised statutes, but this corporation shall be subject to the provisions and restrictions contained in sections 202, 203 and 204 of said chapter 55.

Sec. 9. Report to bank commissioner. The corporation shall annually or oftener make full report of its condition to the bank commissioner 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.