

MAINE STATE LEGISLATURE

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PRIVATE ACTS

OF THE

STATE OF MAINE,

PASSED BY THE

THIRD LEGISLATURE,

AT THE SESSION, HELD IN JANUARY, 1823.

PUBLISHED AGREEABLY TO THE RESOLVE OF JUNE 28, 1820.

PORTLAND:

BY TODD AND SMITH.....PRINTERS TO THE STATE.

1823.

estate to the value of three thousand dollars; and any personal estate to the value of five thousand dollars; and to give and grant, or bargain and sell the same; and with all the privileges usually granted other societies instituted for purposes of charity and beneficence.

First meeting. SECT. 2. *Be it further enacted,* That the first meeting of said corporation, shall be holden at such time and place, and notified in such manner, as the majority of the persons herein named may direct.

Restrictions. SECT. 3. *Be it further enacted,* That the powers granted by this act, may be enlarged, restrained or repealed, at the pleasure of the Legislature.

[*This Act passed January 27, 1823.*]

CHAPTER CLXXVIII.

AN ACT to incorporate the South Berwick Bank.

Persons incorporated. SECT. 1. *BE it enacted by the Senate and House of Representatives, in Legislature assembled,* That Thomas Leigh, Josiah W. Seaver, William A. Hayes, Timothy Ferguson, Charles Greene, Samuel Parks, William Hight, William Burleigh, Joshua Roberts, Benjamin Nason, and Charles N. Cogswell, and their associates, successors, and assigns, shall be, and hereby are created a corporation, by the name of the South Berwick Bank; and shall so continue until the first day of October, which will be in the year of our Lord, one thousand eight hundred and thirty-one; and by that name shall be, and hereby are made capable in law to sue and be sued, plead and be impleaded, defend and be defended, in any Courts of record, or in any other place; and also to make, have and use a common seal; and to ordain, establish and put in execution such by-laws, ordinances and regulations as to them may appear necessary and convenient, for the government of said corporation and the prudent management of their affairs: *Provided,* Such by-laws, ordinances and regulations shall in no wise be contrary to the laws of this State. And the said

Powers, &c.

corporation shall always be subject to the rules, restrictions, limitations and provisions herein prescribed. Restrictions.

SECT. 2. *Be it further enacted,* That the capital stock of the said corporation shall consist of the sum of fifty thousand dollars, in gold and silver, and be divided into one thousand shares; which capital stock shall be paid in at two instalments, the one half thereof to be paid in gold and silver on or before the first Monday of October next, and the remaining half part thereof on or before the first day of April, which will be in the year of our Lord, one thousand eight hundred and twenty four: *Provided,* That no money shall be loaned, or discounts made, nor shall any bills or promissory notes be issued from said Bank, until the capital subscribed and actually paid in, and existing in gold and silver in their vaults, shall amount to twenty five thousand dollars; and the affidavit of the president and cashier, of such fact shall have been filed in the office of the Secretary of State. And the stockholders at their first meeting, shall, by a majority of votes, determine the mode of transferring and disposing of said stock and the profits thereof; which being entered on the books of said corporation, shall be binding on the stockholders, their successors and assigns. And the said corporation are hereby made capable in law to have, hold, purchase, receive, possess and retain, to them, their successors and assigns, lands, tenements and hereditaments to the amount of ten thousand dollars, and no more, at any one time; with power to bargain, sell and dispose of the same; and to loan and negotiate their monies and effects by discounting on banking principles, on such security as they shall think advisable: *Provided,* Nothing herein contained, shall restrain or prevent said corporation from taking and holding real estate in mortgage, or on execution, to any amount as security for, or in payment of, any debts due to said corporation. Capital Stock 50,000 dollars, and how paid in.

No discounts to be made until 25,000 in specie be paid in.

Stockholders powers & duties at first meeting:

Further powers

and restrictions.

SECT. 3. *Be it further enacted,* That the following rules, limitations and provisions shall form and be the fundamental articles of said corporation: *First,* That the total amount of the debts which the said corpo- Rules for government of corporation.

Amount of debts not to exceed 50 per cent. beyond capital paid in.

Debts due to corporation not to be more than double amount of stock.

Liability of Directors.

Corporation not to be concerned in commerce, &c

nor to hold more real estate than convenient for business.

Directors to be citizens of the State, and to choose the President & Cashier.

Cashier to give bond,

which shall be renewed every 3 years.

Directors of other banks not eligible in this.

Meeting of Stockholders on first Monday of October,

ration shall at any time owe, whether by bond, bill, note or other contract, shall not exceed fifty per cent beyond the amount of their capital stock actually paid in, exclusive of the sums due on account of deposits ; nor shall there be due to the said corporation, at any one time, more than double the amount of the capital stock actually paid in as aforesaid. In case of excess, the Directors under whose administration it shall happen, shall be liable for the same in their individual and private capacities ; and an action of debt may in such case be brought against them or any of them, their or any of their heirs, executors or administrators, in any Court proper to try the same, by any creditor or creditors of said corporation, and may be prosecuted to judgment and execution. *Second*, That said corporation shall not vest, use, or improve any of their monies, goods, chattels or effects in trade or commerce, but may sell all kinds of personal pledges lodged in their hands by way of security, to an amount sufficient to reimburse the sum loaned. *Third*, That the lands, tenements and hereditaments, which the said corporation shall hold, shall be only such as shall be requisite for the convenient transaction of their business. *Fourth*, None but a member of the said corporation, being a citizen of this State and resident therein, shall be eligible for a Director ; and the Directors shall choose one of their own number to act as President ; and the Cashier, before he enters upon the duties of his office, shall give bond, with two or more sureties, to the satisfaction of the board of Directors, in a sum not less than ten thousand dollars, with condition for the faithful discharge of the duties of his office ; and such bond shall be renewed at least once in every three years. *Fifth*, No Director of any other bank shall be eligible to the office of Director of this Bank, although he may be a stockholder therein. And any Director accepting any office in any other bank shall be deemed to have vacated his place in this bank. *Sixth*, That for the well ordering the affairs of the said corporation, a meeting of the stockholders shall be holden at such places as they shall direct, on the first Monday of

October annually, and at any other time, during the continuance of said corporation, and at such place, as shall be appointed by the President and Directors, for the time being, by public notification given fourteen days previous thereto. At which annual meeting there shall be chosen, by ballot, seven Directors to continue in office the year ensuing their election; and the number of votes to which each stockholder shall be entitled, shall be according to the number of shares he shall hold, in the following proportions, that is to say: for one share, one vote; and every two shares above one, shall give a right to one vote more: *Provided*, No one member shall have more than ten votes; and no stockholder shall be permitted to give any vote upon the shares held by him in said Bank, which are pledged for the payment of any sum borrowed thereon: And absent members may vote by proxy, duly authorized in writing. *Seventh*, No Director shall be allowed any compensation for his services; but stockholders may make the President such compensation as to them shall appear reasonable. *Eighth*, No less than four Directors shall constitute a board for the transaction of business, of whom the President shall always be one, except in case of sickness or necessary absence: in which case the Directors present may choose a chairman for the time being, in his stead. *Ninth*, All bills issued from the bank aforesaid, and signed by the President, shall be binding on the corporation. *Tenth*, The Directors shall make half yearly dividends of all the profits, rents, premiums and interest of the bank aforesaid. *Eleventh*, The Directors shall have power to appoint a Cashier, and such other officers for carrying on the business of said bank, with such salaries as to them seem meet.

Officers to be chosen at such meeting,

manner of voting, &c.

Directors to have no compensation.

Quorum of Directors.

Bills signed by the President valid.

Dividends semi-annually.

Directors to appoint Cashier, &c.

SECT. 4. *Be it further enacted*, That the said Bank shall be established in the town of South Berwick. Bank to be at S. Berwick.

SECT. 5. *Be it further enacted*, That whenever the Legislature shall require it, the said corporation shall loan to the State any sum of money, which may be required, not exceeding ten per cent. of the capital stock of said bank, at any one time, reimbursable Bank may be required to loan State at 5 per cent. to certain amount.

by five annual instalments, or at any shorter period, at the election of the State, with the annual payment of interest, at a rate not exceeding five per centum per annum : *Provided however*, That the State shall never, at any one time, stand indebted to said corporation, without their consent, in a larger sum than five thousand dollars.

Legislature to have power to examine state of bank, by committee.

SECT. 6. *Be it further enacted*, That any committee, specially appointed by the Legislature for that purpose, shall have a right to examine into the doings of said corporation, and shall have free access to all their books and vaults ; and if, upon such examination it shall be found, and after a full hearing of said corporation thereon, be determined by the Legislature, that the said corporation have exceeded the powers herein granted them, or failed to comply with any of the rules, restrictions and conditions in this act provided, their incorporation may thereupon be declared forfeited and void.

First meeting.

SECT. 7. *Be it further enacted*, That the persons herein before named, or a major part of them, are authorized to call a meeting of the members and stockholders of said corporation, at such time and place as they may see fit, by advertising the same for three weeks successively, in some public newspaper printed in the State, for the purpose of making, ordaining and establishing such by-laws, ordinances and regulations, for the orderly conducting the affairs of said corporation, as the said stockholders shall deem necessary ; and for the choice of the first board of Directors, and such other officers as they shall see fit to choose.

Corporation bound to pay altered bill according to first amount.

SECT. 8. *Be it further enacted*, That the said corporation shall be liable to pay any *bona fide* holder the original amount of any note of said bank, altered in the course of its circulation to a larger amount, notwithstanding such alteration.

10 per cent of capital to be for loans to agricultural and manufacturing interests.

SECT. 9. *Be it further enacted*, That one tenth part of the capital of said bank shall always be appropriated to loans to be made to citizens of this State, wherein the Directors shall wholly and exclusively regard the agricultural and manufacturing interest ; which loan shall be made in sums not less than one

hundred, nor more than five hundred dollars, and upon the personal bond of the borrower with collateral security, by mortgage of real estate to the satisfaction of the Directors of said Bank, for a term not less than one year, and on condition of paying the interest annually on such loans, subject to such forfeiture and right of redemption, as is provided by law in other cases.

SECT. 10. *Be it further enacted,* That said corporation shall be obliged to receive in payment for all debts due to said corporation the bills by them issued.

Bank bound to receive their own bills.

SECT. 11. *Be it further enacted,* That the conditions, restrictions and provisions contained in the act, entitled "An Act to enforce the payment of bank notes, and for other purposes," be, and they are hereby made applicable to, and obligatory on, the bank established by this act.

Restrictions on Corporation.

SECT. 12. *Be it further enacted,* That whenever any execution may issue against said corporation, and the same shall not be satisfied by payment thereof, within ten days after demand made upon the Cashier or President of said Bank, by the officer having such execution, or sufficient personal or real estate of said corporation shown to satisfy the same, the officer may serve and levy such execution upon the body or bodies, or real or personal estate of any member or members of said corporation, or upon the body or bodies, or real or personal estate of any person or persons who were members of said corporation, at any time within three years next prior to the date of such execution.

Mode of collecting debts against corporation in certain cases.

SECT. 13. *Be it further enacted,* That no stockholder in said bank shall be permitted at any time to be indebted to said bank, upon the security of his stock therein, beyond fifty per cent of the amount of stock held by him in said bank.

Stockholders not to be allowed loans on stock beyond 50 per cent of amount.

[*This Act passed January 31, 1823.*]