

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

ACTS AND RESOLVES

OF THE

SEVENTY-FIRST LEGISLATURE

OF THE

STATE OF MAINE

1903.

Published by the Secretary of State, agreeably to Resolves of June 28,
1820, February 18, 1840, and March 16, 1842.

AUGUSTA
KENNEBEC JOURNAL PRINT
1903

PRIVATE AND SPECIAL LAWS

OF THE

STATE OF MAINE.

1903.

meeting the necessary officers may be chosen, by-laws adopted, and any other corporate business transacted.

Section 17. This act shall take effect when approved.

Approved March 24, 1903.

Chapter 239.

An Act to incorporate the Somerset Trust Company.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows:

Section 1. C. H. Clark, K. C. Gray, C. A. Wilbur, John F. Hill, George E. Macomber, Byron Boyd, F. G. Kinsman, J. Manchester Haynes and Arthur W. Whitney, or such of them as may by vote accept this charter, with their associates, successors and assigns, are hereby made a body corporate and politic to be known as the Somerset Trust Company, and as such shall be possessed of all the powers, privileges and immunities and subject to all the duties and obligations conferred on corporations by law.

Corporators.

--corporate name.

Section 2. The corporation hereby created shall be located at Madison, Somerset county, Maine.

Location.

Section 3. The purposes of said corporation and the business which it may perform are; first, to receive on deposit, money, coin, bank notes, evidences of debt, accounts of individuals, companies, municipalities and states, allowing interest thereon, if agreed, or as the by-laws of said corporation may provide; second, to borrow money, to loan money on credits, or real estate, or personal security, and to negotiate loans and sales for others; third, to own and maintain safe deposit vaults, with boxes, safes and other facilities therein, to be rented to other parties for the safe keeping of moneys, securities, stocks, jewelry, plate, valuable papers and documents, and other property susceptible of being deposited therein, and may receive on deposit for safe keeping, property of any kind entrusted to it for that purpose; fourth, to act as agent for issuing, registering and countersigning certificates, bonds, stocks, and all evidences of debt or ownership, in property; fifth, to hold by grant, assignment, transfer, devise or bequest, any real or personal property or trusts duly created, and to execute trusts of every description; sixth, to act as assignee, receiver, executor, and no surety shall be necessary upon the bond of the corporation unless the court or officer approving such bond shall require it; seventh, to do

Purposes.

--may own safe deposit vaults.

CHAP. 239

in general all the business that may lawfully be done by trust and banking companies, but said corporation shall not have the power or authority to establish branches.

Capital stock. Section 4. The capital stock of said corporation shall not be less than fifty thousand dollars, divided into shares of one hundred dollars each, with the right to increase the said capital stock at any time, by a vote of the shareholders, to any amount not exceeding five hundred thousand dollars. Said corporation shall not commence business as a trust or banking company until stock to the amount of at least fifty thousand dollars shall have been subscribed and paid in, in cash.

—shall not commence business until at least \$50,000 shall have been paid in.

Shall not make loans on security of its own capital stock.

Section 5. Said corporation shall not make any loan or discount on the security of the shares of its own capital stock, nor be the purchaser or holder of any such shares unless necessary to prevent loss upon a debt previously contracted in good faith; and all stock so acquired shall, within six months from the time of its acquisition, be disposed of at public or private sale.

Board of trustees.

—number and tenure of.

—executive board.

—vacancies, how filled.

Section 6. All the corporate powers of this corporation shall be exercised by a board of trustees, who shall be residents of this state, whose number and term of office shall be determined by a vote of the shareholders at the first meeting held by the incorporators and at each annual meeting thereafter. The affairs and powers of the corporation may, at the option of the shareholders, be entrusted to an executive board of five members to be, by vote of the shareholders, elected from the full board of trustees. The trustees of said corporation shall be sworn to the proper discharge of their duties, and they shall hold office until others are elected and qualified in their stead. If a trustee or director dies, resigns, or becomes disqualified for any cause, the remaining trustees or directors may appoint a person to fill the vacancy until the next annual meeting of the corporation. The oath of office of such trustee or director shall be taken within thirty days of his election, or his office shall become vacant. The clerk of such corporation shall, within ten days, notify such trustees or directors of their election and within thirty days shall publish the list of all persons who have taken the oath of office as trustees or directors.

Board of investment.

—shall keep record of loans.

Section 7. The board of trustees or directors of said corporation shall constitute the board of investment of said corporation. Said trustees or directors shall keep in a separate book, specially provided for the purpose, a record of all loans and investments of every description, made by said institution substantially in the order of time when such loans or investments are made, which shall show that such loans or investments have been made with the approval of the investment committee of said

corporation, which shall indicate such particulars respecting such loans or investments as the bank examiner shall direct. This book shall be submitted to the trustees or directors and to the bank examiner whenever requested. Such loans or investments shall be classified in the book as the bank examiner shall direct. No loan shall be made to any officer, or director of said banking or trust company except by the unanimous approval of the executive board in writing, and said corporation shall have no authority to hire money or to give notes unless by vote of the said board duly recorded.

—loan shall not be made to directors.

Section 8. No person shall be eligible to the position of a director or a trustee of said corporation who is not the actual owner of ten shares of the stock.

Director must own ten shares of stock.

Section 9. Said corporation, after beginning to receive deposits, shall, at all times, have on hand in lawful money, as a reserve, not less than fifteen per cent of the aggregate amount of its deposits, which are subject to withdrawal on demand, provided, that in lieu of lawful money, two-thirds of said fifteen per cent may consist of balances, payable on demand, due from any national or state bank.

Reserve fund.

Section 10. All the property or money held in trust by this corporation, shall constitute a special deposit and the accounts thereof and of said trust department shall be kept separate, and such funds and the investment or loans of them shall be specially appropriated to the security and payment of such deposits, and not be subject to any other liabilities of the corporation; and for the purpose of securing the observance of this provision, said corporation shall have a trust department in which all business pertaining to such trust property shall be kept separate and distinct from its general business.

Trust funds shall constitute a special deposit.

Section 11. An administrator, executor, assignee, guardian or trustee, any court of law or equity, including courts of probate and insolvency, officers and treasurers of towns, cities, counties and savings banks of the state of Maine may deposit any moneys, bonds, stocks, evidences of debt or of ownership in property, or any personal property, with said corporation, and any of said courts may direct any person deriving authority from them to so deposit the same.

Administrators, executors, etc., may deposit in.

Section 12. Each shareholder of this corporation shall be individually responsible, equally and ratably, and not one for the other, for all contracts, debts and engagements of such corporation, to a sum equal to the amount of the par value of the shares owned by each in addition to the amount invested in said shares.

Responsibility of shareholders.

Section 13. Such corporation shall set apart as a guaranty fund not less than ten per cent of its earnings in each and every

Guaranty fund.

CHAP. 239

year until such fund, with the accumulated interest thereon, shall amount to one-fourth of the capital stock of said corporation.

Taxation.

Section 14. The shares of said corporation shall be subject to taxation in the same manner and rate as are the shares of national banks.

Shall be subject to examination by bank examiner

Section 15. Said corporation shall be subject to examination by the bank examiner, who shall visit it at least once in every year, and as much oftener as he may deem expedient. At such visits he shall have free access to its vaults, books and papers, and shall thoroughly inspect and examine all the affairs of said corporation, and make such inquiries as may be necessary to ascertain its condition and ability to fulfill all its engagements. If upon examination of said corporation, the examiner is of the opinion that its investments are not in accordance with law, or said corporation is insolvent, or its condition is such as to render its further proceedings hazardous to the public or to those having funds in its custody, or is of the opinion that it has exceeded its powers or failed to comply with any of the rules or restrictions provided by law, he shall have such authority and take such action as is provided for in the case of savings banks by chapter forty-seven of the revised statutes. He shall preserve in a permanent form a full record of his proceedings, including a statement of the condition of said corporation. A copy of such statement shall be published by said corporation immediately after the annual examination of the same in some newspaper published where said corporation is established. If no paper is published in the town where said corporation is established, then it shall be published in a newspaper printed in the nearest city or town. The necessary expenses of the bank examiner while making such examination shall be paid by the corporation.

First meeting, how called.

Section 16. Any two of the corporators named in this act may call the first meeting of the corporation by mailing a written notice signed by both, postage paid, to each of the other corporators, seven days at least before the day of the meeting, naming the time, place and purpose of such meeting, and at such meeting the necessary officers may be chosen, by-laws adopted, and any other corporate business transacted.

Section 17. This act shall take effect when approved.

Approved March 24, 1903.