

# MAINE STATE LEGISLATURE

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ACTS AND RESOLVES  
OF THE  
SEVENTY-THIRD LEGISLATURE  
OF THE  
STATE OF MAINE  
1907.

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Published by the Secretary of State, agreeably to Resolves of  
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PRIVATE AND SPECIAL LAWS

OF THE

STATE OF MAINE.

1907.

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CHAP. 431**Chapter 431.**

An Act to incorporate the Maine Title Guarantee Company.

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

Corpo-  
rators.

Section 1. Edward E. Cheney, Arthur R. Alexander, John H. Hill, Joseph B. Reed and Arthur W. Merrill of Portland, Walter B. Reed of Bangor, and Thomas M. Bartlett of New York City, or such of them as may vote to accept this charter, with their associates, successors and assigns, are hereby made a body corporate and politic to be known as the Maine Title Guarantee 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, except as otherwise provided herein.

—corporate  
name.

Location.

Section 2. The corporation shall be located at Portland, Cumberland county, Maine.

Purposes.

Section 3. The purposes of said corporation and the business which it may perform, are; first, to borrow money, to loan money on credits, or real estate, or personal or collateral security, and to negotiate loans and sales for others; second, to hold and enjoy all such estate, real, personal and mixed, as may be obtained by the investment of its capital stock or any other moneys and funds that may come into its possession in the course of its business and dealings, acquired in satisfaction of debts due the corporation under sales, judgments and mortgages; or by subrogation under its guarantees, and the same to sell, grant and otherwise dispose of; third, to guarantee bonds and mortgages and titles to real estate, and to make and cause to be made, and to purchase and to pay for all such searches, abstracts, indices, maps, and copies of records as the directors may deem necessary; fourth, to guarantee the payment of the principal and interest of all obligations secured by mortgages of real estate; fifth, to act as agent for the owners of real estate for the collection of income on the same, and for the sale of the same.

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 majority vote of the holders of its stock then issued and outstanding, to any amount not exceeding five hundred thousand dollars. Said corporation shall not commence business 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 \$50,000  
has been  
paid in.

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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 debt previously contracted in good faith; and all stock so acquired shall, within a reasonable time after its acquisition, be disposed of at public or private sale.

Shall not make loans on security of its capital stock.

Section 6. All the corporate powers of this corporation shall be exercised by a board of directors, who shall be residents of this state and who shall be elected by the shareholders, and 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, unless otherwise provided by by-laws of the corporation. Said board of directors may annually choose three or five of its members to act as an executive committee of said board with such powers and duties as shall be provided herein, or by any by-law of the corporation, or by any vote of said board of directors not inconsistent therewith, and said board of directors may annually choose a president and such vice presidents, a treasurer, a clerk and such other officers and agents as from time to time, shall be required by the by-laws of said corporation, or as are authorized by the board of directors and for such terms and with such powers and duties as shall be provided herein, or by any by-law of said corporation, or vote of said directors not inconsistent therewith. The directors of said corporation shall hold their office until others are elected and qualified in their stead. If a director dies, resigns, or becomes disqualified for any cause, the remaining directors may appoint a person to fill the vacancy until the next annual meeting of the corporation. The board of directors shall also fill, for the unexpired term, any vacancy in the executive committee.

Board of directors.

—number and tenure, how determined.

—executive committee.

—board of directors may choose president and other officers.

—vacancies, how filled.

Section 7. The executive committee, if elected, as provided in section six, and if said committee shall not be elected, then the board of directors of said corporation shall constitute the board of investment of said corporation. Said directors, or the executive committee thereof, shall keep in a separate book, specially provided for the purpose, record of all loans, and investments of every description, made by said institutions 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 a majority of the directors of said corporation, or of the executive committee thereof. No loan shall be made to any officers, director or agent of said company or to any other persons in its employ until the proposition

Board of investment, how constituted.

—shall keep record of all loans.

—loans to officers, directors, etc.

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to make such loan shall have been submitted by the person desiring the same to the board of directors of said corporation, or to the executive committee of such board, if any, and accepted and approved by a majority of such board or committee. Such approval, if the loan is made, shall be spread upon the records of the corporation; and this record shall, in every instance, give the names of the directors authorizing the loan. Said corporation shall have no authority to hire money or to give notes unless by a vote of said board or of said executive committee duly recorded.

Director shall own five shares of stock.

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

Shall set apart a guaranty fund.

Section 9. Said corporation shall set apart a guaranty fund not less than one-fourth of the capital stock of said corporation, which shall be kept as security against any losses or contingencies by reason of its guaranty, and whenever the same shall become impaired so that it shall amount to less than one-fourth of the capital stock of said corporation, no guaranty shall be issued by said corporation until said guaranty fund shall be made up to equal one-fourth of said capital stock. Said fund shall be invested in real estate, or in such other securities as the insurance commissioner may approve.

First meeting, how called.

Section 10. Any three of the corporators named in this act may call the first meeting of the corporation by mailing a written notice signed by said three corporators, 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.

Restriction as to guaranty.

Section 11. Said corporation shall make no guaranty to any title of real estate situated outside the county of Cumberland until its capital stock is increased to two hundred and fifty thousand dollars.

Guaranty department shall be kept separate.

Section 12. The guaranty department of this corporation shall be kept separate and distinct from its other business, and shall be under the direction and control of the insurance commissioner to the same extent as insurance companies in this state now are.

Approved March 27, 1907.