

# MAINE STATE LEGISLATURE

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THE  
**REVISED STATUTES**

OF THE  
  
STATE OF MAINE,

PASSED OCTOBER 22, 1840;

TO WHICH ARE PREFIXED

**THE CONSTITUTIONS**

OF THE

**United States and of the State of Maine,**

AND TO WHICH ARE SUBJOINED THE OTHER

**PUBLIC LAWS OF 1840 AND 1841,**

WITH AN

**APPENDIX.**

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PRINTED AND PUBLISHED IN COMPLIANCE WITH A RESOLVE OF OCTOBER 22, 1840.

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**Augusta:**

PUBLISHED BY WILLIAM R. SMITH & Co., PRINTERS TO THE STATE.

.....  
1841.

**See note at the foot of p. 325; the pages that follow p. 325 are supplied from “An Act to Amend the Revised Statutes.”**

## TITLE FIFTH.

### Of corporations of various kinds, and proprietors, in common, of real estate.

#### CHAPTER 76. Of corporations.

77.\*

- 78. Of manufacturing corporations.
- 79. Of insurance companies.
- 80. Of turnpike corporations and toll bridges.
- 81. Of rail roads.
- 82. Of agricultural and horticultural societies.
- 83. Of aqueducts.
- 84. Of libraries and their proprietors.
- 85. Of management of lands and wharves, and other real estate, lying in common.
- 86. Of mills and their repairs.

#### CHAPTER 76.

##### OF CORPORATIONS.

##### SECT. 1. General powers of corporations.

- 2. Clerk's office and records.
- 3. Clerk to file certificate of his appointment.
- 4. Parol and implied contracts by corporations.
- 5. Privileges allowed to foreign corporations.
- 6. Regulations and by laws of corporations.
- 7. Manner of calling the first meeting.
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- 11. Any meeting may be legal, if all the members assent.
- 12. Corporations may hold real estate. Transfer of shares.
- 13. Annual return to assessors of towns, of the names of stockholders.
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##### SECT. 17. Corporate property, and certain franchises liable for debts.

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- 20. Special action for the same.
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- 23. Certain acts of incorporation may be repealed or altered.
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- 25. Appointment of trustees to close concerns.
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- 28. Individual rights, on expiration of charters.
- 29. Liability of members of quasi corporations, and mode of indemnity.
- 30. Further liability of stockholders in corporations.
- 31. Foreign corporations liable to suits.

**SECTION 1.** All corporations shall, where no other provision is specially made, be capable, in their corporate name, to sue and be

General powers of corporations.

\* Chapter 77, entitled OF BANKS, as originally reported by the revising commissioners, was not enacted, in consequence of the disagreement of the senate to certain amendments, proposed by the house of representatives.

the third and fourteenth sections"; so that the said fifteenth section, as amended, will be as follows:

First meeting of town and parish trustees, how called.  
1824, 254, § 7.

SECT. 15. The first meeting of the trustees, constituted by the third and fourteenth sections, in any year, may be called by a personal notice, given by any one of said trustees, to all the other trustees, of the time and place of meeting, seven days at least, prior to said meeting.

R. S. ch. 32.

SECTION 6. The thirty second chapter shall be amended, by inserting at the end of section, five, the following words:

Insane poor to be removed to, and supported in the insane hospital. Provision.

If any such poor and indigent person be insane, the said overseers shall, either wholly, or in part, with the assistance of the friends of such person, cause him to be removed to, and provide for his support in, the insane hospital of this state: provided, that he can, under the regulations of the hospital for the time being, be admitted therein, and that, in the opinion of the superintendent of the hospital, or of such physician as he shall depute to make an examination into the case, the insanity of such person be such, that he will derive benefit from a residence therein. And the said superintendent shall appoint a suitable physician, as near as may be to the place of residence of such insane person, to make such examination, the expense whereof shall be paid by the town, to which such person is chargeable for support.

R. S. ch. 60.

SECTION 7. The sixtieth chapter shall be amended, in the first section, by adding, at the close thereof, the following words, "or otherwise containing one hundred and twenty eight cubic feet; and the measurer shall make due allowances for refuse or defective wood, or bad stowage;" so that the section, as amended, shall be as follows:

Measurer to make allowance for refuse or defective wood.

SECT. 1. All cord wood, exposed to sale, shall be four feet long, including half the scarf; and, being well and closely laid together, a cord of wood or bark shall measure eight feet in length, four feet in width, and four feet in height, or otherwise containing one hundred and twenty eight cubic feet; and the measurer shall make due allowance for refuse or defective wood, or bad stowage.

R. S. ch. 77.

SECTION 8. The revised statutes shall be further amended by inserting between chapter, seventy six, and chapter, seventy eight, a new chapter, to be numbered seventy seven, and entitled, "of banks," in the following words:

## CHAPTER 77.

### OF BANKS.

All banks, except savings banks subject to the provisions of this chapter. 1831, 519, § 1.

SECTION 1. Every bank, which now is, or shall hereafter be incorporated under the authority of this state, except savings banks, shall be governed by the following rules, and subjected to all the duties, limitations, restrictions, liabilities and provisions, contained in this chapter.

Notice of acceptance of charter to be given to secretary of state. 1836, 231, § 5. Corporate name, privileges and liabilities.

SECT. 2. Any bank, hereafter incorporated, shall, within ten days after acceptance of its charter, give notice in writing of such acceptance to the secretary of state.

SECT. 3. Every bank, incorporated as aforesaid, shall be known by the corporate name of "the president, directors and company of the — bank —," (the blank to be filled with such name as its charter may authorize), and shall, except when special provision is

otherwise made, be entitled to all the powers and privileges and be subject to all the liabilities contained in the seventy sixth chapter of the revised statutes. 1831, 519, § 2.

SECT. 4. Every bank shall have not less than five, nor more than nine directors, exclusive of such as may be appointed by the governor and council, as hereinafter provided, a majority of whom shall be residents in the county where such bank is established ; and none but a stockholder in such bank and a citizen of, and resident in the state, shall be eligible by the stockholders to that office, nor shall any two members of a copartnership, be directors of the same bank, nor shall any person be a director in two banks, at one and the same time. Number and qualifications of directors. 1831, 519, § 7.

SECT. 5. The directors shall choose one of their own number to act as president, and may make him such compensation as to them shall appear reasonable. The assent of a majority of the directors shall always be necessary for the transaction of business. Choice of president. Quorum. 1831, 519, § 7.

SECT. 6. The directors shall be chosen by ballot, annually, at a meeting of the stockholders, to be holden on one of the first fifteen days of the month of October, annually, at some place within the town where the bank is established, which time and place shall be designated by the directors for the time being, by giving public notice thereof, fourteen days previous to the meeting, in some newspaper printed in the county, and, if there be no newspaper printed in said county, then in some one published at the seat of government of the state ; and, in all cases wherein the bank shall be the owner of any of the shares of its stock, or where any shares of its stock shall be pledged to said bank, or held by any person or persons, as trustee for said bank, such shares as are so owned, pledged or held, shall in all cases be silent, and shall not be represented by any person for the purpose of having a voice in the business or other transactions of said bank. Annual meeting for choice of directors. 1831, 519, § 8.

SECT. 7. Every stockholder shall be entitled to vote, according to the number of shares he may hold, in the following proportions, that is to say : for one share, he shall have one vote, and for every two additional shares, he shall have a right to one vote more; provided always, that no one stockholder shall have more than twenty votes: absent members may vote by proxy, authorized in writing. Votes allowed to each stockholder. Proxies. 1831, 519, § 8.

SECT. 8. Directors may call special meetings of the stockholders, as often as they think the interest of the corporation may require it, giving the same notice as before provided : vacancies in the board of directors may be filled at any such special meeting, the purpose being specified in the notice. Special meetings. Vacancies in board of directors. 1831, 519, § 8.

SECT. 9. Every bank shall be kept in the town where originally established. Where the bank shall be kept. 1831, 519, § 12.

SECT. 10. No bank shall go into operation until one half, at least, of its capital stock shall have been paid in, in gold and silver money, which shall be in its vaults, and shall have been examined by three commissioners, appointed by the governor with the advice and consent of the council. Said commissioners, at the expense of the bank, shall examine and count the money actually in the vaults, and ascertain by the oaths of a majority of the directors, that such money has been paid in by the stockholders, toward the payment of When a bank may commence business. 1831, 519, § 3.

their respective shares, and not for any other purpose, and that it is intended, that the same shall remain therein as part of said capital ; and the said commissioners shall return a certificate thereof to the office of the secretary of state.

Instalments of capital stock, when payable. No stockholder to own more than one fifth. 1831, 519, § 3, 27.

SECT. 11. The capital stock of every bank, hereafter incorporated under the authority of this state, shall be paid in, one half in six months and the other half in twelve months after the date of its charter, in gold and silver money, of the legal currency of the United States. No stockholder shall, at any one time, hold or own more than one fifth of the capital of any bank.

Shares not transferable till all the capital stock is paid in. Exception. 1831, 519, § 3. Right of the state to take stock in any bank. 1831, 519, § 14.

SECT. 12. No shares in the capital stock of any bank shall be sold, or transferred, except by execution or distress, or by executors, administrators, or guardians, until the whole amount of the capital stock shall have been paid in.

SECT. 13. The state shall have a right, whenever the legislature shall make provision by law, to subscribe, on account of the state, to the capital of any bank, a sum or sums not exceeding in the whole one tenth part of the previous capital of such bank in addition to the same, subject to such rules, regulations, and provisions, as by the legislature shall be made and established for the management of the same ; and to appoint an additional director in such case.

Attachment and sale of shares on writs and executions. 1831, 519, § 18.

SECT. 14. Shares in any bank shall be liable to be attached on mesne process and taken in execution, and sold, agreeably to the provisions of chapters, one hundred fourteen, and one hundred seventeen, of the revised statutes.

Lands and mortgages may be taken and sold. 1831, 519, § 19.

SECT. 15. The lands of any bank, and all the right, title, claim and interest of any bank in lands, mortgaged for security of any debt due or assigned to such bank, and any debt due such bank and secured by such mortgage, shall be liable to be attached on mesne process and taken in execution and sold, agreeably to the provisions contained in chapters ninety four, and one hundred fourteen, of the revised statutes.

Semi annual state tax. 1831, 519, § 16. 12 Mass. 252.

SECT. 16. Every bank, within ten days after the first Mondays of April and October, respectively, in each year, shall pay to the treasurer of the state, for the use of the same, a tax of one half of one per cent. on the amount of its capital stock, actually paid in.

Payment thereof, how enforced. 1831, 519, § 16.

SECT. 17. If any bank shall neglect to pay the aforesaid tax for thirty days after the same shall have become due, it shall be the duty of the treasurer to issue a warrant of distress to compel the payment of the same, out of the estate and effects of said bank ; which warrant shall be executed in the same way, as warrants of distress issued against the estate and effects of delinquent sheriffs, under the provisions of chapter, fourteen, section, one hundred twenty seven, of the revised statutes.

Power of banks to hold real estate. Restriction. 1831, 519, § 2, 6.

SECT. 18. Every bank may hold, with power to sell and dispose of the same, such real estate as may be requisite for the convenient transaction of the business thereof ; but the real estate, so held, shall not, unless by special authority for the purpose, exceed twelve per cent. on the amount of the capital stock, exclusive of what the bank may hold on mortgage, receive on execution, or take as security for, or in payment of, any debts.

SECT. 19. Every bank, subject to such restrictions as are mentioned in this chapter, may loan and negotiate their moneys and effects, by discounting on banking principles on such security as their regulations may permit; provided, that no loan shall be made by any bank upon pledge of its own stock; nor shall any bank discount notes, bills of exchange, drafts or other security for the payment of money, without at least two responsible names as principals, sureties, or indorsers thereon (and for this purpose any firm composed of two or more persons are to be considered as one person) or adequate personal pledges, or collateral security; and no loan shall be made to any stockholder, until the amount of his shares shall have been paid into the bank. The aggregate of all the debts due from the directors as principals, indorsers or sureties, shall, at no time, exceed one third part of the amount of the capital of such bank; nor shall the debts due from any one director, as principal, indorser or surety, exceed eight per cent. of the capital stock.

Loans and discounts. Restriction on loans to directors. 1831, 519, § 2, 27.

SECT. 20. No bank shall vest, use or improve any of its moneys, goods, chattels or effects, in trade or commerce; but any bank may sell all kinds of personal pledges, lodged with it by way of security, to an amount sufficient to reimburse the sum loaned, with interest and expenses.

Not to engage in trade. 1831, 519, § 6. 7 Mass. 433.

SECT. 21. The directors shall make half yearly dividends of the profits of the bank.

Semi annual dividends. 1831, 519, § 9. Cashier, and other officers. 1831, 519, § 5.

SECT. 22. The directors shall appoint a cashier, and may appoint clerks and other officers for conducting the business of the bank, with such salaries as to them may seem meet; which cashier, clerks and other officers shall be removable at the pleasure of the directors.

SECT. 23. The cashier of any bank shall not at the same time be a director therein.

Cashier not to be a director. 1831, 519, § 9.

SECT. 24. The cashier and clerks, before they enter upon the duties of their respective offices, shall be sworn, and shall also give bonds, with two or more sureties, to the satisfaction of the directors, conditioned for the faithful performance of the duties of their respective offices. The bond of the cashier shall be renewed every year in the month of October, and in no case shall the bond, given by the cashier, be signed by any director of the bank for which he is appointed, nor be given for a less penal sum than twenty thousand dollars, nor greater than fifty thousand dollars; and said cashier or clerks shall have no voice in the choice of directors of said bank, and shall not represent, for themselves or by proxy, any shares in said bank.

Cashier and clerks to be sworn and give bonds. 1831, 519, § 10. 1838, 326, § 2. 13 Mass. 208.

SECT. 25. The cashier of every bank shall, on the application in writing of the proprietors of one fifth part of the capital stock thereof, call special meetings of the stockholders, by giving notice of such meetings in the manner provided for notifying the annual meeting; and, in case of refusal by such cashier, any justice of the peace in the county where the bank is established, may, on such application, call such meetings, giving the like notice.

Special meetings of stockholders, how called. 1831, 519, § 10.

SECT. 26. The total amount of debts, which any bank shall at any time owe, shall not exceed twice the amount of its capital

Limitation of amount of debts and credits. 1831, 519, § 5.



stock, actually paid in; exclusive of sums due on account of deposits, not bearing interest; nor shall there be due to such bank at any time, more than double the amount of its capital stock, actually paid in.

Same subject.

SECT. 27. Debts due to any bank, from any other bank, payable on demand, including bills of the bank, so indebted; shall not be deemed debts due to a bank, within the intent and meaning of the preceding section.

Liability of directors, if they exceed these limits.  
1831, 519, § 5.

SECT. 28. If any bank shall become indebted, beyond the amount allowed by the two preceding sections, the directors, under whose administration it shall happen, shall be liable for the excess in their private capacities; any condition, release or agreement to the contrary, notwithstanding; and an action of debt may in such case be brought against them, or any of them, or the heirs, executors or administrators of them, by any creditor of such corporation, and may be prosecuted to final judgment and execution; or such creditor may have a bill in equity against them in the supreme judicial court.

Innocent directors exonerated.  
1831, 519, § 5.

SECT. 29. Any director, who may have been absent, when such excess of debts was contracted, or who may have at the time dissented from the resolution or act, whereby the same was contracted, may exonerate himself from being so liable, by forthwith giving notice of the fact, and of his absence or dissent, to the governor and council, and to the stockholders at any general meeting; which meeting he shall have power to call for that purpose.

Banks still liable.  
1831, 519, § 5.

SECT. 30. The provisions of the two preceding sections shall not be construed to exempt any bank, or the lands, goods or chattels of the same; from being also liable for the excess therein mentioned.

Loans and issues not to be made, but at the banking house.  
1831, 519, § 4.  
Amount of circulation.  
1831, 519, § 4.  
1838, 326, § 1.

SECT. 31. No loan nor discount shall be made, nor shall any bill or note be issued, by any bank, nor by any person on their account, except at the usual banking house of the same.

SECT. 32. The amount of notes or bills at any time issued and put in circulation, as money, by the several banks incorporated in this state, shall not exceed the following amounts and proportions respectively, viz: a bank, authorized to have a capital of fifty thousand dollars, may put into circulation an amount equal to its capital, actually paid in; a bank, authorized to have a capital of more than fifty thousand, and less than one hundred and fifty thousand, an amount equal to three fourths of its capital, actually paid in; and a bank, authorized to have a capital of one hundred and fifty thousand dollars or upwards, an amount equal to two thirds of its capital, actually paid in.

Form and signature of bills.  
Every bank to receive its own bills in payment of debts.  
1831, 519, § 20, 15.  
13 Mass. 235.

SECT. 33. All bills shall be issued in the name of the president, directors and company of the bank issuing them, and shall be signed by the president and cashier thereof; but all bills, signed by either the president or cashier thereof, which shall be in circulation through the agency or neglect of any officer of the bank, shall be binding on the corporation. Every bank shall receive, in payment for all debts due such bank, the bills issued by the same, if offered.

Restriction as to bills under five dollars.

SECT. 34. Every bank within this state, whether heretofore limited by their charters in this respect or not, may issue bills under

five dollars, to the amount of one quarter part of its capital, actually paid in, and no more; and no bank shall issue or pay out, or receive in payment or on deposit, any bill or note less than one dollar, or on which is expressed any fractional part of a dollar, under penalty of one hundred dollars for each offence.

Fractional bills prohibited.  
1831, 519, § 20.  
1838, 326, § 7, 8.

SECT. 35. Any bank may allow a certain rate of interest for deposits made therein, if they think proper; but no bank shall issue any note, bill, check or other negotiable security, payable at a future day, or bearing interest.

Interest may be paid on deposits, but not to be payable on notes.

SECT. 36. No bank shall issue any bill, note, check or draft, redeemable at such bank in any other manner than by payment in specie; but every bank which shall issue any bill, note, check or draft, redeemable in any other manner than by payment in specie on demand, or payable at any place, other than the place where such bank is by law established and kept, shall be liable to pay the same in specie to the holder thereof, on demand at said bank, without a previous demand at the place where the same is made payable by its tenor.

1831, 519, § 20.  
1832, 32, § 1.  
Bills to be redeemable in specie at the bank.  
1831, 519, § 20.

SECT. 37. Nothing contained in the preceding section shall extend to any draft or check for any balance due to said bank, nor to any check or draft drawn by an officer of any bank within this state, on any other bank, either within or without this state; but all such checks or drafts shall first be presented for payment at the place or bank, on which the same shall be drawn, before the same shall be demanded at the bank which issued them.

Exception as to drafts or checks.  
1831, 519, § 20.

SECT. 38. If the officer of any bank shall neglect or refuse to redeem in gold or silver money, of the legal currency of the United States, any note, bill, check or draft, described in the two preceding sections, and demandable at such bank, or any other bill or note of such bank, on demand, in its usual banking hours, such bank shall be liable, after the expiration of fifteen days from such demand, to pay to the holder thereof, in damages, at the rate of twenty four per cent. by the year, for the time during which payment shall be delayed or refused, from and after said fifteen days.

Twenty four per cent. yearly damages for not redeeming bills.  
1831, 519, § 11, 20.  
1838, 326, § 3.  
8 Mass. 445.

SECT. 39. The holder of any bill, note, check or draft, after demand made, as described in the preceding section, shall also be entitled to interest at the rate of six per cent. a year, from the time of such demand, until the rate of damages therein specified shall commence.

Interest to be paid till yearly damages commence.

SECT. 40. If the bank, at which payment of such bill, note, check or draft shall have been demanded and refused, shall, at any time afterwards, cause a legal tender to be made, at the place of residence of the person who made such demand, or of any known owner or assignee of such person, or of his agent, of the amount of such bill, note, check or draft, and all interest, damages and costs, which may have accrued at the time of such tender, all further interest and damages shall thereafter cease on account of the same.

Damages to cease after tender of the amount.  
1831, 519, § 11.  
5 Pick. 106.

SECT. 41. Whenever any bill, note, check or draft shall be presented for payment at any bank in this state, which issued and is liable to pay the same, under the provisions of the thirty eighth and thirty ninth sections of this chapter, and payment

Private property of stockholders liable in certain cases.  
1836, 233, § 1.  
8 Mass. 472.

thereof shall have been delayed or refused for the term of fifteen days, then the private property of the stockholders of said bank, to the amount of such shares as they may have acquired in said bank, after the taking effect of an act entitled, "an act further regulating banks and banking," passed March 29, 1836, shall be liable to be attached on mesne process, and levied upon by execution, in any suit therefor which may be commenced against said bank, as well for the damages, as for the original demand and interest and costs.

Directors to disclose names and interests of stockholders. 1836, 233, § 1.

SECT. 42. Any director of any bank, against which any suit may be commenced, as specified in the preceding section, on demand of the plaintiff in such suit, or on demand of any officer legally charged with the service of any writ or execution, as aforesaid, is hereby required to make and exhibit, to such plaintiff or officer, a true list of the stockholders, liable as aforesaid, with the amount of stock on account of which they are so liable.

Liability for neglect, on demand. 1836, 233, § 3.

SECT. 43. Should any director of any bank, on demand, as aforesaid, unreasonably neglect or refuse to make and exhibit a true list, as provided in the preceding section, then the private property of such director shall be liable to attachment on mesne process or execution, to the full amount of the judgment which may be, or has been recovered in such suit.

Loss from mismanagement of directors, how made up. 1831, 519, § 28.

SECT. 44. If any loss or deficiency of the capital stock in any bank shall arise from the official mismanagement of the directors of such bank, the persons who are directors at the time of such mismanagement, and guilty thereof, shall, in their individual capacities, be respectively liable to pay the same; and, in case of their inability to pay such loss or deficiency, the persons who are stockholders at the time of such official mismanagement, shall be liable therefor; provided, that no stockholder, other than directors guilty as aforesaid, shall be liable to pay a sum exceeding the amount of the stock actually held by such stockholder at that time; and provided also, that such liability shall not continue beyond the term of one year from and after such time, as such stockholder may have bona fide transferred his stock; no process having, at the time of such transfer, been commenced against him on account of the same, either in law or equity.

Liability of stockholders, at expiration of charter. 1831, 519, § 29.

SECT. 45. The holders of stock in any bank, at the time when its charter may expire, shall be liable, in their individual capacities, for the redemption and payment of all bills, which may have been issued by said bank, and which shall remain unpaid, in proportion to the stock they may respectively hold, at the dissolution of the charter; provided, that such liability shall continue for the term of two years only from the time, that notice, that such charter has expired as aforesaid, shall have been given in some newspaper, specially authorized to publish the laws of the state.

Mode of enforcing payment from directors or stockholders.

SECT. 46. Any creditor of any bank, which may have sustained a loss or deficiency of its capital stock, through the official mismanagement of its directors, or any holder of any bill or bills issued by any bank, which bill or bills, after the expiration of its charter, shall remain unredeemed, and which may have been duly demanded of such bank, or at its last and usual place of transacting business,

may pursue his remedy and avail himself of the liabilities of its directors and stockholders, specified in the two preceding sections, by a bill in equity to be prosecuted in the supreme judicial court; but this section shall not be construed to deprive any person, injured by the misconduct or neglect of the directors or other officers of any bank, of his right to a special action on the case, on the principles of the common law, against such director or other officer.

SECT. 47. Any stockholder of a bank, who, by virtue of any of the provisions of this chapter, shall have been obliged to pay any debt or demand against said bank, or any part thereof, out of his individual property, may have a bill in equity, in the supreme judicial court, to recover the proportional parts of such sums of money, as he may have so paid, from the directors or other stockholders liable for the same, and such damages and costs as the court may decree.

Mode of obtaining contribution by a stockholder, who has been compelled to pay.  
1831, 519, § 30.  
1836, 233, § 2.

SECT. 48. Any corporation, which is or shall be a stockholder in any bank, shall be liable in its corporate capacity, to pay any loss or deficiency of the capital stock in such bank, arising from the official mismanagement of its directors, and shall also be liable for the payment and redemption of all bills, which shall have been issued by said bank, and which shall remain unpaid when its charter shall expire, in the same manner as individual stockholders are liable in their individual capacities; and such corporation may compel a contribution from other stockholders, in the manner prescribed in the preceding section.

Similar liabilities and remedies of corporations, when stockholders.

SECT. 49. No bank in this state shall be permitted to take any greater rate of interest or discount, on any note, draft or security, than at the rate of six per cent. a year, whether such loan be made in specie or otherwise, or agreement made to pay such loan in specie, or at a place other than the bank making such discount; but such interest or discount may be calculated and taken according to the established rules of banking; provided, that in discounting drafts, bills of exchange or other negotiable securities payable at another place, the bank so discounting the same, may, in addition to the said interest, charge the then existing rate of exchange, between the place of discounting and the place where any such security may be payable.

Bank interest limited to six per cent.  
1831, 519, § 20.  
7 Mass. 433.  
9 Mass. 49.  
10 Mass. 284.

SECT. 50. Upon any requisition of the legislature, each bank shall loan to the state a sum, not exceeding five per cent. of its capital stock at any one time, reimbursable 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 cent.; but the state shall not be entitled to demand, of any bank, loans, which shall together, at any one time, exceed one tenth part of its capital; and the faith of the state is pledged for the repayment of the same.

Right of the state to require loans from banks.  
1831, 519, § 13.

SECT. 51. Whenever a loan shall be required of any bank as aforesaid, the treasurer of the state shall give notice in writing to the president or cashier thereof, of the amount which is to be furnished by such bank, and demand a loan of the same, conformably to the provisions of this chapter; which notice and demand shall be accompanied by a copy of the act or resolve of the legislature requiring

Requisition, how made.  
1831, 519, § 13.

ing such loan, attested by the secretary of state, and by the approval of the governor, of such demand, in writing.

Cashier to make returns, when required by the governor. Form thereof.  
1831, 519, § 22.  
1832, 32, § 2.  
1836, 231, § 6.

SECT. 52. The cashier of each bank shall make a return of the state of such bank, as it existed on the first Saturday of any month, at two o'clock in the afternoon, when thereto required by the governor, and shall transmit the same to the office of the secretary of state, within such time as shall be directed by the governor in his requisition aforesaid; stating the several particulars mentioned in the following form, exhibiting in distinct columns the amounts due from the bank, and the resources of the bank, viz:

State of \_\_\_\_\_ bank, on the first Saturday of \_\_\_\_\_, 18\_\_\_\_, two o'clock, P. M.

<i>Due from the bank.</i>		<i>Resources of the bank.</i>	
Capital stock,	\$	Gold, silver and other coined metal, in its banking house,	\$
Bills in circulation,	\$	Real estate,	\$
Net profits on hand,	\$	Bills of other banks, incorporated in this state,	\$
Balances due to other banks,	\$	Bills of other banks, without the state,	\$
Cash deposited, including all sums whatsoever due from the bank, not bearing interest; its bills in circulation, profits, and balances due to other banks excepted,	\$	Balances due from other banks,	\$
Cash deposited bearing interest,	\$	Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks,	\$
Total amount due from the bank, \$		Total amount of the resources of the bank, \$	

Rate of last dividend, \$

Amount of last dividend, \$

When declared,

Amount of reserved profits at the time of declaring the last dividend, \$

Amount of debts due and not paid, and considered doubtful, \$

Bills in circulation under five dollars, \$

Cashier to make semi annual returns. Form thereof.  
1833, 80, § 1.  
1838, 326, § 4.

SECT. 53. The cashier of each bank shall, on the first Mondays of the months of January and June, in each year, make returns, exhibiting the state and condition of the bank, as existing at two o'clock in the afternoon of the preceding Saturdays, and transmit the same, within fifteen days, to the secretary of state, stating all the particulars mentioned in the preceding section, with the addition of the following, viz:

Amount due from the directors, as principals, \$

Amount due from the directors, as sureties, \$

Amount due from stockholders, as principals, \$

Returns to be signed and sworn to.  
1831, 519, § 22.

SECT. 54. The returns, required in the two preceding sections, shall be signed by the cashiers of the several banks respectively, who shall make oath to the truth of said returns, according to their best knowledge and belief.

Names of stockholders to be returned when required by the legislature.  
1831, 519, § 22.

SECT. 55. The cashier of each bank, whenever required by the legislature, shall also make return, under oath as aforesaid, of the names of the stockholders, and the amount of stock owned by each in such bank.

SECT. 56. Whenever a return shall be made by any cashier, as provided in either of the four preceding sections, a majority of the directors of each bank shall certify, under oath, that the books of the bank indicate the state of facts so returned by their cashier, and that they have full confidence in the truth of said return.

Cashier's return to be verified by the directors.  
1831, 519, § 22.

SECT. 57. For neglect or refusal to make any such return, by such cashier and directors of any bank, such bank shall forfeit, for each offence, a sum not exceeding one thousand dollars, to the use of the state, to be recovered by the treasurer thereof.

Penalty for not making returns.  
1833, 80, § 1.

SECT. 58. The secretary of state shall furnish to the cashier of every bank, in the month of March or April annually, at the expense of the state, four printed copies of each of the forms of the returns; required by the fifty second and fifty third sections of this chapter.

Secretary of state to furnish blanks for returns.  
1831, 519, § 23.

SECT. 59. The secretary of state, after receiving the returns required by the fifty third section of this chapter, shall, as soon as may be, cause to be prepared and printed a true abstract from those returns, with each column of such abstract footed up; and transmit, by mail, one copy thereof to the cashier of each bank in the state; and further cause the same to be published in the state paper, and such other papers as the governor and council may direct.

To publish abstracts, and transmit a copy to each bank.  
1831, 519, § 24.  
1833, 80, § 2.  
1838, 326, § 3.

SECT. 60. The governor, with the advice of the council, shall appoint two commissioners, who during their continuance in office, shall not hold any office in any bank in this state, and whose duty it shall be, at least once a year, and as much oftener as the governor and council shall deem it expedient, to inquire into and examine the transactions of the several banks incorporated in this state, and to ascertain the condition of the same, and whether there has been any departure, by brokerage or otherwise, from the ordinary business of banking associations; and said commissioners shall make report of their doings annually to the governor and council, to be laid before the legislature. Said commissioners shall be removable, and vacancies may be filled, at pleasure, by the governor and council.

Bank commissioners; power and duties.  
1831, 519, § 31.  
1836, 231, § 4.

SECT. 61. The bank commissioners shall have power to visit every bank in this state, as often as they deem it expedient for the public safety, and shall thoroughly inspect and examine all the affairs of said corporations, and make any and all such inquiries as may be necessary to ascertain the condition of said corporations, and their ability to fulfil all the engagements made by them; and said commissioners may summon and examine, under oath, all the directors, officers or agents of said corporations, and such other witnesses as they may think proper, in relation to the affairs, transactions and condition of said corporations; and any such director, officer or agent, or other person, who shall refuse, without justifiable cause, to appear and testify, when thereto required as aforesaid, or who shall obstruct, in any way, any commissioner in the discharge of his duty, as prescribed in this chapter, shall, on conviction, be subject to a fine, not exceeding one thousand dollars, or imprisoned for a term, not exceeding two years.

Power to examine banks. May examine officers on oath. Punishment for refusal to testify.

SECT. 62. If, upon examination of any bank, said commissioners shall be of opinion that the same is insolvent, or that its condition is such as to render its further progress hazardous to the public,

Proceedings by commissioners, if they deem a bank unsafe.

Injunction, and appointment of receivers to close its concerns. Liability of banks after expiration of their charters.

or to those having funds in its custody, or that said bank has exceeded its powers, or has failed to comply with all the rules, restrictions and conditions provided by law, they may apply to some one of the justices of the supreme judicial court, to issue an injunction to restrain such corporation, in whole or in part, from further proceeding with its business, until a hearing of the said corporation can be had. And said justice shall forthwith issue such process; and, after a full hearing of the said corporation upon the matters aforesaid, may dissolve or modify, or make perpetual the same; and make such orders and decrees to suspend, restrain or prohibit the further prosecution of the business of said corporation, as may be needful in the premises, according to the course of chancery proceedings; and, at his discretion, may appoint agents or receivers to take possession of the property and effects of the corporation, subject to such rules and orders as may from time to time be prescribed by the supreme judicial court, or any justice thereof in vacation. And said commissioners shall have power to appoint a clerk of their board, prescribe his duties, and fix his compensation, whenever the public good may, in their opinion, demand such appointment. And all banks, whose charters have expired, or may hereafter expire, or whose charters have been, or may hereafter be surrendered or revoked, shall continue subject to all the provisions and penalties in this chapter, during the time allowed their stockholders to act in their corporate capacity, for the purpose of closing its concerns; and it shall be the duty of the commissioners to examine and proceed against any such bank in the same manner, as against banks whose charters have not expired, or been surrendered or revoked.

Plates for bills; bills not void by alterations. 1831, 519, § 15, 26. 1833, 80, § 4.

SECT. 63. No bill or note, of the denomination of one hundred dollars, or less, shall be issued by any bank for circulation, unless the same shall be impressed from the patent stereotype plate of Abraham Perkins or his assigns, or unless said bank shall be in writing authorized by the aforesaid commissioners to issue bills of such other plates, as they may judge to afford greater security against counterfeiters, from the mode of their engraving or style of workmanship; but the legislature may, at any time hereafter, authorize and require the use of other plates. Every bank shall be held to pay to any bona fide holder the original amount of any note of said bank, notwithstanding the same may have been altered to a larger amount.

Weights to be sealed by the state sealer. 1821, 131, § 8.

SECT. 64. The directors of the several banks, once in five years, shall have all the weights, used in their respective banks, compared, proved and sealed, by the treasurer of the state, or by some person specially authorized by him for that purpose; which shall supersede, so far as respects such banks, the sealing of their weights by the town sealer.

Gold, how to be weighed. 1821, 131, § 8.

SECT. 65. No tender of gold, by any bank, weighed with weights other than those compared, proved and sealed, as required in the preceding section, shall be legal; and the payer or receiver may also require, that the gold shall be weighed in each scale; and the mean weight, resulting therefrom, shall be considered the true weight.

SECT. 66. If, at any time, the officers of any bank shall refuse or neglect to pay any of its bills, when duly presented at their banking house for payment, in their usual hours of business, or to pay any deposits made by any person, on demand made in such hours, and, for the space of fifteen days thereafter, shall neglect to pay or tender payment of such bills or deposits, in the manner described in section, forty, of this chapter, the holder of such bill, or the person making such deposit, may make complaint thereof, in writing, to any judge of the supreme judicial court, whose duty it shall be thereupon to cause the president or cashier of such bank, to be notified to appear before him at such time and place as he may appoint, to answer to such complaint, and show cause against further proceedings thereon.

Application to a judge of the supreme judicial court, if a bank refuse to pay its bills.  
1831, 519, § 33.

SECT. 67. If such president or cashier, or other agent of such bank, duly authorized, shall not appear at such time and place, or, appearing, shall not show sufficient cause against further proceedings, said judge shall appoint three disinterested receivers, and require of them a bond to the said bank for the faithful discharge of their trust, to his satisfaction, in such sum as he shall determine, to be delivered to said bank for their use.

Court may appoint receivers; who shall give bond.  
1831, 519, § 33.

SECT. 68. Such receivers shall immediately demand and receive, of the officers of such bank, all its real and personal estate, with all its books, papers and evidences of debts due such bank, delivering to the officers their receipt, containing accurate lists and memoranda of such estate, books and debts; and shall proceed with due diligence to dispose of all or any part of such property, and collect the debts, and, with the proceeds thereof, to pay the demands against such corporation.

Their duties.  
1831, 519, § 33.

SECT. 69. The receivers aforesaid may sell at public auction, after giving thirty days' notice in the manner prescribed in chapter, ninety four, of the revised statutes, for notice on the sale of real estate of banks taken on execution; and with like power to adjourn the sale, any real estate of said bank, and any mortgages of real estate due to said bank, and make and deliver to the highest bidder, in the name of the corporation, any deed or other instrument, necessary for the due conveyance of such real estate or mortgages, with the debts thereby secured; and the purchaser shall have the same rights and powers, as a purchaser of real estate, and mortgages taken on execution as aforesaid.

May sell real estate and mortgages.  
1831, 519, § 34.

SECT. 70. Said receivers may collect the debts due and owing to such bank, and commence and prosecute in the name of such bank, or in their own names and capacity as receivers, any action, necessary for the collection of said debts, or they may sell or assign said debts with the evidences thereof, as they shall think expedient.

May collect or sell any of the debts due to the bank.  
1831, 519, § 34.

SECT. 71. The authority, given as aforesaid to said receivers, may be revoked on a like application to any judge of the supreme judicial court, as is provided in section, sixty six, if he shall see cause, after due notice to such receivers and hearing the parties.

Revocation of authority of receivers.

SECT. 72. Either party, aggrieved by the determination of such judge, whether in originally appointing such receivers, or revoking their authority, may have the same revised, and, if a sufficient

Appeal from any order of a judge, to the whole court.



cause be shown, reversed, at any term of the supreme judicial court, when a majority of the judges thereof shall be present, on complaint to such court, and on such notice as any judge thereof may order.

Compensation  
to receivers.  
1831, 519, § 35.

SECT. 73. Such receivers may retain to their own use for their services, such sums as may be agreed upon between them and such bank, and, in case of disagreement, such sum as may be awarded by any one of the judges aforesaid, at a term of said court held in the county where the bank is established, on application, with reasonable notice to the other party.

Liability of officers refusing to surrender property to the receivers.  
1831, 519, § 34.  
36.

SECT. 74. If the officers of any such bank, on demand made by such receivers, shall refuse or neglect to surrender to them all the property, which they are required to do by the provisions of the sixty eighth section of this chapter, any such officer, so refusing or neglecting on demand, shall be liable, in his individual capacity, for the payment of all debts due from said bank, in an action or actions on the case, to be brought by any creditor or creditors of such bank, against such officer.

Receivers, after paying the debts, to deliver up the residue of property to the bank.  
1831, 519, § 34.

SECT. 75. Whenever such receivers shall have realized, from the property of the bank in their hands, a sum sufficient to pay all its debts, their power over the residue of the property shall cease, and it shall be their duty to surrender the same to said bank, together with all the books and papers belonging to it, on taking from the officers of the bank a sufficient receipt for the same. They shall also render to the bank a fair and just account of their proceedings, receipts and expenditures, at the time of such surrender, and at such previous times, as they shall be required by any judge of the supreme judicial court.

Stockholders may be witnesses after sale of their stock.  
1829, 418, § 1.

SECT. 76. Any person, who may have held shares in any bank and afterwards may have disposed of the same, may be a competent witness in any suit in which such bank is interested, unless otherwise disqualified, notwithstanding any liabilities still attaching to him by virtue of the provisions of this chapter.

Charters to expire October 1, 1847.  
1831, 519, § 25.

SECT. 77. The charters of all the banks, incorporated in this state, shall expire on the first day of October, in the year, eighteen hundred and forty seven.

Banking companies prohibited, unless authorized by the state.  
1821, 147, § 1.

SECT. 78. No person, unless specially authorized by the legislature, shall contribute to the funds, or become a member of any company or banking association, for the purpose of issuing notes to be circulated as money; receiving deposits, making discounts, or transacting any other business which incorporated banks may or do transact by virtue of their charters; and all notes or other securities for the payment of money or the delivery of property, made to such company or association, or for their use, shall be void.

Agencies of foreign banks or bankers prohibited, unless authorized by the state.  
1836, 231, § 1.

SECT. 79. No private person nor body corporate, unless specially authorized by law, shall hold any agency in this state, for the purpose of receiving and issuing, loaning or putting in circulation, as money, the bills, notes, orders or other evidences of debt of any banking company, not incorporated by the legislature of this state, nor of any private banker, not a resident in this state; but this prohibition shall not extend to any incorporated bank, in this state, exercising the powers given to such banks by the foregoing provis-

ions in this chapter, nor prevent such bank from paying out the bills of foreign banks, received in its usual course of business, and the circulation of which is not otherwise prohibited by law.

SECT. 80. No person shall issue any drafts, bills or promissory notes or other evidences of debt, payable to bearer or order, as a private banker, for the purpose of loaning them or putting them in circulation, as money.

No person to issue bills as a private banker, to be circulated as money.

1836, 231, § 2. Penalty for violating the three preceding sections.

1821, 147, § 1. 1836, 231, § 3.

SECT. 81. If any body corporate or private company, or individual, shall be guilty of any or either of the offences, described in the three last preceding sections, such offender shall forfeit one thousand dollars, for each and every such offence; to be recovered by indictment for the use of the state, or by action of debt, one half to the use of the state, and the other half to the person who may first sue for the same.

SECT. 82. The following offences by officers, stockholders or servants of banks in this state, committed with a fraudulent intent to injure any creditor, stockholder, holder of bank notes issued, or to be issued by such bank or other person, are hereby declared to be high misdemeanors, and the persons guilty thereof, shall, on conviction, be punished by fine, not exceeding five thousand dollars, imprisonment in the county jail, not exceeding one year, confinement in the state prison to hard labor, not exceeding ten years, or any or all of said punishments, according to the aggravation of the offence:

Punishment for frauds and embezzlement.

1825, 315. 1831, 519, § 21.

*First.* If any such person shall convert to his own use or deliver to any other person, or to his check or order, any funds or evidence of debt or other property, belonging to the bank or deposited therein;

*Secondly.* If he shall issue, or aid in issuing, any bank notes or other evidence of debt, obligatory on said bank, with the intent that the same shall not be paid;

*Thirdly.* If he shall become indebted to such bank for a valuable consideration with like intent, or shall aid or abet any other person so doing;

*Fourthly.* If he, on behalf of the bank, shall loan any money or deliver any valuable property, belonging to such bank or deposited therein, to any stockholder or other person;

*Fifthly.* If he shall make any dividend of the funds or effects of such bank, amongst the stockholders or any of them, beyond the profits actually accrued to such bank, or aid therein, thereby diminishing the capital of said bank.

SECTION 9. The ninety first chapter shall be amended, in section, four, after the words "limited to," by striking out the word "such," and inserting, instead thereof, the word "any;" so that the said fourth section, as amended, will be as follows:

R. S. ch. 91.

SECT. 4. When any contingent remainder or executory devise, or other estate in expectancy, has been so granted or limited to any person, that, in case of his death before the happening of the contingency, the estate would descend to his heirs in fee simple, such person may, before the happening of the contingency, sell, assign or devise the premises, subject to such contingency.

Owner of a contingent remainder or executory devise may convey it.

SECTION 10. The ninety fourth chapter shall be amended, by inserting, at the end of section thirty four, the following words:

R. S. ch. 94.