

Laws of N. Carolina, passed in 1833-4.

(BY AUTHORITY.)

An act to establish the Merchants' Bank of the town of Newbern, and the Albemarle Bank in the town of Edenton.

Be it enacted by the General Assembly of the State of North Carolina, and it is hereby enacted by the authority of the same, That a Bank shall be established in the town of Newbern, the capital stock of which shall not exceed two hundred and fifty thousand dollars, divided into shares of one hundred dollars each; and that books shall be opened in the said town, on the second Monday in February, in the year of our Lord one thousand eight hundred and thirty four, and remain open for the space of ninety days, under the superintendance of John Washington, sea. Asa Jones, John R. Donnell, John Sneed, Samuel Simpson, James W. Bryan, Bennet Plummer, James C. Stevenson and Matthew Outen, or a majority of them, for the purpose of receiving subscriptions to the said Bank.

II. Be it further enacted, That one fourth of each share shall be paid, in gold or silver coin, foreign or domestic, to the commissioners above named, at the time of subscribing; that another fourth shall be paid, in gold or silver coin, to the directors, chosen in the manner hereinafter described, within sixty days after the Bank shall have commenced business; and the remainder shall be paid as aforesaid within six months after the commencement of its operations; and if any subscribers shall fail to pay the last instalment, his stock shall be forfeited to the Bank, and may be sold for its benefit: Provided, that no dividend shall be declared until the whole amount of stock subscribed shall be realized in gold, silver or their equivalent.

III. Be it further enacted, That when one thousand shares are subscribed, and the sum of twenty five thousand dollars is actually paid to the commissioners, the subscribers to the said Bank, their successors and assigns, shall be, and are hereby created and made a corporation and body politic, in law and in fact, by the name and style of the "President and Directors of the Merchants' Bank of Newbern," and shall so continue until the first day of January, one thousand eight hundred and fifty nine, (1859), and by the name and style aforesaid, they shall be, and are hereby made able and capable in law to have, purchase, receive, possess, enjoy and retain, to themselves and successors, lands, tenements, rents, hereditaments, goods, chattels and effects; and the same to sell, grant, demise, alien or dispose of; to sue and be sued, implead and be impleaded, answer and be answered, defend and be defended, in courts of record, or any other place whatsoever; and also to make, have and use common seal; and the same to break, alter and renew at their pleasure; and also to ordain, establish and put in execution such bye laws, ordinances and regulations, as shall seem necessary and convenient for the government of said corporation; and for the making whereof, general meetings of the stockholders may be called in the manner hereinafter specified; and generally to do and execute all acts, matters and things, which a corporation and body politic in law may or can lawfully do or execute, subject to the rules, regulations, restrictions and provisions hereafter prescribed and declared.

IV. Be it further enacted, That as soon as one thousand shares shall be taken in the stock of said Bank, and the required instalment paid to the commissioners who keep the books, notice thereof shall be given in the gazettes published at Newbern, and a meeting of subscribers, to be held ten days at least after the date of the notice, shall be called. If at this meeting those, or their agents, who have a majority of votes, according to the rule hereafter described, be present, (if not, another meeting must be called,) they shall proceed to the election of seven directors, who shall take charge of the books and money in the hands of the commissioners, and immediately pursue the usual and proper means to put the Bank in operation. The said directors shall remain in office until the first Monday in December, one thousand eight hundred and thirty four, (1834), or until their successors shall be appointed; and on the first Monday in December in each year, or at any time thereafter, meetings of the stockholders shall be held in the town of Newbern for the purpose of electing directors, inquiring into the affairs of the institution, and making such regulations as may be deemed fit and necessary.

V. Be it further enacted, That the following rules, restrictions, and provisions shall form and be the fundamental articles of the constitution of the said corporation: A meeting of stockholders cannot be held, unless those who have a majority of votes be present, and every act requires the sanction of a majority of the votes which may be present; every stockholder holding one share, and not more than two, shall be entitled to one vote; for every two shares above two, and not exceeding ten, one vote; for every three shares above ten, and not exceeding one hundred, one vote; and for every four shares above one hundred, one vote. After the first meeting, no share or shares shall confer a right of voting, which shall not have been held three calendar months previous to the day of voting. Stockholders actually resident in the State, and none others, may vote at elections and general meetings by proxy, (the proxy himself being a stockholder.)

None but a stockholder, who is a citizen of the State, and who holds twenty five shares of the stock in his own right, shall be eligible as a director; and the directors when appointed shall choose one of their number (which shall always be seven) to be president of said Bank; and shall manage the institution as shall seem best to them, unless otherwise directed by the stockholders; but compensation to the president or directors shall be granted at the pleasure of the stockholders. Not less than five directors, of whom the president shall always be one, shall constitute a board for the transaction of business, except in case of absence or sickness of the president, when he may, by writing, nominate any other director to supply his place.

A number of stockholders, not less than ten, who together shall be the owners of one hundred shares or upwards, shall have power, at any time, to call a general meeting of the stockholders, for purposes relative to the institution, giving at least twenty days' notice in a public gazette, and specifying the object or objects of such meeting.

The directors shall annually elect a cashier and such other officers as may be necessary to perform the business of the Bank. These officers shall be required to give bonds, with two or more securities, in sums not less than ten thousand dollars, with a condition for good behaviour and faithful discharge of duty. The cashier shall keep a book to contain the proceedings of the board of directors, the names of those present, the day and date of each meeting, and shall record the yeas and nays on any question, when asked for by a director. This book shall be evidence in courts of justice; and on entering on the discharge of his duties, the cashier shall take the following oath or affirmation before some justice of the peace, by whom it shall be returned to the office of the clerk of the County Court, viz. "I, A. B. do solemnly swear (or affirm, as the case may be) to keep a just and true record, without alterations or erasure, of the transactions of the board of directors of the Merchants' Bank of Newbern, in a book to be kept by me for that purpose."

No director shall be directly or indirectly concerned in any loan or loans, to be made of the Bank, to a greater amount than the value of his stock; and in all cases, in addition to the usual personal security, the stock of directors shall be considered as a pledge for the repayment of the money which they may borrow. The said corporation shall purchase and hold only such lands, tenements, rents and hereditaments, as shall be requisite for the convenient transaction of its business, or shall have been bona fide mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts.

The said corporation shall neither directly nor indirectly trade in anything except bills of exchange, promissory notes and bonds,

expressing on the face of them to be negotiable and payable at said Bank, gold or silver bullion, or in the sale of goods really and truly pledged for money lent and not redeemed in due time, or of goods which shall be the produce of its lands, mint certificates, the public debt of the United States, stock of the present Bank of the United States, or such other Bank as may be hereafter established by a law of the United States, provided the investment in such stock shall not exceed one half of the capital stock of this Bank. Neither shall the said corporation take more than at the rate of six per centum per annum for or upon its loans and discounts; which interest shall be taken in advance at the time of discount. The total amount of the debts which the said corporation shall at any time owe, shall not exceed twice the amount of the stock actually paid in, over and above the sum then actually deposited in the Bank for safe keeping. If this or any other enactment herein contained be violated, the directors consenting to such violation shall be deemed to have committed felony, and shall be fined and imprisoned at the discretion of the court.

If a director shall cease to own the requisite number of shares, or shall die, or resign, the remaining directors shall elect another in his stead, until the succeeding meeting of the stockholders. The stock of said corporation shall be assignable and transferable, according to the rules which shall be instituted in that behalf by the laws and ordinances of the same.

The officer at the head of the treasury department of the State shall be furnished, once in six months, with a statement of the amount of the capital stock of said corporation, and of the debts due to the same, of the moneys deposited therein, of the notes in circulation, and of the cash in hand; and shall have a right to inspect such general accounts in the books of the Bank as shall relate to the said statement: Provided, that this shall not be construed to a right of inspecting the accounts of any private individual with the Bank, except of the directors.

The bills obligatory and of credit, under the seal of said corporation, which shall be made to any person or persons, shall be assignable by endorsements thereon, under the hand or hands of such person or persons, and of his, her or their assignee or assignees; and so as absolutely to transfer and vest the property thereof in each and every assignee or assignees successively; and to enable such assignee or assignees to bring and maintain an action thereupon in his, her or their own name or names: And bills or notes, which may be issued by order of said corporation, signed by the president and countersigned by the cashier, promising the payment of money to any person or persons, his, her or their order, or to bearer, though not under the seal of said corporation, shall be binding and obligatory on the same, in the like manner and with the like force and effect, as upon any private person or persons, that is to say, those which shall be payable to any person or persons, his, her or their order, shall be assignable by endorsement in like manner and with like effect as foreign bills of exchange now are; and those which are payable to bearer, shall be negotiable and assignable by delivery only.

VI. Be it further enacted, That no note shall be issued by the said Bank under the denomination of three dollars. And if the directors or cashier shall not pay specie, foreign or domestic, on demand, for their notes, the said corporation may be sued, and in addition to interest at the rate allowed by law, computed from the time of refusal, the holder shall be entitled to six per cent, as damages, on the whole amount, and the jury, in case of suit, shall give a verdict for the same. And the holder of the notes of the said Bank, if not paid on demand, may bring an action of assumpsit against one or all of the directors, who may have consented to issue more than twice the capital stock paid in, provided that the Bank be not able to pay the amount.

VII. Be it further enacted, That the directors shall be allowed to keep open the subscription books until the whole stock shall be taken.

VIII. Be it further enacted, That if any director or officer of said Bank steal, purloin, embezzle, or in any way act fraudulently with the funds of said Bank, it shall be deemed felony, and he or they shall be punished by one or more whippings, not exceeding thirty lashes on his or their bare back or backs.

IX. Be it further enacted, That if any person shall falsely make, forge or counterfeit, or cause or procure to be falsely made, forged or counterfeited; or willfully aid or assist in falsely making, forging or counterfeiting any bill or note, in imitation of, or purporting to be a bill or note, issued by order of the president and directors of the Merchants' Bank of Newbern, or any order or check on said Bank or corporation, or any cashier thereof; or shall falsely alter, or cause or procure to be falsely altered, or willfully aid or assist in falsely altering any bill or note, issued by order of the said corporation, or any order or check on said Bank, or any cashier thereof; or shall pass or receive with intent to pass, utter or publish, as true, any false, forged or counterfeited bill or note purporting to be a bill or note issued by order of the said corporation, or any false, forged or counterfeited order or check upon the said Bank, or any cashier thereof, knowing the same to be falsely forged or counterfeited; or shall pass or receive with intent to pass, utter or publish, as true, any false, forged or counterfeited bill or note issued by order of said Bank, or any cashier thereof, knowing the same to be falsely altered, with intention to defraud the said corporation, or any other body politic, or person or persons, every such person shall be deemed and adjudged guilty of felony, and being thereof convicted by due course of law, shall be imprisoned not exceeding ten years, and fined not exceeding five thousand dollars.

X. And be it further enacted, That a Bank shall be established in the town of Edenton, the capital stock of which shall not exceed two hundred thousand dollars, divided into shares of one hundred dollars each; that books shall be opened in the said town on the second Monday of February, in the year of our Lord one thousand eight hundred and thirty four, (1834) and remain open for the space of ninety days, under the superintendance of T. J. Charlton, James Gorham, Jos. N. Hoskins, Jos. B. Skinner, Jas. Coffield, James C. Johnson and John Cox, or a majority of them, for the purpose of receiving subscriptions to the said Bank.

XI. Be it further enacted, That one fourth of each share shall be paid in gold or silver coin, either domestic or foreign, to the commissioners above named, at the time of subscribing; that another fourth shall be paid in gold or silver coin, either foreign or domestic, to the directors, chosen in the manner hereinafter described, within sixty days after the Bank shall have commenced business; and the remainder shall be paid as aforesaid within six months after the commencement of its operations; and if any subscriber shall fail to pay the last instalment, his stock shall be forfeited to the Bank, and may be sold for its benefit: Provided, that no dividends shall be declared until the whole amount of stock subscribed shall be realized in gold, silver or their equivalent.

XII. Be it further enacted, That when seven hundred and fifty shares are subscribed, and the sum of eighteen thousand seven hundred and fifty dollars is actually paid to the commissioners, the subscribers to the said Bank, their successors and assigns, shall be, and are hereby created and made a corporation and body politic in law and in fact, by the name and style of the "President and Directors of the Albemarle Bank of Edenton;" and shall so continue until the first day of January, one thousand eight hundred and fifty nine, (1859), and by the name and style aforesaid, they shall be, and are hereby made able and capable in law to have, purchase, receive, possess, enjoy and retain to themselves and successors, lands, tenements, rents, hereditaments, goods, chattels and effects, and the same to sell, grant, demise, alien or dispose of; to sue and be sued, implead and be impleaded, answer and be answered, defend and be defended in courts of record or any other place whatsoever; and also to make, have and use a common seal, and the same to break, alter and renew at their pleasure; and also to ordain, establish and put in execu-

tion such bye laws, ordinances and regulations, as shall seem necessary and convenient for the government of said corporation; and for the making whereof general meetings of the stockholders may be called in the manner hereinafter specified, and generally to do and execute all acts, matters and things, which a corporation and body politic in law may or can lawfully do or execute, subject to the rules, regulations, restrictions and provisions hereafter prescribed and declared.

XIII. Be it further enacted, That as soon as seven hundred and fifty shares shall be taken in the stock of said Bank, and the required instalment paid to the commissioners who keep the books, notice thereof shall be given in the gazette published at Edenton, and a meeting of subscribers, to be held ten days at least after the date of the notice, shall be called. If at this meeting those, or their agents, who have a majority of votes according to the rule hereafter described, be present, (if not, another meeting must be called,) they shall proceed to the election of five directors, who shall take charge of the books and money in the hands of the commissioners, and immediately pursue the usual and proper means to put the Bank in operation. The said directors shall remain in office until the first Monday in December, one thousand eight hundred and thirty four, (1834) or until their successors shall be appointed; and on the first Monday of December in each year, or at any time thereafter, meetings of the stockholders shall be held in the town of Edenton, for the purpose of electing directors, inquiring into the affairs of the institution, and making such regulations as may be deemed fit and necessary.

XIV. Be it further enacted, That the following rules, restrictions and provisions shall form the fundamental articles of the constitution of said corporation: A meeting of stockholders cannot be held unless those who have a majority of votes be present, and every act requires the sanction of a majority of the votes which may be present; every stockholder holding one share, and not more than two, shall be entitled to one vote; for every two shares above two, and not exceeding ten, one vote; for every three shares above ten, and not exceeding one hundred, one vote; for every four shares above one hundred, one vote. After the first meeting, no share or shares shall confer a right of voting which shall not have been held three calendar months previous to the date of voting. All stockholders residing without the limits of the State may vote by proxy, and in no other way, at elections and general meetings, provided his, her or their proxies are residents of the State of North Carolina, and each possess in their own right at least ten shares of the stock. None but a stockholder who is a citizen of the State, and who holds ten shares of the stock in his own right, shall be eligible as a director; and the directors, when appointed, shall choose one of their number (which shall always be five) to be president of said Bank; and shall manage the institution as shall seem best to them, unless otherwise directed by the stockholders; but compensation to the president and directors shall be granted at the pleasure of the stockholders. Not less than three directors, of whom the president shall always be one, shall constitute a board for the transaction of business, except in case of absence or sickness of the president, when he may, by writing, nominate any other director to supply his place. A number of stockholders, not less than ten, who together shall be the owners of one hundred shares or upwards, shall have power, at any time, to call a general meeting of the stockholders for purposes relative to the institution, giving at least twenty days' notice in a public gazette, and specifying the object or objects of such meeting. The directors shall annually elect a cashier and such other officers as may be necessary to perform the business of the Bank. These officers shall be required to give bonds, with two or more securities, in sums not less than ten thousand dollars, with a condition for good behaviour and faithful discharge of duty. The cashier shall keep a book to contain the proceedings of the board of directors, the names of those present, the day and date of each meeting, and shall record the yeas and nays on any question, when asked for by a director. This book shall be evidence in courts of justice; and on entering on the discharge of his duties, the cashier shall take the following oath or affirmation before some justice of the peace, by whom it shall be returned to the office of the clerk of the County Court, viz. "I, A. B. do solemnly swear (or affirm) to keep a just and true record, without alterations or erasure, of the transactions of the board of directors of the Albemarle Bank of Edenton, in a book to be kept by me for that purpose. The said corporation shall purchase and hold only such lands, tenements, rents and hereditaments as shall be requisite for the convenient transaction of its business, or shall have been bona fide mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts.

The said corporation shall neither directly nor indirectly trade in anything except bills of exchange, promissory notes and bonds, expressing on the face of them to be negotiable and payable at the said Bank, gold or silver bullion, mint certificates, the public debt of the United States, stock of the present Bank of the United States, or such other Bank as may be hereafter established by a law of the United States, provided the investment of such stock shall not exceed one half of the capital stock of the Bank, or in the sale of goods really and truly pledged for money lent and not redeemed in due time, or of goods which shall be the produce of its lands. Neither shall the said corporation take more than at the rate of six per centum per annum for or upon its loans and discounts; which interest shall be taken in advance at the time of discount. The total amount of the debts which the said corporation shall at any time owe, shall not exceed twice the amount of the stock actually paid in, over and above the sum then actually deposited in the Bank for safe keeping. If this or any other enactment herein contained be violated, the directors consenting to such violation shall be deemed to have committed a misdemeanor, and shall be punished by fine and imprisonment at the discretion of the court. At least three directors shall reside in the town of Edenton, one of whom shall be the president. If a director shall cease to own the requisite number of shares, or shall die, or resign, or remove from the State, the remaining directors shall elect another in his stead, until the succeeding meeting of the stockholders. The stock of said corporation shall be assignable and transferable according to the rules which shall be instituted in that behalf by the laws and ordinances of the same. The officer at the head of the Treasury Department of the State shall be furnished once in six months with a statement of the amount of the capital stock of said corporation, and of the debts due to the same, of the moneys deposited therein, of the notes in circulation, and of the cash in hand; and shall have a right to inspect such general accounts in the books of the Bank as shall relate to the said statement: Provided, that this shall not be construed to a right of inspecting the account of any private individual with the Bank, except a director. The bills obligatory and of credit under the seal of said corporation, which shall be made to any person or persons, shall be assignable by endorsement thereon, under the hand or hands of such person or persons, and of his, her or their assignee or assignees, and so as absolutely to transfer and vest the property thereof in each and every assignee or assignees successively, and to enable such assignee or assignees to bring and maintain an action thereupon in his, her or their own name or names; and bills or notes which may be issued by order of said corporation, signed by the president and countersigned by the cashier, promising the payment of money to any person or persons, his, her or their order, or to bearer, though not under the seal of said corporation, shall be binding and obligatory on the same, in like manner and with the like force and effect, as upon any private person or persons, if issued by him, her or them, in his, her or their private or natural capacity or capacities, and shall be assignable and negotiable in like manner as if they

were so issued by such private person or persons, viz. those which shall be payable to any person, his, her or their order, shall be assignable by endorsement, in like manner and with like effect, as foreign bills of exchange now are; and those which are payable to bearer, shall be negotiable and assignable by delivery only.

XV. Be it further enacted, That no note shall be issued by the said Bank under the denomination of three dollars. And if the directors or cashier shall not pay specie, either foreign or domestic, on demand, for their notes, the said corporation may be sued, and in addition to interest at the rate allowed by law, computed from the time of refusal, the holder shall be entitled to six per centum, as damages, on the whole amount; and the jury, in case of suit, shall give a verdict for the same. And the holder of the notes of the said Bank, if not paid on demand, may bring an action of assumpsit against one or all of the said directors, who may have consented to issue more than twice the capital stock paid in, provided that the Bank be not able to pay the amount.

XVI. Be it further enacted, That the directors shall be allowed to keep open the subscription books until the whole stock shall be taken.

XVII. Be it further enacted, That if any director or officer of said Bank steal, purloin, embezzle, or in any way act fraudulently with the funds of said Bank, it shall be deemed felony, and he or they shall be punished by the infliction of thirty lashes upon his bare back.

XVIII. Be it further enacted, That if any person shall falsely make, forge or counterfeit, or cause or procure to be falsely made, forged or counterfeited; or willfully aid or assist in falsely making, forging or counterfeiting any bill or note, in imitation of, or purporting to be a bill or note issued by order of the president and directors of the Albemarle Bank of Edenton, or any order or check on said Bank or corporation, or any cashier thereof; or shall falsely alter, or cause or procure to be falsely altered, or willfully aid or assist in falsely altering any bill or note issued by order of the said corporation, or any order or check on said Bank, or any cashier thereof; or shall pass or receive with intent to pass, utter or publish, as true, any false, forged or counterfeited bill or note purporting to be a bill or note issued by order of the said corporation, or any false, forged or counterfeited order or check upon the said Bank, or any cashier thereof, knowing the same to be falsely forged or counterfeited; or shall pass or receive with intent to pass, utter or publish, as true, any false, forged or counterfeited bill or note issued by order of said Bank, or any cashier thereof, knowing the same to be falsely altered, with intention to defraud the said corporation, or any other body politic, or person or persons, every such person shall be deemed and adjudged guilty of felony, and being thereof convicted by due course of law, shall be imprisoned not exceeding ten years, and fined not exceeding five thousand dollars.

XIX. Be it further enacted, That the presidents or cashiers of the said Banks shall annually pay into the Treasury of the State twenty five cents on each share of said capital stock, which may have been subscribed for and paid in; and the first payment of said tax shall be made twelve months after the said Bank shall have commenced operations.

XX. Be it further enacted, That the directors of each of the said Banks may declare, semi annually, dividends of the profits thereof; and if, at any time, more than the real profits be divided, the directors assenting thereto shall be responsible in their private capacities to creditors who have claims against the said institution.

XXI. Be it further enacted, That the president or presidents of these, or either of these Banks, shall, in the first week in December, in each and every year, transmit to the General Assembly a full statement of the condition of the Bank; exhibiting the amount of capital notes in circulation; debt due to other Banks, and to what Banks; deposits, and all other particulars necessary to explain the debit side of the accounts; also specie on hand; notes of other Banks; other funds specifically enumerated; debts due from other Banks, and what Banks; bills of exchange; debt on bonds allocated, specifying, in one item, the amount due from stockholders, and in another the amount due from directors, not however using any person's name in either case; and the amount of real estate.

XXII. Be it further enacted, That if any president, director, cashier, clerk or other officer of either of the aforesaid Banks, shall knowingly and willfully make or cause to be made, or connive at making any false return, statement or exhibit of the condition of the Bank, either to the Treasurer of the State, to the Legislature, to the board of directors or to the stockholders, or to any other person or persons that may be authorized by the Legislature, or by the stockholders, to receive the same, such president, director, cashier, clerk, or other officer, and all persons aiding or abetting in such deception or false return, shall be liable to be indicted as for a misdemeanor, in any of the Superior Courts of this State, and on conviction, shall be fined at the discretion of the court, and imprisoned not exceeding one year.

Lorenzo Dow, preaching at Danville, Pa., giving notice of his intention to hold forth, requested the ladies not to bring their children. He thought it was enough to have one crying aloud in the wilderness, at a time.

Counterfeits.—We have seen a Ten Dollar counterfeit note on the Farmers' Bank of Virginia, payable at Richmond to C. Gerard, letter F., dated April 8th, 1831. The engraving and printing are badly executed; but we understand that a large number of these counterfeit notes have been lately put into circulation in the county of Lewis.

The people of that section of the State and elsewhere will do well to guard against the imposition. — Richmond Eng.