



AND

North-Carolina State Gazette.

Ours are the plans of fair & delightful peace,
Unwary by party rage, to live like brothers.

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No. 328.

Laws of North-Carolina,

Passed at the Session of Assembly ending on the 21st December, 1805.

Bank Law continued from our last.

VI. *And be it further enacted*, That the Subscribers to the said Bank, their successors and assigns, shall be, and they are hereby created and made, a corporation and body politic, in law and fact, by the name and title of "The President Directors and Company of the State Bank of North-Carolina," and shall so continue until the first day of January, 1825, and no longer. And by the name and title aforesaid, they shall be, and they are hereby made able and capable in law to have, purchase, receive, possess and enjoy to themselves and their successors, lands, tenements, hereditaments, goods, chattels and effects, to any amount not exceeding in the whole One Million Two Hundred Thousand Dollars, including the amount of the capital stock aforesaid; 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 jurisdiction whatever. 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 execution such bye-laws, ordinances and regulations as shall seem necessary and convenient for the government of said corporation, the same not being contrary to the laws of this State or of the United States; and for the making whereof, general meetings of the Stockholders may be called by the Directors in the manner hereinafter specified, and generally to do and execute all other matters and things which a corporation or body politic, in law or equity, may or can lawfully do and execute, subject to the rules, regulations, restrictions, limitations and provisions, hereinafter described and declared.

VII. *And be it further enacted*, That within the term of one month after information is given by the Commissioners of the city of Raleigh, that a sufficient number of shares have been subscribed to commence the operation of the said Bank, the Governor, on behalf and for the use of the State, shall make, or cause to be made a subscription to the capital stock of two thousand shares; for which purpose, the Stock which this State now holds in the Funds of the United States, shall then be entirely appropriated: and after the Directors are chosen, as herein after directed, if three fourths of the said Directors and the Treasurer of the State for the time being, shall think it advisable that our said Stock in the funds of the United States, should be sold, the said Treasurer shall sell the same, and have the proceeds in cash brought and delivered in the vaults of the Bank: And if the proceeds of such sale shall not amount in value to two thousand shares, the Treasurer is hereby authorized and required to make up the deficiency with any gold or silver coin he may then have in the Treasury, and of such Bank Notes as he may have, and of which the Directors shall approve: And if there should still remain a deficit of shares, the balance remaining unsubscribed for, shall be loaned by the Bank to the State, at a rate of interest not exceeding four per cent per annum.

VIII. *And be it further enacted*, That the sum of money so loaned to the State by the Bank, shall be payable in six equal annual instalments, the first payment whereof shall be on the first day of June in the year 1807, or in any greater sum or sums of money, or shorter period or periods of time, at the option of the Treasurer or resolve of the General Assembly; and interest shall cease to be demandable or chargeable, on the amount of each and every payment from the time of making the same respectively.

IX. *Be it further enacted*, That for the well ordering of the affairs of said corporation, it shall be managed by twelve Directors and a President, who shall be citizens of the State, and holding Stock in the Bank hereby to be established, which Directors shall be elected yearly by the Stockholders at a general meeting to be held at Raleigh the last Monday of November for that purpose; and the Governor of the State for the time being, shall be a Director by virtue of his office, and shall have the number of votes to which the State shall be entitled by virtue of the shares which she may hold at the period of any such election, agreeably to the rules hereafter prescribed. And the Directors, at their first meeting after their election, shall choose one of their number as a President. *Provided*, That the first election of Directors shall not be included in the before mentioned general regulations, but shall be held at the times, and in the manner hereinafter directed, which said Directors so first elected, shall hold their office until the last Monday of November, 1807, or so long thereafter, until other Directors are elected: and in case it should at any time happen that an election of Directors should not be made upon any day, when pursuant to this act it ought to have been made, the said corporation shall not for that cause be deemed to be dissolved, but it shall be lawful on any other day within thirty days thereafter, to hold and make an election of Directors in such manner as shall have been regulated by the laws and ordinances of the said corporation. And in case of the death, resignation or absence from the State of a Director, his place shall be filled up by a new choice for the remainder of the year by a majority of the Directors, at the place where such vacancy shall happen. *Provided*, That every person voting for Directors at any election, shall, previous to the giving of his vote, solemnly swear or affirm, that the share or shares, in right whereof he offers to vote, is or are really and bona fide his own property, and that he does not hold them in trust, or for the use, benefit and emolument of any other person or persons, nor in pursuance of any contrivance or design to obtain for himself, or any other person or persons, a greater number of votes than he or they is or are fairly and justly entitled to, according to his or their true interest in the said Bank, in conformity to the rules prescribed for voting on shares, as established by this act; and when any person shall offer to vote as proxy for another, it shall not be lawful for him to give such vote, unless he shall produce from his constituent, some letter, note, or memorandum in writing, authorizing and requiring him so to do, which letter, note, or memorandum, shall be accompanied with an affidavit or affirmation made and taken before some competent authority, that the said constituent is, in truth and fact, the lawful and absolute proprietor of the whole number of shares for which such proxy shall claim to vote; which letter, note or memorandum, and affidavit or affirmation, shall be preserved and filed among the papers of the said Bank. *Provided*, nevertheless, That the Governor for the time being, in case of disability to attend, may vote by proxy without such affidavit or affidavits or affirmation.

X. *And be it further enacted*, That as soon as the sum of sixty thousand dollars shall be actually received on account of the subscription to the capital stock of the said Bank, notice thereof shall be given by the Commissioners appointed in and for the county of Wake, or a majority of them, in all the newspapers printed in the State; and such commissioners shall at the same time notify a time and place, within the city of Raleigh, at the distance of thirty days from the time of such notification, for proceeding to the choice of Directors: and it shall be lawful for such election to be then and there made, and the twelve persons who shall be then and there chosen, together with the Governor for the time being, shall be the first Directors, and shall be capable of serving until the third Monday of November, 1807, and from thence until their successors shall be duly and lawfully elected.

XI. *And be it further enacted*, That the said Directors shall forthwith thereafter commence the operations of the said Bank wheresoever they shall judge most beneficial to the corporation; and as soon thereafter as the said Directors think it advisable, they shall establish Branch Banks for Discount and Deposit only in different parts of the State: *Provided*, That for each Bank of Discount and Deposit, the said Directors shall have previously received from the Stockholders, fifty thousand dollars over and above the sixty thousand dollars first received, and the one hundred thousand dollars funded by the State: *And provided also*, That one Bank of Discount and Deposit shall be established in Salisbury, if Salisbury and Morian districts, shall have subscribed and paid into the funds of the Bank fifty thousand dollars.

XII. *And be it further enacted*, That as soon as the Directors shall have determined to establish a Bank or Banks of Discount and Deposit, they shall give notice thereof in all the papers printed in this State; and at the succeeding annual election of Directors thereafter, five other Directors shall be elected for each Branch Bank, under the same rules, regulations and restrictions as are prescribed in this act for the election of the first twelve Directors.

XIII. *And be it further enacted*, That the Directors for the time being, shall have power to appoint such officers, clerks and servants under them as shall be necessary for executing and carrying into effect the business of the said corporation, and to allow them such compensation for their services respectively as shall be reasonable, and shall be capable of exercising all such powers and authorities for the well governing of the affairs of the said corporation, as shall be prescribed by the laws, ordinances and regulations of the same.

XIV. *Be it further enacted*, That the following rules, restrictions, limitations and provisions, shall form and be the fundamental articles of the constitution of the said corporation: 1. The number of votes to which each stockholder shall be entitled, shall be according to the number of shares he shall hold, in the proportion following, that is to say; for one share and not more than two shares, one vote for each share; for every two shares, above two and not exceeding ten, one vote; for every four shares, above ten and not exceeding thirty, one vote; for every six shares above thirty and not exceeding sixty, one vote; for every eight shares, above sixty and not exceeding one hundred, one vote; and for every ten shares above one hundred, one vote; but no person, copartnership or body politic and corporate (except the State, which shall have as many votes as any two thousand shares held by individuals in the corporation) shall be entitled in his or their own right, or as proxy, to a greater number than thirty votes. And after the first election, no share or shares shall confer a right of suffrage, which shall not have been holden two calendar months previous to the day of election. All stockholders may vote in elections or on any question touching the Bank, by proxy, provided the proxy be derived directly from stockholders, and voted on by a citizen of this State. 2. Not more than five of the Directors of the principal Bank, nor more than three of any of the Branches which by this act shall be established, elected by the stockholders and actually in office, exclusive of the President, shall be eligible for the next succeeding year; but a Director who shall be President at the time of an election, may always be re-elected. 3. None but a stockholder being a citizen of the State of North Carolina, except the Treasurer, shall be eligible as a Director; nor shall a Director of any other Bank be a Director of this Bank. 4. No Director shall be entitled to any emolument, unless the same shall be allowed by the stockholders at a general meeting. The stockholders shall make such compensation to the President for his extraordinary services, as shall appear to them reasonable. 5. Not less than nine Directors shall constitute a board for the transaction of business, unless for the ordinary purpose of discount and loans, for which five Directors shall be sufficient, of whom the President shall always be one, except in cases of sickness or necessary absence; in which case his place may be supplied by any other Director whom he by writing shall nominate for that purpose. 6. A number of Stockholders not less than forty, who together shall be proprietors of two hundred shares or upwards, shall have power at any time to call a general meeting of the stockholders for the purposes relative to the institution, giving at least six weeks notice in two public newspapers of the State (one of which shall be the State Gazette) and specifying in such notice the object or objects of such meeting. 7. Every Cashier or Treasurer, before he enters on the duties of his office, shall be required to give bond with two or more securities to the satisfaction of the Directors, in a sum not less than fifty thousand dollars, with condition for his good behaviour, and such other condition as the Directors shall think proper. 8. The lands, tenements and hereditaments which it shall be lawful for the said corporation to hold, shall be only such as shall be requisite for its immediate accommodation in relation to the convenient transacting of its business, and such as 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 debt. 9. The total amount of notes emitted or thrown into circulation by the said corporation, together with their debts of every description, shall not at any time exceed the sum of eight hundred thousand dollars, except two thirds of the Directors shall think it advisable for the interest of the State and security of the corporation, when they may emit more, so as not to exceed four hundred thousand dollars over and above the first mentioned amount, and over and above the monies then actually deposited in the Bank for safe keeping, unless the contracting of any greater debt shall have been previously authorized by a law of the State. In case of excess, the Directors under whose administration it shall