

CHAP. CLXI.

An Act to incorporate the President, Directors and Company of the Andover Bank.

Persons incor-
porated.

Rules, &c.

Proviso.

Amount of capi-
tal.

SEC. 1. **BE** it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, That Samuel Farrar, Joseph Kitteridge, Amos Abbot, Nathaniel Swift, Amos Spaulding, Henry Skinner, Francis Kidder, Hobart Clark, Mark Newman, their associates, successors and assigns, shall be, and hereby are, created a corporation, by the name of The President, Directors and Company of the Andover Bank, and shall so continue, from the passing of this act, until the first Monday of October, which will be in the year of our Lord, one thousand eight hundred and thirty-one; and the said corporation shall always be subject to the rules, restrictions, limitations, taxes and provisions, and be entitled to the same rights, privileges and immunities which are contained in an act entitled, "An act to incorporate the President, Directors and Company of the State Bank," except so far as the same are modified or altered by this act, as fully and effectually as if the several sections of said act were herein specially recited and enacted: *Provided however*, that the amount of bills issued from said bank, at any one time, shall not exceed the amount of the capital stock actually paid in.

SEC. 2. *Be it further enacted*, That the capital stock of said corporation shall consist of the sum of one hundred thousand dollars, in gold or silver, to be, besides such part as this Commonwealth may subscribe, in manner herein after mentioned, divided into shares of one hundred dollars each, which shall be paid in at such times as the stockholders may direct, fifty per centum, however, to be paid in on or before, the first day of July next, and the

residue within one year from the passing of this act; and no dividend shall be declared, on the capital stock of said bank, until the whole of said stock shall have been paid in, conformably to the provisions of this act; and the stockholders, at their first meeting, shall, by a majority of votes, determine the mode of transferring and disposing of said stock, and the profits thereof, which, being entered in the books of said corporation, shall be binding on the stockholders, their successors and assigns, until they shall otherwise determine. And the said corporation are hereby made capable, in law, to have, hold, purchase, receive, possess, enjoy, and retain to them, their successors and assigns, lands, tenements and hereditaments, to the amount of five thousand dollars, and no more, at any one time, with power to bargain, sell, dispose of, and convey the same, by deed, under the seal of said corporation, and signed by the President or two of the Directors, and to loan and negotiate their monies and effects, by discounting, on banking principles, on such securities as they may think advisable: *Provided however*, that nothing herein contained shall restrain or prevent said corporation from taking and holding real estate, in mortgage, or on execution, to any amount, as security for, or in payment of, any debts due to said corporation; and *Provided further*, that no monies shall be loaned, or discounts made, nor shall any bills or promissory notes be issued from said bank, until the capital stock subscribed and actually paid in, and existing in gold and silver, in the vaults, shall amount to fifty thousand dollars, nor until said capital stock, actually in said vaults, shall have been inspected and examined by three commissioners, to be appointed by the Governor, for that purpose, whose duty it shall be, at the expense of the corporation, to examine the monies actually existing in said vaults, and to ascertain, by the oath of the Directors of said Bank, or a majority of them, that said capital stock hath been, bona fide, paid in by the stock-

Mode of transfer.

May hold estate.

Proviso.

Proviso

Commissioners.

Certificate.

holders of said bank, and towards payment of their respective shares, and not for any other purpose, and that it is intended therein to remain as a part of said capital, and to return a certificate thereof to the Governor; and no stockholder shall be allowed to borrow any money of said bank, until he shall have paid in his full proportion of the whole of said capital stock, as herein before provided and required.

Location of bank.

SEC. 3. *Be it further enacted,* That the said bank shall be established and kept in Andover; and the whole number of Directors shall be nine, five of whom shall constitute a quorum for transacting business; and a majority of the Board shall be inhabitants of said town; and no loan or discount shall be made, nor shall any bill or note be issued by the said corporation, or by any person, on their account, in any other place than at said bank.

First meeting.

SEC. 4. *Be it further enacted,* That the persons herein before named, or any two of them, are authorized to call a meeting of the members and stockholders of said corporation, as soon as may be, at such time and place as they may see fit to appoint, by advertising the same in one of the newspapers printed in Boston, and one printed in Salem, for the purpose of making, ordaining and establishing such by-laws and regulations, for the orderly conducting the affairs of said corporation, as the stockholders shall deem necessary: *Provided,* the same be not repugnant to the constitution and laws of this Commonwealth; and the choice of the first Board of Directors, and such other officers as they shall see fit to choose; and at said meeting, and at all subsequent meetings of the stockholders, all matters shall be determined by the major votes of the persons present at such meeting, who are stockholders, or who, by authority, in writing, represent stockholders.

Proviso.

Majority.

SEC. 5. *Be it further enacted,* That, whenever the Legislature shall require it, said corporation shall loan to the Commonwealth any sum of money which may be required, not exceeding ten per

centum of the capital stock actually paid in, at any one time, reimbursable by five annual instalments, or any shorter time, at the election of the Commonwealth, with the annual payment of interest, at a rate not exceeding five per centum per annum: *Provided however*, that the Commonwealth shall never stand indebted to said corporation, without their consent, for a larger sum than twenty per centum of their capital, then paid in.

Proviso.

SEC. 6. *Be it further enacted*, That the Commonwealth shall have a right, whenever the Legislature shall make provision therefor, by law, to subscribe, on account of the Commonwealth, a sum not exceeding one half of the capital stock actually paid in, to be added to the capital stock of said corporation, subject to such rules, regulations and provisions, as to the management thereof, as shall be, by the Legislature, made and established.

Legislature may subscribe.

SEC. 7. *Be it further enacted*, That whenever the Commonwealth shall subscribe to the capital stock of said corporation, in manner herein before provided for, in addition to the Directors by law to be chosen by the stockholders, the Legislature shall have the right, from time to time, to appoint a number of Directors to said bank, in proportion as the sum paid from the treasury of the Commonwealth shall be to the whole amount of stock actually paid into said bank, if, at any time hereafter, they shall see fit to exercise that right.

Directors may be appointed.

SEC. 8. *Be it further enacted*, That the Cashier, before he enters upon the duties of his office, shall give bond, with sureties, to the satisfaction of the Board of Directors, in a sum not less than twenty thousand dollars, with conditions for the faithful discharge of his office.

Give bond.

SEC. 9. *Be it further enacted*, That the said corporation, from and after the first day of October next, shall pay, by way of tax, to the Treasurer of this Commonwealth, for the use of the same, within ten days after the first Monday of October and April, annually, the half of one per centum on the

Tax.

amount of stock which shall have actually been paid in.

SEC. 10. *Be it further enacted*, That the said corporation shall be liable to pay any bona fide holder the original amount of any note of said bank, counterfeited or altered, in the course of its circulation, to a larger amount, notwithstanding such alteration, and shall also be holden to pay to any bona fide holder the amount of any note of said bank, counterfeited, unless all the notes actually issued by said corporation, shall be printed or impressed with the stereotype plate; and that said corporation shall not, at any place whatever, directly or indirectly, purchase, receive, pay or exchange, any bill or note of said bank, or of any other bank, incorporated within this Commonwealth, for any less sum than the nominal value expressed in such bill or note.

Liabie to pay, &c.

SEC. 11. *Be it further enacted*, That the capital stock of said bank shall not be sold or transferred, but be holden by the original subscribers thereof, for and during the term of one year from the passing of this act.

Charter, how forfeited.

SEC. 12. *Be it further enacted*, That in case this act shall not be put into operation, according to the provisions thereof, within one year from the time of passing the same, then it shall become void.

Committee have a right to examine, &c.

SEC. 13. *Be it further enacted*, That any committee, specially appointed for that purpose, by the Legislature, shall have a right to examine into the doings of said corporation, and shall have free access to all their books and vaults; and if, upon such examination, it shall be found, and, after a full hearing of said corporation thereon, be determined by the Legislature, that said corporation have exceeded the powers herein granted them, or failed to comply with any of the rules, restrictions or conditions, in this act provided, this act of incorporation shall thereupon be declared to be forfeited and void.

[Approved by the Governor, March 4, 1826.]