

HOUSE.....No. 53.

Commonwealth of Massachusetts.

HOUSE OF REPRESENTATIVES, Jan. 9th, 1836.

*Ordered, That Messrs. WILLIAMS, of Boston,
SIMMONS, of Roxbury, and
PEABODY, of Salem,*

be a Committee, to consider and report to this House, the expediency of providing by law, that hereafter all directors, officers and clerks of the several banks in the Commonwealth, shall be required to make solemn oath, before a notary public, or a magistrate, that they will not, during the time they are officially connected with the respective banks to which they are attached, either directly or indirectly, aid, consent to, or suffer, the taking or receiving any higher rate of interest, than that provided by law, or in any case take, or suffer to be taken by the bank, or its officers, any higher rate of exchange on bills, drafts, notes or checks, payable out of the town or city in which

they are negotiated, than the fair market price of the day; and that, on conviction of a breach or violation of any of the provisions of said law, said offending director, officer or clerk, shall be subject to all the pains and penalties now provided by law for the crime of perjury.

L. S. CUSHING, *Clerk*.

Commonwealth of Massachusetts.

In the year of our Lord one thousand eight hundred and thirty-six.

AN ACT

In addition to "An Act to Regulate Banks and Banking."

1 SEC. 1. **BE** *it enacted by the Senate and House of*
2 *Representatives, in General Court assembled, and by*
3 *the authority of the same,* That within days,
4 from and after the passing of this act, each and every
5 director, officer and clerk of the several banks in this
6 Commonwealth, shall personally appear before some
7 magistrate, qualified to administer oaths, and shall, be-
8 fore such magistrate, make oath or affirmation, that
9 he will not as such director, officer, clerk or other-
10 wise, directly or indirectly, in behalf of such bank,
11 take or cause to be taken, and that he will not give

12 any aid, facility or consent, to the taking or receiving
13 by, or for such bank, any greater interest, by way of
14 discount or otherwise, than what may be allowed by
15 the laws of this Commonwealth ; and that he will not
16 charge or take, or cause to be charged or taken as
17 aforesaid, or give any aid, facility or consent to the
18 charging, taking or receiving by or for any bank as
19 aforesaid, over and above the rate of interest as afore-
20 said, any thing by way of discount, exchange or pre-
21 mium on any draft, bill, note, order, check obligation
22 or certificate, when the same shall not be payable
23 without the bounds of the city or town, where the
24 same shall be discounted or negotiated ; and that he
25 will not as a cover for illegal interest, or for the pur-
26 pose of evading the statute or statutes against exces-
27 sive usury, charge, or take, or cause to be charged or
28 taken as aforesaid, or give any aid, facility or consent
29 to the charging, taking or receiving, by or for any
30 bank as aforesaid, on any draft, bill, note, order,
31 check, obligation or certificate, payable without the
32 bounds of the city or town, where the same shall be
33 discounted or negotiated, over and above the legal
34 rate of interest, any greater rate of exchange than
35 the then existing price of the day, between the place
36 where such draft, bill, note, order, check, obligation
37 or certificate, may be discounted or negotiated, and
38 the place where the same may be payable ; and that
39 he will not consent to, aid in, or in any way facili-
40 tate the paying or passing to any person or persons,
41 for whom said bank shall discount any draft, bill, note,
42 order, check, obligation or certificate, in payment in
43 part, or for the whole, of any discount made, any
44 bill, note, order, check, obligation or certificate, pay-

45 able away from the bank where the transaction is had,
46 charging and receiving therefor, any higher rate of
47 exchange, than the then existing price of the day,
48 between the place where the bill, note, order, check,
49 obligation or certificate is drawn, and the place where
50 it is payable; and that there may be no doubt of
51 what is intended by the terms, "*higher rate of ex-*
52 *change than the then existing price of the day,*" used
53 in this act, it is hereby specially provided, that in all
54 cases, it shall be construed to mean, the money or
55 cash rate on the day the transaction is had.

1 SEC. 2. *Be it further enacted,* That all persons
2 after the passing of this act, chosen or appointed di-
3 rectors, officers, or clerks of any bank in this Com-
4 monwealth, shall, before entering on the discharge of
5 the duties of the offices, or situations to which they
6 may be chosen or appointed, take the oath or affirma-
7 tion as herein provided in the first section of this act.

1 SEC. 3. *Be it further enacted,* That every magis-
2 trate, as aforesaid, who shall administer any oath or
3 oaths, affirmation or affirmations as aforesaid, is here-
4 by authorized to charge to and receive of each per-
5 son, to whom he shall administer the same the sum
6 of cents; and it shall be the duty of all
7 magistrates, before whom such oaths or affirmations
8 shall be taken, to make written returns thereof to the
9 secretary of this Commonwealth, within thirty days
10 after administering the same. And if any director,
11 officer, or clerk of any bank shall refuse or neglect,
12 for the period of thirty days, to take the oath or affir-
13 mation aforesaid, he or they, so offending, shall be
14 guilty of a misdemeanor and on conviction thereof
15 shall be punished by a fine, to enure to the Com-

16 monwealth, not exceeding thousand dollars,
17 or by imprisonment not exceeding years, at the
18 discretion of the court before whom trial is had.

1 SEC. 4. *Be it further enacted,* That if any direc-
2 tor, officer or clerk of any bank in this Common-
3 wealth, shall be guilty of any act or deed, contrary
4 to the oath or affirmation he shall have taken, as pro-
5 vided by this act, he shall be liable on conviction
6 thereof, to all the pains and penalties of wilful per-
7 jury.