

HOUSE.....

.....NO. 15.

AN ACT

PROVIDING FOR THE

APPOINTMENT OF BANK COMMISSIONERS.

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Thirty-Eight.

AN ACT

Providing for the appointment of Bank Commissioners.

BE it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows:

1 SEC. 1. There shall be appointed by the Gover-
2 nor, with the advice of the Council, on or before the
3 first day of May next, three persons to be styled Bank
4 Commissioners, who shall exercise the powers and
5 perform the duties hereinafter specified, for the term
6 of three years, and until their successors are appoint-
7 ed and qualified: *provided, however,* the person first
8 named of said commissioners, shall go out of office at

9 the end of one year, and the person next named
10 shall go out of office at the end of two years, but any
11 person going out of office may be reappointed: *and*
12 *provided further*, that the Governor, with advice of
13 Council, may at any time remove from office any or
14 all of said commissioners, and fill all vacancies.

1 SEC. 2. Said commissioners, or some one of them,
2 at least once in every twelve months, and as much
3 oftener as they may deem expedient, shall visit every
4 bank and Provident Institution for Savings, which has
5 been or may be incorporated by the authority of this
6 Commonwealth, and shall have free access to their
7 vaults, books, and papers, and shall thoroughly inspect
8 and examine all the affairs of said corporations, and
9 make any and all such inquiries as may be necessary
10 to ascertain the condition of said corporations, and
11 their ability to fulfil all the engagements made by
12 them, and whether they have complied with the pro-
13 visions of law applicable to their transactions.

1 SEC. 3. Said commissioners, or either of them,
2 may summon and examine under oath, all the direct-
3 ors, officers, or agents of said corporations, and such
4 other witnesses as they may think proper in relation
5 to the affairs, transactions, and condition of said con-
6 porations, and any such director, officer, agent, or
7 other person, who shall refuse, without justifiable
8 cause, to appear and testify when thereto required as
9 aforesaid, or who shall obstruct, in any way, any com-
10 missioner in the discharge of his duty as prescribed in
11 this act, shall, on conviction, be subject to a fine not
12 exceeding one thousand dollars, or imprisonment for
13 a term not exceeding one year.

1 SEC. 4. In addition to the examinations herein

2 provided for, said commissioners, or a majority of them
3 shall, whenever directed by the governor, visit any
4 bank or provident institution for savings, which may
5 be designated by him, and make a full investigation
6 of the affairs of such corporation, in the manner here-
7 in before provided.

1 SEC. 5. If, upon examination of any bank or prov-
2 dent institution for savings, a majority of said com-
3 missioners shall be of opinion, that the same is insol-
4 vent, or that its condition is such as to render its fur-
5 ther progress hazardous to the public, or to those
6 having funds in its custody, they may apply to some
7 one of the justices of the supreme judicial court, to is-
8 sue an injunction to restrain such corporation, in whole
9 or in part, from further proceeding with its business,
10 until a hearing of the said corporation can be had, and
11 said justice may forthwith issue such process, and
12 after a full hearing of said corporation upon the mat-
13 ters aforesaid, and also upon the question, whether the
14 said bank has exceeded its powers, or has failed to com-
15 ply with any of the rules, restrictions, or conditions
16 provided by law, may dissolve or modify the said
17 injunction, or make the same perpetual, and make
18 such orders and decrees, to suspend, restrain or pro-
19 hibit the further prosecuting of the business of such
20 corporation, as may be needful in the premises, ac-
21 cording to the course of chancery proceedings, and at
22 his discretion may appoint agents or receivers, to take
23 possession of the property and effects of the corpora-
24 tion, subject to such rules and orders as may, from
25 time to time, be prescribed by the supreme judicial
26 court, or any justice thereof, in vacation. And said
27 commissioners shall have power to appoint a clerk of

28 their board, prescribe his duties, and fix his compen-
29 sation, whenever the public good may, in their opin-
30 ion, demand such appointment.

1 SEC. 6. Said commissioners, in the month of De-
2 cember, annually, shall make a report to the Governor,
3 of the general conduct and condition of the corpora-
4 tions visited by them, and in case any one or more of
5 said corporations have, in the opinion of the commis-
6 sioners, essentially violated any law of this Common-
7 wealth, they shall make a special report on the sub-
8 ject of such violation, containing such statements and
9 remarks as they may deem expedient ; and all reports
10 made by said commissioners shall be laid before the
11 Legislature, at their next session.

1 SEC. 7. Before entering on the duties of their of-
2 fice, said commissioners shall severally make oath
3 before some justice of a court of record, or before
4 any two justices of the peace, within this Common-
5 wealth, a certified copy of which shall be returned
6 within thirty days to the office of the secretary of
7 the Commonwealth, that they will faithfully and im-
8 partially discharge and perform all the duties incum-
9 bent upon them, in their said office, agreeably to the
10 constitution and laws of this Commonwealth, accord-
11 ing to their best abilities and understanding.

1 SEC. 8. Neither the said commissioners, or their
2 clerk, shall disclose the names of the debtors of any
3 monied corporation examined by them, nor impart any
4 information obtained by them in the course of such
5 examination, excepting so far as may become neces-
6 sary in the performance of their duties.

1 SEC. 9. Each of the aforesaid commissioners shall
2 receive, as a compensation for his services, six dollars

3 for each and every day employed by him in the per-
4 formance of the duties prescribed by this act, together
5 with the same allowance for travel now made by law
6 to the county commissioners; and the governor is
7 hereby authorized to draw his warrants on the treasury
8 therefor, and for the compensation prescribed for the
9 services of a clerk of said commissioners, according to
10 the fifth section of this act.

1 SEC. 10. This act shall take effect from and after
2 its passage.

