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Bank Bill.

AN ACT

To incorporate the subscribers to the Bank of the United States.

Sec. 8. *And be it further enacted.* That for the management of the affairs of the said corporation, there shall be twenty-five directors, five of whom, being stockholders, shall be annually appointed by the president of the United States, by and with the advice and consent of the senate, not more than three of whom shall be residents of any one state, and twenty of whom shall be annually elected at the bank-house in the city of Philadelphia, on the first Monday of January, in each year, by the qualified stockholders of the capital of the said bank, other than the United States, and by a plurality of votes then and there actually given, according to the scale of voting hereinafter prescribed: *Provided always,* that no person, being a director in the bank of the United States, or any of its branches, shall be a director of any other bank: and should any such director act as a director in any other bank, it shall forthwith vacate his appointment in the direction of the bank of the United States. And the directors, so duly appointed and elected, shall be capable of serving, by virtue of such appointment and choice, from the first Monday in the month of January of each year, until the end and expiration of the first Monday in the month of January of the year next ensuing the time of each annual election to be held by the stockholders as aforesaid. And the board of directors, annually, at the first meeting after their election in each and every year, shall proceed to elect one of the directors to be president of the corporation, who shall hold the said office during the same period for which the directors are appointed and elected as aforesaid: *Provided also,* that the first appointment and election of the directors and president of the said bank shall be at the time and for the period hereinafter declared: *And provided also,* that in case it should at any time happen that an appointment or election of directors, or an election of the president of the said bank, should not be so made as to take effect on any day when, in pursuance of this act, they ought to take effect, the said corporation shall not, for that cause be deemed to be dissolved; but it shall be lawful at any other time to make such appointments, and to hold such elections, (as the case may be,) and the manner of holding the elections shall be regulated by the bylaws and ordinances of the said corporation: and until such appointments or elections be made, the directors and president of the said bank, for the time being, shall continue in office; *And provided also,* that in case of the death, resignation or removal of the president of the said corporation, the directors shall proceed to elect another president from the directors as aforesaid: and in case of the death, resignation, or absence from the United States, or removal of a director from office, the vacancy shall be supplied by the president of the U. States, or by the stockholders, as the case may be. But the president of the United States alone shall have power to remove any of the directors appointed by him as aforesaid.

Sec. 9. *And be it further enacted,* That as soon as the sum of eight millions, four hundred thousand dollars in gold and silver coin, and in the public debt shall have been actually received on account of the subscription to the capital of the said bank (exclusively of the subscription aforesaid, on the part of the United States) notice thereof shall be given by the persons under whose superintendence the subscriptions shall have been made at the city of Philadelphia, in at least two news-papers printed in each of the places (if so many be printed in such places respectively,) where subscriptions shall have been made, and the said persons shall at the same time and in like manner, notify a time and place within the said city of Philadelphia, at the distance of at least thirty days from the time of such notification, for proceeding to the election of twenty directors as aforesaid, and it shall be lawful for such election to be then and there made. And the president of the United States is hereby authorized during the present session of congress, to nominate, and by and with the advice and consent of the senate, to appoint five directors of the said bank, though not stockholders, any thing in the provisions of this act to the contrary notwithstanding;

and the persons who shall be elected and appointed as aforesaid, shall be the first directors of the said bank, and shall proceed to elect one of the directors to be president of the said bank; and the directors and president of the said bank so appointed and elected as aforesaid, shall be capable of serving in their respective offices, by virtue thereof, until the end and expiration of the first Monday of the month of January next ensuing, the said appointments and elections; and they shall then and thenceforth commence, and continue the operations of the said bank at the city of Philadelphia.

Sec. 10. *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 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 such other powers and authorities for the well governing and ordering of the officers of the said corporation, as shall be prescribed, fixed and determined by the laws, regulations and ordinances of the same.

Sec. 11. *And be it further enacted,* That the following rules, restrictions, limitations and provisions shall form and be fundamental articles of the constitution of the said corporation, to wit:

1. The number of votes to which the stockholders shall be entitled, in voting for directors, shall be according to the number of shares he, she, or they respectively shall hold, in the proportions following, that is to say: for one share and not more than two shares, one vote; 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; but no person, co-partnership or body politic, shall be entitled to a greater number than thirty votes; and after the first election, no share or shares shall confer a right of voting, which shall not have been holden three calendar months previous to the day of election. And stockholders actually resident within the United States, and none other, may vote in elections by proxy.

2. Not more than three-fourths of the directors elected by the stockholders, and not more than four-fifths of the directors appointed by the President of the United States, who shall be in office at the time of an annual election, shall be elected or appointed for the next succeeding year; and no director shall hold his office for more than three years out of four in succession; but the director who shall be the president at the time of an election may always be re-appointed, as the case may be.

3. None but a stockholder, being a resident citizen of the United States, shall be a director; nor shall a director be entitled to any emolument; but the directors may make such compensation to the president for his extraordinary attendance at the bank, as shall appear to them reasonable.

4. Not less than seven directors shall constitute a board for the transaction of business, of whom the president shall always be one, except in case of sickness or necessary absence; in which case his place may be supplied by any other director whom he, by writing, under his hand, shall depute for that purpose. And the director so deputed, may do and transact all the necessary business belonging to the office of the president of the said corporation, during the continuance of the sickness or necessary absence of the president.

5. A number of stockholders not less than sixty, who, together, shall be proprietors of one thousand 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 ten weeks notice in two public news-papers of the place where the bank is seated, and specifying in such notice the object or objects of such meeting.

6. Each cashier or treasurer, before he enters upon the duties of his office, shall be required to give bond, with two or more sureties, to the satisfaction of the directors, in a sum not less than fifty thousand dollars, with a condition for his good behavior, and the faithful performance of his duties to the corporation.

7. 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 transaction 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 to it in the course of its dealings, or purchased at sales, upon judgements which shall have been obtained for such debts.

8. The total amount of debts which the said corporation shall at any time owe, whether by bond, bill, note or other contract, over and above the debt or debts due for money deposited in the bank, shall not exceed the sum of thirty-five millions of dollars, unless the contracting of any greater debt shall have been previously authorized by a law of the United States. In case of excess, the directors under whose administration it shall happen, shall be liable for the same in their natural and private capacities; and an action of debt may in case be brought against them or any of them, their or any of their heirs, executors or administrators, in any court of record of the United States, or either of them, by any creditor or creditors of the said corporation, and may be prosecuted to judgement and execution, any condition, covenant or agreement to the contrary notwithstanding. But this provision shall not be construed to exempt the said corporation or the lands, tenements, goods, or chattles of the same from being also liable for, and chargeable with the said excess.

Such of the said directors, who may have been absent when the said excess was contracted or created, or who may have dissented from the resolution or act whereby the same was so contracted or created, may respectively exonerate themselves from being so liable, by forthwith giving notice of the fact and of their absence or dissent, to the President of the United States, and to the stockholders, at a general meeting, which they shall have power to call for that purpose.

9. The said corporation shall not directly or indirectly, deal or trade in any thing except bills of exchange, gold or silver coin, or in the sale of goods really and truly pledged for money lent and not redeemed in due time or goods which shall be the proceeds of its lands. It shall not be at liberty to purchase any public debt whatever, nor shall it take more than at the rate of Six per centum per annum for or upon its loans or discounts.

10. No loan shall be made by the said corporation, for the use or on account of the government of the United States, to an amount exceeding five hundred thousand dollars, or of any particular state to an amount exceeding fifty thousand dollars, or of any foreign prince or state, unless previously authorized by a law of the United States.

11. The stock of the said corporation shall be assignable and transferable according to such rules as shall be instituted in the behalf, by the laws and ordinances of the same.

12. The bills obligatory and of credit under the seal of the said corporation, which shall be made to any person or persons, shall be assignable by indorsement thereupon, under the hand or hands of such person or persons, and 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, and his, her, or their executors or administrators, to maintain an action thereupon in his, her or their own name or names: *Provided,* that said corporation shall not make any bill obligatory, or of credit, or other obligation under its seal for the payment of a sum less than five thousand dollars. And the bill or notes which may be issued by order of the said corporation, signed by the president, and countersigned by the principal cashier or treasurer thereof, promising the payment of money to any person or persons, his, her, or their order, or to bearer, although not under the seal of the said corporation, shall be binding and obligatory upon the same, in like manner, and with 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 in the like manner as if they were so issued by such 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 as assignable by indorsement, in like manner, and with the like effect as foreign bills of exchange now are: and those which are payable to bearer shall be assignable and negotiable by delivery only: *Provided,* that all bills or notes so to be issued by said corporation, shall be made payable on demand, other than bills or notes for the payment of a sum not less than one hundred dollars each and payable to the order of some person or persons, which bills or notes it shall be lawful for said corporation to make payable at any time not exceeding six days from the date thereof.

3. Half yearly dividends shall be made of so much of the profits of the bank, as shall appear to the directors advisable; and once in every three years the directors shall lay before the stockholders, at a general meeting, for their information, an exact and particular statement of the debts which shall have remained unpaid for the expiration of the original credit, for a period of treble the term of that credit, and of the surplus of the profit, if any, after deducting losses and dividends. If there shall be a failure in the payment of any part of any sum subscribed to the capital of the said bank by any person, co-partnership of any body politic, the party failing shall lose the benefit of any dividend which may have accrued prior to the time for making such payment, and during the delay of the same.

14. The directors of the said corporation shall establish a competent office of discount deposite in the District of Columbia, whenever any law of the United States shall require such an establishment: Also one such office of discount deposite in any state in which two thousand shares shall have been subscribed or may be held, whenever, upon application of the legislature of such state; Congress may, by law require the same: *Provided,* the directors aforesaid shall not be bound to establish such office before the whole of the capital of the bank shall have been paid up. And it shall be lawful for the directors of the said corporation to establish offices of discount and deposite wherever they shall think fit, within the United States, or the territories thereof, and to commit the management of the said offices, and the business thereof, respectively, to such persons, and under such regulations as the shall deem proper, not being contrary to the law of the constitution of the bank. Or instead of establishing such offices, it shall be lawful for the directors of said corporation from time to time, to employ any other bank or banks, to be first approved by the Secretary of the Treasury, at any place or places that they may deem safe and proper to manage and transact the business proposed as aforesaid, other than for the purposes of discount, to be managed and transacted by such offices, under such agreements, and subject to such regulations as the shall deem just and proper. Not more than thirteen, nor less than seven managers or directors, of every office established as aforesaid, shall be annually appointed by the directors of the bank, to serve one year: they shall choose a president from their own number: each of them shall be a citizen of the United States and a resident of the state territory or district wherein such office is established; and not more than three fourths of the said managers or directors, in office at the time of an annual appointment, shall be re-appointed for the next succeeding year; and no director shall hold his office more than three years out of four, in succession; but the President may be always re-appointed.

15. The officer at the head of the Treasury department of the United States shall be furnished from time to time, as often as he may require, no exceeding once a week with statements of the amount of the capital stock of the said corporation and of the debts due to the same; and of monies deposited therein; of the notes in circulation and of the specie 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 imply a right of inspecting the account of any private individual or individuals with the bank.

16. No stockholder, unless he be a citizen of the United States, shall vote in the choice of directors.