

and for expelling any of its members for not observing its laws. Candidates for admission to said society shall be elected at a regular meeting of the same by a majority of the votes of the members then present.

Income. § 5. The annual income of the real and personal estate which the said corporation may at any time hold, shall not exceed one thousand dollars.

General powers. § 6. This corporation shall possess the general powers, and be subject to the general restrictions and liabilities proscribed in the third title of the eighteenth chapter of the first part of the Revised Statutes.

Rights reserved. § 7. The legislature may at any time alter, amend or repeal this act.

CHAP. 132.

AN ACT to incorporate the president, directors and company of the Chemung canal bank.

Passed April 9, 1833.

The People of the State of New-York, represented in Senate and Assembly, do enact as follows:

Name. § 1. There shall be established in the village of Elmira and county of Tioga, a bank, to be called "The Chemung Canal Bank," whose operations of discount and deposit shall be carried on in the village of Elmira, and not elsewhere.

Corporation created. § 2. All persons who shall become holders of the capital stock of the said bank, pursuant to this act, shall be, and they are hereby constituted a body corporate, by the name of "The President, Directors and Company of the Chemung Canal Bank;" and such corporation shall continue until the first day of January, in the year one thousand eight hundred and sixty-three.

Banking powers. § 3. The said corporation shall have power to carry on the business of banking, by discounting bills, notes, and other evidences of debt; by receiving deposits; by buying and selling gold and silver bullion, foreign coins and bills of exchange; by issuing bills, notes, and other evidences of debt; and by exercising such other incidental powers as shall be necessary to carry on such business.

Real estate. § 4. The real estate which it shall be lawful for the said corporation to purchase, hold and convey, shall be,
1. Such as shall be requisite for its immediate accommodation in the convenient transaction of its business: or,

2. Such as shall have been mortgaged to it in good faith, by way of security for loans previously contracted or for monies due: or,

3. Such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings: or,

4. Such as shall have been purchased at sales upon judgments, decrees or mortgages, obtained or made for such debts.

The said corporation shall not purchase, hold or convey real estate in any other case, or for any other purpose.

§ 5. The said corporation shall not, directly or indirectly, deal or trade in buying or selling any goods, wares, merchandize or commodities whatsoever, or in buying or selling any stock created under any act of the United States, or of any particular state, unless in selling the same when truly pledged by way of security for debts due to the said corporation. Restriction.

§ 6. The capital stock of the said corporation shall be ^{stock.} two hundred thousand dollars, to be divided into four thousand shares of fifty dollars each; and Abraham McHenry, Lyman Covell, Thomas Maxwell, John Jackson, Henry W. Swan, Darius Bentley, Levi J. Cooley, Horace Mack and Elijah H. Goodwin are hereby appointed commissioners to receive subscriptions to the said capital stock.

§ 7. The commissioners, or a majority of them, shall open a subscription book for the said stock, on such day and at such place in the village of Elmira, as they shall appoint; and shall give at least fourteen days' previous notice of such time and place, in one or more of the newspapers printed in that village, and in the state paper. Subscription book.

§ 8. The book for subscriptions shall be kept open at least three days, for six hours each day; and the sum of five dollars on each share subscribed for shall be paid to the commissioners at the time of making such subscription. Such payments shall be made in specie or current bank bills; and no check, draft or certificate of deposit shall be received. To be kept open three days.

§ 9. If the whole of the capital stock be not taken up during the said three days, the said commissioners may receive further subscriptions, on such other day and at such place in the village of Elmira, as they or a majority of them shall from time to time appoint, until the whole capital stock of the said corporation shall be taken up, giving public notice thereof as directed by the seventh section of this act. Further subscriptions.

- Distribution of stock** § 10. The commissioners shall proceed within four months after the passage of this act, to distribute the capital stock of the said corporation among the subscribers thereto; and in case there should be subscriptions to more than the amount of said stock, within the said three days, it shall be the duty of the said commissioners to apportion the same among the subscribers thereto, in such manner as a majority of them shall deem most advantageous to the interest of the institution; and there shall not be allowed to any one of the subscribers or commissioners, directly or indirectly, or to any one in trust for him, more than one hundred shares of said stock, if, without such allowance, the whole stock be taken up.
- Names to be published.** § 11. The commissioners shall, within ten days after the distribution of said stock, publish in one of the newspapers published in the county of Tioga, a full and complete statement of all of the subscribers for the same, with their places of residence, the number of shares by each subscribed for, and the number of shares allotted to each of them; which statement shall be sworn to by the commissioners.
- Expenses.** § 12. The expenses incurred by the commissioners in executing any duties required by this act shall be paid out of the moneys received by them from subscribers to whom stock shall be distributed.
- Restriction.** § 13. No corporation, having banking powers under the authority of this state or of the United States, shall be permitted or authorised, directly or indirectly, to subscribe for any part of the capital stock of the corporation by this act created, nor to purchase, take or hold any part of such stock, except when the same shall be hypothecated in good faith in security for a debt or loan; and in such case, the shares of stock so hypothecated shall be sold within sixty days after such debt shall become due, according to the terms of such hypothecation; and if not so sold, the same shall be forfeited, and shall belong to the fund created by the "Act to create a fund for the benefit of the creditors of certain monied corporations, and for other purposes," passed April 2d, 1829; and the commissioners directed to be appointed by the said act shall take the necessary measures to appropriate the same accordingly, and shall sell the same as soon as may be, and pay the proceeds to the comptroller for the benefit of the said fund.
- Directors** § 14. The stock, property, affairs and concerns of the said corporation shall be conducted by thirteen directors, being stockholders of the said corporation, and citizens of this state; but no person shall be a director who shall not,

at the time of his appointment, hold on his own account, and not in trust in any manner whatsoever for any other person, at least ten shares of the stock of the said corporation.

§ 15. The first election of directors under this act, and three inspectors of the first annual election thereafter, shall be held at such time and place in the village of Elmira, as shall be directed by the commissioners herein before appointed; and the said commissioners are hereby appointed inspectors of such first election; and the directors than to be elected shall hold their offices until the second Tuesday of June, in the year one thousand eight hundred and thirty-four, and until others are elected; and the said election shall be holden within two months after the capital stock shall have been subscribed.

§ 16. The directors for every subsequent year shall be elected on the second Tuesday of June of every year, at such time of the day, and at such place within the village of Elmira, as a majority of the directors for the time being shall, by a resolution to be entered in their minutes, appoint, and shall hold their offices for one year, and until others are elected in their stead. No person who shall be a director in any other bank or monied corporation shall be eligible to the office of director in the corporation hereby created.

§ 17. Public notice of every election under this act shall be given by the commissioners or directors, not less than fourteen days previous to the time of holding such election, by an advertisement to be inserted in one or more of the newspapers printed in the said village of Elmira, and in the state paper.

§ 18. Each stockholder, at the time of the first election of directors, shall be entitled to one vote on each share of stock which he shall have held in his own name at least fourteen days previous to the time of voting. At every subsequent election, each stockholder shall be entitled to one vote on each share of stock which he shall have held for the time required by law; except that in case any one person shall hold more than four hundred shares, (including all shares which may be held by any other person in trust for him.) no more than four hundred votes shall be given upon all such shares.

§ 19. All elections for directors shall be by ballot, and the thirteen persons who shall have the greatest number of votes shall be directors; and if, at any election, two or more persons have an equal number of votes, either for directors or inspectors, then the directors who shall

have been duly elected, shall proceed by ballot, and by plurality of votes, to determine which of the said persons so having an equal number of votes shall be director or directors, or inspector or inspectors, so as to complete the whole number.

Vacancies. § 20. If any director shall remove out of the state, or cease to be a stockholder to the amount of ten shares, his office shall be vacant; and whenever any vacancy shall happen among the directors, such vacancy shall be filled for the remainder of the year in which it shall happen, by such person possessing the qualifications as to ownership of stock and citizenship above required for a director of this corporation, as the remainder of the directors for the time being, or a majority of them, shall appoint.

President. § 21. The directors elected, as soon as may be after their election, shall proceed in like manner to elect one of their number by ballot to be their president.

Banking when to commence. § 22. The said corporation shall not commence the business of banking until the whole of the capital stock shall have been paid to the said corporation, in specie or current bank bills; and an affidavit shall have been made by the president and cashier of the said corporation, and filed with the comptroller, setting forth that the said payment has been made, and that no loan has, to the knowledge of such officers, been made, to enable any stockholder to pay up the amount of his shares, or any part thereof, under any implied or express agreement that such loan was to be repaid by a discount of any note or other security by such corporation; and any person guilty of wilful false swearing in any such oath, shall be subject to the pains and penalties of perjury.

Officers. § 23. The directors of the said corporation shall have power, from time to time, to appoint so many officers, clerks and servants, for carrying on the business of the corporation, and with such compensation as to them shall seem meet.

By laws. § 24. The directors for the time being shall also have power to make and prescribe such by-laws, rules and regulations, as shall be needful, touching,

1. The government of the said corporation, and the management and disposition of its stock, business, property, estate and effects:

2. The time, manner and terms at and upon which discounts and deposits shall be made and received in and by the same:

3. The duties and conduct of the officers, clerks and servants employed by the said corporation: and,

4. All such matters as may appertain to the concerns of the institution.

§ 25. The directors for the time being shall have power to require the stockholders respectively, to make payment of all sums of money by them subscribed, at such times and in such proportions as such directors shall see fit, under the pain of the forfeiture of the shares upon which such payments are required, and all previous payments thereon, to the said corporation: ^{Calls on stockholders.}

§ 26. The directors shall give notice of every such call, by notice to be published at least once a week for eight weeks successively, in one or more of the newspapers printed in the village of Elmira, and in the state paper; which notice so to be published, shall be a sufficient call upon each stockholder, to authorise in case of his default to comply therewith, the forfeiture above provided. ^{Notice thereof.}

§ 27. The obligations, contracts, bills, notes and other evidences of debt, made or issued by the said corporation, shall be obligatory on the said corporation, and be assignable and negotiable in like manner as if made or issued by a private person; and every evidence of debt assigned by the said corporation, by endorsement thereon, shall enable the assignee thereof to maintain an action thereupon in his own name; but every note, bill or evidence of debt, purporting to be a bank note, to be issued by the said corporation, shall be deemed and taken to be payable at the banking-house of the said corporation. ^{Bills, notes, &c. assignable.}

§ 28. It shall be the duty of the directors of the said corporation, to make dividends half-yearly or otherwise, of so much of the surplus profits arising from the business of the said corporation, as they or a majority of them shall deem advisable. ^{Dividends.}

§ 29. No transfer of any stock in the said corporation shall be valid until such transfer shall have been registered in a book to be kept by the directors of such corporation for that purpose; which book shall, at all reasonable times during the usual hours of transacting business, be open to the examination of any person having in his possession any note, bill, or other evidence of debt, issued by such corporation, the payment of which shall have been refused; and of any stockholder of the said corporation. ^{Transfer.}

§ 30. In case any officer of such corporation, having charge of such book, shall refuse to permit the same to be examined as aforesaid, he shall, for every such offence, forfeit the sum of two hundred and fifty dollars, to be recovered by the person to whom such refusal shall have been made. ^{Penalty.}

In case of
neglect or
refusal to re-
deem notes.

§ 31. If at any time the corporation hereby created shall neglect or refuse, for ten days after demand at their banking-house, during the regular hours of business, to redeem in specie, any evidence of debt issued by the said corporation, the said president, directors and company shall discontinue and close, until it shall resume payment as aforesaid, all its operations and business, except the securing and collecting of debts due or to become due to the said corporation, unless it shall be permitted to proceed in its ordinary banking operations, under the section next following.

Application
to chancellor

§ 32. The said corporation may, after the payment of its debts shall have been refused, apply to the chancellor by petition, accompanied by a full disclosure of the state and affairs of the corporation, for leave to proceed in its business; and if the chancellor, after due examination, shall find that the proceedings of the said corporation have been fair and without fraud, and that such corporation is in a condition to resume its operations, he may, by an order to be entered in the minutes of the court of chancery, permit the said corporation so to do.

Damages.

§ 33. The said corporation shall be liable to pay to the holders of every evidence of debt made by it, the payment of which shall have been demanded and refused, damages for non-payment thereof, in lieu of interest, at and after the rate of ten per cent per annum, from the time of such refusal, until the payment of such evidence of debt and the damages thereon.

Restriction.

§ 34. It shall not be lawful for the said corporation to redeem the bills, notes, or other evidences of debt of any monied institution without the jurisdiction of this state, and which shall be made payable at the said Chemung Canal Bank; and it shall not be lawful for the said corporation to give public notice that it will redeem the bills, notes or other evidences of debt of any monied institution beyond the jurisdiction of this state.

General
powers

§ 35. The said corporation shall possess the general powers of a corporation, as defined in the eighteenth chapter of the first part of the Revised Statutes, and shall be subject to the provisions contained in that chapter, except so far as the same have been repealed before the passage of this act, or are modified by the act recited in the section next following, or by this act in respect to the corporation created hereby.

Subject to
act of April
2, 1829.

§ 36. The said corporation shall also be subject to the provisions contained in the act entitled "An act to create a fund for the benefit of the creditors of certain monied

corporations, and for other purposes," passed April 2d, 1829, so far as the same shall be in force at the time of passing this act.

§ 37. It shall not be lawful for the said corporation to ^{Loans.} take an hypothecation of its own stock, as security for the making any loan or discount by such corporation.

§ 38. The legislature may at any time modify, alter or ^{rights reser-} repeal this act, or any of its provisions. _{void.}
