

No. 156.

An Act

To incorporate the Berks County Savings Institution.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same,* That David Hottenstine, Matthias S. Richards, Henry A. Muhlenberg, George M. Keim, Lloyd Wharton, Frederick A. Schulze, Joseph H. Spayd, Thomas Morris, Elijah Deckert, George Bieber, John Fister, John Beitenman, Daniel Kern, George Fox, John Bailey, Lewis W. Richards, William Arnold, George Malsberger, Peter Filbert, John F. Smith, John Bickle, John Ritter, John Miller, tinman, Jacob Long, Wm. Shæner, David Bright, George Zeiber, Jacob Goodman, Anthony Bickle, Daniel H. Boas, Henry W. Smith, John M. Keim, James L. Duñn, Wm. Darling, Wilson Hamilton, David Finger, George Leaf, Henry McKinty and Henry Flannery, and every other person hereafter becoming members of the Berks county Savings Institution, shall be and are hereby created a corporation and body politic, by the name and style of the ^{Style of} "Berks County Savings Institution," and by that name shall be ^{corporation.} able to sue and to be sued in all courts and tribunals, and to purchase, have and hold lands, tenements, hereditaments, rents, goods, chattles and effects of whatsoever nature or kind, and the same at any time to sell, grant and dispose of, and to make, execute and deliver all proper and legal conveyances and assurances, and to receive the same, and also to make, have and use a common seal, and the same to break, alter and renew at pleasure, and also to ordain, establish and put in execution, all such by-laws, ordinances and regulations as may appear necessary and fit to subserve the interests of the institution, not being contrary to the fundamental articles thereof, to the constitution and laws of the United States or of this Commonwealth, and generally to do and execute, and have done and executed by proper officers, or by attorney in fact duly constituted, all acts, matters and things in relation to the business thereof, which a corporation may or lawfully can do: *Provided,* That the clear ^{Privileges & liabilities.} yearly value of the real estate so held, except such as shall have been bona fide mortgaged to the said company by way of security, or conveyed to it in satisfaction of debts contracted in the course of its dealings, or purchased at sales upon judgments obtained for such debts, shall not exceed the sum of five thousand dollars.

SECTION 2. For the security of depositors in said institution, it shall be the duty of the persons named in the first section of this association, and such others as may become members of said

Capital not less than \$10,000 nor more than \$50,000.

association, to raise and form a capital of not less than ten thousand dollars, or not more than fifty thousand dollars, in shares of twenty-five dollars each, which capital shall at all times be liable to the depositors for the amount of their deposits, and of the interest accruing thereon: the shares shall be transferable on the books of the company in such manner as may be designated by the by-laws of the said institution. .

Elections, how conducted.

SECTION 3. That after ten days notice given by the three persons first named in the first section of this act, in at least two newspapers published in the borough of Reading, a meeting of all the persons above named, or a majority of them, shall be held at a time and place in said borough, to be specified in said notice, when and where said persons or a majority of them shall proceed, the individuals giving the notice acting as judges of the election, to elect by ballot from their own number, seven trustees, to manage the affairs of said institution for one year after the same shall have commenced operations, and until their successors shall be duly elected and qualified to take their seats; and the second and all future elections of trustees shall be held at such times and in such manner in all respects as the by-laws shall prescribe; and at such elections, all such persons as shall be members, having been duly admitted as members under the provisions of this act, shall be alone entitled to vote at such elections, and be eligible to the situation as trustees; and the second set of trustees thus elected, and all others thereafter elected, shall hold their offices for one year, and until their successors shall be duly qualified to take their seats; and in case of the death, resignation, removal, public insolvency or inability to act, of any of the said trustees, the remainder of the board, or a majority thereof, may proceed to supply the vacancy for the first one year, from the persons named in the first section of this act; and afterwards from among the regular members of said corporation; and after the said one year, no person shall have a vote in any proceedings of said corporation, except those who shall have become members thereof as above indicated, but no director of any bank shall be a trustee in this institution.

Officers elected and appointed.

SECTION 4. The trustees aforesaid shall have power to elect a president from their own body, in case of absence or inability to act, a president pro tem, and to appoint a treasurer and all other officers, agents and servants, necessary for the performance of the proper business of the institution, and in their discretion to dismiss them; and it shall be the duty of the trustees to take from their treasurer a bond with two or more sufficient sureties to their satisfaction, in such sum as they shall deem proper, conditioned for the faithful and due execution of his office; and the treasurer shall not be allowed to carry on, directly or indirectly any other business than that of the institution, without express permission from the trustees, under the penalty of three thousand dollars, to be recovered for the use of the

Duties of the trustees.

Bond from treasurer for faithful performance of duty.

institution; and the trustees shall take such security for the good behavior of their treasurer as the by-laws shall prescribe, and shall establish the compensation to be made to the treasurer, which, together with all expenses, shall be paid out of the corporate funds; but no trustee or other officer in said institution shall ever be allowed to borrow any sum from the same upon any security or any pretence, except in the same proportion as shall be allowed to all depositors on security of their deposits, not exceeding three-fourths thereof.

SECTION 5. The said corporation shall be authorized to invest its funds in public stocks of this State, or of the United States, or real securities, or in the discount of notes and personal securities: *Provided*, That the rate of discount at which loans may be made by the said institution, shall not exceed one half per centum for thirty days; and it shall not purchase promissory notes, bills, bonds, or other negotiable securities, at a greater rate of discount: *Provided*, That no note shall be discounted by this institution, unless on money deposited under the provisions of this act or on the capital stock: *And provided further*, That no bank shall deposit money in this institution.

SECTION 6. The said institution shall receive as deposits from all persons who shall offer the same, any sum not less than one dollar, to be paid to such depositor when required, and at such times, and with such interest, and under such regulations, as the trustees in the by-laws may prescribe; which regulations shall be put up in some conspicuous part of the office in which the business of the institution may be transacted, but no interest shall be allowed on any deposits until they shall amount to the sum of five dollars; and every additional sum of five dollars that may be deposited, shall bear interest in like manner; the interest shall be estimated by calendar months; and in order to avoid the calculations of interest for days upon small amounts, no interest will be allowed for the fractional part of a month. The trustees shall be at liberty to return the amount of deposit of any individual with his interest, and close his account on giving him four weeks notice thereof.

SECTION 7. The trustees shall have power to prescribe by-laws, the mode of subscription and deposit of those intending to become members of the institution, and the form of certificates to be issued to such as well as to temporary depositors, and the manner of making them transferable, and to provide for the investment of the funds of the institution in mortgages, with or without power of sale, and authority to enter judgment thereon, and other real securities, public stocks and bank stock of the State, or of the United States, as shall be deemed appropriate and safe, and to provide for the admission of members who shall be eligible to membership, and to furnish the proper testimonials thereof.

Membership. **SECTION 8.** Every person being a citizen of the United States who shall have subscribed to this act, the by-laws, and shall at the rate of one dollar per week, or four dollars per month, have deposited one hundred dollars, shall receive a certificate thereof, and every person who shall at the rate of two dollars per week or eight dollars per month, have deposited two hundred dollars, shall receive a certificate thereof, and every such person who shall at the rate of three dollars per week, or twelve dollars per month, have deposited three hundred dollars, shall receive a certificate thereof, and so on the same ratio for every grade of depositors per week or month; and every holder of such certificate who shall be a bona fide owner thereof for six months, shall be eligible for membership, but no person thus subscribing or paying, shall deposit or pay in more than the sum of five hundred dollars in any one year; and every member of this institution who shall be the bona fide owner of a certificate of deposit of one hundred dollars, and less than five hundred dollars, shall be entitled to one vote for the first hundred dollars, and to two votes if the amount exceed three hundred dollars, and every member who shall be the bona fide owner of a certificate of five hundred dollars and upwards, shall be entitled to three votes.

Certificates for deposits made.

Ratio of votes.

Semi annual declaration of interest. **SECTION 9.** On the first Monday of May and November in each year, the trustees shall cause a semi annual interest account to be made up, stating the amount of interest due to each regular member, and after fifteen days make payment thereof if demanded by such member, or those legally entitled thereto, at the office of the institution, but in no case shall the capital of the institution be impaired by such dividends or payments of interest, and once in five years or oftener, if the trustees shall deem it expedient, they shall cause a dividend to be made and paid in like manner, of the profits of the institution, if any shall have accumulated, retaining always such contingent fund as shall seem necessary to promote the interests of the institution and payment of its current expense; and the trustees shall cause public notice to be given in one or more newspapers of the borough of Reading, at regular intervals of six months, of the terms on which deposits are received at the institution; and it shall be the duty of the trustees to furnish annually, prior to the first Monday of December, under the oath or affirmation of the president or treasurer, to the Auditor General, a statement specifying the general state of the affairs of the institution as they shall stand on the first Tuesday in November in each year, that the same may be laid before the Legislature before the first Monday in January following.

Public notice

Annually furnish a statement to Aud. General

Not to issue its own bills in manner of bank notes, &c. **SECTION 10.** The said Berks county Savings Institution shall not in any case or for any purpose issue its own bills, in the manner of bank notes, upon loan for circulation as money, or to loan any notes other than such as are received at par on deposit in the bank of the United States or banks of this State.

SECTION 11. In all cases of loss of money to the institution by the fraud of the trustees, they shall individually be liable for the same, but such trustees as shall be absent at the commission of such fraud and not concurring therein, and such as shall be present and dissent therefrom, entering their protest upon the minutes, shall be exonerated from such liability by forthwith giving notice of the fact to the members; but without such fraud no trustee or member shall be liable in his person or property for any debts, contracts or engagements of the institution, and the money, rights, property and credit thereof and nothing more shall be liable for the same; and no trustee, except the president, shall be entitled to any emolument for his services. Penalty for fraud.

SECTION 12. No misnomer of the said corporation in deed, gift, grant or demise or other instrument of contract or conveyance, shall vitiate or defeat the same: *Provided*, The corporation shall be sufficiently described to ascertain the intention of the parties; nor shall the non use of any of the privileges hereby granted create or work any forfeiture of the same, but the same be exercised by said corporation, notwithstanding any failure to meet at any time appointed herein or by the by-laws to hold annual or other meetings for elections or other purposes, but the officers then in office shall continue to hold their respective offices until others shall be duly elected to succeed them, at some future meeting, which the said institution is hereby authorized to hold for such purpose. Proviso.

SECTION 13. So much of this act as incorporates the Berks county Savings Institution and Trust Company, shall continue and be in force for the term of fifteen years, but if at any time the said corporation shall misuse or abuse any of the privileges granted by this act, or if it shall appear that the said privileges are injurious to the citizens of this Commonwealth, the Legislature shall have power to revoke or annul them at any time they may deem the same expedient; and further shall have power to tax said institution in such manner as the Legislature may deem just and expedient. Continue in force 15 yrs.
Legislative right to repeal.

JAMES THOMPSON,
Speaker of the House of Representatives.

THOMAS S. CUNNINGHAM,
Speaker of the Senate.

APPROVED—The fourteenth day of April, one thousand eight hundred and thirty-five.

GEO: WOLF.