

of this commonwealth reserves the right to make such alterations and additions to the charter hereby authorized, as may be deemed just and expedient. Reserved rights by the legislature.

NER MIDDLESWARTH,
Speaker of the House of Representatives.

THOMAS S. CUNNINGHAM,
Speaker of the Senate.

APPROVED—The thirty-first day of March, Anno Domini, one thousand eight hundred and thirty-six.

JOS: RITNER.

No. 86.

An Act

To incorporate the Philadelphia Loan company, and for other purposes.

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 George S. Schott, Joseph R. Chandler, William Stephens, Benjamin E. Carpenter, John F. Ohl, Nathaniel C. Foster, T. E. I. Kerrison, John R. Walker, Bartholomew Graves, William E. Whitman, James Simpson, Benjamin Duncan, T. M. Moore, Jacob Marker, and Francis Colè, and all such persons as shall be associated with them, when they shall have complied with the requisitions of this act, may be constituted and declared a body corporate, by the name, style and title of "The Philadelphia Loan company." Who to consist of.

SECTION 2. The capital stock of the said company shall be five hundred thousand dollars, which shall be divided into shares of twenty-five dollars each, which capital stock shall be transferrable on the books of the said company, in such manner as the board of directors may order and direct; and the Governor shall thereupon, by letters patent, under his hand and the seal of the state, erect and create the subscribers into one body corporate and politic, in deed and in law, for the period of fifteen years, under and by the name, Amount of capital. When letters patent shall issue. Term of charter.

General powers.

Amount of real estate.

Not to deal in merchandise.

Capital to be paid in one year.

Directors, how to be chosen.

style and title of "The Philadelphia Loan company," and by that name they and their successors may and shall have succession, and shall be able to sue and be sued, plead and be impleaded, in all courts of record and elsewhere, and to prosecute and defend all suits, actions, complaints, matters and causes whatsoever, either at law or in equity, and to have and use a common seal, and the same to change and renew at pleasure, and also, under the name and style of "The Philadelphia Loan company," shall be in law capable of purchasing, holding, selling or conveying any estate, or property real or personal, for the use, occupation and benefit of the said corporation: *Provided*, That the real estate to be holden by the said corporation, shall be such only as may be requisite for the immediate occupation in the transaction of its business: *And provided*, That the said corporation shall not, directly or indirectly, deal or trade in buying or selling any goods, wares or merchandise whatsoever, except in receiving and disposing of the same in the manner hereinafter mentioned, when truly pledged to the said corporation for loans, and within one year from the passage of this law, to call in and cause to be paid, the whole of the capital hereby authorized.

SECTION 5. The affairs of the Philadelphia Loan company shall be managed by thirteen directors, each of whom shall be a stockholder, owning at least five shares of the said stock, and shall hold their offices until others shall be chosen in their places.

SECTION 4. The persons herein first named, shall be the first directors to manage the affairs of the said company; that the time and place of holding elections for future directors, shall be fixed and regulated by the by-laws of said company, and notice of such election shall be previously published for two weeks, in two of the daily newspapers in the city or county of Philadelphia; all the elections to be holden for the purpose of choosing directors, each stockholder of the company shall be entitled to and vote for every share of stock held by him to the number of fifty shares, but no stockholder shall give more than fifty votes at any election.

SECTION 5. All elections shall be by ballot, and the thirteen persons having the greatest number of votes, shall be directors, and if it should so happen at any election that any two persons shall have an equal number of votes, then the directors in office at the time of the election, or a major part of them, shall proceed by ballot, and by a plurality of votes determine which of the said persons so having an equal number of votes, shall be the director or directors, so as to complete the whole number; and should any director cease to be a stockholder, his office shall be considered vacant, and all vacancies happening from this cause, or the death, resigna-

tion, or removal of any director, shall be supplied by the remaining directors, or by the major part of them, until a new election.

SECTION 6. The directors for the time being, or a majority of them, shall have power to elect a president from their own body, to appoint such officers, appraisers and agents, as they shall deem necessary to conduct and execute the business and affairs of the company, to fix and regulate the time, manner and terms of making loans, and receiving pledges and deposits, to pass such by-laws as shall be necessary for the exercise of the said power, and of the other powers vested in said corporation by this act, and the said by-laws from time to time to alter and repeal: *Provided*, That such by-laws shall not be contrary to the laws of this state or of the United States.

SECTION 7. It shall be lawful for the said company to loan money, in any sum or sums from one dollar upward, on pledges of goods and chattels, and other securities, to be deposited with the company as security therefor, and to charge all reasonable expenses incident to the same, and an interest not exceeding six per cent. per annum: *Provided*, however, That nothing contained in this act shall be construed to authorize said company to discount notes: *And* provided, That this corporation shall issue no notes or bills of credit, or promissory notes in the nature of bank notes, or exercise any banking privileges whatever. The court of Quarter Sessions may from time to time, appoint a person to investigate the affairs and management of said company, who shall report to such court the manner in which its investments are made, his opinion of the ability and integrity with which the affairs of the company are conducted, of the prudence and safety of its investments, and the security afforded to those by whom its engagements are held; the expense of every investigation so made, shall be defrayed by the said company.

SECTION 8. It shall be the duty of the said company to use all reasonable diligence and care in the preservation of all articles, goods and chattels whatsoever, which shall be pledged and deposited with them, and when any article or articles shall be pledged as aforesaid, the same shall be appraised by the proper officer of said company, who shall then deliver to the person pledging such article or articles, a certificate, signed by him, and dated on the day of its delivery, which shall contain a description of the article or articles pledged, as nearly as may be, with the appraised value thereof, and shall specify the sum of money borrowed, the time of repayment, and the lawful rate of interest, together with the name of such borrower, a duplicate of which receipt shall be kept in the books of the company.

Stolen goods. SECTION 9. Whenever, from any advertisement, notice or caution received previous to the offer to pledge any article, the officers or agents of the company shall suspect and believe that such article so offered to be pledged, has been stolen, it shall be the duty of such officer or agent to detain the same, and to give immediate notice thereof to the person who issued said advertisement, notice or caution, and also to give immediate information, of the circumstances to a justice of the peace, alderman, or police officer of the city or county of Philadelphia, with a description of the person offering to pledge such articles, and every circumstance within his knowledge which may lead to the detection and apprehension of the thief.

Repayment of loan,

And return of pledge.

Lost certificate.

Certificates not sealed, binding.

Sale of pledges.

SECTION 10. Whenever at any time, or before the termination of the period specified in the certificate for the expiration of the loan, or within two weeks thereafter, the certificate of such loan shall be presented at the customary place of business of the company, and payment or tender shall be made of the amount of such loan, with interest, at the rate named in such certificate or fixed by this act, from the date of said certificate, to the time when it shall be presented, the article or articles described in said certificate shall be without delay delivered to the bearer thereof, and in case of the loss or destruction of said certificate, it shall be lawful for the said corporation to require from the person or persons claiming a right to redeem any articles described in such lost or destroyed certificate, satisfactory proof, by affidavit or otherwise, that such person or persons is or are legally entitled to redeem the same, and to require such person or persons to execute and deliver to the Philadelphia Loan company, a bond of indemnity, with a sufficient surety or sureties, in double the amount of the appraised value of such article or articles, conditioned that the said article or articles shall be returned, or the just value thereof refunded, in case the said certificate shall thereafter be presented, or the said articles otherwise legally claimed, together with all costs, charges, damages and expenses which shall have accrued by reason of the delivery thereof.

SECTION 11. The certificates of loans, and all other contracts and agreements whatever of the said company, made pursuant to this act, and to the by-laws and regulations to be established by the president and board of directors of said company, although not under the corporate seal, shall be binding on them and their successors.

SECTION 12. If any article or articles so pledged as aforesaid, shall remain unredeemed at the expiration of the period of the loan made thereon, it shall be lawful for the said company to sell the same at public auction by a licensed auctioneer, after having given at least two weeks previous notice of the time and place of such sale, in two of the daily

newspapers published in the city or county of Philadelphia; such auctions may be held on such days as may be fixed by the by-laws of the company, at the usual place of transacting the business of the company, or elsewhere in the city or county of Philadelphia, and the surplus proceeds of all articles pledged to and sold by the company, in the manner aforesaid, after paying the loan made thereon, the interest and charges on such loan, and the reasonable expenses of the sale, shall be paid to the person or persons presenting the certificate or certificates of such loan, without interest on such surplus, until after a legal demand therefor shall have been made.

SECTION 13. From and after the time when the Philadelphia Loan company shall be erected into a corporation, it shall be lawful for the directors for the time being, to call for and demand from the stockholders or subscribers all such sum or sums of money by them subscribed, at such times, and in such proportions as they shall see fit, under pain of forfeiture of their shares, and of all previous payments thereon, always however, giving at least fifteen days previous notice of such demand, in at least two of the public daily newspapers printed in the city or county of Philadelphia; and each stockholder shall be entitled to vote on such stock as he or she may have holden, in his or her name, at least thirty days previous to the time of the election, and no transfer of the stock of the said company shall be valid or effectual, until it shall be entered and registered in a book or books, to be kept for that purpose by the directors.

SECTION 14. It shall be the duty of the president and officers of said company, at least thirty days previous to an election, as above provided, to prepare and insert in a book to be provided for the purpose, a full and true statement of the funds, property and sureties of the said company, shewing the amount in real estate, public stock, and the amount of debts due to and from the said company, to be exhibited during the usual hours of business, at the office thereof, until the day of election; and in case the president or officers of said company shall refuse or neglect to prepare such statements, or submit the same, when required, to any stockholder, in the manner and at the time above required, they and each of them shall forfeit and pay to any person so requiring the inspection of such statement, and being at the time of such neglect a stockholder of the said company, the sum of fifty dollars, to be sued for and recovered by such stockholder, to his own use, in the court of Common Pleas of the city and county of Philadelphia: *Provided*, such suit be commenced within thirty days after the election of said company.

SECTION 15. The offices, storehouses, and other buildings necessary for the conducting of the business and concerns of the said corporation, shall be located in the city of Philadel-

Offices, etc. to be examined by mayor, etc. phia, and the said storehouses and other buildings, used for the reception of goods, wares, furniture and merchandise, shall at all times be opened for examination and search, by any person duly appointed for that purpose by the mayor of the city of Philadelphia, and the president judge of the court of Quarter Sessions of the county of Philadelphia.

Deposits. SECTION 16. It shall be lawful for the said corporation to receive money or deposit, in sums from one dollar upwards; the rates of interest allowed to depositors to be fixed by the by-laws of the company, and a certificate of deposit to be given to such depositor, stating the rate of interest, and the period for which such a deposit is made.

Legislature to revoke. SECTION 17. The privileges hereby granted to the said Philadelphia Loan company, shall be subject to an immediate repeal by the legislature, in case of any misuse or abuse, if at any time hereafter they may think proper so to do, and such alterations, provisions and restrictions, as they may from time to time enact, and shall be liable to such taxes, whether on dividends or otherwise, as the legislature may at any time impose: *Provided*, That the president, or secretary of the said company shall annually, on the first Monday in December, transmit to the Auditor General a full statement of the affairs of the said company, under oath, and shall pay annually into the treasury of the commonwealth, a tax of eight per centum on all dividends which may exceed six per centum on the capital stock actually paid in.

Statement to Auditor General.

Franklin Bank of Washington, how to pay bonus.

SECTION 18. That the Franklin Bank of Washington shall pay into the state treasury, within one year after the said bank shall go into operation, five per centum on the sum of one hundred and fifty thousand dollars, and that when any portion of the balance of the capital stock shall be called in by the directors, the said bank shall, within one year thereafter, pay into the state treasury five per centum on the whole of such balance; and further, it is hereby declared to be the meaning of the second section of the act authorizing the establishment of said bank, entitled "An act to incorporate the Franklin Bank of Washington," passed the ninth day of March, Anno Domini, one thousand eight hundred and thirty-six, that the commissioners, or a majority thereof, named in said act, may, if necessary, cause the stock to be exposed to sale, at any and all of the places designated in said second section, or at each of said places successively, until the whole of said stock is sold.

NER MIDDLESWARTH,

Speaker of the House of Representatives.

THOMAS S. CUNNINGHAM,

Speaker of the Senate.

APPROVED—The thirty-first day of March, A. D. eighteen hundred and thirty-six

JOS : RITNER.