[No. 149.]

AN ACT

To re-charter the Farmers' and Mechanics' Bank of Philadelphia.

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 the charter of the Farmers' and Mechanics' bank of Philadelphia, shall be and the same is hereby continued and extended for the term of five years from the expiration of the present charter, subject to the provisions imposed by this act, and to all the provisions now imposed upon the said bank by existing laws of this commonwealth; and also subject to such further provisions as the legislature may hereafter think proper to enact for the regulation of banking institutions. **Extended**

SECTION 2. The total liabilities of the said bank, exclusive of deposits, shall not at any time exceed double the amount of its capital stock paid in; nor shall the debts of every kind due and to become due to the said bank, except debts due from the government of the United States and the state of Pennsylvania, ever amount to more than three times its capital stock paid in; and the said bank shall not loan or discount any when its circulation shall be, for thirty consecutive days, equal to three times the amount of specie or specie funds in its possession, belonging to said bank. **Liabilities**

SECTION 3. In addition to the returns which the said bank is now required by law to make, when notified so to do by the auditor general, it shall also return, on the oath of the cashier, a statement, in tabular form, showing—First, The whole amount of its liabilities; Second, The amount of debts due or to become due to said bank, except as before excepted; and if, upon the return so made, it shall appear that its liabilities or debts due or to become due to it, except as before excepted, shall have exceeded, for thirty consecutive days, at any quarter of the last year, three times the amount of its capital stock paid in, or that its circulation was greater for thirty consecutive days, than three times the amount of the specie or specie funds in its possession, it shall be the duty of the auditor general forthwith to give notice thereof to the governor, who shall issue a proclamation, which shall be **Returns to auditor gen'l** published in one newspaper in Harrisburg, and one paper in the vicinity of said bank, declaring its charter forfeited; and the said bank shall go into liquidation, under the provisions of the act of the twelfth day of March, one thousand eight hundred and forty-two, entitled "An Act to provide for the resumption of specie payments by the banks of this commonwealth, and for other purposes."

Proxy

SECTION 4. No stockholder shall vote by proxy, at any of the elections of the said bank, for officers, directors or otherwise, who resides within thirty miles of the same, except females; nor shall any stockholder be entitled to a vote whose stock is hypothecated: *Provided*, That before this act shall take effect, the said bank shall resume, and continue to pay specie for all its liabilities, in conformity to existing laws, under the penalty contained in the third section of this act.

Commonw'th stock

SECTION 5. That the directors of said bank shall, within thirty days after the acceptance of the provisions of this act, agree to purchase all the shares of stock held and owned by the commonwealth in said bank, at fifty dollars per share, being the par value thereof, one-third of the amount to be paid in specie, or its equivalent, and the balance in certificates of state loan, at par; a failure to comply with the foregoing part of this section, shall work a forfeiture of the charter hereby granted.

Capital reduced

Proviso

SECTION 6. That the directors of the said bank be, and they are hereby authorized to reduce the capital from twelve hundred and fifty thousand dollars to the sum of seven hundred and fifty thousand dollars, and that the shares thereof be reduced from fifty dollars per share to thirty dollars per share: *Provided*, That the said reduction be approved by a majority of the votes present, or represented in a meeting of the stockholders of said bank, to be called according to the provisions of the charter of said bank.

Geo. Ege suit against Farmers' & Mechanics' Bk of Philadelphia

SECTION 7. That George Ege may institute an action in the court of common pleas of Cumberland county, against the said Farmers' and Mechanics' bank, for the purpose of trying and determining his claims against said bank, arising out of and connected with the sale of his real estate, commonly known by the name of Mount Holly iron works, upon an execution in favor of said bank; the writ of summons for commencing said action, shall be directed to and executed by the sheriff of Philadelphia county; and the cause shall be put to issue, and tried upon its merits, so as to secure a full and fair determination of said claims, without objection as to the naming of parties or form of action.

SECTION 8. That hereafter bank directors of this commonwealth, shall be eligible for three years out of any four years; but no person shall be a director at the same time of more than *one bank; and every person who has been or shall hereafter* be a director in one or more banks of this commonwealth, for three years out of any four years, shall be ineligible, (except the president, who shall always be eligible,) as a director in any bank whatever, until the expiration of one year thereafter; and it shall be lawful for any stockholder to make application to the court of common pleas of the proper county for a writ of *quo warranto*, against every person violating the provisions of this section, the said writ to be heard and determined according to the provisions of "An Act relating to writs of *quo warranto* and *mandamus*, passed fourteenth June, one thousand eight hundred and thirty-six;" and every person so convicted, shall be removed from the office of director by a decree of the said court, and shall thereafter be ineligible as a director in any bank in this commonwealth, and shall be fined in a sum not less than five hundred dollars, nor more than two thousand dollars, at the discretion of the court, and the vacancy or vacancies shall be filled as in the case of death.

Eligibility of bank directors

Writ of quo warranto

Ineligibility

SECTION 9. That the legislature hereby reserves the power to alter, revoke or annul the charter of the said bank, whenever in their opinion it may be injurious to the citizens of the commonwealth, in such manner, however, that no injustice shall be done to the corporators thereof.

Charter revocation

SECTION 10. So much of any act or acts of assembly, as are hereby altered or supplied, be, and the same are hereby repealed.

Repeal

HENDRICK B. WRIGHT,
Speaker of the House of Representatives.

B. CRISPIN,
Speaker of the Senate.

APPROVED—The eighteenth day of April, one thousand eight hundred and forty-three.

DAVID R. PORTER.