

they may deem expedient, may be invested in the bonds and shares of railroad companies, and in other public and private securities, which, being placed in Europe or elsewhere, may be sold or held as the basis of a credit, enabling the company to obtain money and credit upon such time and upon such terms as will enable them advantageously to use the same, and especially to make loans and advances to railroad companies, farmers, planters, manufacturers and others, upon terms more favorable than such loans are usually made by banks, and also to authorize them to guarantee the payment of notes and bonds, and the performance of the contracts of States, governments, towns, cities, counties, companies, corporations and individuals, and to authorize them as a company to make all requisite contracts, and especially to receive and hold on deposit or in trust any estate or property, real or personal, including notes, bonds and accounts, and the same to purchase, adjust, collect and settle, as by contract may be agreed, and also to sell and dispose thereof in any market in the United States or elsewhere, for such price and in such manner and upon such terms as may be agreed upon between them and the persons or parties contracting with them, and also to make advances of money and of credit, and to deal in exchange, foreign and domestic, and may insure persons and houses and goods and all species of property against damage or loss by fire or water, or any other casualty whatsoever.

Capital stock  
—how paid,  
&c.

Sec. 2. *And be it enacted*, That the capital of said company shall consist of shares of ten dollars each, and fifty per cent. thereof shall be appropriated for and used as the active capital, and fifty per cent. shall be invested by the Directors in good securities and held as a reserve fund pledged for the payment of any contingent liability which may be created in the course of their business; and should any part of the reserved fund be at any time used in payment of any such liability, it shall be the duty of the Directors to reinstate the sums thus used by appropriating thereto so much of the current income as may be requisite therefor, and no distribution of profits shall at any time be made so long as there may be any deficiency in the funds reserved as afore-