

Trust department

assets, and such trust funds shall not be subject to the other liabilities of this company, and for the purpose of securing the observance of this section, this company shall have a trust department in which all business authorized by the first and second sub-sections of section six of this act shall be kept separate and distinct from its general business; and all investments made by it in any fiduciary capacity shall be so designated, that the trust to which such investments or assets shall belong shall be clearly shown.

Trust guarantee fund.

SEC. 12. *And be it enacted,* That the directors of this company may from time to time, set apart as a trust guarantee fund, such portion of its profits as they may deem expedient, and the accounts of the investment and management, and the securities in which such trust guarantee fund is invested shall be kept in the trust department provided for by the next preceding section; and the said trust guarantee fund shall be absolutely pledged for the faithful performance of this company of its duties and undertakings, which it is empowered under its original charter and this act to accept, and shall be applied to make good any default in such performance; and such pledge and liability shall not in any respect deprive those of the creditors of this company, whose security it is the intention of this section to increase, of the preference given to them by the eighth section hereof, but shall be in addition thereto; and no portion of such trust guarantee fund shall be transferred to the general stock of this company while it has any trust undertakings outstanding incompleated; but its income, if not needed at any dividend time, to make good such undertakings, may be added to and disposed of with the general income of the company.

Not to loan to employees.

SEC. 13. *And be it enacted,* That no loan shall be made by this company to any director, officer or employee thereof, and any director or directors, or other person or persons connected with this company, working or consenting to any such loan, directly or indirectly, or knowing that any such loan is made, and failing to inform the board of directors thereof at its next meeting, after obtaining such knowledge, shall be liable to this company for the amount so loaned, with interest thereon, and all expenses, including counsel fees, incident to collecting the same.

Committee to examine

SEC. 14. *And be it enacted,* That it shall be the duty of the directors of this company, by a committee of not less than three of their number at least twice in each year, to thoroughly examine the books, vouchers and assets of this company and its affairs generally, and such committee may, if deëm necessary, employ at the expense of this company an expert accountant to aid it in making such examination; and it shall be the duty of said committee, as speedily as practicable, after any such examination has been completed, to prepare a statement showing the assets and liabilities of