

CHAP. 136.

Fundamental articles.

Capital stock to be managed for benefit of stockholders.

No director of any other bank to be a director of this bank.

Amount of debts not to exceed double the amount of capital actually paid in—Excess.

Notes may be discounted any length of time not exceeding six months.

Notes issued by order of corporation to be binding upon the same in like manner as upon any private person, &c.

acts, matters and things, as to them shall appertain under the clauses of this act.

24. *And be it enacted*, That the following rules and provisions shall form and be fundamental articles of the constitution of the said corporation.

Article 1 That the capital stock of the North and South Branch Bank of Potomac, at Old Town, Allegany county, shall be managed by the directors for the benefit of the stockholders.

Article 2. No director of any other bank shall be a director in this bank, nor shall any two persons, copartners in any kind of business, be directors of this institution at the same time; two of the directors elected by the stockholders shall go out annually.

Article 3. The total amount of the debts which the said corporation shall at any time owe, whether by bond, bill, note, or other contract, shall not exceed double the amount of the capital actually paid into the said bank, provided that the money deposited in the said bank for safe keeping, shall not be considered as the debts of the bank within the provision of this clause. In case of excess, the directors under whose administration it shall happen, shall be liable for the same in their natural and private capacities, and an action of debt may, in such case, be brought against them, or any of them, or their heirs, executors and administrators, in any court of record of this state, by any creditor or creditors of the said corporation, and may be prosecuted to judgment and execution, any condition, covenant or agreement, to the contrary notwithstanding; but nothing herein contained shall be construed to exempt the said corporation, or the lands, tenements, goods and chattels of the same, from being also liable for, and chargeable with, the said excess; and such of the said directors who may have been absent when the said excess was created, or may have dissented from the resolution or act whereby the same was created, may respectively exonerate themselves from being so liable, by forthwith giving notice of the fact, and of their absence or dissent, to the governor of the state, and to the stockholders, at a general meeting, which they shall have power to call for that purpose.

Article 4. The president and directors may discount notes or bills at any length of time, not exceeding six months, but may renew the same from time to time, at pleasure; and shall not receive on loans or discounts more than at the rate of six per centum per annum.

Article 5. All bills and notes which may be issued by order of the said corporation, signed by the president, and countersigned by the cashier thereof, promising the payment of money to any person or persons, his, her or their order, or to bearer, though not under the seal of the said corporation, shall be binding and obligatory upon the same, in the like manner, and with the like force and effect, as upon any private person or persons, if issued by him or them, in his, her, or their private or natural capacity or capacities, and shall be assignable and negotiable in like manner as if they were so issued by such private person or persons; that is to say, those which shall be payable to any person or persons, his, her, or their order, shall be assignable by endorsement in like manner, and with the like effect, as foreign bills of exchange now are, and those which are payable to bearer, shall be negotiable or assignable by delivery only.