

L A W S
OF THE
STATE OF NEW-YORK,

PASSED AT THE
THIRTY-NINTH, FORTIETH AND FORTY-FIRST
SESSIONS

OF THE
LEGISLATURE,



COMMENCING
JANUARY 1816, AND ENDING APRIL 1818.



VOL. IV.

ALBANY:

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1818.

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person, association of persons, or body corporate, from and after the first day of August next, to keep any office of deposit for the purpose of discounting promissory notes, or for carrying on any kind of banking business or operations, which incorporated banks are authorised by law to carry on, or issue any bills or promissory notes, as private bankers, unless thereunto specially authorised by law: *Provided*, that nothing in this act contained shall be deemed to extend to the bank in New-York, owned by Jacob Barker, called the Exchange bank, until three years after the passing of this act: *Provided also*, that nothing in this act contained shall be deemed or construed to abridge, enlarge, or in any way affect any rights heretofore granted by law to any incorporated company.

Banking power prohibited to persons or associations unless expressly authorised.

Proviso.

Further proviso.

II. *And be it further enacted*, That in case any person or persons, or body corporate, shall contravene the foregoing provisions, every such person or persons, and the members of every such corporation, who shall either directly or indirectly assent thereto, shall for every offence forfeit the sum of one thousand dollars, to be sued for by the attorney-general, and recovered in an action of debt, in the name of the people of this state, in any court of record, with costs to be taxed, and that one half of the said forfeiture, when recovered, shall be to the use of the said people, and the other half to the informer.

Penalty for violating this act.

III. *And be it further enacted*, That in case any incorporated bank shall refuse to pay any of its bills or notes hereafter to be issued, in lawful money of the United States, on demand, the holder of such bills or notes shall be entitled to recover the amount thereof, in an action on the case, for moneys lent, with interest thereon, at the rate of ten per cent per annum, from the time of such refusal, with costs.

Liability of banks refusing to pay their bills.

IV. *And be it further enacted*, That the second section of the act, entitled "an act to amend the act, entitled "an act to incorporate the stockholders of the bank of Orange, passed 6th April, 1813, and for other purposes," passed April 15, 1817, be and the same is hereby repealed.

A certain section repealed.

CHAP. CCXXXVII.

AN ACT relative to the aqueduct association in the village of Catskill.

Passed April 21, 1818.

I. *Be it enacted by the People of the State of New-York, represented in senate and assembly*, That the capital stock of the aqueduct association in the village of Catskill, shall be ninety thousand dollars, and shall consist of three hundred shares at three hundred dollars each, and that the several stockholders shall be permitted to pay in the sum of three hundred dollars on each share of their stock.

Capital stock.

II. *And be it further enacted*, That the stockholders shall have power to choose eleven directors, who shall be stockholders; that the first election for directors shall be holden on the first Monday

Directors and elections how conducted.

of May next, at the office of the said association, in the village of Catskill, of which election at least thirty days notice shall be given in a public newspaper printed in the said village, and signed by the treasurer of the association for the time being; and that the said stockholders shall annually thereafter, on the first Monday of May in every year, choose eleven directors, at such time of day, at such place within the said village, as a majority of such directors for the time being shall appoint, and public notice shall be given by the said directors, not less than thirty days previous to the time of holding the said election, by an advertisement to be inserted in a public newspaper printed in the said village; the election to be made by such of the stockholders as shall attend in person, or by proxy, and shall be by ballot, and the eleven persons having the greatest number of votes shall be directors, and if any two or more 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 to ballot, and by plurality of votes, determine which of said persons having an equal number of votes shall be the director or directors, so as to complete the number of eleven; that the directors chosen shall hold their offices for one year from the first Monday of May in every year, and until others shall be chosen, and that the directors as soon as may be after their election, shall by ballot elect one of their members for their president; and whenever any vacancy or vacancies shall happen among the said directors, such vacancy or vacancies shall be filled for the remainder of the year in which they shall happen by such person or persons as the remainder of the directors, or a majority of them, shall appoint.

Vacancies
how filled.

Elections
may be held
on any other
day.

III. *And be it further enacted*, That in case it should happen that an election of directors should not be made on any day when pursuant to this act it ought to have been done, the said corporation shall not for that cause be deemed to be dissolved, but that it shall and may be lawful on any other day to hold an election of directors, in such manner as shall have been regulated by the laws and ordinances of the said corporation.

Powers of di-
rectors.

IV. *And be it further enacted*, That the directors for the time being, or a majority of them, shall have power to make and prescribe such by-laws, rules and regulations, as to them shall appear needful and proper, touching the management and disposition of the stock, property, estate and effects of the said said corporation, and the duties and conduct of their officers, clerks and servants, the election of directors, and all such other matters as appertain to the concerns of the institution, and shall also have power to appoint so many officers, clerks and servants as to them shall seem meet: *Provided*, that such by-laws, rules and regulations be not repugnant to the constitution and laws of this state or of the United States.

Proviso.

Amount of
debts due by
bank limited.

V. *And be it further enacted* That the total amount of debts which the corporation shall at any time owe, whether by bond, bill, note or other contract, over and above the specie then actually deposited in the bank, shall not exceed three times the sum of the capital stock subscribed and actually paid into the said bank; in case of such excess, the directors under whose administration it shall happen,

shall be liable for the same in their separate and private capacities, but this shall not be construed to exempt the said corporation, or any estate, real or personal, which they may hold as a body corporate, from also being liable for, and chargeable with such excess; but such of the directors who shall have been absent when the said excess was contracted, or may have dissented from the resolution or act whereby the same was so contracted, shall not be liable.

VI. And be it further enacted. That the lands, tenements and hereditaments which it shall be lawful for the said corporation to hold, shall be only such as shall be requisite for its immediate accommodation, in relation to the convenient transaction of its business, or such as shall have been bona fide mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts.

Real estate held by bank.

VII. And be it further enacted, That the bills obligatory and of credit under the seal of the said corporation, which shall be made to any person or persons, shall be assignable by endorsement thereupon, under the hand or hands of such person or persons, his, her or their assignee or assignees, and so as absolutely to transfer and vest the property thereof, in each and every assignee or assignees respectively; and to enable such assignee or assignees respectively to bring and maintain an action thereupon, in his, her or their own name or names; and bills or notes which may be issued by order of the said corporation, 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 like manner and with like force and effect, as upon any private person or persons, if issued by him, her or them, in his, her or their private or natural capacity or capacities, and shall be assignable and negociable in like manner as if they were so issued by such private person or persons.

Bills &c. as assignable and their character and effect.

VIII. And be it further enacted, That the said corporation shall not demand any greater interest on any loan or discount than at the rate of six per cent. per annum unless where such loan or discount shall be for a longer period than sixty days.

Interest on loans regulated.

IX. And be it further enacted, That if at any time after the passing of this act, the said president, directors and company shall refuse, on demand being made at their banking house, during the regular hours of doing business, to redeem in specie, or other lawful money of the United States, their said bills, notes, or other evidences of debt issued by the said company, the said president, directors and company, shall, on pain of forfeiture of their charter, wholly discontinue and close their said banking operations, either by way of discount or otherwise, until such time as the said president, directors and company shall re-sume the redemption of their bills, notes or other evidences of debt, in specie or other lawful money of the United States; and the said association shall be liable to pay for all notes, bills or evidences of debt, due from them, which shall be so demanded, and which shall not have been paid in spe-

Bank to redeem its bills on pain, &c.

cie as aforesaid, damages at and after the rate of ten per centum per annum, until the same shall be paid or otherwise satisfied.

To make a return annually on oath to the legislature.

X. *And be it further enacted*, That it shall be the duty of the president and cashier of the said corporation, for the time being, to make a return under oath, to the comptroller of this state, annually, on the first Tuesday of January in every year after the said association goes into operation, which return shall contain a full and true account of the funds and property of the said association, the amount of the capital stock subscribed and paid in, the amount of debts due to and from the said association, the amount of bills and notes emitted by the same in circulation, and the amount of specie in the said bank, at the time of making such return: and in case the president and cashier shall refuse or neglect to make such return as aforesaid, within thirty days after the time above specified as aforesaid, the legislature may at any time thereafter, in their discretion, dissolve the said corporation.

Restrained from dealing in trade, &c.

XI *And be it further enacted*, That the said association shall not directly or indirectly deal or trade in buying or selling any goods, wares or merchandizes, or commodities whatsoever, or in buying or selling any stock created under any act of the United States, or of any particular state, unless in selling the same when truly pledged by way of security for debts due to the said corporation.

Duration of act.

XII. *And be it further enacted*, That this act shall continue and be in force until the first day of May, in the year one thousand eight hundred and thirty-two.

CHAP. CCXXXVIII.

AN ACT to incorporate the Cherry Valley Bank.

Passed April 21, 1818.

Preamble.

WHEREAS Joseph White, Jesse Johnson and others, have associated as a company, under the name and style of the "Cherry Valley bank," and by their petition presented to the legislature, have prayed to be incorporated as a body corporate, with banking privileges: Therefore,

I. *Be it enacted by the people of the state of New-York, represented in senate and assembly*, That all such persons as shall be stockholders of the said bank, shall be and hereby are ordained, constituted and declared to be, from time to time, and until the first day of January which will be in the year of our Lord one thousand eight hundred and thirty three, a body corporate and politic, in fact and in name, by the name of "the president, directors and company of the Central bank," and by that name they and their successors, until that day, shall and may have succession, and shall be in law capable of suing and being sued, pleading and being impleaded, answering and being answered unto, defending and being defended, in all courts and places whatsoever, and in all manner of actions, suits, complaints, matters and causes whatsoever; and that they and their successors may have a common seal, and may change and alter the