

act, to be offered for sale. All such lands shall, with the exception of the section "number sixteen," which shall be reserved in each township for the support of schools within the same, with exception also of a tract reserved for the support of a seminary of learning, as provided for by the eighth section of this act, and with the exception also of the salt springs, and lead mines, and lands contiguous thereto, which, by the direction of the President of the United States, may be reserved for the future disposal of the said States, shall be offered for sale to the highest bidder, under the direction of the register of the land-office, and the receiver of public monies, and of the principal deputy surveyor, and on such day or days as shall, by public proclamation of the President of the United States, be designated for that purpose. The sales shall remain open for three weeks, and no longer. The lands shall be sold for a price not less than that which has been or may be fixed by law for the public lands, northwest of the river Ohio, and above the mouth of Kentucky river. And shall in every other respect be sold in tracts of the same size, on the same terms and conditions, as have been or may be by law provided for the lands sold in the state of Ohio. The superintendents of the said public sales shall each receive six dollars for each day's attendance on the said sales. All the lands which have been thus offered for sale, at public sale, remaining unsold at the closing of the public sales, may be disposed of at private sale by the register of the land-office, for the same price which is or may be prescribed by law for the sale of public lands in the state of Ohio: *Provided however*, that till after the decision of Congress thereon, no tract of land shall be offered for sale, the claim to which has been in due time and according to law presented to the recorder of land titles in the district of Louisiana, and filed in his office, for the purpose of being investigated by the commissioners appointed for ascertaining the rights of persons claiming lands in the territory of Louisiana. And patents shall be obtained for all lands sold in the territory of Louisiana, in the same manner and on the same terms as is or may be provided, by law, for land sold in the state of Ohio.

Sale of the public lands.

No land to be offered for sale the claim to which has been presented until after the decision of Congress.

SEC. 11. *And be it further enacted*, That the claim of the corporation of the city of New Orleans, to the common adjacent thereto, and within six hundred yards from the fortifications of the same, as confirmed by the act, entitled "An act respecting claims to lands in the territories of Orleans and Louisiana," shall be deemed valid, although the relinquishment of the said corporation to any claim beyond the said distance of six hundred yards, was not made till after the expiration of the period of six months prescribed by the act last mentioned.

Claim of the corporation of New Orleans to adjacent common to be valid,

1807, ch. 36.

SEC. 12. *And be it further enacted*, That all the navigable rivers and waters in the territories of Orleans and Louisiana, shall be, and for ever remain public highways.

Navigable rivers, &c. to remain public highways.

Specific appropriation.

SEC. 13. *And be it further enacted*, That a sum not exceeding forty thousand dollars be, and the same is hereby appropriated, for the purpose of carrying this act into effect, which sum shall be paid out of unappropriated monies in the treasury.

APPROVED, February 15, 1811.

STATUTE III.

Feb. 15, 1811.

CHAP. XV.—*An Act concerning the Bank of Alexandria.*(a)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the corporation heretofore created by the name and style of the President, Directors and

(a) Suits brought by the bank of Alexandria upon promissory notes, made negotiable at that bank, are entitled to trial at the return time of the writ. *Young v. The Bank of Alexandria*, 4 Cranch, 384; 2 Cond. Rep. 150.

The bank of Alexandria may, under the charter of the bank, maintain an action against the indorser

Corporation
of Alexandria
bank continued.

Powers of the
corporation.

Limitation of
the amount of
real estate held
by the bank.

The bank not
to purchase any
goods, &c. un-
less sold on
judgments ob-
tained by the
bank, &c.

Capital stock.

Votes, how
apportioned.

Company of the Bank of Alexandria, by an act of the legislature of the commonwealth of Virginia, passed in the year seventeen hundred and ninety-two, entitled "An act for establishing a bank in the town of Alexandria;" the capital stock of which said bank hath been increased to five hundred thousand dollars; and which said corporation was, by an act of the said commonwealth, passed in the year eighteen hundred and one, continued until the fourth day of March, eighteen hundred and eleven, be, and the said corporation shall, by the name and style aforesaid, be further continued from the fourth day of March next, until the fourth day of March, eighteen hundred and twenty-one, subject to the regulations prescribed by and made in the manner provided by this act.

SEC. 2. *And be it further enacted*, That the said corporation shall, by the name and style of the President, Directors and Company of the Bank of Alexandria, be capable in law to hold, have and purchase, receive, possess, enjoy and retain to them and their successors, lands, rents, tenements, hereditaments, goods, chattels and effects, of what kind, nature or quality soever; and the same to grant, demise, alien or dispose of; and, by the name aforesaid, may sue and be sued, plead and be impleaded, answer and be answered, defend and be defended, in any court of record, within the United States; and may do and execute every other matter and thing by the name aforesaid, that they are authorized to do by virtue of this act: *Provided always*, that the lands, tenements and hereditaments, which it shall be lawful for the President, Directors and Company to hold, shall be only such as shall be requisite for their immediate accommodation, in relation to the convenient transacting their business, and such as shall have been *bona fide* mortgaged to them by way of security, or conveyed to them in satisfaction for debts previously contracted in the course of their dealings: *Provided also*, that the president and directors shall not purchase any goods, chattels or effects, unless such as are sold by virtue of an execution, upon judgments obtained by them, except such articles as may be necessary for them in transacting the business of the bank; but it shall be lawful for them to receive and hold such securities, goods, chattels and effects, by way of deposit for advances made by them to any person or persons, and, on failure of payment, the same to sell and dispose of at public sale.

SEC. 3. *And be it further enacted*, That the capital stock of the said bank shall consist of five hundred thousand dollars, in shares of two hundred dollars each.

SEC. 4. *And be it further enacted*, That every stockholder shall be entitled to vote by himself, his agent or proxy, appointed under his hand and seal, at all elections, in virtue of this act; and shall have as many votes as he has shares, as far as ten shares, and not more than one vote for every five shares thereafter; and every stockholder may sell and transfer his stock in the bank, or any part thereof, at his pleasure, not being less than one complete share or shares; the transfer to be made in the bank books, in the presence, and with the approbation of the proprietor or his lawful attorney, and the purchaser then to be entitled to all the rights which the original proprietor enjoyed.

SEC. 5. *And be it further enacted*, That a meeting of the stockholders,

of a promissory note, made negotiable at that bank, without first suing the maker, or proving him insolvent, according to the law of Virginia; although the endorsement was for the accommodation of the maker: and notwithstanding that in Virginia the implied contract of the endorser of a promissory note, by the general understanding of the country, is that he will pay the debt, if by due diligence it cannot be obtained from the maker. *Ibid.*

If the case shows that the bank received the note under an understanding that it was subject to the rules which govern inland bills of exchange, then it would seem reasonable, in the case of notes actually negotiated with them, to imply, from the act of endorsement, an undertaking conformable to that usage. *Ibid.*

A subsequent board of directors of the bank, is to be considered as knowing all the circumstances communicated or known to the previous board. *The Mechanics' Bank of Alexandria v. Louisa and Maria Seton*, 1 Peters, 309.

at the town of Alexandria, shall be held annually, on the third Monday of January, in every year, during the continuance of this act; previous notice whereof shall be published in some newspaper, printed in Alexandria, Richmond, Winchester, or the city of Washington, for the space of four weeks successively; and the stockholders, assembled in consequence of such notice, shall choose by ballot, from among themselves, by a majority of votes of such as shall be present, or by proxy, nine directors, being citizens of the United States, for the term of one year thereafter; and on the same day annually, for and during the continuance of this act, a like election shall be made; and in case of refusal, death, resignation, disqualification or removal out of the district of Columbia, of any director, the remaining directors, at their next meeting thereafter, shall elect by ballot another person, qualified as aforesaid, in his place, for the residue of the year. The directors or any seven of them, shall, at their first meeting after every general election, elect by a majority of members present, by ballot, from among the stockholders, a president, who shall, whether a director or not, be thereupon entitled to all the powers and privileges of one; and if he was before a director, another director shall be elected as aforesaid, so as to keep up the number of directors, prescribed by this act, exclusive of the president; and in case of refusal, death, resignation or removal out of the district aforesaid, of the president, the directors shall meet as soon as conveniently can be thereafter, and elect another person for president, in manner before directed.

SEC. 6. *And be it further enacted,* That there be a meeting of the directors quarterly, for the purpose of regulating the affairs of the bank, any five of whom shall make a board; and that the board have power to adjourn from time to time; and the president, or any three of the directors, may call a special meeting at any other time they may think necessary.

SEC. 7. *And be it further enacted,* That the board of directors shall determine the manner of doing business, and the rules and forms to be pursued; appoint and pay the various officers which they may find necessary; and dispose of the money and credit of the bank, at a rate not exceeding six per centum per annum; and make half yearly dividends of the profits, or of such part thereof, as they may think prudent.

SEC. 8. *And be it further enacted,* That in the appointment of cashier of the said bank, a majority of the votes of seven directors shall be necessary to a choice.

SEC. 9. *And be it further enacted,* That the board shall, at every quarterly meeting, choose three directors, to inspect the business of the bank, for the ensuing three months; and the inspectors so chosen, or any two of them, shall, on the evening of every Saturday, examine into the state of the cash account, and all the notes received and issued; and see that those accounts are regularly balanced and transferred.

SEC. 10. *And be it further enacted,* That any director, officer or other person, holding any share or capital of the said stock, who shall commit any fraud or embezzlement, touching the money or property of the said bank, shall be liable to be prosecuted in the name of the United States, by indictment for the same, in any court of law, in the district wherein the offence shall be committed; and, upon conviction thereof, shall, besides the remedy that may be had by action, in the name of the President, Directors and Company of the Bank of Alexandria, for the fraud aforesaid, forfeit all his share and stock in the said bank to the company.

SEC. 11. *And be it further enacted,* That it shall not be lawful for the bank hereby incorporated to loan by discount or otherwise more than twice the amount of its capital stock actually paid in.

SEC. 12. *And be it further enacted,* That no stockholder or member

Elections,
when to be
held.

Proceedings
of the directors.

Quarterly and
other meetings
of the directors.

Powers of the
directors.

Number of
votes necessary
to the appoin-
tment of a
cashier.

A committee
of three direc-
tors to be ap-
pointed at quar-
terly meetings
to examine the
cash accounts.

Any director,
officer or other
person commit-
ting frauds in
the bank may be
prosecuted.

Amount au-
thorized to be
loaned

Stockholders
only to be an-
swerable for the
amount of their
stock.

Exception.

Directors ab-
sent when the
resolution or act
by which the
debts of the
bank was cre-
ated, how to
exonerate them-
selves.

No note for a
smaller sum
than five dollars
to be issued.

Reports to be
made to Sec-
retary of the
Treasury.

Directors, &c.
&c. entitled to
no emolument
but by a vote of
the stockhold-
ers.

Residents of
the district of
Columbia only
eligible as presi-
dent or director.

Treasurer or
cashier to give
bond, &c. &c.

Accidental
omission to
make an elec-
tion, provided
for.

Process serv-
ed upon the
President suffi-
cient.

of the said company shall be answerable for any loss, deficiencies or failure of the capital stock of said bank, for any more or larger sum or sums of money whatsoever, than the amount of the stock, stocks or shares, which shall appear by the books of the said company to belong to him at the time or times when such loss or losses shall be sustained, except as is hereafter excepted, that is to say: if the total amount of debts, which the said company shall at any time owe, whether by bond, bill, note or other contract, shall exceed double the amount of capital stock of the said bank actually paid in, over and above the monies actually deposited in the bank for safe keeping, then in case of such excess, the directors under whose administration it shall happen, shall be liable for such excess, in their natural and private capacities; and an action or actions of debt may be brought against them, or any of them, their heirs, executors or administrators, in any court of record within the United States by any creditor or creditors of the said company, and may be prosecuted to judgment and execution, any condition, covenant or agreement to the contrary notwithstanding; but this shall not be construed to exempt the said body politic or the lands, tenements, goods and chattels of the same, from being liable for, and chargeable with the said excess. Such of the directors who may have been absent when the said excess was contracted or created, or who may have dissented from the resolution or act, whereby the same was so contracted or created, may respectively exonerate themselves from being so liable, by forthwith giving notice of the fact, and of his absence or dissent, to the mayor of the town of Alexandria, for the time being, and to the stockholders, at a general meeting which he or they shall have power to call for that purpose. And in case the directors, by whose act such excess shall be occasioned, shall not have property sufficient to pay the amount of such excess, then each and every stockholder shall be liable in their private capacities for the deficiency, in proportion to their respective shares in the said bank.

SEC. 13. *And be it further enacted*, That the president and directors shall not issue any note for a smaller sum than five dollars; and the president and directors shall, once in every year, lay before the Secretary of the Treasury an account, truly stating the situation of the bank, and its funds, if required.

SEC. 14. *And be it further enacted*, That no director shall be entitled to any emolument, unless the same shall have been allowed by a majority of the stockholders at a general meeting. The directors shall make such compensation to the president, for his extraordinary services and attendance at the bank as shall appear to them reasonable.

SEC. 15. *And be it further enacted*, That none but a stockholder, being a resident of the district of Columbia, shall be eligible as a president or director.

SEC. 16. *And be it further enacted*, That every cashier or treasurer, before he enters upon the duties of his office, shall give bond with two or more securities to the satisfaction of the directors, for his good behaviour in office.

SEC. 17. *And be it further enacted*, That in case it shall at any time happen, that an election of directors shall not be made on any day when, pursuant to this act, it ought to be made, it shall and may be lawful on any other day to hold and make an election of directors, in such manner as shall have been regulated by the laws and ordinances of the said president and directors.

SEC. 18. *And be it further enacted*, That process of law, served on the president for the time being, shall be deemed sufficient service, and shall avail in like manner, as if it had been served on all the directors, to the intent and purpose of making the said corporate company responsible.

SEC. 19. *And be it further enacted*, That whenever any note shall be given, containing express consent in writing, that it may be negotiable at the said bank, and the same shall be endorsed, if payment be refused or neglected to be made, at the time it shall have become due, the like proceedings are to be had out of court, and suit may be prosecuted against the drawer and endorser, jointly or separately, in like manner as if the same was a bill of exchange.

Notes made negotiable at bank to be considered as bills of exchange.

SEC. 20. *And be it further enacted*, That the said bank shall continue to transact its business of discount and deposit in the county of Alexandria, in the district of Columbia.

Bank to be continued in Alexandria.

APPROVED, February 15, 1811.

STATUTE III.

Feb. 15, 1811.

CHAP. XVI.—*An Act to incorporate the Bank of Washington.*(a)

Bank of Washington incorporated.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the fourth day of March, which will be in the year of our Lord one thousand eight hundred and eleven, all those persons, their legal representatives or assigns, who, on the first Monday of September, in the year of our Lord one thousand eight hundred and nine, at the city of Washington, subscribed certain articles of association, and formed a company or limited partnership, under the name and style of "The President and Directors of the Bank of Washington," and who, on the said fourth day of March, in the year eighteen hundred and eleven, shall hold any share of the joint stock or funds, created in pursuance of the said articles of association, and their successors, being stockholders as aforesaid, shall be and they are hereby incorporated, and made a body corporate and politic, by the name and style of "The President and Directors of the Bank of Washington;" and by that name may sue and be sued, implead and be impleaded, answer and be answered, defend and be defended, in courts of record and any other place whatsoever; and by that name may have and hold, purchase, receive, possess, enjoy and retain lands, rents, tenements, hereditaments, goods, chattels and effects, of what nature, kind, or quality soever; and the same sell, grant, demise, alien and dispose of; and, by that name shall have succession, during the continuance of this act, and may make, have and use a common seal, and the same may break, alter and renew at pleasure; and shall have power to ordain, establish and put in execution, such by-laws, ordinances and regulations as shall seem necessary and convenient for the government of the said corporation, not being contrary to law, nor to the constitution thereof; and generally to do and execute all acts necessary or proper for the objects of the said incorporation, subject to the rules, regulations, restrictions, limitations and provisions herein described and declared.

SEC. 2. *And be it further enacted*, That the capital stock of the said bank shall consist of five hundred thousand dollars, money of the United States, to be divided into shares of twenty dollars each; of which, ten dollars on each share will, according to the articles of association aforesaid, have been paid before the said fourth day of March, eighteen hundred and eleven; and it shall be optional with any stockholder thereafter to fill up his or her share or shares, by the payment, at any one time, of the residue of the money due thereon, who shall thereupon be entitled to receive dividends in future, in proportion to the whole amount paid upon such share or shares: *Provided*, that the dividend or dividends, on

Capital.

Shares, &c.
&c.

(a) The deposit of a bill in one bank, to be transmitted to another for collection, is a common usage of great public convenience; and the duty of a bank receiving such bill, is precisely the same, whoever may be the owner thereof: and if it was unwilling to undertake the collection without precise information on the subject, the duty ought to have been declined. *The Bank of Washington v. Triplet and Neale*, 1 Peters, 30.