CHANGES IN THE NUMBER AND SIZE OF BANKS IN THE UNITED STATES, 1834-1931

Material prepared for the information of the
Federal Reserve System by the
Federal Reserve Committee on
Branch, Group, and Chain Banking

Members of the Committee

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The Committee was appointed February 26, 1930, by the Federal Reserve Board

> ". . . to assemble and digest information on branch banking as practiced in the United States, group and chain banking systems as developed in the United States and elsewhere, the unit banking system of the country, and the effect of ownership of bank stocks by investment trusts and holding corporations."

LETTER OF TRANSMITTAL

To the Federal Reserve Board:

The Committee on Branch, Group, and Chain Banking transmits herewith a digest of statistical material with reference to changes in the number and size of banks in the United States during the period 1834-1931. It compares the structure of the banking system in 1930 with that in 1920, and for the period 1921-1931 presents classified data describing the relative importance of certain factors of change in the banking structure, particularly the number of banks newly organized, bank consolidations, bank suspensions, and voluntary liquidations.

Respectfully,

E. A. Goldenweiser
Chairman

CONTENTS

CHAPTER I

NUMBER AND GEOGRAPHIC DISTRIBUTION OF BANKS IN THE UNITED STATES

A notable rate of increase in the number of separate banking enterprises characterized the banking system of the United States for several decades prior to 1920. In 1877 there were more than 5,000 active banks in existence, including private banks.(1) From 1877 to 1921 the number grew rapidly, and this growth was interrupted only for a few years by the severe business depression of the 1890's. In 1921 there were more than 30,000 banks in existence, a sixfold increase in a little less than half a century. More than half of these had been organized after 1900.

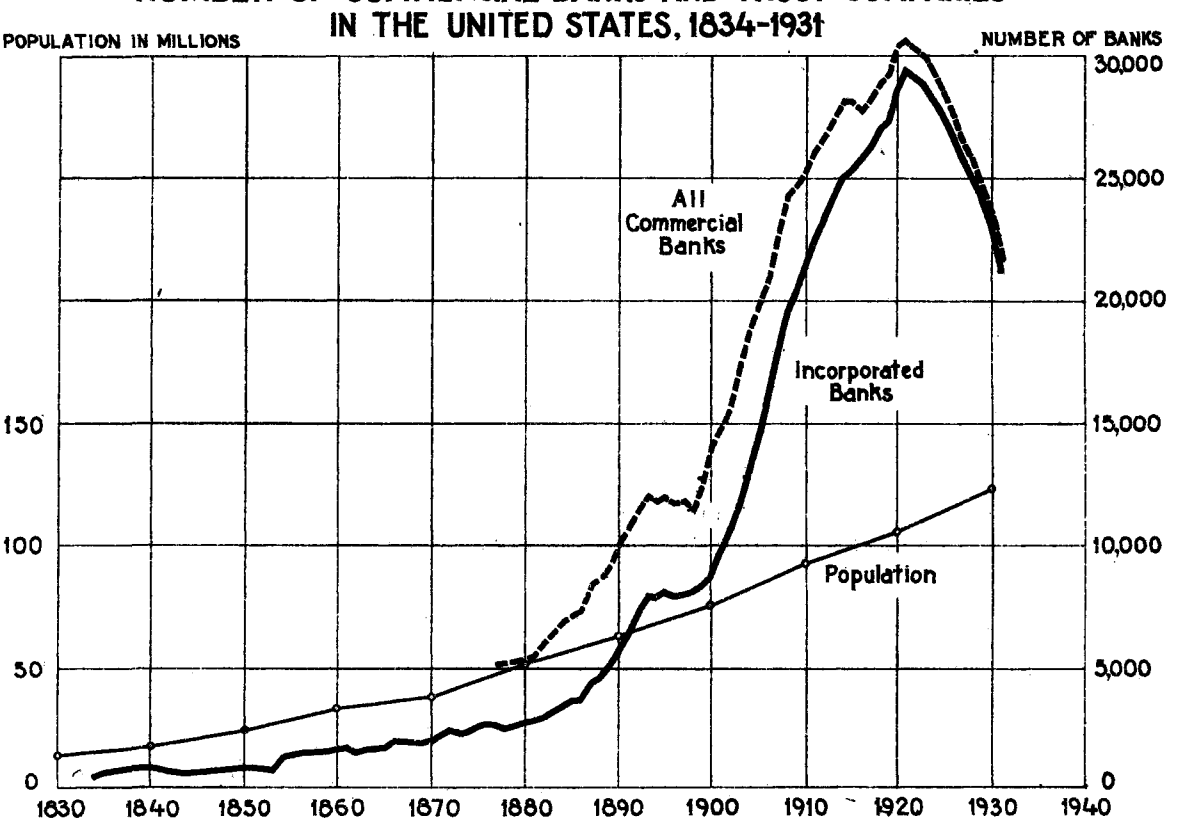
During this period of rapid growth in the number of banks the population of the nation had been growing and spreading into the still undeveloped parts of the country. That the growth in the number of banks, however, was far in excess of the growth of population is shown by estimates of the population per bank. Whereas in 1877 there was one bank for about 9,000 persons, by 1900 there was a bank for every 5,500 persons, and by 1920, one for every 3,500 persons.

In 1921, however, the rapid growth in the number of banks was halted. Since that year there has been a decline as rapid and uninterrupted as the growth during the preceding two decades. In ten years the total number of banks declined by about 10,000, or by one-third, leaving less than 20,000 in operation at the beginning of 1932. The population per bank has risen

(1) In this discussion mutual savings banks have been excluded, since they are not engaged in commercial banking. See p. 93 for sources of active bank figures used in this chapter.

CHART 1

NUMBER OF COMMERCIAL BANKS AND TRUST COMPANIES IN THE UNITED STATES, 1834-1931



Incorporated banks are national and State banks, including trust companies and stock savings banks. Private banks and mutual savings banks are not included. All commercial banks include national, State and private banks.

from 3,500 in 1920 to about 6,700 in the middle of 1932.

The growth and subsequent decline in the number of banks are shown in Table 1 which gives the number of banks and the population per bank in 1877 and by five year periods since 1880. Chart 1 shows the number of all commercial banks each year since 1877 and the number of incorporated banks since 1834 in comparison with the population. The annual figures on which the chart is based and their sources are given in Table I of the appendix.

Table 1 - Number of Banks and the Population per Bank in the United States

Year (June 30)	Number of banks		Population per bank(1)	
	Incorporated banks(2)	All banks(2)	Incorporated banks	All banks
1877	2,709	5,141	17,266	9,098
1880	2,726	5,299	18,438	9,485
1885	3,704	7,160	15,297	7,913
1890	5,734	10,039	10,997	6,281
1895	8,084	12,008	8,607	5,794
1900	8,738	13,925	8,712	5,467
1905	14,682	19,973	5,736	4,217
1910	21,486	25,155	4,294	3,668
1915	25,345	28,082	3,920	3,538
1920	28,659	30,395	3,713	3,501
1925	27,639	28,554	4,156	4,023
1930	23,045	23,643	5,346	5,211
1931	21,123	21,627	5,874	5,737

(1) Population figures used were mid-year estimates as published in the Statistical Abstract of the United States.

(2) Incorporated banks include State and national banks. All banks include State, national, and private banks, but exclude mutual savings banks. The precise number of private banks in any year is unknown, and these figures are therefore only approximately accurate. See note to appendix Table I.

Growth of Private, State, and National Banks

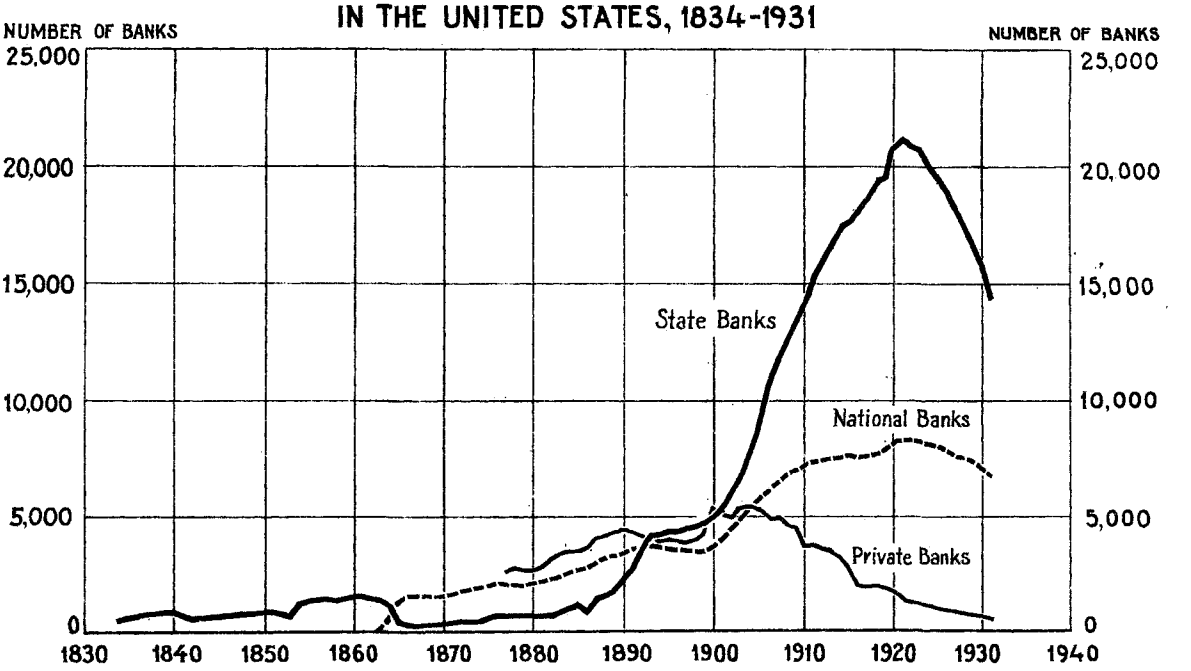
In 1877 nearly half the total number of banks in the country were private banks. At that time the number of incorporated banks was more than five times as large as it had been in 1834, when fairly reliable figures for incorporated banks first became available. As the population of the country had increased fourfold between 1830 and 1880, however, the growth of incorporated banks had not been out of proportion.

Chart 2 gives the number of private banks since 1877, the number of national banks since 1863, and the number of State banks since 1834. The figures on which the chart is based are given in Table I of the appendix.

Prior to the Civil War all incorporated banks were State banks, except the First Bank of the United States and the Second Bank of the United States, both of which had Federal charters. Following the inception of national banking in 1863, State banks were supplanted

CHART 2

NUMBER OF COMMERCIAL BANKS AND TRUST COMPANIES IN THE UNITED STATES, 1834-1931



State banks include trust companies and stock savings banks. Mutual savings banks are not included. Figures are as of June 30 of each year or nearest reporting date.

and for about twenty years at least three-fourths of the incorporated banks were under national charter. In the latter part of the 1880's State banks began to grow more rapidly than national banks, and surpassed them in number in 1892. During the two decades from 1900 to 1920 the number of State banks was multiplied by four, rising from about 5,000 to more than 20,000, and in 1921 they constituted nearly three-fourths of all incorporated banks.

During the period of rapid growth of State banks, private banks were declining in importance. After about 1907 the actual number of private banks declined rapidly, and there were only about 1,300 in operation in 1921, when the total number of banks was at its height.

While there has been a decline in the number of national banks since 1921, the number and rate of decline have been far less than among State banks. The number of national banks dropped about 15 per cent from 1921 to 1931, while the number of State banks declined more than 30 per cent and the number of private banks, 60 per cent.

As a result of these changes our banking system at the end of 1931 consisted of about 13,000 State banks and 6,400 national banks.

The number of private banks was negligible. National banks thus constituted early in 1932 nearly a third, and State banks about two-thirds of all banks in the country.

Growth of Bank Resources

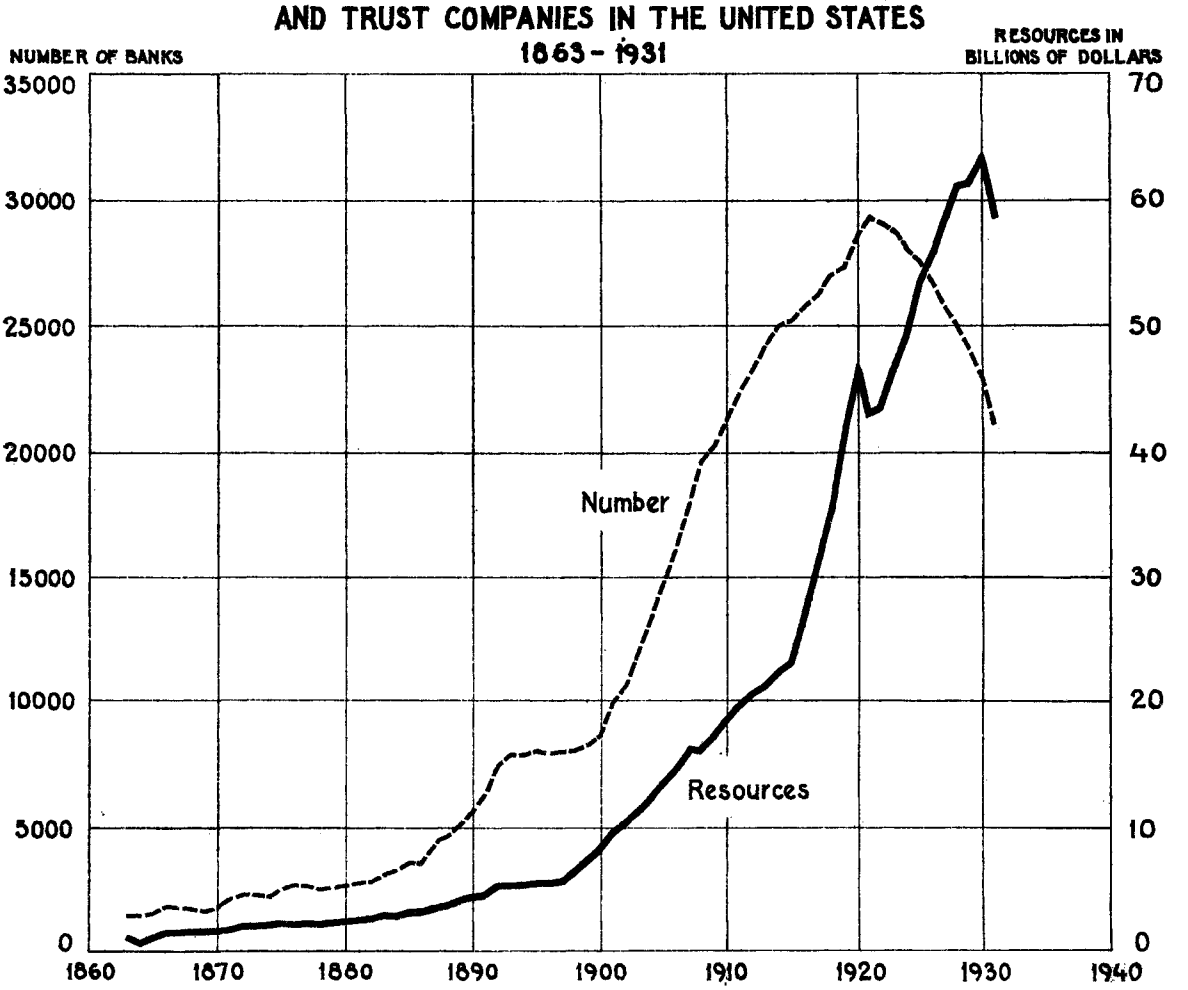
During the years of intensive growth in the number of banks there was a comparable growth in the volume of banking business. The only figures relating to the volume of business, which are available for the period as a whole, are those for total resources of incorporated banks. These figures are given in Table I of the appendix and form the basis for Chart 3, showing the growth of resources of incorporated banks and trust companies since 1863. Reliable figures for private banks for the period are not available.

Until 1915 the resources of all incorporated banks increased at a rate comparable to the increase in their number. This is shown not only in Chart 3, but also in Table 2, giving the average amount of resources per bank

CHART 3

RESOURCES AND NUMBER OF INCORPORATED COMMERCIAL BANKS AND TRUST COMPANIES IN THE UNITED STATES

1863 - 1931



Resources and number of State and national banks, including trust companies and stock savings banks, in the United States each year from 1863 to 1931. Private banks and mutual savings banks are not included. Figures are as of June 30 of each year or nearest reporting date.

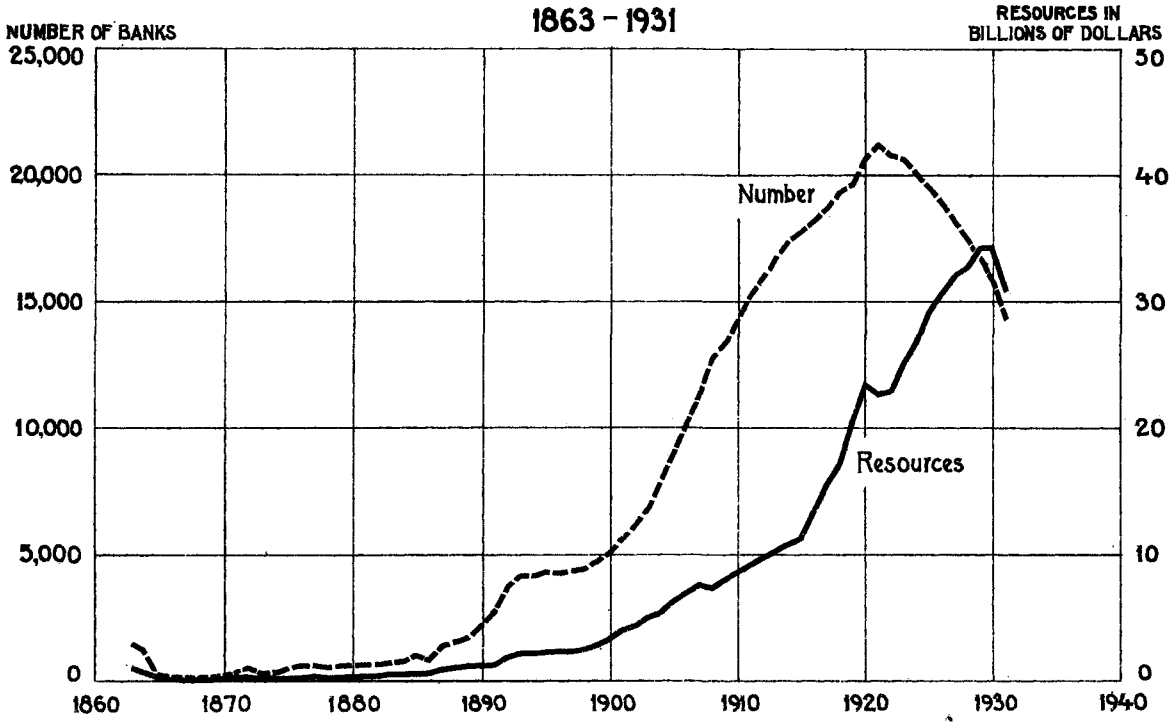
by five year periods since 1865. It may be noted that the average resources per bank amounted to $916,000 in 1915, which is very nearly the figure for 1870. From 1915 to 1920, however, the resources of banks grew at a rate far greater than the increase in numbers. In 1921 this increase was interrupted, but was resumed in 1922 and continued to 1930, though the number of banks was declining. Thus while the total business of all banks continued to increase after 1920, there has been a constantly diminishing number of banks to participate in it. Between 1920 and 1930 the number of incorporated banks decreased from 28,659 to 23,045, or 20 per cent; while their total resources increased from $46,892,000,000 to $63,291,000,000, or 35 per cent.

Table 2 - Average Resources per Bank

Year (June 30)	State (000 omitted)	National (000 omitted)	State and national (000 omitted)
1865	$ 475	$ 871	$ 787
1870	620	971	912
1875	674	922	867
1880	741	980	923
1885	790	901	870
1890	611	879	774
1895	515	934	708
1900	674	1,272	952
1905	712	1,293	936
1910	605	1,386	865
1915	644	1,552	916
1920	1,138	2,916	1,636
1925	1,500	3,017	1,943
1930	2,166	4,012	2,746
1931	2,163	4,059	2,773

CHART 4

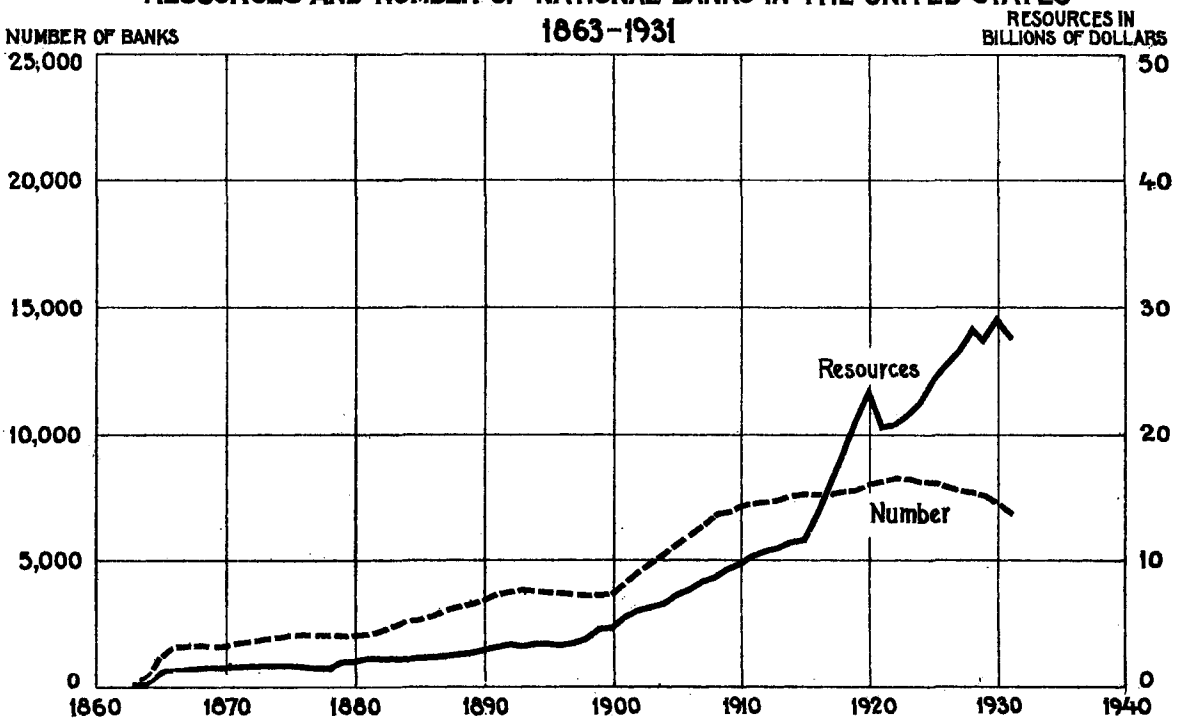
RESOURCES AND NUMBER OF STATE BANKS IN THE UNITED STATES
1863 - 1931



Resources and number of State banks, including trust companies and stock savings banks, in the United States each year from 1863 to 1931. Private banks and mutual savings banks are not included. Figures are as of June 30 of each year or nearest reporting date.

CHART 5

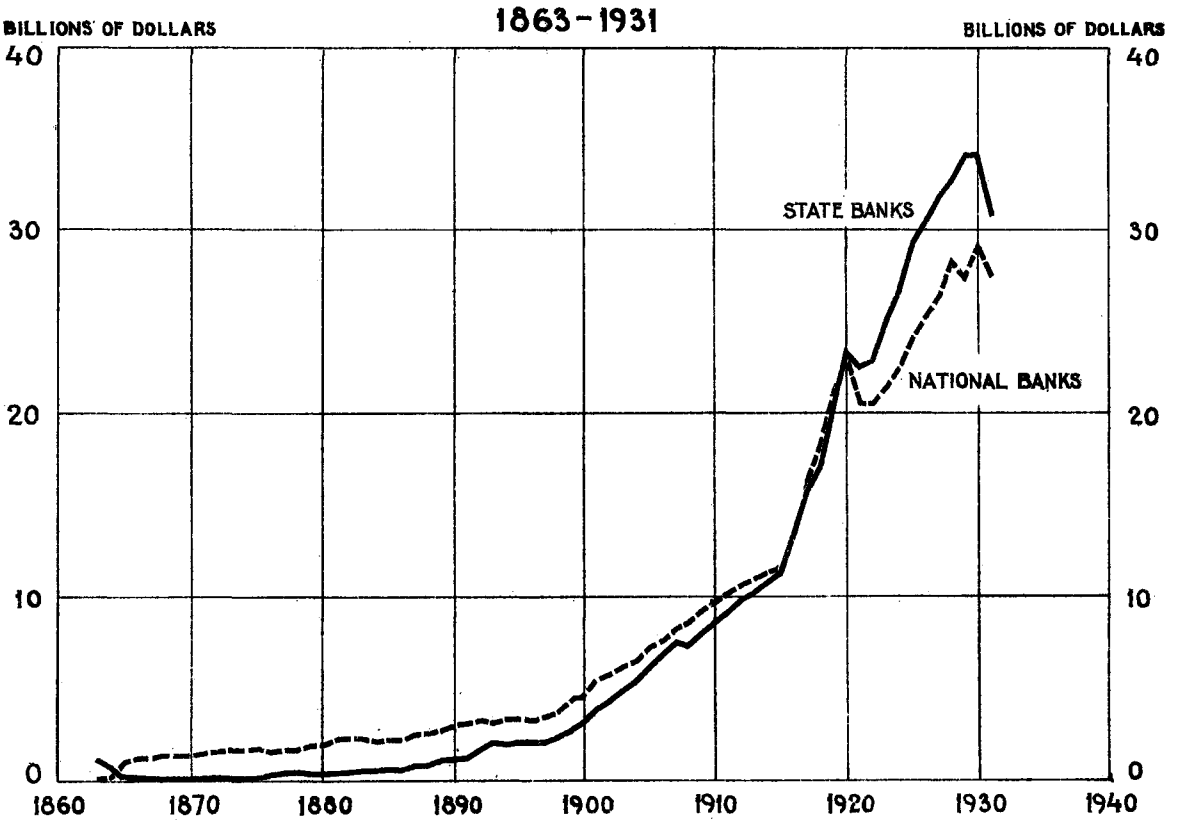
RESOURCES AND NUMBER OF NATIONAL BANKS IN THE UNITED STATES
1863-1931



Resources and number of national banks in the United States each year from 1863 to 1931. Figures are as of June 30 of each year or nearest reporting date.

CHART 6

RESOURCES OF STATE AND NATIONAL BANKS
1863-1931



State banks include trust companies and stock savings banks but exclude private banks and mutual savings banks. Figures are as of June 30 of each year or nearest reporting date.

The effect of this continued growth in resources has been to increase rapidly, since 1915, the average amount of resources per bank. During the fifteen years 1915-1930, the average resources per bank increased threefold, or from $916,000 to $2,746,000.

In Charts 4 and 5 the number and resources of State banks and of national banks are shown separately. These indicate that resources of both types of banks continued to mount during the years 1921-1930, while the numbers of both types were declining.

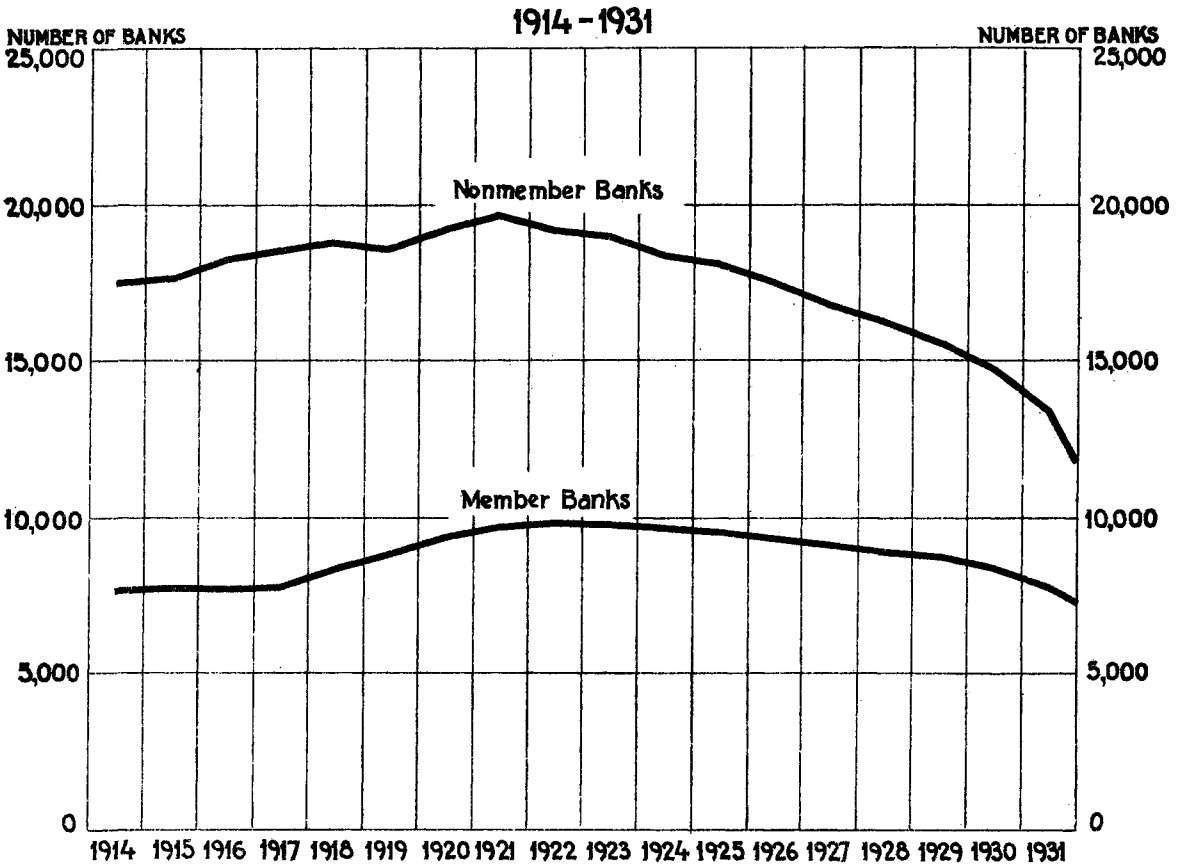
In Chart 6 the resources of State and of national banks are compared with each other. For about thirty years after the inception of the national banking system in 1863, the resources of national banks were far greater than those of State banks. For the next twenty years the resources of State banks grew at a somewhat faster rate than those of national banks, so that by 1915 the resources of the two systems were almost equal in amount. This continued until 1920, but since that time the resources of State banks have been greater than those of national banks, with the spread between the two increasing year by year up to 1930. In that year the resources of State banks were 54 per cent of the resources of all incorporated banks.

Member and Nonmember Banks

Charts 7 and 8 and Table 3 compare the number of member banks of the Federal reserve system each year since 1914 with the number of nonmember banks. Private banks and mutual savings banks are not included in

CHART 7

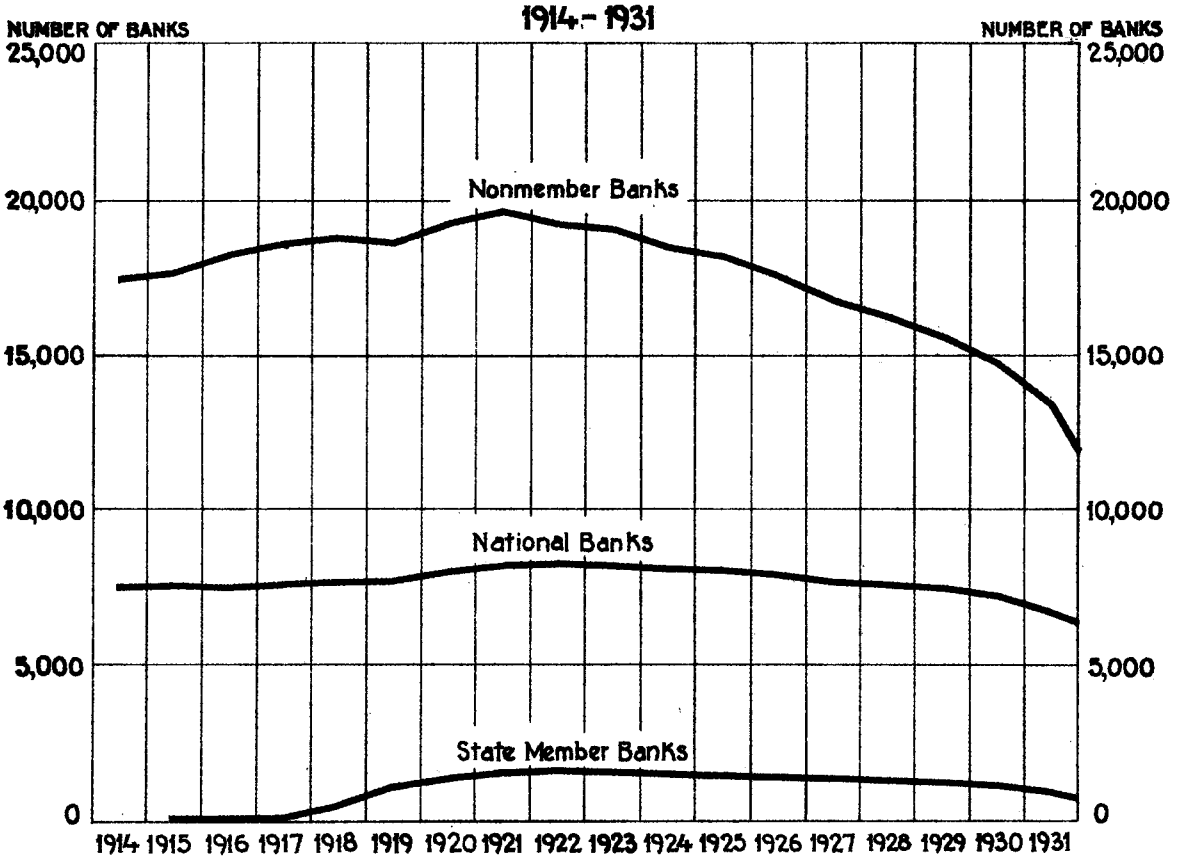
NUMBER OF MEMBER AND NONMEMBER BANKS
1914-1931



Nonmember banks do not include private banks or mutual savings banks. Figures are as of June 30 each year and December 31, 1931.

CHART 8

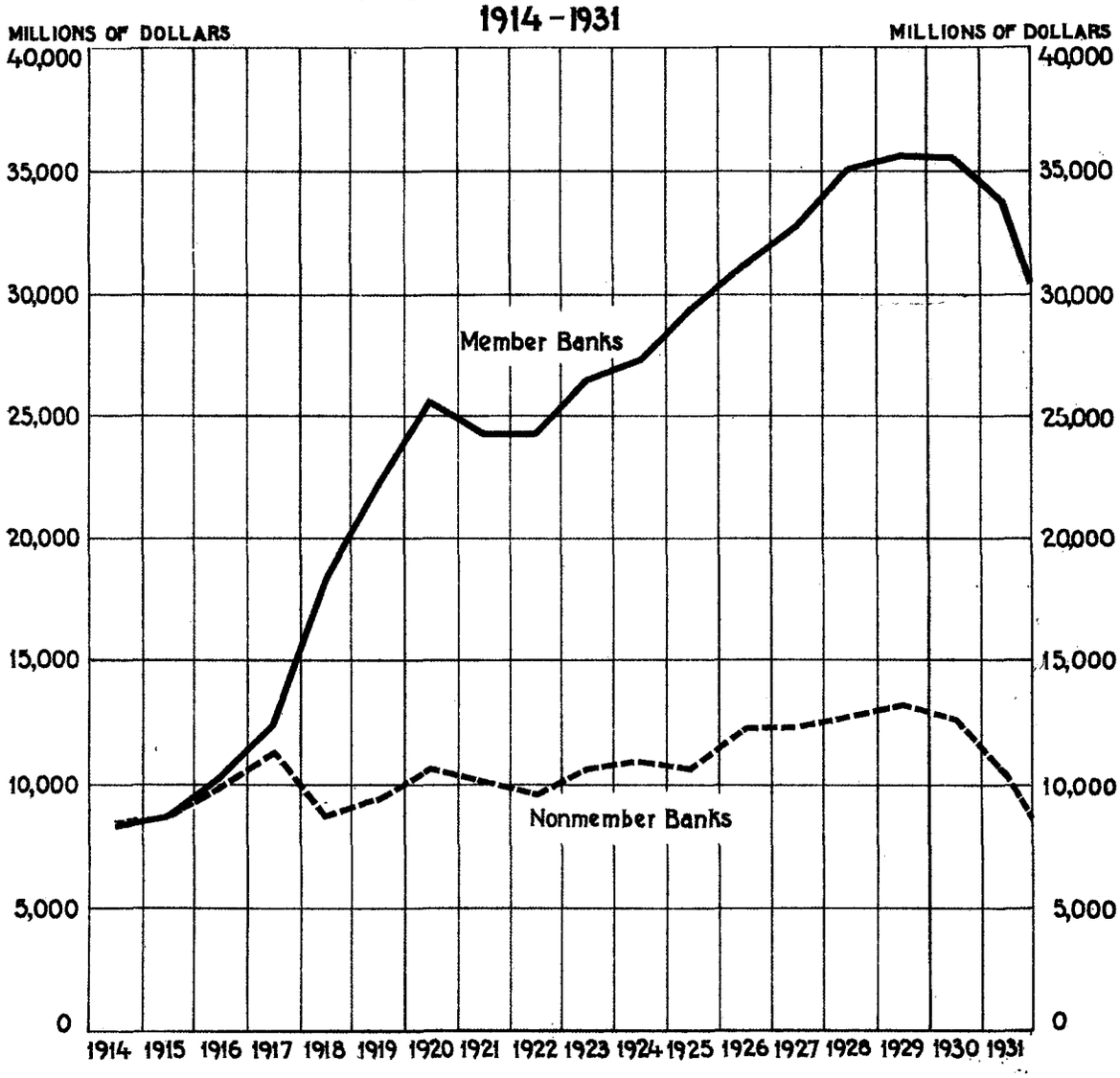
NUMBER OF MEMBER AND NONMEMBER BANKS
1914 - 1931



Nonmember banks do not include private banks or mutual savings banks. Figures are as of June 30 each year and December 31, 1931.

CHART 9

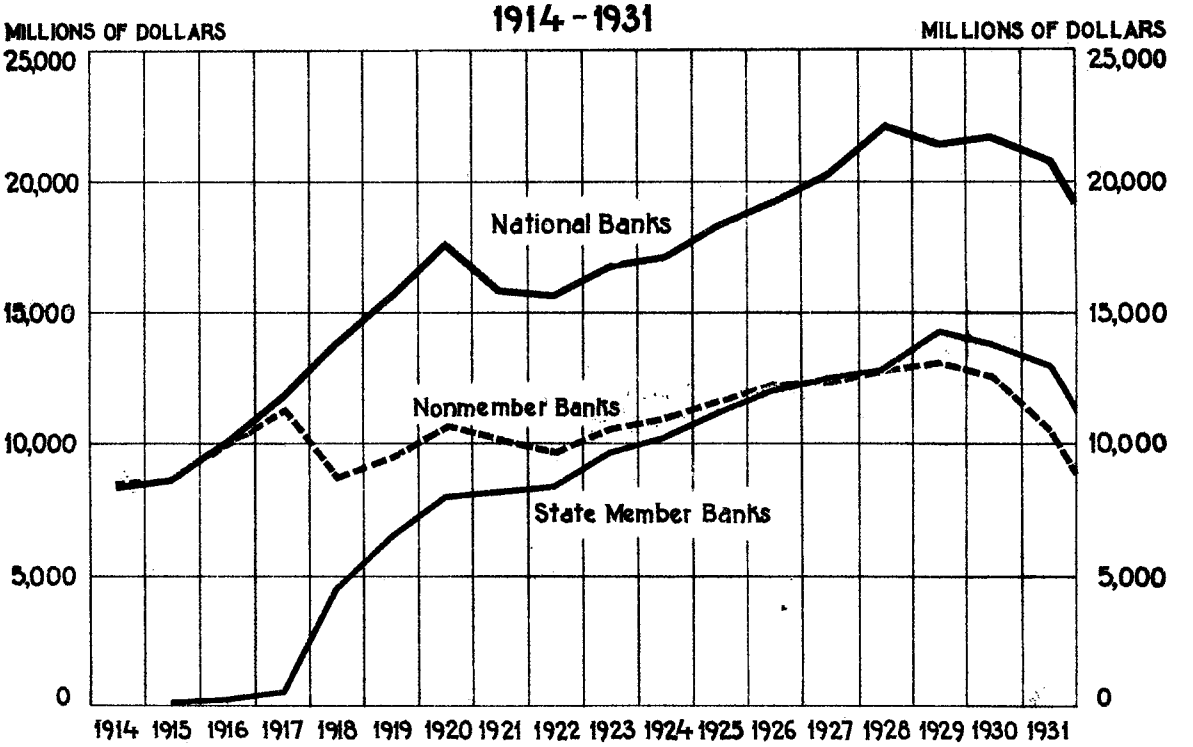
LOANS AND INVESTMENTS OF BANKS IN THE UNITED STATES
1914 - 1931



Loans and investments of nonmember banks do not include those of private banks or mutual savings banks. Figures are as of June 30 each year and December 31, 1931.

CHART 10

LOANS AND INVESTMENTS OF BANKS IN THE UNITED STATES
1914 - 1931



Loans and investments of nonmember banks do not include those of private banks or mutual savings banks. Figures are as of June 30 each year and December 31, 1931.

these figures. While the great majority of commercial banks in the country are nonmembers, the picture is quite different if loans and investments of members and nonmembers are compared. This comparison is made in Charts 9 and 10 and Table 4.

Table 3 - Number of Banks in the United States, Exclusive of Mutual Savings Banks and Private Banks(1)
1914-1931

Date (June 30)	Member banks			Nonmember State banks (exclusive of mutual savings and private banks)	All State banks	All State and national banks
	State	National	Total			
1914	-	7,518	7,518	17,498	17,498	25,016
1915	17	7,597	7,614	17,731	17,748	25,345
1916	34	7,571	7,605	18,219	18,253	25,824
1917	53	7,599	7,652	18,657	18,710	26,309
1918	513	7,699	8,212	18,891	19,404	27,103
1919	1,042	7,779	8,821	18,604	19,646	27,425
1920	1,374	8,024	9,398	19,261	20,635	28,659
1921	1,595	8,150	9,745	19,672	21,267	29,417
1922	1,648	8,244	9,892	19,141	20,789	29,033
1923	1,620	8,236	9,856	19,034	20,654	28,890
1924	1,570	8,080	9,650	18,458	20,028	28,108
1925	1,472	8,066	9,538	18,101	19,573	27,639
1926	1,403	7,972	9,375	17,591	18,994	26,966
1927	1,309	7,790	9,099	16,810	18,119	25,909
1928	1,244	7,685	8,929	16,196	17,440	25,125
1929	1,177	7,530	8,707	15,551	16,728	24,258
1930	1,068	7,247	8,315	14,730	15,798	23,045
1931	982	6,800	7,782	13,341	14,323	21,123
1931 (Dec.31)	878	6,368	7,246	11,921	12,799	19,167

(1) Banks in continental United States only. "All State banks," "national banks," and "all State and national banks" were taken from the comptrollers' abstracts and annual reports, except that for December, 1931, the State bank figures were compiled by the Division of Bank Operations of the Federal Reserve Board from State bank abstracts. State bank members were compiled from Federal Reserve Board abstracts and call reports, and nonmember banks were derived by deducting member banks from the total of national and State banks.

Table 4 - Loans and Investments of Banks in the United States
Exclusive of Mutual Savings Banks and Private Banks
1914-1931(1)

(in millions of dollars)

Date (June 30)	Member banks			Nonmember State banks (exclusive of mutual savings and private banks)	All State banks	All State and national banks
	State	National	Total			
1914	-	8,313	8,313	8,410	8,410	16,723
1915	76	8,688	8,764	8,582	8,658	17,346
1916	229	10,086	10,315	9,972	10,201	20,287
1917	556	11,897	12,453	11,248	11,804	23,701
1918	4,594	13,913	18,507	8,727	13,321	27,234
1919	6,530	15,712	22,242	9,404	15,934	31,646
1920	8,012	17,547	25,559	10,712	18,724	36,271
1921	8,226	15,895	24,121	10,090	18,316	34,211
1922	8,477	15,705	24,182	9,677	18,154	33,859
1923	9,702	16,805	26,507	10,590	20,292	37,097
1924	10,109	17,058	27,167	10,938	21,047	38,105
1925	11,225	18,293	29,518	11,694	22,919	41,212
1926	12,025	19,159	31,184	12,263	24,288	43,447
1927	12,519	20,237	32,756	12,331	24,850	45,087
1928	12,999	22,062	35,061	12,874	25,873	47,935
1929	14,254	21,457	35,711	13,132	27,386	48,843
1930	13,907	21,749	35,656	12,638	26,545	48,294
1931	13,098	20,825	33,923	10,534	23,632	44,457
1931 (Dec.31)	11,481	19,094	30,575	8,600	20,081	39,175

(1) See note (1), Table 3, p. 18.

Geographic Distribution of Banks

In 1920 there were ten States with more than a thousand banks each (including both incorporated and private banks), and these States contained almost half of all the banks in the United States or about 15,000 in all. With the exception of Texas, these ten States constitute a solid block stretching westward from Pennsylvania into the Middle West. They include, besides the two States named: Ohio, Indiana, Illinois, Iowa, Minnesota, Nebraska, Kansas, and Missouri. There were five other States which had between 800 and 1,000 banks, all of them contiguous with this group: New York, Michigan, Wisconsin, North Dakota, and Oklahoma.

By the middle of 1931 only five States had more than a thousand banks: Illinois, Iowa, Missouri, Pennsylvania, and Texas. Six States had between 800 and 1,000: New York, Ohio, Indiana, Wisconsin, Minnesota, and Kansas. In these eleven States there were located approximately 12,000 banks, or slightly more than half of all those in the country at that time.

Table II of the appendix gives the number of banks in each State not only in 1920 and 1931, but also in 1900. In Table 5 of the text the number in each geographic division is given, both for incorporated and private banks; and in Table 6 the percentages of the total in each geographic division.(1) For comparison, the percentages of the total population residing in each division are also given.

Table 5 - Geographic Distribution of Active Banks in the United States on June 30, 1900, 1920, and 1931(2)

Geographic division	1900			1920			1931		
	Incorporated banks	Private banks	All banks	Incorporated banks	Private banks	All banks	Incorporated banks	Private banks	All banks
New England	655	342	997	728	23	751	673	13	686
Middle Atlantic	1,546	1,482	3,028	2,955	301	3,256	3,140	74	3,214
North Central	1,545	1,507	3,052	5,002	917	5,919	4,629	223	4,852
Southern Mountain	673	112	785	1,958	7	1,965	1,640	3	1,643
Southeastern	519	174	693	2,793	54	2,847	1,552	41	1,593
Southwestern	448	233	681	3,261	180	3,441	2,253	68	2,321
Western Grain	2,760	1,119	3,879	8,992	236	9,228	5,459	80	5,539
Rocky Mountain	220	127	347	1,579	16	1,595	845	2	847
Pacific Coast	372	91	463	1,391	2	1,393	932	-	932
UNITED STATES	8,738	5,187	13,925	28,659	1,736	30,395	21,123	504	21,627

(2) For source see note to Table I of the appendix.

(1) The geographic divisions referred to include the following States:
New England: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut.
Middle Atlantic: New York, New Jersey, Delaware, Pennsylvania, Maryland, District of Columbia.

Table 6 - Percentage Distribution of Banks and of Population in the United States by Geographic Divisions 1900, 1920, and 1931

Geographic division	Incorporated banks			All banks			Population(1)		
	1900	1920	1931	1900	1920	1931	1900	1920	1931
New England	7.5	2.5	3.2	7.2	2.5	3.2	7.4	7.0	6.6
Middle Atlantic	17.7	10.3	14.9	21.7	10.7	14.9	22.5	23.1	23.3
North Central	17.7	17.5	21.9	21.9	19.5	22.4	21.0	20.3	20.6
Southern Mountain	7.7	6.8	7.8	5.6	6.5	7.6	9.2	8.0	7.6
Southeastern	5.9	9.7	7.3	5.0	9.4	7.4	12.3	11.6	11.4
Southwestern	5.1	11.4	10.7	4.9	11.3	10.7	8.6	9.7	9.9
Western Grain	31.6	31.4	25.8	27.9	30.3	25.6	13.6	11.8	10.8
Rocky Mountain	2.5	5.5	4.0	2.5	5.2	3.9	2.2	3.2	3.0
Pacific Coast	4.3	4.9	4.4	3.3	4.6	4.3	3.2	5.3	6.8
UNITED STATES	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

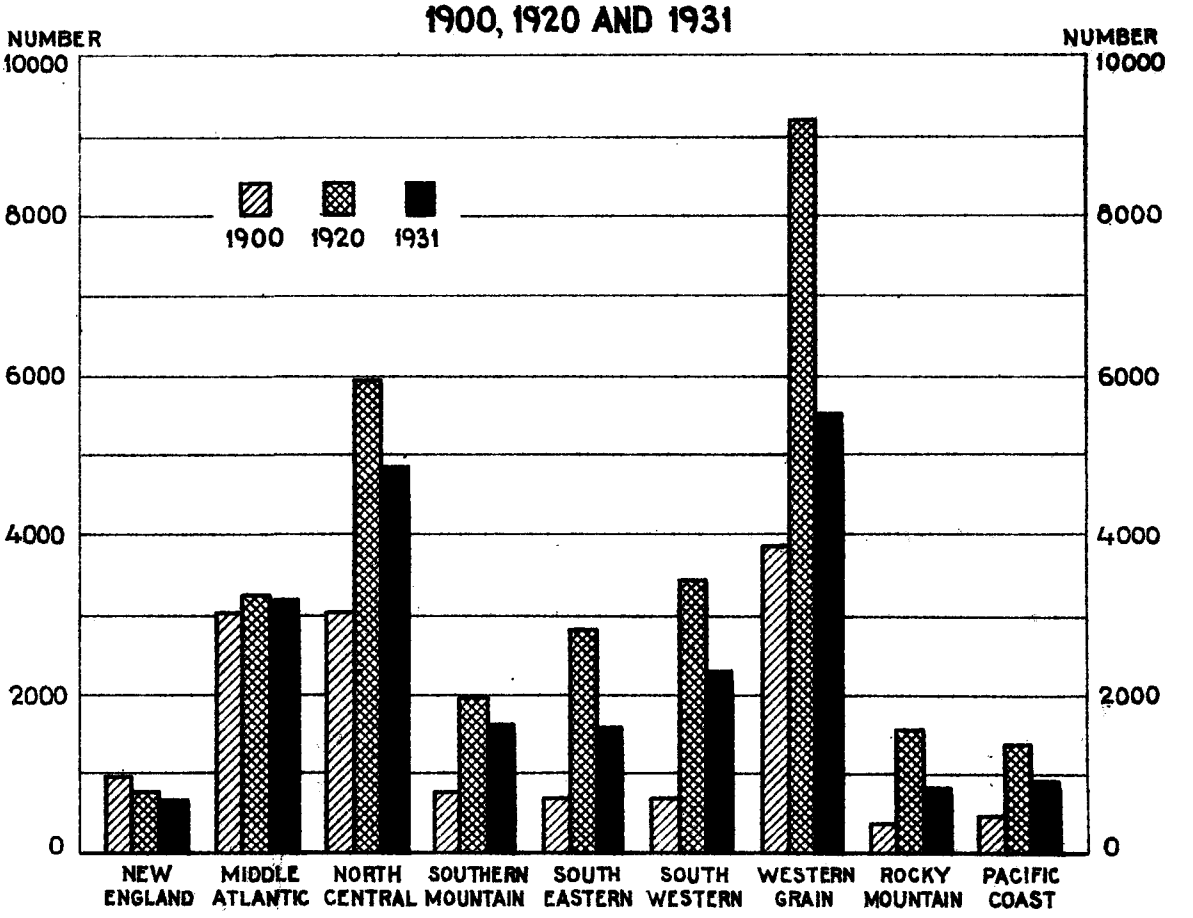
(1) Census figures for 1900 and mid-year estimates from the Statistical Abstract of the United States for 1920 and 1931 were used.

The total number of banks in each of these divisions for 1900, 1920, and 1931 is illustrated in Chart 11. It will be noted that changes in the number of banks since 1900 have been relatively small in both the New England and Middle Atlantic divisions. In the former section the number of banks declined during both decades. In all the other geographic divisions there was an increase in the number of banks between 1900 and 1920 and a decrease between 1920 and 1931. In the Western Grain States, where the increase prior to 1920 was far greater than in any other section of the country, the decrease since 1920 has also been far greater. But despite the rapid decreases after 1920, the North Central and Western Grain States still had in 1931 about twice as many banks each as any other division.

North Central: Michigan, Wisconsin, Illinois, Indiana, Ohio.
Southern Mountain: West Virginia, Virginia, Kentucky, Tennessee.
Southeastern: North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi.
Southwestern: Louisiana, Texas, Arkansas, Oklahoma.
Western Grain: Minnesota, North Dakota, South Dakota, Iowa, Nebraska, Missouri, Kansas.
Rocky Mountain: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada.
Pacific Coast: Washington, Oregon, California.

CHART 11

NUMBER OF BANKS BY GEOGRAPHIC DIVISIONS
1900, 1920 AND 1931



The number of banks in each geographic division includes national, State and private banks but excludes mutual savings banks.

Population per Bank. - The relative excess of banking facilities in certain sections is shown more clearly when the population per bank is computed by geographic regions and States. This is done in Table 7 for incorporated banks and for all banks. For all banks it is illustrated in Chart 12.

Table 7 - Population per Bank 1900, 1920, and 1931(1)

Geographic division	State and national banks			All banks		
	1900	1920	1931	1900	1920	1931
New England	8,537	10,234	12,221	5,609	9,920	11,990
Middle Atlantic	11,064	8,305	9,217	5,649	7,537	9,005
North Central	10,347	4,326	5,528	5,238	3,656	5,273
Southern Mountain	10,373	4,375	5,760	8,893	4,360	5,750
Southeastern	18,033	4,413	9,066	13,505	4,329	8,832
Southwestern	14,580	3,163	5,470	9,592	2,998	5,310
Western Grain	3,749	1,399	2,446	2,667	1,363	2,411
Rocky Mountain	7,614	2,135	4,414	4,827	2,113	4,404
Pacific Coast	6,497	4,051	9,006	5,220	4,045	9,006
UNITED STATES	8,697	3,713	5,874	5,457	3,501	5,737

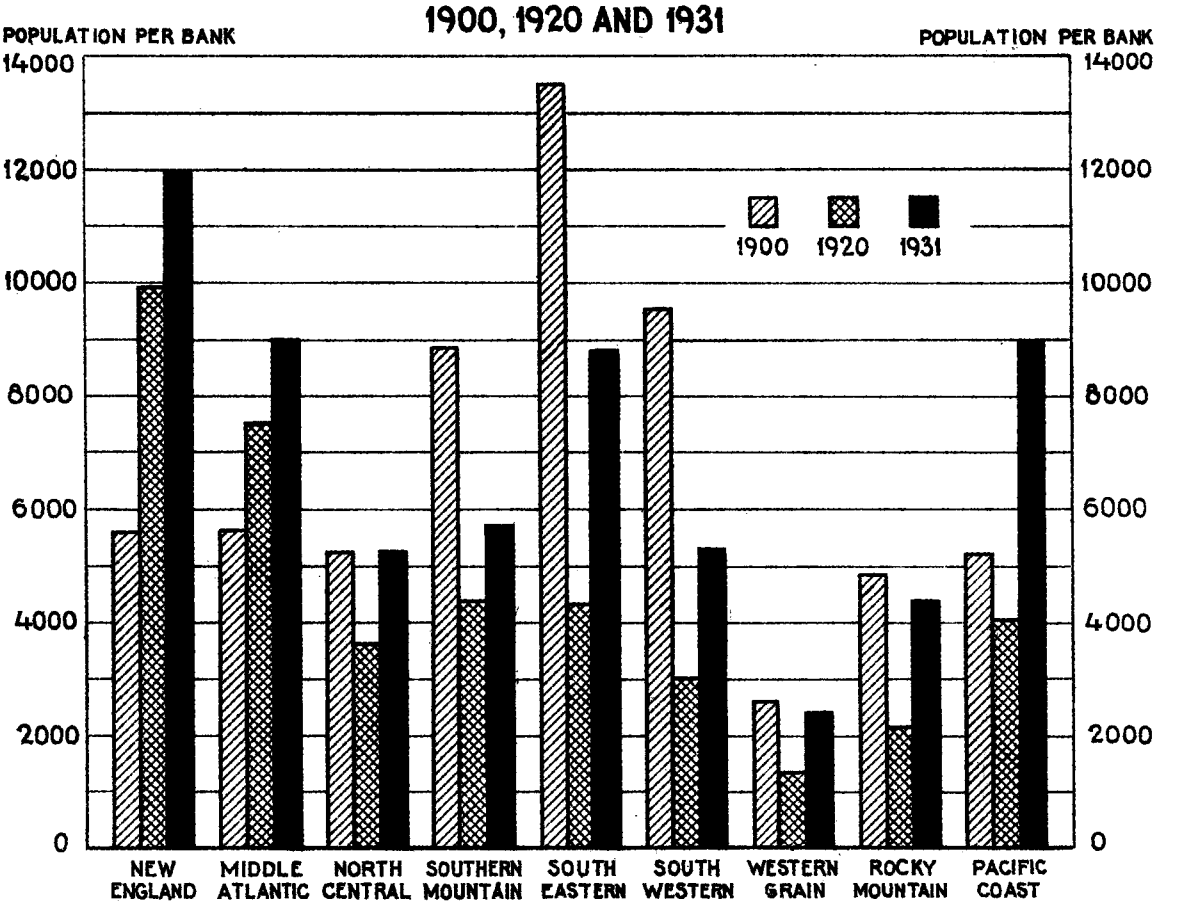
(1) See p. 96 for population per bank by States and source of population figures.

In the New England and Middle Atlantic States the population per bank increased both from 1900 to 1920 and from 1920 to 1931. In the other geographic divisions, however, the population per bank declined from 1900 to 1920, as a result of the opening of many new banks, and increased from 1920 to 1931, as a result of suspensions and consolidations. It is especially noteworthy that the population per bank was smaller, in each of these three years, in the Western Grain States than in any other region.

The population per bank and the population per incorporated bank in each State for 1900, 1920, and 1931, are given in Table III of the appendix.

CHART 12

POPULATION PER BANK BY GEOGRAPHIC DIVISIONS
1900, 1920 AND 1931



Population per bank is based on the number of national, State and private banks in each geographic division. Mutual savings banks are excluded.

In 1920 only three States, Massachusetts, Rhode Island, and New York, had over 10,000 inhabitants per bank. Eighteen States had less than 3,000 persons per bank, and half of these less than 2,000. The latter nine States constitute a solid block in the Middle West and Northwest, including Minnesota, Iowa, Kansas, Nebraska, South Dakota, North Dakota, Montana, Wyoming, and Idaho. In two of these States, the Dakotas, the population per bank was less than a thousand. This would roughly indicate an average of only two or three hundred individual customers per bank.

By the middle of 1931 seven States and the District of Columbia had more than 10,000 persons per bank. Three of these, Massachusetts, Rhode Island, and New York, were in the Northeastern part of the country; the rest were stretched across the Southern part of the nation, including South Carolina, Louisiana, Arizona, and California. Only eight States had less than 3,000 persons per bank, and two States less than 2,000.

In Table 8 are listed the five States with the largest population per bank and the ten States with the smallest population per bank in 1920 and in 1931.

Table 8 - States with the Largest and the Smallest Populations per Bank June 30, 1920 and 1931

1920		1931	
State	Population per bank	State	Population per bank
Rhode Island	18,515	Rhode Island	26,692
Massachusetts	14,423	Massachusetts	17,258
New York	10,870	California	14,263
Connecticut	8,552	New York	13,805
New Jersey	8,499	South Carolina	12,362
Missouri	2,064	Wisconsin	3,255
Idaho	1,968	Montana	3,241
Minnesota	1,596	Nevada	2,788
Kansas	1,314	Wyoming	2,780
Montana	1,292	Minnesota	2,762
Iowa	1,249	North Dakota	2,262
Wyoming	1,216	South Dakota	2,178
Nebraska	1,089	Iowa	2,097
South Dakota	916	Kansas	1,937
North Dakota	719	Nebraska	1,904

In only three States, Connecticut, Delaware, and New Jersey, was there any increase in the total number of banks during the period from 1920 to 1931. In two other States, Michigan and New York, there was an increase in the number of incorporated banks. In seven States, South Carolina, Georgia, North Dakota, South Dakota, Montana, Arizona, and New Mexico, the number of banks in 1931 was less than half of what it was in 1920, and in a large number of other States the reduction was almost as great.

CHAPTER II

SIZE DISTRIBUTION OF INCORPORATED BANKS

In the foregoing chapter both incorporated and private banks have been taken into consideration. Private banks were relatively more important in past years than at the present time, and it seemed necessary to include them in considering long-time changes in the banking facilities of the nation. In considering the size distribution of banks, however, our attention will be confined principally to the years from 1920 to 1931. During this period private banks were of relatively little importance and information regarding their size is scanty. For these reasons only incorporated banks will be considered in this chapter, private banks being reserved for a later chapter.(1)

Banks Grouped by Amount of Capital Stock

Capital stock is not the best measure of the size of a bank. The relationship between capital and resources or between capital and liabilities

(1) The 1920 figures as given in this chapter and in appendix Tables IV, VI, VIII, X, XII, and XIV include 386 banks in Illinois which were classed as private banks on June 30 of that year, most of which had been converted to State banks by the end of the year on account of a law prohibiting the operation of private banks after January 1, 1921.

In classifying active State banks by size groups, whenever individual reports for June 30 were not obtainable, figures for the nearest available date were used. For this reason the totals in the tables in this chapter and in appendix Tables IV-XV, showing the distribution of banks by size groups in 1920 and 1930, differ somewhat from similar figures elsewhere in this report and in the comptroller's reports. The State bank figures used were either supplied by the State banking departments or compiled from their published reports.

to the public differs widely between banks, especially between banks in different communities or banks of different size. The classification of banks by size of capital stock, however, can be made for a longer period of time than on the basis of any other measure of size.

In Table 9 the approximate number of State and national banks with less than $50,000 and with $50,000 or more of capital stock is given by ten or eleven year intervals since 1877. The figures for the years up to and including 1909 are taken from the Publications of the National Monetary Commission, but for 1920 and 1930 they were collected by the Committee on Branch, Group, and Chain Banking.

Table 9 - Distribution of Incorporated Banks by Size of Capital Stock(1)

Year	State banks		National banks		State and national banks	
	Less than $50,000	$50,000 and over	Less than $50,000	$50,000 and over	Less than $50,000	$50,000 and over
	Number					
1877	187	634	-	2,080	187	2,714
1888	747	1,043	-	3,144	747	4,187
1899	2,529	1,578	-	3,579	2,529	5,157
1909	9,042	3,536	2,197	4,773	11,239	8,309
1920	14,429	6,432	2,605	5,419	17,034	11,851
1930	9,695	5,924	1,992	5,255	11,687	11,179
	Per cent of total					
1877	22.8	77.2	-	100.0	6.4	93.6
1888	41.7	58.3	-	100.0	15.1	84.9
1899	61.6	38.4	-	100.0	32.9	67.1
1909	71.9	28.1	31.5	68.5	57.5	42.5
1920	69.2	30.8	32.5	67.5	59.0	41.0
1930	62.1	37.9	27.5	72.5	51.1	48.9

(1) Figures for 1877, 1888, 1899, and 1909 from Barnett, "State Banks and Trust Companies Since the Passage of the National Bank Act," Publications of the National Monetary Commission, Vol. vii, pp. 212, 222, 231, and 257. Figures for 1920 and 1930 were collected by the Committee on Branch, Group, and Chain Banking with the cooperation of the Federal reserve banks and State banking departments. (See note p. 27.) For 1909, 1920, and 1930 trust companies are included with State banks.

The most striking feature of these figures is the increase each decade down to 1920 in the number of State banks with less than $50,000 of capital stock. Banks of this size constituted 23 per cent of all State banks in 1877, but in 1920 they had risen to 69 per cent of the total.

In 1877 all of the national banks and 77 per cent of the State banks had $50,000 or more of capital stock. By 1899 only 38 per cent of the State banks had this amount of capital, and by 1909 only 28 per cent. In 1900 the National Bank Act was amended to permit the organization of national banks with only $25,000 of capital stock in towns of less than 3,000 population. By 1909 about 31 per cent of the national banks had less than $50,000 capital stock, but this percentage had increased only slightly by 1920. In the latter year the number of national banks with less than $50,000 of capital stock was only 2,605 in comparison with 14,429 State banks.

In Table 10 a more detailed grouping is given of the banks in 1909, 1920, and 1930, and in Table 11 the percentage changes from 1909 to 1930 are given for the various size groups.(1)

(1) Tables IV and V of the appendix give the number of State and national banks in each State in 1920 and in 1930 grouped by size of capital stock. The aggregate amount of capital stock of these banks, similarly grouped, is given in Tables VI and VII of the appendix.

Table 10 - Distribution of Banks in 1909, 1920, and 1930 by Size of Capital Stock(1)

Size group capital stock	Number of banks			Per cent of total		
	State	National	State and national	State	National	State and national
			1909			
Under $25,000	5,881	-	5,881	46.7	-	30.1
25,000 - 50,000	3,161	2,197	5,358	25.1	31.5	27.4
50,000 - 100,000	1,722	2,214	3,936	13.7	31.8	20.1
100,000 - 200,000	1,039	1,908(2)	2,947	8.3	27.4	15.1
200,000 and over	775	651	1,426	6.2	9.3	7.3
Total	12,578	6,970	19,548	100.0	100.0	100.0
			1920			
Under $25,000	8,240	16	8,256	39.5	0.2	28.6
25,000 - 50,000	6,189	2,589	8,778	29.7	32.3	30.4
50,000 - 100,000	3,272	2,454	5,726	15.7	30.6	19.8
100,000 - 200,000	1,908	1,790	3,698	9.1	22.3	12.8
200,000 and over	1,252	1,175	2,427	6.0	14.6	8.4
Total	20,861	8,024	28,885	100.0	100.0	100.0
			1930			
Under $25,000	4,768	1	4,769	30.5	0.01	20.9
25,000 - 50,000	4,927	1,991	6,918	31.5	27.5	30.2
50,000 - 100,000	2,648	2,053	4,701	17.0	28.3	20.5
100,000 - 200,000	1,764	1,818	3,582	11.3	25.1	15.7
200,000 and over	1,512	1,384	2,896	9.7	19.1	12.7
Total	15,619	7,247	22,866	100.0	100.0	100.0

(1) Figures for 1909 are from the Publications of the National Monetary Commission, Vol. vii, pp. 252-257, and the Annual Report of the Comptroller of the Currency, 1909, p. 111. Figures for 1920 and 1930 were collected by the Committee on Branch, Group, and Chain Banking. (See note p. 27.)

(2) Includes national banks with from $100,000 to $250,000 of capital stock.

Table 11 - Percentage Changes in Number of Banks by Size of Capital Stock(3)

Size group capital stock	1909-1920			1920-1930		
	State banks	National banks	State and national banks	State banks	National banks	State and national banks
Under $25,000	+40.1	-	+40.4	-42.1	-	-42.2
25,000 - 50,000	+95.8	+17.8	+63.8	-20.4	-23.1	-21.2
50,000 - 100,000	+90.0	+10.8	+45.5	-19.1	-16.3	-17.9
100,000 - 200,000	+83.6) +74.2	+15.9	+40.1	- 7.5	+ 1.6	- 3.1
200,000 and over	+61.5)			+20.8	+17.8	+19.3
Total	+65.9	+15.1	+47.8	-25.1	- 9.7	-20.8

(3) See note p. 27.

During the period from 1909 to 1920 there were increases in the numbers of banks in all size groups. Considerable differences appeared, however, in the rates of increase in the various size groups, the banks capitalized at from $25,000 to $50,000 increasing at a more rapid rate than either larger or smaller banks.

From 1920 to 1930, however, there were sharp declines among small banks, whereas the largest banks continued to increase. Banks under $25,000 of capital stock declined 42 per cent; those with from $25,000 to $100,000, 20 per cent; and those with from $100,000 to $200,000, 3 per cent. Banks with $200,000 and more of capital stock increased 19 per cent in number. The trend was towards a drastic reduction in the number of small banks and an increase in the number of very large banks.

Banks Grouped by Size of Loans and Investments

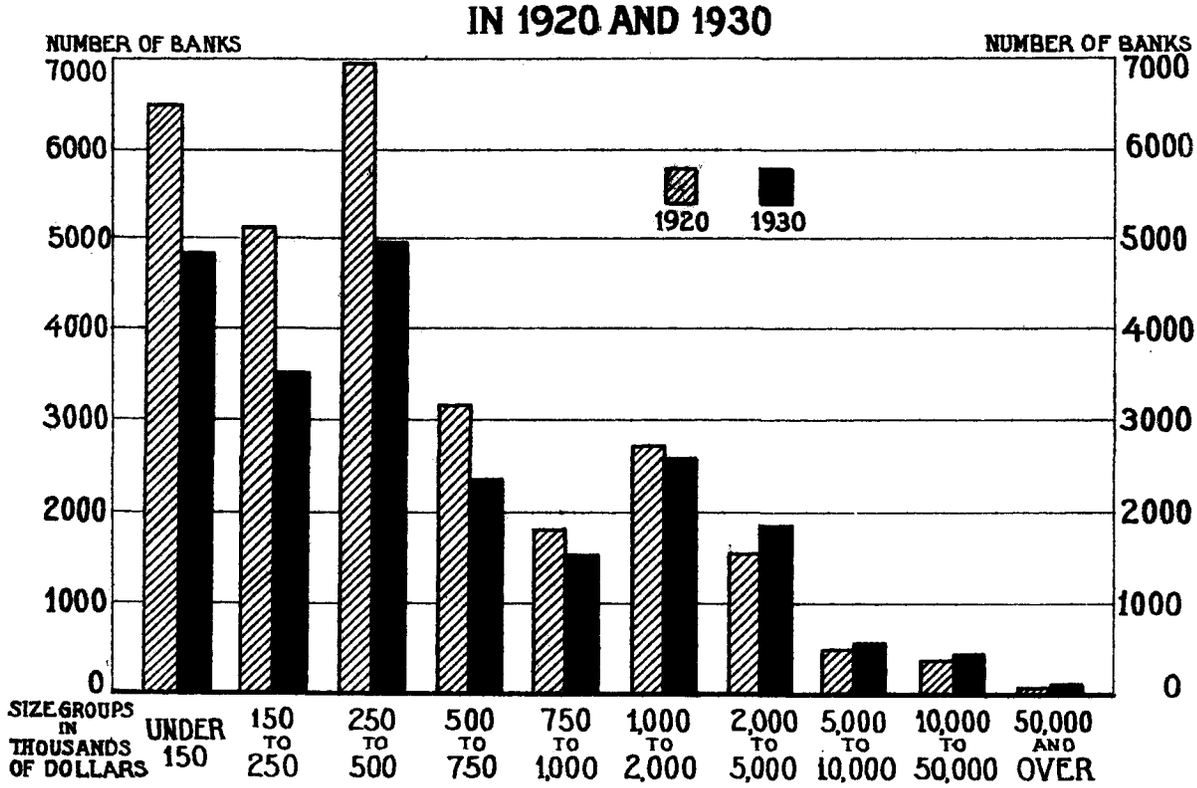
The loans and investments of a bank are a better measure of its size than its capital stock. For the period from 1920 to 1930, therefore, a much more detailed analysis has been made of the number of banks classified by size of loans and investments.

Size Distribution of Banks in 1920 and 1930. -- Table 12 gives the number of banks in 1920 and in 1930 in the various size groups, classified by loans and investments, together with the percentage change during the decade, and the per cent of the total number at each of these dates. The numbers in the various size groups in each of these years are illustrated in Chart 13, and the percentage change during the decade in Chart 14.(1)

(1) Tables VIII and IX in the appendix give the number of State and national banks in each State in 1920 and in 1930, grouped by size of loans and investments. The aggregate loans and investments of these banks, similarly grouped, are given in Table X and XI of the appendix.

CHART 13

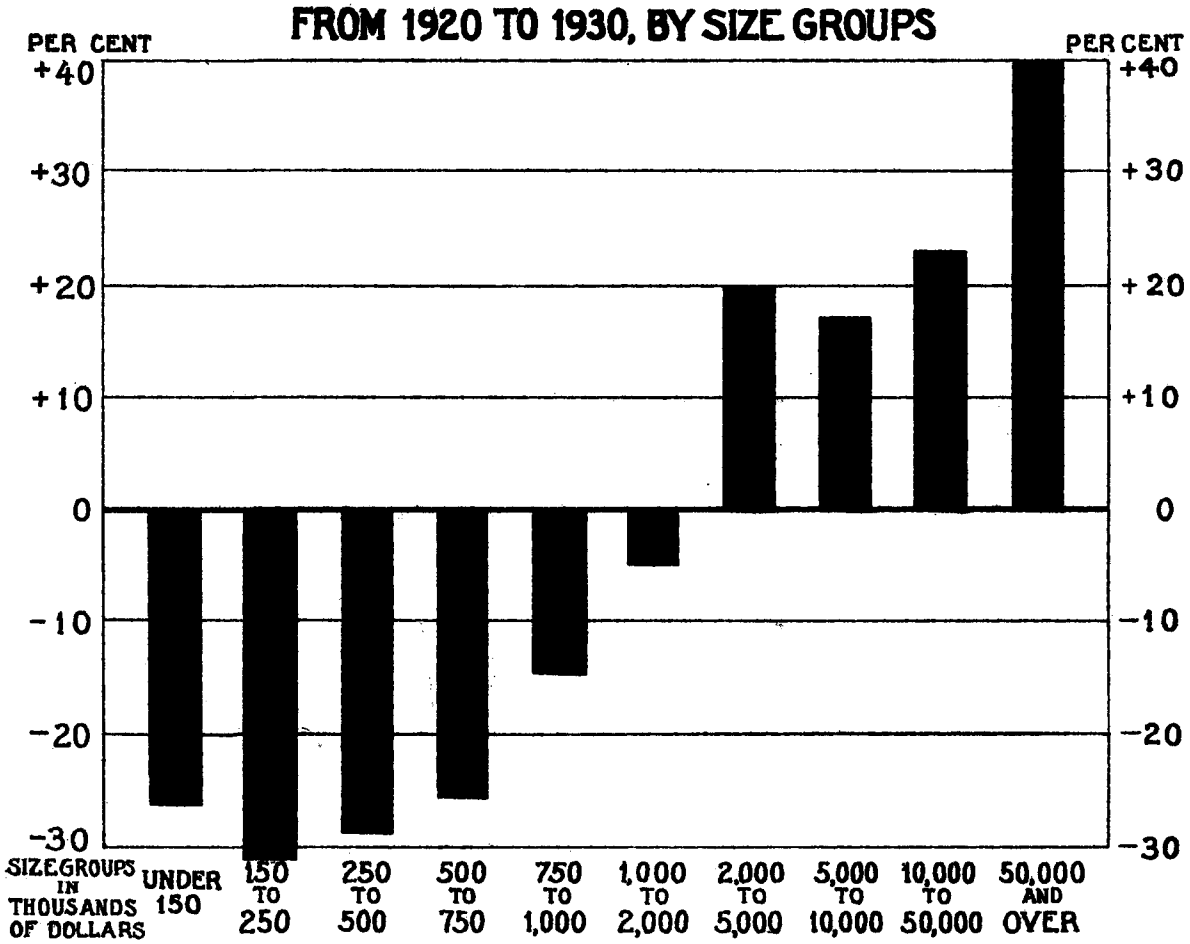
DISTRIBUTION OF BANKS BY SIZE GROUPS IN 1920 AND 1930



Number of State and national banks in 1920 and 1930, grouped according to amount of loans and investments

CHART 14

PERCENTAGE CHANGES IN THE NUMBER OF BANKS FROM 1920 TO 1930, BY SIZE GROUPS



Percentage changes in the number of State and national banks from 1920 to 1930 in the different size groups according to amount of loans and investments

Table 12 - Distribution of State and National Banks in 1920 and 1930 by Size Groups

Size group loans and investments	Number of banks		Percentage change from 1920 to 1930	Per cent of total number	
	1920	1930		1920	1930
Under $150,000	6,548	4,839	-26.1	22.7	21.2
150,000 - 250,000	5,114	3,510	-31.4	17.7	15.3
250,000 - 500,000	6,977	4,966	-28.8	24.1	21.7
500,000 - 750,000	3,172	2,362	-25.5	11.0	10.3
750,000 - 1,000,000	1,819	1,552	-14.7	6.3	6.8
1,000,000 - 2,000,000	2,733	2,600	- 4.9	9.5	11.4
2,000,000 - 5,000,000	1,573	1,887	+20.0	5.4	8.3
5,000,000 - 10,000,000	508	595	+17.1	1.8	2.6
10,000,000 - 50,000,000	369	454	+23.0	1.3	2.0
50,000,000 and over	72	101	+40.3	0.2	0.4
Total	28,885(1)	22,866(1)	-20.8	100.0	100.0

(1) See note p. 27.

Among banks with less than $150,000 of loans and investments there was a decline of 26 per cent in number between 1920 and 1930, while among those with from $150,000 to $250,000 of loans and investments the decline was even greater, amounting to 31 per cent. From this point, however, the percentage steadily diminished, so that the decline among banks with from $1,000,000 to $2,000,000 was but 5 per cent. In all groups with more than $2,000,000 of loans and investments the number of banks increased, this increase rising to as much as 40 per cent in the case of banks with more than $50,000,000 of loans and investments.

Thus while there was a net decline of 21 per cent during the ten years in the number of banks, this decline occurred in the groups of banks with less than $2,000,000 of loans and investments, and principally among those with less than $750,000 of loans and investments.

The result of these changes was to decrease the percentage of the total banks in the smaller size groups in 1930, as compared with 1920,

and to increase the percentage in the larger size groups. Notwithstanding these changes, however, there was still in 1930 a larger preponderance of small banks--over 13,000 banks, or 58 per cent, having loans and investments of less than $500,000, while 8,400, or 37 per cent, had loans and investments of $500,000 to $5,000,000 and 1,150, or 5 per cent had loans and investments of $5,000,000 or more.

Comparison of State and of National Banks by Size. - In Table 13 the number of banks by size groups is given for State and national banks separately for 1920 and for 1930. The distribution of State and national banks by size groups is illustrated for 1920 in Chart 15 and for 1930 in Chart 16.

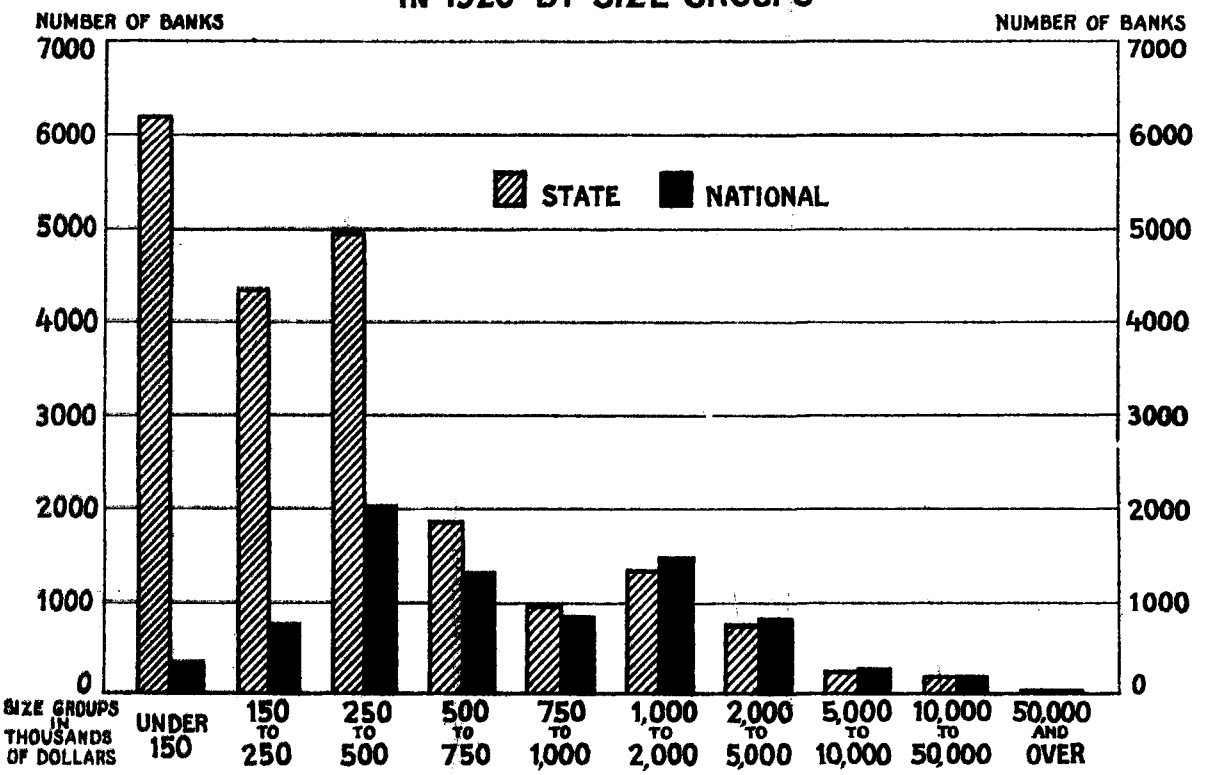
Table 13 - Distribution of State and National Banks in 1920 and 1930 by Size Groups

Size group loans and investments	1920		1930		Percentage change 1920 to 1930	
	State	National	State	National	State	National
Under $150,000	6,203	345	4,504	335	-27.4	- 2.9
150,000 - 250,000	4,355	759	2,809	701	-35.5	- 7.6
250,000 - 500,000	4,948	2,029	3,375	1,591	-31.8	-21.6
500,000 - 750,000	1,857	1,315	1,394	968	-24.9	-26.4
750,000 - 1,000,000	958	861	785	767	-18.1	-10.9
1,000,000 - 2,000,000	1,310	1,423	1,280	1,320	- 2.3	- 7.2
2,000,000 - 5,000,000	762	811	873	1,014	+14.6	+25.0
5,000,000 - 10,000,000	248	260	288	307	+16.1	+18.1
10,000,000 - 50,000,000	185	184	252	202	+36.2	+ 9.8
50,000,000 and over	35	37	59	42	+68.6	+13.5
Total	20,861(1)	8,024	15,619(1)	7,247	-25.1	- 9.7
	Per cent of total					
Under $150,000	29.7	4.3	28.8	4.6		
150,000 - 250,000	20.9	9.5	18.0	9.7		
250,000 - 500,000	23.7	25.3	21.6	21.9		
500,000 - 750,000	8.9	16.4	8.9	13.4		
750,000 - 1,000,000	4.6	10.7	5.0	10.6		
1,000,000 - 2,000,000	6.3	17.7	8.2	18.2		
2,000,000 - 5,000,000	3.6	10.1	5.6	14.0		
5,000,000 - 10,000,000	1.2	3.2	1.9	4.2		
10,000,000 - 50,000,000	0.9	2.3	1.6	2.8		
50,000,000 and over	0.2	0.5	0.4	0.6		
Total	100.0	100.0	100.0	100.0		

(1) See note p. 27.

CHART 15

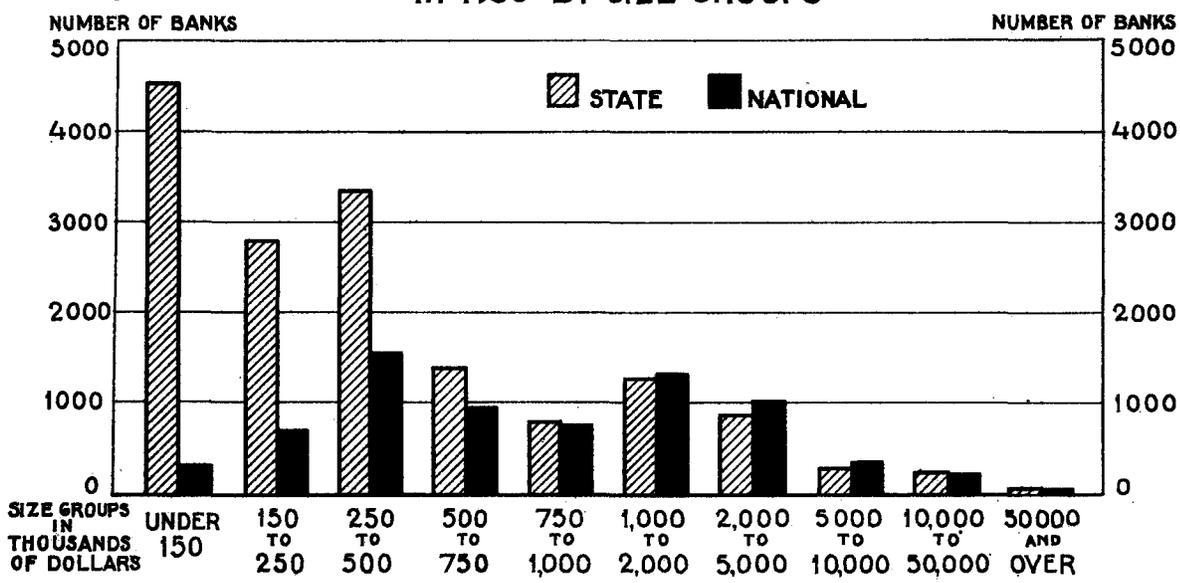
DISTRIBUTION OF STATE AND NATIONAL BANKS IN 1920 BY SIZE GROUPS



Number of State and national banks on June 30, 1920, grouped according to amount of loans and investments

CHART 16

DISTRIBUTION OF STATE AND NATIONAL BANKS
IN 1930 BY SIZE GROUPS



Number of State and national banks on June 30, 1930, grouped according to amount of loans and investments

Of the State banks, about 30 per cent both in 1920 and in 1930, and of the national banks, 4 per cent in 1920 and 5 per cent in 1930, had loans and investments of less than $150,000. In the former year 74 per cent of the State banks, and in the latter year 68 per cent, had loans and investments of less than $500,000, while for national banks the corresponding figures were 39 per cent and 36 per cent. In 1920 about 23 per cent, and in 1930 about 28 per cent, of the State banks had loans and investments between $500,000 and $5,000,000, while about 55 per cent of the national banks in 1920 and 56 per cent in 1930 had loans and investments between $500,000 and $5,000,000. Two per cent of the State banks in 1920 and 4 per cent in 1930 had more than $5,000,000 of loans and investments; for national banks the correspondent figures were 6 per cent and 8 per cent.

When the numbers of State and national banks with less than $500,000 of loans and investments are compared, it appears that in 1920 there were 18,639 of these banks, of which 15,506, or 83 per cent, were State banks, and 3,133, or 17 per cent, were national banks. By 1930 the number had been reduced to 13,315, of which 80 per cent were State banks and 20 per cent were national banks.

Among medium sized banks the field has been about equally divided between the State and the national banks. Of the 9,297 banks in 1920 with from $500,000 to $5,000,000 of loans and investments, 53 per cent had State charters. By 1930 the number of banks of this size had been

reduced to 8,401 in number, with 52 per cent having State charters.

Among large banks also, the field is about equally divided between the national and the State systems. In 1920 there were 949 banks with more than $5,000,000 of loans and investments, of which 49 per cent had State charters; while in 1930 there were 1,150 banks of this size, with 52 per cent of them under State charters.

Further comparison between the State and national systems is possible by noting the number in each size group in Table 13. State banks predominated over national banks, both in 1920 and in 1930, in all size groups with less than $1,000,000 of loans and investments. National banks predominated over State banks in number in the size groups between $1,000,000 and $10,000,000 of loans and investments. Among banks with over $10,000,000, however, there were more with State charters than with national charters in 1930.

The percentage changes in the number of State and of national banks during the decade from 1920 to 1930, also shown in Table 13, throw considerable light on changes in the relative importance of State and national banks. In all size groups with less than $2,000,000 of loans and investments, there were declines during the decade in the number both of State and of national banks. In size groups with more than $2,000,000 of loans and investments there were increases in the numbers of both State and national banks. Among banks with less than $500,000 of loans and investments, the rates of decline were far greater among State banks

than among national banks; while among the banks with more than $10,000,000 of loans and investments, the rate of increase among the State banks was greater than among the national banks. Only among banks of from $2,000,000 to $10,000,000 of loans and investments did the national banks increase during the decade more rapidly than the State banks.

Thus the number of State banks not only exceeds the number of national banks among the larger banks, but this excess increased during the period 1920-1930. At the same time their predominance slowly diminished among small banks, due to the higher suspension rates among State than among national banks.

Geographic Distribution of Banks by Size. - Tables 14 and 15 give for 1920 and for 1930, respectively, the distribution of banks in each size group in each geographic division. The small banks are located primarily in the agricultural regions of the South and Middle West. The large banks are located principally in the Northeastern part of the country, including the North Central States.

In the New England and Middle Atlantic States, where there is a preponderance of urban, commercial, and industrial activity, the proportion of small banks was low both in 1920 and in 1930, and the proportion of large banks was high. Moreover, in all size groups of less than $1,000,000 of loans and investments in these two divisions the number of banks was less in 1930 than in 1920, and in all size groups with more than $2,000,000 the number was greater in 1930 than in 1920.

In the North Central and Pacific Coast States, where there is a more balanced diversity between industrial and agricultural activities,

a larger proportion of the banks was in the smaller size groups.

In the other groups of States, where there is a preponderance of rural and agricultural activities, the picture becomes almost directly the opposite of that in the commercial States. The banks with less than $150,000 loans and investments constituted the most numerous class, and in three out of the five groups of States they were relatively more numerous in 1930 than in 1920. Moreover, there was no pronounced tendency for the proportion of large banks to increase. In all the groups of agricultural States the bulk of the banks in 1930 still had loans and investments of less than $500,000.

Table 14 - Distribution of Banks in 1920 by Size of Loans and Investments and by Geographic Divisions

State and National Banks

Size group loans and investments	New England	Middle Atlantic	North Central	Southern Mountain	Southeastern	Southwestern	Western Grain	Rocky Mountain	Pacific Coast	Total
	Number									
Under $150,000	17	98	764	512	817	1,063	2,623	463	191	6,548
150,000 - 250,000	30	146	920	334	492	631	2,053	323	185	5,114
250,000 - 500,000	87	481	1,429	483	596	776	2,463	340	322	6,977
500,000 - 750,000	94	365	707	203	285	314	857	153	194	3,172
750,000 - 1,000,000	74	342	440	133	142	144	357	79	108	1,819
1,000,000 - 2,000,000	171	661	600	178	227	172	410	113	201	2,733
2,000,000 - 5,000,000	164	472	323	72	100	108	149	81	104	1,573
5,000,000 - 10,000,000	53	181	101	37	17	24	43	17	35	508
10,000,000 - 50,000,000	33	131	72	17	18	23	32	4	39	369
50,000,000 and over	6	36	18	-	-	1	5	-	6	72
Total	729	2,913	5,374	1,969	2,694	3,256	8,992	1,573	1,385	28,885(1)
	Per cent of total									
Under $150,000	2.3	3.4	14.2	26.0	30.3	32.7	29.2	29.4	13.8	22.7
150,000 - 250,000	4.1	5.0	17.1	17.0	18.3	19.4	22.8	20.5	13.4	17.7
250,000 - 500,000	11.9	16.5	26.6	24.5	22.1	23.8	27.4	21.6	23.3	24.1
500,000 - 750,000	12.9	12.5	13.2	10.3	10.6	9.7	9.5	9.7	14.0	11.0
750,000 - 1,000,000	10.2	11.8	8.2	6.7	5.3	4.4	4.0	5.0	7.8	6.3
1,000,000 - 2,000,000	23.5	22.7	11.2	9.0	8.4	5.3	4.5	7.2	14.5	9.5
2,000,000 - 5,000,000	22.5	16.2	6.0	3.7	3.7	3.3	1.6	5.2	7.5	5.4
5,000,000 - 10,000,000	7.3	6.2	1.9	1.9	0.6	0.7	0.5	1.1	2.5	1.8
10,000,000 - 50,000,000	4.5	4.5	1.3	0.9	0.7	0.7	0.4	0.3	2.8	1.3
50,000,000 and over	0.8	1.2	0.3	-	-	0.03	0.1	-	0.4	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(1) See note p. 27.

Table 15 - Distribution of Banks in 1930 by Size of Loans and Investments and by Geographic Divisions

Size group loans and investments	New England	Middle Atlantic	North Central	Southern Mountain	Southeastern	Southwestern	Western Grain	Rocky Mountain	Pacific Coast	Total
	State and National Banks									
	Number									
Under $150,000	16	31	627	407	564	884	1,970	210	130	4,839
150,000 - 250,000	11	109	804	282	267	460	1,275	166	136	3,510
250,000 - 500,000	44	412	1,255	380	327	559	1,513	229	247	4,966
500,000 - 750,000	67	360	646	223	169	208	483	90	116	2,362
750,000 - 1,000,000	56	319	421	116	101	126	263	61	89	1,552
1,000,000 - 2,000,000	170	797	683	197	151	119	283	68	132	2,600
2,000,000 - 5,000,000	204	733	407	90	84	80	146	57	86	1,887
5,000,000 - 10,000,000	75	236	135	29	17	31	35	15	22	595
10,000,000 - 50,000,000	54	186	86	31	18	26	23	12	18	454
50,000,00 and over	6	48	20	-	2	3	7	-	15	101
Total	703	3,231	5,084	1,755	1,700	2,496	5,998	908	991	22,866(1)
	Per cent of total									
Under $150,000	2.3	1.0	12.3	23.2	33.2	35.4	32.8	23.1	13.1	21.2
150,000 - 250,000	1.6	3.4	15.8	16.0	15.7	18.5	21.3	18.3	13.7	15.3
250,000 - 500,000	6.3	12.7	24.7	21.7	19.3	22.4	25.2	25.2	25.0	21.7
500,000 - 750,000	9.5	11.1	12.7	12.7	9.9	8.3	8.1	9.9	11.7	10.3
750,000 - 1,000,000	7.9	9.9	8.3	6.6	5.9	5.1	4.4	6.7	9.0	6.8
1,000,000 - 2,000,000	24.2	24.6	13.4	11.2	8.9	4.8	4.7	7.5	13.3	11.4
2,000,000 - 5,000,000	29.0	22.7	8.0	5.1	4.9	3.2	2.4	6.3	8.7	8.3
5,000,000 - 10,000,000	10.7	7.3	2.7	1.7	1.0	1.2	0.6	1.7	2.2	2.6
10,000,000 - 50,000,000	7.7	5.8	1.7	1.8	1.1	1.0	0.4	1.3	1.8	2.0
50,000,000 and over	0.8	1.5	0.4	-	0.1	0.1	0.1	-	1.5	0.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(1) See note p. 27.

Loans and Investments of Banks by Size Groups. - In the foregoing paragraphs only the number of banks in the various size groups has been considered. In Table 16 the amount of business as measured by loans and investments, handled by all banks in each size group is given.

Table 16 - Loans and Investments of State and National Banks in 1920 and 1930, by Size Groups

Size group loans and investments	Aggregate loans and investments (000 omitted)		Percentage change from 1920 to 1930	Per cent of total aggregate loans and investments	
	1920	1930		1920	1930
Under $150,000	$ 601,524	$ 449,241	-25.3	1.7	0.9
150,000 - 250,000	1,010,745	692,185	-31.5	2.8	1.4
250,000 - 500,000	2,493,982	1,782,362	-28.5	6.9	3.7
500,000 - 750,000	1,930,628	1,449,608	-24.9	5.3	3.0
750,000 - 1,000,000	1,570,582	1,344,100	-14.4	4.3	2.8
1,000,000 - 2,000,000	3,778,474	3,666,674	-3.0	10.5	7.6
2,000,000 - 5,000,000	4,771,143	5,796,287	+21.5	13.2	12.1
5,000,000 - 10,000,000	3,471,381	4,160,658	+19.9	9.6	8.7
10,000,000 - 50,000,000	7,365,583	8,831,124	+19.9	20.4	18.4
50,000,000 and over	9,155,889	19,889,676	+117.2	25.3	41.4
Total	$36,149,931(1)	$48,061,915(1)	+33.0	100.0	100.0

(1) See note p. 27.

This table may be compared with Table 12 regarding the number of banks. In the class of banks with less than $150,000 of loans and investments there were 6,548 banks in 1920 whose aggregate portfolios held $601,524,000. In 1930 the number of banks in this class had dropped to 4,839 and their holdings to $449,241,000. At the other extreme, there were 72 banks in 1920 whose total holdings were $9,155,889,000; by 1930 the number of banks in this class had increased to 101 and their holdings to $19,889,676,000.

In 1930 the banks in the smallest size group, with less than $150,000 of loans and investments per bank, constituted 21 per cent of the

total number of banks, but held less than 1 per cent of the total loans and investments. In contrast to this, the banks in the largest size group, with more than $50,000,000 of loans and investments per bank, held 41 per cent of the total loans and investments of all banks, though they constituted less than one-half of 1 per cent of the total number of banks.

It will also be seen that in every size group below $2,000,000 both the number of banks and their aggregate loans and investments decreased from 1920 to 1930; and in every size class of more than $2,000,000 of loans and investments both the number of banks and the size of their holdings increased. During the decade the former group had shrunk 25 per cent in number and 18 per cent in aggregate loans and investments, while the latter group had increased 20 per cent in number and 56 per cent in aggregate loans and investments.

The volume of business done by State and by national banks in each of the size groups is shown for 1920 in Table 17 and for 1930 in Table 18. Percentage changes during the decade are shown in Table 19.

Table 17 - Distribution of State and National Banks in 1920 by Size Groups

Size group loans and investments	State		National	
	Number of banks	Aggregate loans and investments (000 omitted)	Number of banks	Aggregate loans and investments (000 omitted)
Under $150,000	6,203	$ 566,847	345	$ 34,677
150,000 - 250,000	4,355	854,743	759	156,002
250,000 - 500,000	4,948	1,742,843	2,029	751,139
500,000 - 750,000	1,857	1,124,934	1,315	805,694
750,000 - 1,000,000	958	823,130	861	747,452
1,000,000 - 2,000,000	1,310	1,805,244	1,423	1,973,230
2,000,000 - 5,000,000	762	2,320,816	811	2,450,327
5,000,000 - 10,000,000	248	1,706,238	260	1,765,143
10,000,000 - 50,000,000	185	3,731,180	184	3,634,403
50,000,000 and over	35	3,926,895	37	5,228,994
Total	20,861(1)	$18,602,870(1)	8,024	$17,547,061

(1) See note p. 27.

Table 18 - Distribution of State and National Banks in 1930 by Size Groups

Size group loans and investments	State		National	
	Number of banks	Aggregate loans and investments (000 omitted)	Number of banks	Aggregate loans and investments (000 omitted)
Under $150,000	4,504	$ 411,078	335	$ 38,163
150,000 - 250,000	2,809	551,427	701	140,758
250,000 - 500,000	3,375	1,192,671	1,591	589,691
500,000 - 750,000	1,394	852,605	968	597,003
750,000 - 1,000,000	785	676,478	767	667,622
1,000,000 - 2,000,000	1,280	1,785,477	1,320	1,881,197
2,000,000 - 5,000,000	873	2,683,691	1,014	3,112,596
5,000,000 - 10,000,000	288	2,025,417	307	2,135,241
10,000,000 - 50,000,000	252	5,014,873	202	3,816,251
50,000,000 and over	59	11,118,825	42	8,770,851
Total	15,619(1)	$26,312,542(1)	7,247	$21,749,373

(1) See note p. 27.

Table 19 - Percentage Change in the Number and Loans and Investments of State and National Banks, 1920-1930, by Size Groups

Size group loans and investments	State		National	
	Number of banks	Loans and investments	Number of banks	Loans and investments
Under $150,000	-27.4	-27.5	-2.9	+10.0
150,000 - 250,000	-35.5	-35.5	-7.6	-9.8
250,000 - 500,000	-31.8	-31.6	-21.6	-21.5
500,000 - 750,000	-24.9	-24.2	-26.4	-25.9
750,000 - 1,000,000	-18.1	-17.8	-10.9	-10.7
1,000,000 - 2,000,000	-2.3	-1.1	-7.2	-4.7
2,000,000 - 5,000,000	+14.6	+15.6	+25.0	+27.0
5,000,000 - 10,000,000	+16.1	+18.7	+18.1	+21.0
10,000,000 - 50,000,000	+36.2	+34.4	+9.8	+5.0
50,000,000 and over	+68.6	+183.1	+13.5	+67.7
Total	-25.1	+41.4	-9.7	+23.9

These tables indicate that changes during the decade from 1920 to 1930 in volume of business, as well as in number, have been more striking

in respect to State banks than in respect to national banks. The smaller State banks lost far more business than the smaller national banks; and State banks with loans and investments of $50,000,000 and over gained far more than national banks in the same size group. State banks with from $10,000,000 to $50,000,000 of loans and investments increased their volume of business 34 per cent, while national banks in the same group increased their business only 5 per cent. State banks with over $50,000,000 of loans and investments increased their business during the decade 183 per cent, while national banks in the same group increased their business 68 per cent. Only in the size groups having from $2,000,000 to $10,000,000 of loans and investments did the growth of business of national banks exceed that of State banks.

Table 20 compares for various dates the loans and investments of the twenty largest banks of the country, exclusive of mutual savings banks, with those of all banks. The banks included are the twenty largest for each year respectively; they are not necessarily the same ones from year to year. Only four banks in the list for 1900 appeared under the same name in 1931.

Table 20 - Proportion of Business of All State and National Banks Held by the 20 Largest Banks

Year (June 30)	Loans and investments, all banks in United States (000,000 omitted)(1)	Loans and investments, 20 largest banks in United States (000,000 omitted)(2)	Ratio, 20 largest to total U. S. (per cent)
1900	$ 5,939	$ 899	15.1
1920	36,271	5,018	13.8
1925	41,212	6,248	15.2
1926	43,447	6,820	15.7
1927	45,087	7,702	17.1
1928	47,935	8,698	18.1
1929	48,843	10,379	21.2
1930	48,294	11,999	24.8
1931	44,457	12,124	27.3

(1) From annual reports of the Comptroller of the Currency. Mutual savings and private banks are not included.
(2) From Rand McNally Bankers Directories.

In the right hand column of the above table the ratio of loans and investments of the twenty largest banks to the loans and investments of all banks is shown as a percentage. This ratio decreased between 1900 and 1920, the period during which the number of banks in the country so greatly increased; but from 1920 to 1931 it doubled, so that in 1931 the twenty largest banks, which were not quite a tenth of 1 per cent of the total number of active banks, held 27 per cent of the business of all banks, as measured by loans and investments. The aggregate holdings of the twenty largest banks increased more than thirteen times between 1900 and 1931, while the aggregate holdings of all banks increased seven times. In 1900 the largest single bank had loans and investments of $120,000,000 and was the only bank with more than $100,000,000; whereas in 1931 the largest single bank had $1,760,000,000, and there were two others with more than $1,000,000,000.

Of the twenty largest banks, 13 were national and 7 were State in 1900; but in 1931 only 7 were national and 13 were State. Of the aggregate loans and investments of the twenty largest, a little more than a third was held by State banks in 1900, but more than half by 1931.

Banks Grouped by Size of Community

In Tables 21 and 22 the banks are grouped according to the size of the community in which they were located. The former shows the number and per cent of the total in towns and cities of various sizes in 1920 and in 1930, and the latter shows the aggregate loans and investments held by banks in various sized communities in the two years.(1)

(1) Tables XII and XIII in the appendix give the number of State and national banks in each State in 1920 and in 1930, grouped by size of town. The aggregate loans and investments of these banks, similarly grouped, are given in Tables XIV and XV of the appendix.

Table 21 - Distribution of State and National Banks in 1920 and 1930 by Size of Town

Population of town	1920		1930		Percentage change 1920-1930
	Number of banks	Per cent of total	Number of banks	Per cent of total	
Under 500	8,266	28.6	5,713	25.0	-30.9
500 - 1,000	5,147	17.8	3,860	16.9	-25.0
1,000 - 2,500	5,680	19.6	4,353	19.0	-23.4
2,500 - 5,000	3,028	10.5	2,483	10.9	-18.0
5,000 - 10,000	2,011	7.0	1,831	8.0	-9.0
10,000 - 25,000	1,733	6.0	1,607	7.0	-7.3
25,000 - 50,000	739	2.6	746	3.3	+0.9
50,000 - 100,000	644	2.2	579	2.5	-10.1
100,000 and over	1,637	5.7	1,691	7.4	+3.5
Total	28,885(1)	100.0	22,866	100.0	-20.8

(1) See note p. 27.

Table 22 - Distribution of Loans and Investments of State and National Banks in 1920 and 1930 by Size of Town

Population of town	1920		1930		Percentage change 1920-1930
	Aggregate loans and investments (000 omitted)	Per cent of total	Aggregate loans and investments (000 omitted)	Per cent of total	
Under 500	$ 1,390,858	3.8	$ 995,163	2.1	-28.4
500 - 1,000	1,482,947	4.1	1,217,741	2.5	-17.9
1,000 - 2,500	2,607,426	7.2	2,243,368	4.7	-14.0
2,500 - 5,000	2,152,694	6.0	2,174,415	4.5	+1.0
5,000 - 10,000	2,126,377	5.9	2,340,889	4.9	+10.1
10,000 - 25,000	2,863,814	7.9	3,530,361	7.3	+23.3
25,000 - 50,000	1,955,663	5.4	2,501,967	5.2	+27.9
50,000 - 100,000	2,264,561	6.3	2,759,011	5.7	+21.8
100,000 and over	19,305,591	53.4	30,299,000	63.1	+56.9
Total	$36,149,931(1)	100.0	$48,061,915	100.0	+33.0

(1) See note p. 27.

As would be expected from the distribution of banks by size of loans and investments, the great majority of banks, both in 1920 and in

1930, were located in small towns. In 1930 a fourth of all the banks were located in towns of less than 500 population, while 61 per cent were located in towns of less than 2,500 population. In 1920 the percentages were even greater.

Twenty-six per cent of all banks were located in towns of from 2,500 to 25,000 population in 1930, this percentage being slightly greater than in 1920. The actual number, however, in towns of this size, was smaller in 1930 than in 1920, the increase in the percentage being due to the great decline in the number of banks in smaller towns.

Only 13 per cent, therefore, of all incorporated banks in 1930 were located in cities of more than 25,000 inhabitants. More than half of these, or 7 per cent of all banks, were located in cities of more than 100,000 population.

The distribution of the loans and investments of these banks is vastly different. In 1930 the banks in towns of under 2,500 population, embracing 61 per cent of the total number, had only 9 per cent of the total loans and investments. The banks in towns of from 2,500 to 25,000 population, 26 per cent of the total number of banks, had only 17 per cent of the total loans and investments. The banks in cities of more than 100,000 inhabitants, only 7 per cent of the total number, had 63 per cent of the total loans and investments.

The average size of banks tended to increase between 1920 and 1930 in towns and cities of all sizes, as is shown by the fact that the percentage declines were much less and the increases more in respect to loans and investments than in respect to the number of banks. This increase in the average size of banks was very slight in the small towns,

however, and was progressively larger in proportion to the size of the towns. Thus in towns of less than 500 population the number of banks declined 31 per cent during the decade, and loans and investments nearly as much, or 28 per cent. In towns of from 2,500 to 5,000 population the number of banks declined 18 per cent, but the loans and investments increased 1 per cent. In cities of more than 100,000 population there was an increase of 4 per cent in the number of banks, and 57 per cent in the loans and investments of banks.

CHAPTER III

FACTORS OF CHANGE IN THE BANKING STRUCTURE

In the foregoing discussion of changes in the number, distribution, and size of banks, no consideration has been given to the mechanics by which the changes were effected. These factors will be discussed in the present chapter.

No special analysis has been made of the increase in the number of banks before 1920. Both the number of suspensions, except for the years from 1893 to 1897, and the number of consolidations were relatively small, however. The marked increase in the number of incorporated banks between 1900 and 1920 appears to have been due to two factors: the conversion of private into State banks, and the organization of new banks.

Factors of Change from 1921 to 1931

For the period 1921-1931 an analysis has been made of the various factors operating to change the number of banks in operation, the purpose being to show how many banks were newly organized, and how many discontinued by suspensions, consolidations, and voluntary liquidations. Table 23 gives a summary of these factors of change for the eleven years from 1921 to 1931, inclusive. The net decline during the eleven years in the number of banks has amounted to 10,051. This was the net result of an increase of 5,117 in the number of banks, largely through primary organizations, and a decrease of 15,168, principally on account of suspensions and consolidations.

Table 23 - Factors of Change in the Number of State and National Banks 1921-1931

Type of change(1)	Number of increases	Number of decreases
Primary organization	3,499	
Reopening of suspended banks	1,307	
Conversion from private banks	268	
Unclassified	43	
Suspension		8,916
Consolidation		5,519
Voluntary liquidation		700
Conversion to private banks		16
Unclassified		17
Total	5,117	15,168
Net decrease in the number of banks		10,051

(1) Definitions of these terms will be found in the appendix, p. 87 ff. In a few changes the information furnished was not sufficient to permit their classification.

In Table 24 these changes are given in detail for each year 1921-1931 for State and national banks together. In tables 25 and 26 they are given for State and for national banks, respectively.(2)

(2) The figures for State banks given in the tables of this chapter do not include mutual savings and private banks. They are based on compilations showing the number of banks as of the end of the year and do not always agree with other tabulations, which, in some cases, give the number of banks as of the reporting date nearest to the end of the year. The State bank figures were built up from data furnished by the various State banking departments.

Table 24 - Changes in the Number of Banks in the United States 1921-1931, Inclusive(1)

(State and national banks, including trust companies and stock savings banks)

	Calendar year											11-year period
	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	
Number of banks at beginning of year(2)	29,218	29,030	28,832	28,408	27,738	27,240	26,299	25,484	24,719	23,712	21,895	
Increase in number of banks:												
by primary organization	472	407	456	383	403	344	295	250	234	150	105	3,499
by reopening of suspended banks	93	118	68	108	81	160	127	53	69	155	275	1,307
by conversion from private banks	60	46	49	27	22	14	18	15	9	6	2	268
unclassified	4	7	5	5	1	5	9	2	3	2	-	43
Total increase	629	578	578	523	507	523	449	320	315	313	382	5,117
Decrease in number of banks:												
by suspension	461	343	623	738	579	924	636	479	628	1,292	2,213	8,916
by consolidation	305	392	327	373	363	461	566	532	635	767	798	5,519
by voluntary liquidation	48	35	51	80	59	75	57	71	57	68	99	700
by conversion to private banks	-	1	1	2	2	4	2	2	1	1	-	16
unclassified	3	5	-	-	2	-	3	1	1	2	-	17
Total decrease	817	776	1,002	1,193	1,005	1,464	1,264	1,085	1,322	2,130	3,110	15,168
Net decrease	188	198	424	670	498	941	815	765	1,007	1,817	2,728	10,051
Number of banks at end of year (2)	29,030	28,832	28,408	27,738	27,240	26,299	25,484	24,719	23,712	21,895	19,167	

(1) Corresponding information for individual States is given in Table XVIII of the appendix. In combining the figures for State and national banks as shown in the present table, conversions between State and national systems cancel out, and consolidations are the net difference between decrease and increase by consolidation.

(2) See note (2), p. 52.

Table 25 - Changes in the Number of State Banks in the United States 1921-1931, Inclusive(1)

(State banks, trust companies, and stock savings banks)

	Calendar year											11-year period
	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	
Number of State banks at beginning of year(2)	21,094	20,865	20,612	20,229	19,695	19,192	18,394	17,725	17,090	16,309	14,864	
Increase in number of State banks:												
by primary organization	362	334	361	302	283	237	210	182	163	118	90	2,642
by reopening	84	93	57	91	73	150	119	51	66	151	250	1,185
by conversion from private banks	57	43	47	26	19	13	16	14	9	6	2	252
by conversion from national banks	8	5	19	15	18	21	15	20	36	18	19	194
by consolidation of national banks(3)	-	1	1	-	-	-	-	-	-	1	-	3
unclassified	4	7	5	5	1	5	9	2	3	2	-	43
Total increase	515	483	490	439	394	426	369	269	277	296	361	4,319
Decrease in number of State banks:												
by suspension	409	294	533	616	461	801	545	422	564	1,131	1,804	7,580
by consolidation	231	287	233	277	282	333	407	398	411	510	523	3,892
by voluntary liquidation	36	27	31	52	45	63	48	64	54	61	91	572
by conversion to private banks	-	1	1	2	2	4	2	2	1	1	-	16
by conversion to national banks	65	122	75	26	105	23	33	17	27	36	8	537
unclassified	3	5	-	-	2	-	3	1	1	2	-	17
Total decrease	744	736	873	973	897	1,224	1,038	904	1,058	1,741	2,426	12,614
Net decrease	229	253	383	534	503	798	669	635	781	1,445	2,065	8,295
Number of State banks at end of year	20,865	20,612	20,229	19,695	19,192	18,394	17,725	17,090	16,309	14,864	12,799	

(1) Corresponding information is given by States in Table XVI of the appendix.

(2) See note (2), p. 52.

(3) This applies where two or more national banks consolidate and take out a State charter.

Table 26 - Changes in the Number of National Banks in the United States 1921-1931, Inclusive(1)

	Calendar year											11-year period
	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	
Number of national banks at beginning of year	8,124	8,165	8,220	8,179	8,043	8,048	7,905(3)	7,759	7,629	7,403	7,031(4)	
Increase in number of national banks:												
by primary organization	110	73	95	81	120	107	85	68	71	32	15	857
by reopening	9	25	11	17	8	10	8	2	3	4	25	122
by conversion from private banks	3	3	2	1	3	1	2	1	-	-	-	16
by conversion from State charter	65	122	75	26	105	23	33	17	27	36	8	537
by consolidation of State banks(2)	-	1	1	-	-	1	1	2	1	1	-	8
Total increase	187	224	184	125	236	142	129	90	102	73	48	1,540
Decrease in number of national banks:												
by suspension	52	49	90	122	118	123	91	57	64	161	409	1,336
by consolidation	74	107	96	96	81	129	160	136	225	259	275	1,638
by voluntary liquidation	12	8	20	28	14	12	9	7	3	7	8	128
by conversion to State banks	8	5	19	15	18	21	15	20	36	18	19	194
Total decrease	146	169	225	261	231	285	275	220	328	445	711	3,296
Net increase, or	41	55			5							
Net decrease			41	136		143	146	130	226	372	663	1,756
Number of national banks at end of year	8,165	8,220	8,179	8,043	8,048	7,905(3)	7,759	7,629	7,403	7,031(4)	6,368	

(1) Corresponding information is given by States in Table XVII of the appendix.
(2) This applies where two or more State banks consolidate and take out a national charter.
(3) Exclusive of one bank which suspended in 1926 but which was included in the December 31, 1926 abstract of the Comptroller of the Currency.
(4) Exclusive of two banks which suspended in 1930 but which were included in the December 31, 1930 abstract of the Comptroller of the Currency.

Viewed as a whole these figures show considerable turnover. The annual average number of banks in existence during the eleven year period was 25,979. The total number of all changes, that is, of new organizations, reopenings, suspensions, and discontinuances by consolidation, was 20,285. This is twice the amount of the net change, and 78 per cent of the average number of banks during the period. It is greater than the number of banks remaining at the end of the year 1931. It means that within eleven years one bank either opened or discontinued for each bank remaining in operation.

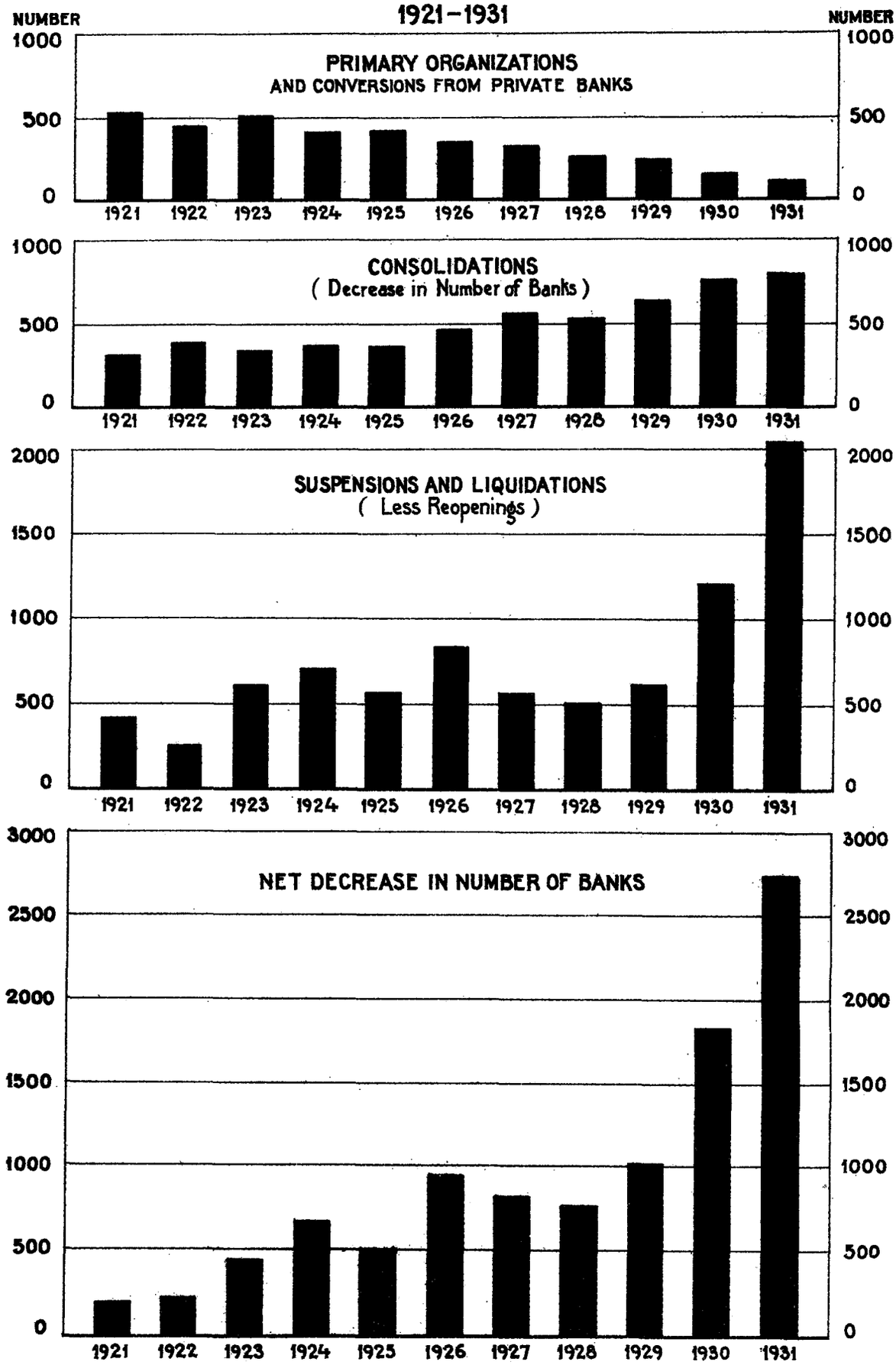
In Table 27 the nine factors listed in the preceding table have been combined into three and shown for each year from 1921 to 1931. Conversions from private banks have been included with primary organizations. Consolidations represent the number of banks discontinued by consolidation, rather than the actual number of consolidations. Suspensions, voluntary liquidations, and conversions to private banks have been added together, and from this sum subtractions of reopenings and net unclassified increases have been made so as to obtain the number of banks permanently discontinued.

Table 27 - Changes in the Number of State and National Banks Each Year 1921-1931

Year	Number of primary organizations and conversions from private banks	Decrease in the number of banks through consolidations	Suspensions, conversions to private banks, and liquidations (less reopenings)	Net decrease in the number of banks
1921	532	305	415	188
1922	453	392	259	198
1923	505	327	602	424
1924	410	373	707	670
1925	425	363	560	498
1926	358	461	838	941
1927	313	566	562	815
1928	265	532	498	765
1929	243	635	615	1,007
1930	156	767	1,206	1,817
1931	107	798	2,037	2,728
Total	3,767	5,519	8,299	10,051

CHART 17

CHANGES IN THE NUMBER OF BANKS
1921-1931



Changes in the number of State and national banks each year from 1921 to 1930 due to new organizations, consolidations and suspensions

These three types of change--primary organizations, consolidations, and permanent discontinuances--are illustrated in Chart 17. Two things shown by this chart deserve special emphasis. One is the fact that throughout the period 1921-1931 there was a net decline in the number of banks each year, and that this decline tended to increase from year to year. The second is that throughout the period, while suspensions and consolidations were on the increase, primary organizations were on the decrease.

Primary Organizations and Voluntary Liquidations

The various factors of change considered above are not of equal importance. Throughout most of the decade suspensions and consolidations were numerically the most important of these factors. The following chapter will be devoted to consolidations. Because of their importance, however, a detailed analysis of suspensions has been made by the Committee for presentation in another section of the material which it is prepared to submit. Reopenings of suspended banks have operated to offset in some degree the effect of suspensions, and are discussed in the section dealing with suspensions.

Conversions to and from private banks are the least important of the various factors listed in the preceding tables. The changes which have occurred in private banks are discussed in a later chapter.

Primary organizations are the most important factor operating to

increase the number of banks in operation. They are new enterprises but in some cases they have been established to meet the need for banking facilities in the place of those lost by suspension.

In Table 28 the number of primary organizations is given for each year from 1921 to 1931 grouped according to the amount of capital stock issued. In all of these groups, except the two including banks with $200,000 or more of capital stock, there has been a marked falling off in the number of new banks nearly every year. In Table 29 the number of primary organizations each year is given, grouped according to the size of town in which they have been located. In both large cities and small towns the number of such organizations has declined year by year with few exceptions. The number of primary organizations of national and State banks separately, grouped by capital stock and by size of community, is given in Tables XIX and XX of the appendix.

Table 28 - Number of Primary Organizations of State and National Banks by Size of Capital Stock

Year	Amount of capital stock						Total
	Under $25,000	$25,000 to 50,000	$ 50,000 to 100,000	$100,000 to 200,000	$ 200,000 to 1,000,000	$1,000,000 and over	
1921	100	158	84	85	40	5	472
1922	71	139	82	73	41	1	407
1923	69	135	115	84	44	9	456
1924	74	132	66	65	41	5	383
1925	70	108	93	80	48	4	403
1926	37	89	70	72	66	10	344
1927	27	82	64	53	63	6	295
1928	25	83	42	56	38	6	250
1929	29	61	39	41	51	13	234
1930	26	47	27	22	19	9	150
1931	17	43	24	13	7	1	105
Total	545	1,077	706	644	458	69	3,499

Table 29 - Number of Primary Organizations of State and National Banks by Size of Town

Year	Population of town					Total
	Less than 1,000	1,000 to 5,000	5,000 to 10,000	10,000 to 100,000	100,000 and over	
1921	177	130	32	55	78	472
1922	131	104	33	62	77	407
1923	123	148	31	58	96	456
1924	116	116	25	46	80	383
1925	110	114	40	76	63	403
1926	81	95	20	68	80	344
1927	75	87	22	41	70	295
1928	75	72	19	32	52	250
1929	54	69	19	24	68	234
1930	47	40	16	14	33	150
1931	29	43	13	11	9	105
Total	1,018	1,018	270	487	706	3,499

Voluntary liquidations constitute a type of change which is difficult to analyze satisfactorily. Theoretically it should include only solvent banks which discontinue without direct corporate successors. Some banks in sound condition have found it impossible in recent years to make profits, and have therefore paid off their depositors and quit business. On the other hand, there is reason to think that many closings that were reported as voluntary liquidations, particularly in earlier years, might properly be classed as suspensions. In many such cases the stockholders may have borne all the loss, however, while the depositors were paid in full. It is also probable that some of these banks reporting as voluntarily liquidating were merely reorganizing or turning their business over to successors. In the latter event, for each such voluntary liquidation there is a corresponding primary organization, consolidation, or conversion.

Table 30 gives the major changes in the number of State and national banks, respectively, during the eleven years 1921-1931. It will be noted that the overwhelming majority of the changes, both of increases through primary organization and decreases through suspensions and consolidations, were of State banks. In fact State banks comprise 75 per cent of the primary organizations, 84 per cent of the net suspensions (i.e., suspensions, less reopenings), and 70 per cent of the net reduction in the number of banks through consolidation. This is, of course, principally a reflection of the numerical preponderance of State banks over national banks. While State banks at the beginning of 1921 formed 72 per cent of all incorporated banks, by the end of 1931 they formed only 67 per cent of the total.

Table 30 - Changes in State and National Banks, 1920-1931

Class of change	State banks		National banks	
	Number of changes	Per cent of average number in operation (18,239)(1)	Number of changes	Per cent of average number in operation (7,740)(1)
Primary organizations	2,642	14.5	857	11.1
Suspensions (net)(2)	6,395	35.1	1,214	15.7
Consolidations (net)(3)	3,889	21.3	1,630	21.1
Conversions in	194	1.1	537	6.9
Conversions out	537	2.9	194	2.5

(1) Average of the numbers at the end of each year.
(2) Suspensions less reopenings.
(3) Decrease through consolidations minus increase through consolidations.

For the eleven year period primary organizations of national banks were 11.1 per cent of the average number in operation, while primary organizations of State banks were 14.5 per cent of the average number in operation.

Permanent suspensions of national banks were only 15.7 per cent of the average number in operation, while for State banks the percentage was 35.1 per cent. In regard to reductions in number through consolidations there was less difference between the two types of banks.

Conversions

In the foregoing paragraphs no account has been taken of conversions from State to national, or national to State, charters. During the eleven years there were 194 conversions from national to State charters and 537 from State to national charters. Conversions to State charters were 1.1 per cent of the average number of State banks in operation, while conversions to national charters have been 6.9 per cent of the average number of national banks in operation.

CHAPTER IV

CONSOLIDATIONS[1]

Since 1920 there has been a rapid increase in the number of bank consolidations in this country. Prior to that time consolidations were relatively infrequent, the annual number not reaching 150 until 1919. Few States had comprehensive laws governing consolidations of banks and many States had no laws at all on the subject. Prior to 1918 the National Bank Act also failed to provide legal procedure for handling consolidations, so that one or both of two national banks entering a merger had to be voluntarily liquidated before they could unite. The Act of November 7, 1918, provided for the merger of two or more national banks without any of them having to liquidate. It was not until 1927 that the act was further amended to facilitate the absorption of a State bank or trust company by a national bank.[2]

Trend in Consolidations

In recent years, as the difficulties of bank operation have become aggravated and as suspensions have grown more serious, consolidations have become much more frequent, and supervisory authorities in many cases have encouraged mergers to avoid suspensions. Consolidation has been used frequently as a means of salvaging banks and strengthening the banking structure generally. The superintendent of banks in Alabama is quoted in

(1) Involving State and/or national banks.

(2) See Appendix C for digest of Federal and State laws relating to consolidation, merger, etc., of banks and/or trust companies.

the American Banker of October 7, 1930, as saying that his department "is giving its cooperation to the movement to consolidate small banks where there is no economic necessity for their continued operation." At the meeting of the National Association of Supervisors of State Banks in Boston in July, 1930, the Minnesota superintendent of banks reported that he had a special department working on consolidations and that he believed consolidation was "the only permanent solution where the overbanked condition exists."(1) At the same meeting, the North Dakota State examiner reported that his State still had too many banks and that his office was trying to eliminate them through consolidation; and the Wisconsin commissioner of banking reported that he felt there were 25 per cent to 30 per cent too many banks in his State and that the program "within the next five or ten years is to consolidate, merge and liquidate down to a point where the number of banks will be adequate to take care of the business of Wisconsin and no more." A similar attitude toward consolidation has been expressed by the supervisors in Oregon, Illinois, Missouri, and Mississippi. In the North Dakota consolidation law, which is one of the most comprehensive, it is specifically stated:(2)

> "The purpose of this Act is remedial, and it is intended to remedy a well understood condition existing in the banking business of the State of North Dakota, a part of which condition is the need of larger and stronger banking institutions . . . and to the end that such conditions may be remedied to

(1) Reported in Supplement to the U. S. Daily, August 4, 1930.
(2) North Dakota Banking Law Pamphlet, 1929, sec. 5191c23, p. 58.

the utmost extent possible, this Act shall be in all things liberally construed, for the accomplishment of its ultimate purpose."

Table 31 and Chart 18 show how much more numerous consolidations have been in recent years than in the first two decades of this century. Prior to 1910 the annual number of consolidations was less than 100, and in the second decade it was between 100 and 200. In 1926, however, the number reached 452 and in 1931, 755.

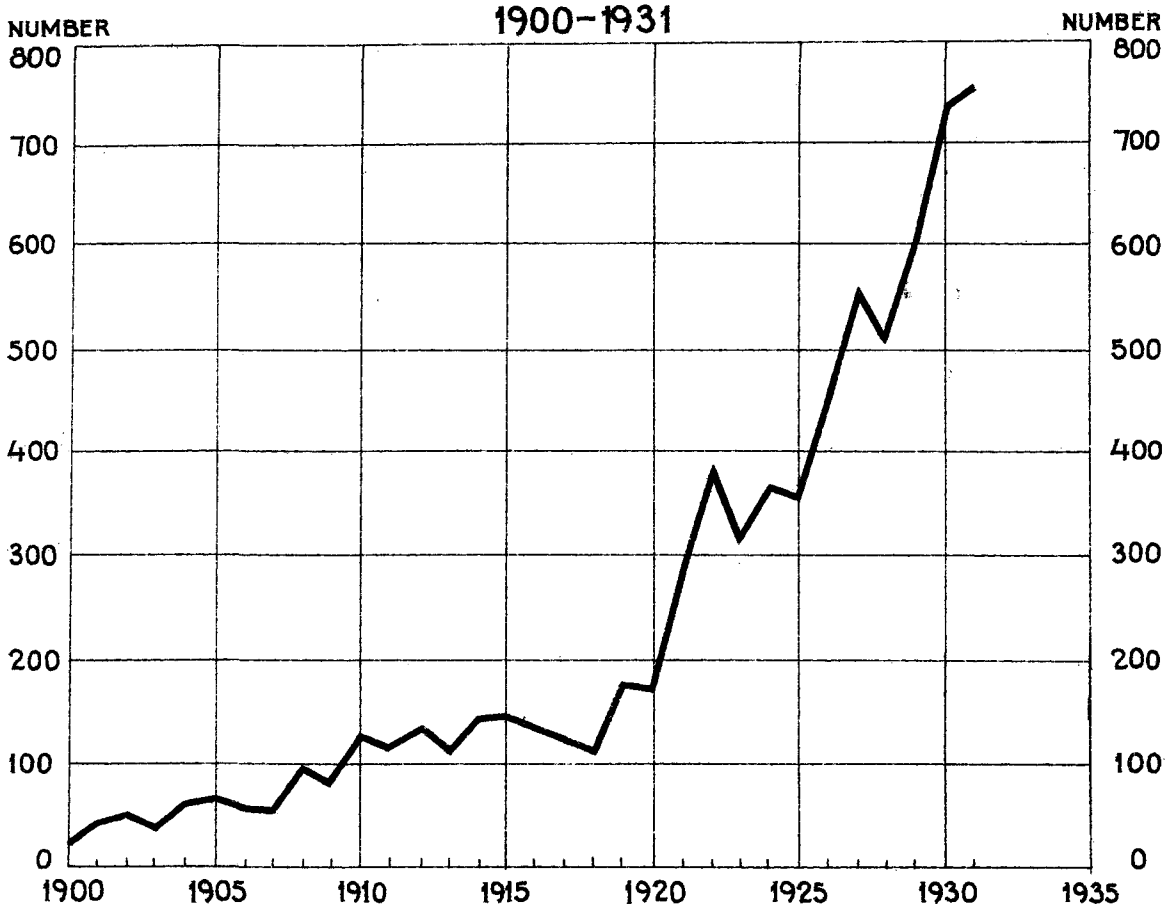
Table 31 - Number of Bank Consolidations Involving State and/or National Banks

Year	Number of consolidations	Year	Number of consolidations
1900	20	1916	136
1901	41	1917	125
1902	50	1918	113
1903	37	1919	178
1904	63	1920	172
1905	69	1921	293
1906	56	1922	383
1907	54	1923	318
1908	97	1924	367
1909	80	1925	358
1910	126	1926	452
1911	115	1927	554
1912	135	1928	512
1913	113	1929	601
1914	145	1930	735
1915	146	1931	755

Sources: Figures for 1900 to 1920 inclusive were taken from the Banking Inquiry 1925, Vol. VI, which was prepared under the direction of Dr. H. Parker Willis. Figures for 1921 to 1931 inclusive were compiled by the Federal Reserve Committee on Branch, Group, and Chain Banking.

CHART 18

NUMBER OF BANK CONSOLIDATIONS
1900-1931



Number of consolidations, mergers, absorptions, etc., involving State and/or national banks each year, 1900-1931

Number of State and National Banks Consolidated

Consolidations as tabulated in this study include mergers and amalgamations, the essential fact in each case being that the business of two or more going banks becomes concentrated under one charter and one management. Consolidation also includes purchases by one bank of the business of another, even though in such cases consolidation in a legal sense is not always effected.(1)

If every consolidation involved two banks only, one of which clearly absorbed the other, the statistical description of consolidation would be simple. The number of banks participating in consolidation would be twice as large as the number of consolidations, and equal to both the number of banks discontinuing and to the number continuing. Moreover, the participating banks could always be identified as discontinuing or continuing, and could always be described as to their size, age, location, and status as State or national. While in most cases there are only two banks party to a consolidation, there are numerous instances in which the number may be as many as five or six or more. In some instances one bank absorbs another without loss of its own identity, but in other cases the identity of every participant is lost.

Table 32 gives for the period 1921-1931 the number of consolidations, the number of banks consolidated, the number of banks emerging from consolidations, and the number of banks discontinued by consolidations.

(1) See appendix, p. 87, for definition of consolidation.

Table 32 - Bank Consolidations, 1921-1931

Year	Number of consolidations	Number of banks consolidated	Number of banks emerging from consolidations	Number of banks discontinued by consolidations(1)
1921	293	582	277	305
1922	383	725	333	392
1923	318	615	288	327
1924	367	715	342	373
1925	358	684	321	363
1926	452	894	433	461
1927	554	1,016	450	566
1928	512	991	459	532
1929	601	1,216	581	635
1930	735	1,495	728	767
1931	755	1,560	762	798
Total	5,328	10,493	4,974	5,519

(1) Discontinued is used in this chapter in the sense that the separate corporate existence is terminated and the number of banks thereby reduced. The business of these banks is, of course, carried on by the emerging institutions.

A difference is noted between the number of banks emerging from consolidations and the number of consolidations. It has frequently happened, particularly in California, that a large bank arranges to absorb several smaller banks at the same time. Each transaction is separately negotiated between the continuing bank and the absorbed banks, and it has seemed proper to count as many consolidations as there were absorbed banks, but the absorbing bank is counted but once in the emerging banks. On the other hand, several banks may negotiate mutually for union into one, in which case the whole transaction has been counted as a single consolidation, even though all the banks may not be taken in on the same day.

The number of banks consolidated is necessarily increased by the

fact that the same bank may participate in one consolidation after another. This is true especially of large banks, which may go through several consolidations in the course of a single year. The number of banks involved in consolidations as shown in the table, therefore, does not represent 10,493 different banks. In the number of banks consolidated the same bank is counted as many times as it participates in consolidations, except that in California the large banks absorbing numerous smaller institutions are counted only once for the year.

The number of banks emerging from consolidations also involves the same kind of duplication, since a given bank may pass through one consolidation after another. The number of banks emerging from consolidations as shown in the table, therefore, does not represent 4,974 different banks.

Statistics of banks discontinued by consolidations do not involve any duplication but it is often impossible to say which particular bank is the one discontinued. In some consolidations the discontinuing bank may be identified, as when a large bank absorbs a small one. In numerous cases, however, where banks of equal size combine, no such identification can be made. Sometimes all the banks participating in the consolidation discontinue, in a legal sense, and a new one emerges. Names, whether continued, discontinued, combined, or newly devised, cannot be depended on as evidence on this point.

Size of Banks Consolidated

Of the 10,493 State and national banks consolidated during the years 1921-1931, 9,512 had paid-up capital of less than $1,000,000 each and

4,245 had capital of less than $50,000 each. As Table 33 shows, however, the rate of participation of small banks in consolidations was much below that of the larger banks. Among banks with capital of less than $100,000, there were less than 35 banks consolidated for every 100 banks of the size in existence in 1920. On the other hand, there were 84 banks per 100 entering consolidations in the size class of capital $200,000-$1,000,000. For every bank with capital in excess of $1,000,000 in 1920, two were consolidated during the period. However, the ~~natural~~ growth of banks during the period was responsible for the existence of more banks in this size group at the end of the period than was the case at the beginning.

Table 33 - Number of State and National Banks Consolidated by Size of Capital Stock, 1921-1931

Size group capital stock	Number of banks consolidated	Number of active banks June 30, 1920	Number consolidated per hundred active banks
Under $25,000	1,785	8,256	21.6
25,000 - 50,000	2,460	8,778	28.0
50,000 - 100,000	1,883	5,726	32.9
100,000 - 200,000	1,720	3,698	46.5
200,000 - 1,000,000	1,664	1,993	83.5
1,000,000 and over	981	434	226.0
Total	10,493	28,885	36.3

Out of the total of 5,519 banks discontinued by consolidations, 4,558 were in towns of less than 100,000 population. These are the towns

where small banks are most numerous. Table 34 presents figures of banks discontinued by consolidations according to the size of the town in which they were located.

Table 34 - Number of State and National Banks Discontinued by Consolidations by Size of Town, 1921-1931

Population of town	Number discontinued by consolidations	Number of active banks June 30, 1920	Number discontinued per hundred active banks
Under 500	1,213	8,266	14.7
500 - 1,000	676	5,147	13.1
1,000 - 2,500	850	5,680	15.0
2,500 - 5,000	525	3,028	17.3
5,000 - 10,000	426	2,011	21.2
10,000 - 100,000	868	3,116	27.9
100,000 and over	961	1,637	58.7
Total	5,519	28,885	19.1

Consolidations Involving Two or More Towns

Of the 5,519 banks disappearing by consolidations in the years 1921-1931, 3,977 consolidated in each case with a bank in the town of its own location. In 1,542 instances the bank consolidated with a bank in another town, 736 of the cases being in thirteen States permitting branches outisde the head office city, as shown in Table 35. California accounted for more than half of the 736.

Table 35 - Relative Frequency of Discontinuances Through Consolidations Involving Two or More Towns by States, 1921-1931

State	Total number of banks discontinued by consolidations	Number of banks discontinued by consolidations involving two or more towns	Per cent
States permitting branches outside head office city			
Arizona	29	18	62.1
California	530	439	82.8
Delaware	2	-	-
Georgia	105	29	27.6
Louisiana	68	27	39.7
Maine	36	21	58.3
Maryland	48	17	35.4
North Carolina	122	54	44.3
Ohio	191	22	11.5
Rhode Island	7	3	42.9
South Carolina	110	57	51.8
Tennessee	127	30	23.6
Virginia	88	19	21.6
Total of 13 States	1,463	736	50.3
All other States	4,056	806	19.9
Total all States	5,519	1,542	27.9

State and National Banks Discontinued by Consolidations

Since 1926 the reduction in the number of banks in the United States through consolidations has been greater than the increase from new incorporations. In 1931 there were only 105 new incorporations but 798 banks disappeared through consolidations.

State and National Banks. - Table 36 shows separately State and national banks discontinued each year during 1921-1931 by consolidations.

In the eleven year period there were 3,889 discontinuances of State banks by consolidations, or 21.3 per cent of the average annual number (18,239), and 1,630 discontinuances of national banks, or 21.1 per cent of the average annual number (7,740).

Table 36 - State and National Banks Discontinued Through Consolidations, 1921-1931

Year	State banks	National banks	State and national banks
1921	231	74	305
1922	286	106	392
1923	232	95	327
1924	277	96	373
1925	282	81	363
1926	333	128	461
1927	407	159	566
1928	398	134	532
1929	411	224	635
1930	509	258	767
1931	523	275	798
Total	3,889	1,630	5,519

Geographic Distribution. - Of the 5,519 banks discontinued by consolidations during 1921-1931, 1,413 were in the Western Grain States. In other districts such as the North Central States and the Southwestern States, where there are a large number of individual banks, there were also many consolidations. Owing to the absorption of individual banks into branch systems in California the number of consolidations in the Pacific Coast States was large. Table 37 shows banks discontinued through consolidations by geographic divisions by years.

Table 37 - Banks Discontinued by Consolidations by Geographic Divisions

Year	New England	Middle Atlantic	North Central	Southern Mountain	South-eastern	South-western	Western Grain	Rocky Mountain	Pacific Coast	United States
1921	12	23	32	15	28	67	59	26	43	305
1922	13	28	44	29	55	33	82	34	74	392
1923	11	40	46	21	28	32	69	21	59	327
1924	8	27	44	22	33	65	97	33	44	373
1925	5	29	37	29	35	38	108	27	55	363
1926	8	44	66	28	44	52	157	21	41	461
1927	8	81	68	31	34	56	121	24	143	566
1928	12	76	80	25	32	70	146	13	78	532
1929	15	109	95	38	48	82	190	12	46	635
1930	11	101	161	53	74	107	207	24	29	767
1931	28	122	203	68	41	191	177	28	40	798
Total	131	680	876	359	452	693	1,413	263	652	5,519

CHAPTER V

PRIVATE BANKS[1]

As already pointed out, private banks were formerly of greater importance in the American banking structure than they are now. The change that has occurred in the relative importance of private banks and incorporated banks has been attended by a change in both public and official attitude. A hundred years ago incorporation was distrusted and disapproved by a large body of opinion. The prohibition upon banks attempted by several of the Western States at various times before the Civil War was mainly a prohibition upon incorporated banks, and appears to have left individuals free to engage in deposit banking as much as they pleased. At the present time, however, private banks are prohibited in most States, and even where they are not there is a general preference for the incorporated form of business.

The legal status of private banks is summarized in Table 38, giving the names of the States in each of five classes: (1) those in which private banks are prohibited; (2) those in which existing private banks may continue, but in which no new ones may be opened; (3) those in which there are restrictions or regulations regarding the use of the term "bank" or "banker" by private banks; (4) those in which there are varying degrees of supervision over private banks; and (5) those in which private banks are subject to substantially the same regulations as incorporated banks.[2]

(1) The June 30, 1920 figures as given in this chapter exclude 386 private banks in Illinois, most of which were converted to State banks before the end of the year because of a law prohibiting the operation of private banks after January 1, 1921. See note p. 27.

(2) In a few cases States are classified in two of these categories, e.g., when the opening of new private banks is prohibited, and those remaining in operation are subject to supervision. This summary is based upon a digest of State laws relating to private banks and bankers prepared in 1931 by the counsel of the Federal Reserve Board, with the assistance of counsel for the Federal reserve banks.

Table 38 - Summary of the Legal Status of Private Banks in the Various States in 1931

Private banks prohibited	Opening of new private banks prohibited	Prohibition or regulation of the use of the term "bank" or "banker" by private banks	Subject to special regulations: varying degrees of supervision	Subject to substantially the same regulations as incorporated banks
Arizona	Connecticut	Georgia	Arkansas	Alabama
California	Florida	Iowa	Colorado	Arkansas
Delaware	Idaho	Louisiana	Connecticut	Colorado
Illinois	Kansas	Maryland	Indiana	Florida
Kentucky	Michigan	Massachusetts	Missouri	Kansas
Louisiana(1)	Missouri	Minnesota	Montana	Minnesota
Maine(2)	Montana	South Carolina	New Hampshire	Missouri
Mississippi	Ohio	Texas	New Jersey	Montana
Nebraska	Tennessee		New Mexico	Nevada
North Dakota	Texas		New York	New Hampshire
Oklahoma	Virginia		Ohio	New Mexico
Oregon			Pennsylvania	North Carolina
Rhode Island			South Carolina	Ohio
Utah			Texas	South Dakota
Vermont				Tennessee
Washington				
West Virginia				
Wisconsin				
Wyoming				

(1) Not prohibited, but the transaction of private banking business is of doubtful legality.
(2) Subject to certain limited exceptions, e.g., corporations may receive employee deposits.

Table 39 - Distribution of Private Banks in 1920 and 1931 by States(1)

State	Number of private banks	
	June 30, 1920	June 30, 1931
Indiana	174	92
Michigan	213	83
Iowa	223	74
Texas	176	67
Ohio	144	48
Georgia	41	38
Pennsylvania	114	26
Maryland	28	22
New York	145	20
Connecticut	23	13
New Jersey	14	6
Virginia	7	3
Kansas	4	3
Alabama	8	2
South Dakota	6	2
Montana	8	1
Arkansas	4	1
Missouri	3	1
New Mexico	1	1
South Carolina	1	1
Other States	13	-
Total	1,350(2)	504

(1) See Table II of the appendix, p. 95.
(2) In Illinois 386 private banks are omitted from these figures. See note p. 27.

Table 39 gives the distribution of private banks by States in 1920 and 1931. Statistics of private banks are quite unsatisfactory as it is often difficult or impossible to tell whether a given concern is a private bank or not. For instance, there are numerous concerns, especially in the large cities, whose function is primarily the remittance of money for immigrants and the sale of steamship tickets, and though they are called private banks there is little evidence that they do what is usually recognized as commercial banking. Such concerns, to the extent that their functions are known, have been omitted from this study.

Moreover, private banks have not in general been answerable to supervisory authority, and therefore no comprehensive official records exist, either of their number or of the volume of their business. The large investment banking houses, many of which are generally understood to have some commercial business, are not included in any of the Committee's figures.

In view of these circumstances, the tables that follow are presented as only partially descriptive of private banking. Of the 1,350 private banks reported in operation on June 30, 1920, figures relating to the volume of business are available for only 1,007; and for the 598 private banks reported in existence on June 30, 1930, statistics of size are available for only 462. Tables 40, 41, and 42 show the distribution of these private banks in 1920 and 1930 by size of capital stock, by size of loans and investments, and by size of towns in which they were situated.

Table 40 - Distribution of Private Banks in 1920 and 1930 by Size of Capital(1)

Size group capital stock	June 30, 1920		June 30, 1930		Percentage change 1920-1930	
	Number of banks	Aggregate capital (000 omitted)	Number of banks	Aggregate capital (000 omitted)	Number of banks	Aggregate capital stock
Under $15,000	519	$ 4,503	221	$ 2,022	-57.4	-55.1
15,000	74	1,110	51	780	-31.1	-29.7
15,000 - 25,000	118	2,342	53	1,052	-55.1	-55.1
25,000	117	2,925	60	1,525	-48.7	-47.9
25,000 - 50,000	57	1,934	17	570	-70.2	-70.5
50,000	63	3,150	28	1,400	-55.6	-55.6
50,000 - 100,000	20	1,285	13	902	-35.0	-29.8
100,000	25	2,500	12	1,200	-52.0	-52.0
100,000 - 200,000	5	703	2	246	-60.0	-65.0
200,000 - 500,000	8	2,218	3	990	-62.5	-55.4
500,000 - 1,000,000	1	500	2	1,050	+100.0	+110.0
1,000,000 - 5,000,000	-	-	-	-	-	-
5,000,000 and over	-	-	-	-	-	-
Total(1)	1,007(2)	$23,170	462	$11,737	-54.1	-49.3

(1) Figures as to size are not available for 343 private banks reported in existence in 1920 and 136 in 1930. A classification by size is not available for a later date than June 30, 1930.

(2) In Illinois 386 private banks are not included. See note p. 27.

Table 41 - Distribution of Private Banks in 1920 and 1930 by Size of Loans and Investments(1)

Size group loans and investments	June 30, 1920		June 30, 1930		Percentage change 1920-1930	
	Number of banks	Aggregate loans and investments (000 omitted)	Number of banks	Aggregate loans and investments (000 omitted)	Number of banks	Aggregate loans and invest-ments
Under $150,000	518	$ 39,230	236	$ 19,264	-54.4	-50.9
150,000 - 250,000	207	39,603	92	17,478	-55.6	-55.9
250,000 - 500,000	188	63,209	87	29,246	-53.7	-53.7
500,000 - 750,000	50	29,967	20	11,581	-60.0	-61.4
750,000 - 1,000,000	18	15,275	14	11,977	-22.2	-21.6
1,000,000 - 2,000,000	22	28,328	11	13,725	-50.0	-51.5
2,000,000 - 5,000,000	4	13,349	2	6,234	-50.0	-53.3
5,000,000 - 10,000,000	-	-	-	-	-	-
10,000,000 - 50,000,000	-	-	-	-	-	-
50,000,000 and over	-	-	-	-	-	-
Total(1)	1,007(2)	$228,961	462	$109,505	-54.1	-52.2

(1) Figures as to size are not available for 343 private banks reported in existence in 1920 and 136 in 1930. A classification by size is not available for a later date than June 30, 1930.

(2) In Illinois 386 private banks are not included. See note p. 27.

Table 42 - Distribution of Private Banks in 1920 and 1930 by Size of Town(1)

Population of town	June 30, 1920		June 30, 1930		Percentage change 1920-1930	
	Number of banks	Aggregate loans and investments (000 omitted)	Number of banks	Aggregate loans and investments (000 omitted)	Number of banks	Aggregate loans and investments
Under 500	449	$ 61,385	228	$ 32,251	-49.2	-47.5
500 - 1,000	238	58,669	101	24,726	-57.6	-57.9
1,000 - 2,500	109	40,766	61	24,054	-44.0	-41.0
2,500 - 5,000	29	16,143	10	6,216	-65.5	-61.5
5,000 - 10,000	24	12,016	7	4,035	-70.8	-66.4
10,000 - 25,000	9	2,401	3	1,478	-66.7	-38.4
25,000 - 50,000	19	9,729	8	331	-57.9	-96.6
50,000 - 100,000	22	3,548	13	5,087	-40.9	+43.4
100,000 and over	108	24,304	31	11,327	-71.3	-53.4
Total(1)	1,007(2)	$228,961	462	$109,505	-54.1	-52.2

(1) Figures as to size of town are not given for 343 private banks reported in existence in 1920 and 136 in 1930. A classification by size is not available for a later date than June 30, 1930.

(2) In Illinois 386 private banks are not included. See note p. 27.

The private banks included in these figures are mostly small banks. Only 7 in 1930 had more than $100,000 of capital, and more than half had $15,000 or less of capital. Only 2 of those reporting in the same year had over $2,000,000 of loans and investments, and only 47 more than $500,000. The majority had less than $150,000 of loans and investments.

Nearly half of these reporting private banks were located both in 1920 and in 1930 in towns of less than 500 population, and about four-fifths in towns of less than 2,500 population. About 10 per cent, however, were located in cities of more than 50,000 population.

Tables 43 and 44 give for 1920 and for 1930, respectively, the number of private banks reported in each size group in each geographic division.

Table 43 - Number of Private Banks in 1920 by Size of Loans and Investments and by Geographic Divisions(1)

Size group loans and investments	New England	Middle Atlantic	North Central	Southern Mountain	Southeastern	Southwestern	Western Grain	Rocky Mountain	Pacific Coast	Total
Under $150,000	-	91	272	-	21	50	75	9	-	518
150,000 - 250,000	-	13	134	-	2	7	49	2	-	207
250,000 - 500,000	-	11	87	-	5	12	70	2	1	188
500,000 - 750,000	-	4	18	-	1	2	23	1	1	50
750,000 - 1,000,000	-	1	4	-	2	2	8	1	-	18
1,000,000 - 2,000,000	-	3	9	-	1	3	6	-	-	22
2,000,000 - 5,000,000	-	1	1	-	-	1	-	1	-	4
5,000,000 - 10,000,000	-	-	-	-	-	-	-	-	-	-
10,000,000 - 50,000,000	-	-	-	-	-	-	-	-	-	-
50,000,000 and over	-	-	-	-	-	-	-	-	-	-
Total(1)	-	124	525(2)	-	32	77	231	16	2	1,007(2)

(1) Figures as to size of banks are not available for 343 private banks in 1920.
(2) In Illinois 386 private banks are not included. See note p. 27.

Table 44 - Number of Private Banks in 1930 by Size of Loans and Investments and by Geographic Divisions(1)

Size group loans and investments	New England	Middle Atlantic	North Central	Southern Mountain	Southeastern	Southwestern	Western Grain	Rocky Mountain	Pacific Coast	Total
Under $150,000	-	25	137	-	14	28	31	1	-	236
150,000 - 250,000	-	6	60	-	2	4	19	1	-	92
250,000 - 500,000	-	6	43	-	2	7	29	-	-	87
500,000 - 750,000	-	2	4	-	-	3	11	-	-	20
750,000 - 1,000,000	-	2	3	-	1	1	7	-	-	14
1,000,000 - 2,000,000	-	2	3	-	1	4	1	-	-	11
2,000,000 - 5,000,000	-	1	-	-	1	-	-	-	-	2
5,000,000 - 10,000,000	-	-	-	-	-	-	-	-	-	-
10,000,000 - 50,000,000	-	-	-	-	-	-	-	-	-	-
50,000,000 and over	-	-	-	-	-	-	-	-	-	-
Total(1)	-	44	250	-	21	47	98	2	-	462

(1) Figures as to size of banks are not available for 136 private banks in 1930.

It will be noted that the bulk of the private banks in all size groups were located in the North Central and Western Grain States. There were also a number in the Middle Atlantic, Southeastern, Southwestern,

Rocky Mountain, and Pacific Coast States. Both New England and the Southern Mountain States had a few private banks but information concerning them is too indefinite to permit distribution by size groups.

In Table 45 the decrease in the number of private banks reported is analyzed for the period since 1920. For the beginning of the period 1,290 private banks are reported and for the end 457, the net reduction being 833. The largest single factor of reduction was suspensions, which accounted for 439 banks. The next was conversion to State charter, which accounted for 252. During the period 113 private banks began business and 16 more that had been previously operating under State charter surrendered their charters and continued as private banks.

Table 45 - Changes in the Number of Private Banks in the United States
1921-1931, Inclusive

	Calendar year											11-year period
	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	
Number of private banks at beginning of year	1,290	1,191	1,119	1,036	975	893	824	760	713	656	551	
Increase in number of private banks:												
by primary organization	22	17	9	16	5	7	9	11	11	5	1	113
by reopening	4	-	1	3	-	2	2	-	-	3	1	16
by conversion from State banks	-	1	1	2	2	4	2	2	1	1	-	16
by consolidation of State banks(1)	-	-	-	-	1	-	-	-	-	-	-	1
Total increase	26	18	11	21	8	13	13	13	12	9	2	146
Decrease in number of private banks:												
by suspension	44	23	23	37	39	52	33	19	31	58	80	439
by consolidation	11	3	9	6	14	3	10	16	15	15	9	111
by voluntary liquidation	10	18	13	12	15	13	16	10	14	35	5	161
by conversion to State banks	57	43	47	26	19	13	16	14	9	6	2	252
by conversion to national banks	3	3	2	1	3	1	2	1	-	-	-	16
Total decrease	125	90	94	82	90	82	77	60	69	114	96	979
Net decrease	99	72	83	61	82	69	64	47	57	105	94	833
Number of private banks at end of year	1,191	1,119	1,036	975	893	824	760	713	656	551	457	

(1) This occurs when two or more State banks surrender their charters, consolidate, and continue as a private bank.

CHAPTER VI

SUMMARY

Important changes have occurred during recent decades in the number of banks in the United States and in the absolute and relative numbers of banks of different sizes. The most noteworthy of these may be summarized as follows:

(1) A striking and sudden reversal of trend in the number of banks occurred about the end of 1920, after which the discontinuance of banks became as common an occurrence as the establishment of banks had been during preceding decades. The total number of banks was reduced from over 30,000 in 1920 to less than 20,000 in 1932.

(2) The chief factors reducing the number of banks between 1921 and 1931 were suspensions and consolidations. At the same time, primary organizations, especially of small banks, declined rapidly in number.

(3) Private banks, which were nearly as numerous as incorporated banks a half century ago, have come to be very few in number, and those doing a commercial business are seldom of any considerable size.

(4) The average resources of incorporated banks changed little from 1870 to 1915, but increased threefold from 1915 to 1930, i.e., from $916,000 to $2,746,000.

(5) The average population per bank declined steadily from about 9,000 in 1877 to 3,500 in 1920, but increased steadily after 1920 to about 6,700 at the middle of 1932.

(6) The average population per bank varies greatly among the various States and geographic regions, but has increased in all States since 1920. It is in the agricultural regions of the Middle West that the number of banks is largest in proportion to the population.

(7) The decline in the number of banks between 1921 and 1931 occurred chiefly among banks that were relatively small. There is still a large preponderance of small banks, however, 58 per cent in 1930 having less than $500,000 of loans and investments.

(8) The decline in the number of banks between 1921 and 1931 occurred chiefly in the agricultural sections, and several hundred towns in which one or more banks were located a few years ago have at the present time no banks in them.

(9) Notwithstanding the continued preponderance of small banks in number, and the continued existence of a large number of banks of intermediate size, there was between 1920 and 1930 a growing concentration of banking business in very large banks. In nineteen thirty 13,315 banks with less than $500,000 of loans and investments each, constituting 58 per cent of all banks, held 6 per cent of the loans and investments of all banks; banks of intermediate size, numbering 9,450 and constituting about 41 per cent of all banks, held 53 per cent of the loans and investments of all banks; and 101 banks with over $50,000,000 of loans and investments each, constituting less than 1 per cent of the total number of banks, held 41 per cent of the loans and investments of all banks. The proportion of the total loans and investments of all banks held by the 20 largest banks

increased from 14 per cent in 1920 to 27 per cent in 1931.

(10) In number, State banks continue to predominate over national banks both among the small banks and among the very large banks, and with respect to the very large banks the relative number of State institutions, during the period 1920-1930, continued to increase. During this decade it was only among banks of $2,000,000 to $10,000,000 of loans and investments that the national system grew more rapidly than the State systems. For nearly forty years the majority of incorporated banks have been under State charter, and since 1920 the resources of State banks have been greater than those of national banks. From 1920 to 1929 the growth in State banks was greater year by year than in national banks.

APPENDIX A

Statistical Tables

FACTORS OF CHANGE IN THE BANKING STRUCTURE

Explanation of Terms Used in Analyses of Changes in the Number of Banks 1920-1931

In order to secure uniform procedure in listing and classifying changes in the number of banks in the various States since 1920, the supervisory authorities were asked to compile the data in accordance with terms specifically defined by the Committee. It was not possible, of course, to adopt all of the definitions and descriptive terms now in use, for by law and by practice such terms as consolidation, merger, absorption, amalgamation, conversion, liquidation, suspension, failure, etc., have different meanings and applications in different States. The following terms were decided on.

State Banks are incorporated institutions chartered by the State to engage in commercial banking with or without other powers. They include trust companies and stock savings banks. They do not include Morris Plan banks, mutual savings banks, private banks or bankers, or other financial institutions even though these may be chartered, licensed, and supervised by State authority.

Branches are not reported or enumerated as banks.

A Consolidation is the corporate union of two or more going banks into one bank which continues under a single charter, either new or old. The term is used not in a legal or technical sense, but in an economic sense, the essential feature being that the business of two or more going banks becomes concentrated under one charter and one management. The method of effecting the consolidation, whether by purchase of assets, assumption of deposit liabilities, exchange of stock, or other procedure, varies with circumstances and is unessential for the present purpose. What is here described as consolidation is frequently designated by the terms "merger," "absorption," "amalgamation," "combination," or "purchase," according to different points of view. It includes those cases where one bank absorbs another and turns it into a branch. It also includes those cases where a given bank is absorbed by two or more banks, which distribute its business among themselves.

A consolidation is not a simple transaction like a conversion, a liquidation, a primary organization, etc., but is almost invariably complicated by the fact that these other transactions are incidental to it. That is, a consolidation as often as not entails a voluntary liquidation and the issuance of a new charter; but these attendant circumstances

should not obscure the important fact that a concentration of banking has been effected by the transaction as a whole.

When two national banks consolidate under a State charter, or two State banks consolidate under a national charter, the transaction is classified as a consolidation, by which an increase in the number of State banks and a decrease in the number of national banks is effected; and, respectively, an increase in the number of national banks and a decrease in the number of State banks.

All the banks that are parties to a consolidation must be open and in operation at the time of the consolidation. The absorption or liquidation of a suspended bank's assets by another bank is not a consolidation, but is considered merely incidental to winding up the business of a bank already reported as having suspended. On the other hand, if the assets and liabilities of a weak bank are transferred to another bank in order to avoid suspension, the transaction is counted as a consolidation, and not as a suspension.

A Conversion is the issuance to a going bank of a State charter to supersede the national charter under which it has previously been operating, or of a national charter to supersede a State charter. In other words, a charter in one system is given up and a new charter in the other system is procured.

Only simple conversions looking towards permanent operation under the newly issued charter and involving no other change are to be counted as conversions. Many conversions, of course, are effected merely as a necessary legal step in a consolidation. In such cases the converted bank is absorbed and the new charter is surrendered shortly after the conversion. Such conversions should be ignored and the transaction reported simply as a consolidation; except that if the temporary bank's existence runs over the end of the calendar year and it consequently enters the record with an end of year condition report, it should then be counted as a conversion for the year in which it occurred, and as a consolidation for the year following. This is necessary in order to make the statistics of changes agree with the number of banks shown in year-end abstracts of condition reports.

Where a national bank surrenders its charter and is absorbed by a State bank which continues uninterruptedly under its own charter, the transaction is not to be classed as a conversion, for no new charter is issued in lieu of the old. Instead it is classed as a consolidation.

It is the custom of some authorities in their reports not to show conversions as such, but to classify them as liquidated banks or as newly chartered banks, according to the point of view of the reporting authority. In this study, however, it is intended that all cases of actual conversion be reported as such, with the exception mentioned above of conversions which are involved with consolidation. The decreases by conversion in the number of State banks are the same as the increases by conversion in the number of national banks, and vice versa.

Conversion from a private bank is the issuance of a State charter to an already existing private bank.

Conversion to a private bank is the surrender by an incorporated State or national bank of its charter, voluntary liquidation of its assets as a corporation, and continuance of its business as an unincorporated enterprise.

A Suspension is the closing of a bank to the public either temporarily or permanently on account of financial difficulties, either by supervisory authorities or by the bank's board of directors, with or without ultimate loss to depositors. The term "failure" is often used as an equivalent. If the assets and liabilities of a weak bank are transferred to another bank in order to avoid suspension and the weak bank liquidates, the transaction is to be counted as a consolidation, and not as a suspension.

A Reopening is the resumption of operations by a suspended bank. The reopening may be attended by a change of name and issuance of a new charter and still be classed statistically as a reopening rather than a primary organization. A reopening consequent upon consolidation of two or more suspended banks should be classed as a single reopening. If a suspended national bank reopens as a State bank, however, or vice versa, the transaction must be counted as a primary organization and not as a reopening.

A Primary Organization is the chartering of a newly organized bank. It can usually be distinguished without difficulty from a consolidation, succession, or conversion of going banks, in spite of the fact that any of these transactions may require the issuance of a new charter, but it will frequently be hard to distinguish it from a reopening. The extent to which the stockholding interests, assets and deposits of a suspended bank continue intact must guide the judgment in determining whether to classify the bank as a primary organization or a reopening. If a suspended national bank reopens as a State bank, however, or vice versa, the transaction must be counted as a primary organization and not as a reopening.

There are numerous cases where the business of one or more departments of a bank is sold to another bank, either newly organized or already in operation. Such a newly organized bank is to be classed simply as a primary organization. If, on the other, the transfer of assets occurred between banks already in operation and both continue in operation after the transfer, it is not to be reported at all.

There are also cases where a banking office previously operated as a branch is incorporated as a unit bank. Such cases should be classed as primary organizations.

A Liquidation is the comparatively rare instance of a going, solvent bank discontinuing operations, surrendering its charter, and quitting business. Voluntary liquidations legally incidental to conversion or consolidation should not be reported separately, since they are implied in the conversion or consolidation itself. Suspensions should not be reported as liquidations. If a bank's assets or the greater portion of them are absorbed by another bank under some agreement whereby the latter assumes the liabilities of the former, the transaction should be reported as a consolidation. If a State bank is absorbed by a national bank, the transaction should be reported as a consolidation and not as a liquidation. No transaction should be classified as a liquidation if it can possibly be classified otherwise.

A Succession is the rechartering of a going bank under a changed name but by the same chartering authority. A succession may be attended by a certain amount of reorganization, but if it involves consolidation of two or more going banks, the transaction should be classed as a consolidation and not as a succession. Since successions as such do not change the number of banks, they are not counted.

Table I - Incorporated Commercial Banks and Trust Companies in the United States
1834-1931

(Resources in millions of dollars)

Year	State banks		National banks		State and national banks		Private banks	All banks
	Number	Resources	Number	Resources	Number	Resources	Number	Number
1834	506				506			
1835	704				704			
1836	713				713			
1837	788				788			
1838	829				829			
1839	840				840			
1840	901				901			
1841	784				784			
1842	692				692			
1843	691				691			
1844	696				696			
1845	707				707			
1846	707				707			
1847	715				715			
1848	751				751			
1849	782				782			
1850	824				824			
1851	879				879			
1852	815				815			
1853	750				750			
1854	1,208				1,208			
1855	1,307				1,307			
1856	1,398				1,398			
1857	1,416				1,416			
1858	1,422				1,422			
1859	1,476				1,476			
1860	1,562				1,562			
1861	1,601				1,601			
1862	1,492				1,492			
1863	1,466	$ 1,185.4	66	$ 16.8	1,532	$ 1,202.2		
1864	1,089	725.9	467	252.2	1,556	978.1		
1865	349	165.8	1,294	1,126.5	1,643	1,292.3		
1866	297	154.8	1,634	1,476.3	1,931	1,631.1		
1867	272	151.9	1,636	1,494.5	1,908	1,646.4		
1868	247	154.6	1,640	1,572.1	1,887	1,726.7		
1869	259	156.0	1,619	1,564.1	1,878	1,720.1		
1870	325	201.5	1,612	1,565.7	1,937	1,767.2		
1871	452	259.6	1,723	1,703.4	2,175	1,963.0		
1872	566	264.5	1,853	1,770.8	2,419	2,035.3		
1873	277	178.9	1,968	1,851.2	2,245	2,030.1		
1874	368	237.4	1,983	1,851.8	2,351	2,089.2		
1875	586	395.2	2,076	1,913.2	2,662	2,308.4		
1876	671	405.9	2,091	1,825.7	2,762	2,231.6		
1877	631	506.9	2,078	1,774.3	2,709	2,281.2	2,432	5,141

Table I - Incorporated Commercial Banks and Trust Companies in the United States 1834-1931 (Continued)

(Resources in millions of dollars)

Year	State banks		National banks		State and national banks		Private banks	All banks
	Number	Resources	Number	Resources	Number	Resources	Number	Number
1878	510	$ 388.8	2,056	$ 1,770.4	2,566	$ 2,159.2	2,586	5,152
1879	648	427.6	2,048	2,019.8	2,696	2,447.4	2,545	5,241
1880	650	481.8	2,076	2,035.4	2,726	2,517.2	2,573	5,299
1881	683	575.5	2,115	2,325.8	2,798	2,901.3	2,799	5,597
1882	704	633.8	2,239	2,344.3	2,943	2,978.1	3,107	6,050
1883	788	724.5	2,417	2,364.8	3,205	3,089.3	3,306	6,511
1884	852	760.9	2,625	2,282.5	3,477	3,043.4	3,458	6,935
1885	1,015	802.0	2,689	2,421.8	3,704	3,223.8	3,456	7,160
1886	891	807.0	2,809	2,474.5	3,700	3,281.5	3,689	7,389
1887	1,471	1,003.9	3,014	2,637.2	4,485	3,641.1	3,966	8,451
1888	1,523	1,055.4	3,120	2,731.4	4,643	3,786.8	4,064	8,707
1889	1,791	1,237.3	3,239	2,937.9	5,030	4,175.2	4,215	9,245
1890	2,250	1,374.6	3,484	3,061.7	5,734	4,436.3	4,305	10,039
1891	2,743	1,442.6	3,652	3,113.4	6,395	4,556.0	4,230	10,625
1892	3,773	1,999.5	3,759	3,493.8	7,532	5,493.3	4,004	11,536
1893	4,188	2,168.7	3,807	3,213.3	7,995	5,382.0	4,031	12,026
1894	4,188	2,071.7	3,770	3,422.1	7,958	5,493.8	3,844	11,802
1895	4,369	2,251.6	3,715	3,470.6	8,084	5,722.2	3,924	12,008
1896	4,279	2,255.9	3,689	3,353.8	7,968	5,609.7	3,810	11,778
1897	4,420	2,273.9	3,610	3,563.4	8,030	5,837.3	3,806	11,836
1898	4,486	2,534.0	3,581	3,977.6	8,067	6,511.6	3,853	11,920
1899	4,738	2,957.7	3,582	4,708.6	8,320	7,666.3	4,168	12,488
1900	5,007	3,375.3	3,731	4,744.0	8,738	8,319.3	5,187	13,925
1901	5,651	4,034.6	4,163	5,674.2	9,814	9,708.8	5,060	14,874
1902	6,171	4,557.4	4,532	6,007.0	10,703	10,564.4	4,976	15,679
1903	6,890	5,084.3	4,935	6,284.7	11,825	11,369.0	5,417	17,242
1904	7,970	5,558.5	5,327	6,653.3	13,297	12,211.8	5,484	18,781
1905	9,018	6,417.0	5,664	7,325.2	14,682	13,742.2	5,291	19,973
1906	10,220	7,048.6	6,046	7,780.5	16,266	14,829.1	4,823	21,089
1907	11,469	7,657.1	6,422	8,472.0	17,891	16,129.1	4,947	22,838
1908	12,803	7,330.6	6,817	8,710.0	19,620	16,040.6	4,576	24,196
1909	13,421	8,031.3	6,886	9,364.0	20,307	17,395.3	4,407	24,714
1910	14,348	8,684.4	7,138	9,891.9	21,486	18,576.3	3,669	25,155
1911	15,322	9,237.0	7,270	10,378.5	22,592	19,615.5	3,683	26,275
1912	16,037	9,923.2	7,366	10,856.9	23,403	20,780.1	3,406	26,809
1913	16,841	10,321.9	7,467	11,031.5	24,308	21,353.4	3,213	27,521
1914	17,498	10,967.2	7,518	11,476.8	25,016	22,444.0	3,062	28,078
1915	17,748	11,433.8	7,597	11,789.8	25,345	23,223.6	2,737	28,082
1916	18,253	13,510.4	7,571	13,919.7	25,824	27,430.1	1,968	27,792
1917	18,710	15,694.3	7,599	16,283.3	26,309	31,977.6	1,852	28,161
1918	19,404	17,119.4	7,699	18,346.3	27,103	35,465.7	1,846	28,949
1919	19,646	20,664.7	7,779	21,226.1	27,425	41,890.8	1,817	29,242
1920	20,635	23,490.3	8,024	23,401.6	28,659	46,891.9	1,736(1)	30,395
1921	21,267	22,627.8	8,150	20,509.5	29,417	43,137.3	1,242	30,659

Table I - Commercial Banks and Trust Companies in the United States 1834-1931 (Continued)

(Resources in millions of dollars)

Year	State banks		National banks		State and national banks		Private banks	All banks
	Number	Resources	Number	Resources	Number	Resources	Number	Number
1922	20,789	$22,912.5	8,244	$20,697.9	29,033	$43,610.4	1,157	30,190
1923	20,654	25,191.6	8,236	21,502.2	28,890	46,693.8	1,080	29,970
1924	20,028	26,783.3	8,080	22,555.3	28,108	49,338.6	1,008	29,116
1925	19,573	29,352.7	8,066	24,338.8	27,639	53,691.5	915	28,554
1926	18,994	30,688.4	7,972	25,302.6	26,966	55,991.0	860	27,826
1927	18,119	32,082.5	7,790	26,566.5	25,909	58,649.0	792	26,701
1928	17,440	32,899.3	7,685	28,492.9	25,125	61,392.2	737	25,862
1929	16,728	34,217.6	7,530	27,425.2	24,258	61,642.8	685	24,943
1930	15,798	34,219.0	7,247	29,072.4	23,045	63,291.4	598	23,643
1931	14,323	30,981.0	6,800	27,598.6	21,123	58,579.6	504	21,627

(1) Includes 386 private banks in Illinois, most of which converted to State banks before the end of the year because of a law prohibiting private banks after January 1, 1921.

Sources of Figures in Table I

National Banks. - Figures for national banks are taken from the annual reports of the Comptroller of the Currency, 1931, pp. 3 and 5 (for years 1863 to 1891, inclusive); 1920, pp. 279 et seq. (for years 1892 to 1920, inclusive); and 1921 to 1931 (for years 1921 to 1931, inclusive). Banks in Alaska and insular possessions are excluded.

State Banks. - Figures for State banks are taken from the annual reports of the Comptroller of the Currency, 1909, p. 912 (for years from 1834 to 1862, inclusive, the figure for 1852 being interpolated); 1931, pp. 3 and 5 (for years from 1863 to 1891, inclusive); and 1892 to 1931 (for years from 1892 to 1931, inclusive). Banks in Alaska and the insular possessions are excluded. Mutual savings banks are excluded. Loan and trust companies and stock savings banks are included, save that stock savings banks do not appear to be uniformly included prior to 1892.

For most of the earlier years the figures both of number and resources are lower than the true figures, on account of the incompleteness of reports by State authorities to the Comptroller of the Currency. There are, moreover, differences among the States in the types of institutions under State supervision, and therefore in the bases of the reports; and many States had no department or official responsible for banking statistics until recent years.

For the years from 1877 to 1909, inclusive, more complete figures than those given in this table are available for the number, but not for the resources, of State banks, in the Publications of the National Monetary Commission, Vol. 7, p. 248. The figures of the Monetary Commission have not been used here because of the desirability of using figures for the number of banks which correspond with those for resources.

Private Banks. - The figures for private banks are for most years only approximations. Those for 1877 to 1909, inclusive, are taken from the Publications of the National Monetary Commission, Vol. 7, p. 250, and are based on lists in Homans' Bankers Almanac, otherwise entitled, The Bankers Directory: Homans' and Sharp & Alleman's Edition. The figures given in this directory are stated to include "bankers and brokers at New York City, Chicago, Boston, Philadelphia and Baltimore"; but in most years the figures given by the National Monetary Commission are smaller than those given in the directory, indicating that an effort was made to omit those doing only a brokerage business. Figures for the years from 1910 to 1919, inclusive, are taken from the Rand McNally Bankers' Directory. The sharp decrease between 1909 and 1910 is apparent rather than real, being due to the fact that after 1910 the Rand McNally directory listed a smaller number of private banks than Homans'. Figures for the years from 1920 to 1931, inclusive, were collected by the Committee on Branch, Group and Chain Banking with the cooperation of the Federal reserve banks and the State banking departments. The marked decrease from 1920 to 1921 is due primarily to the outlawing of private banks in Illinois on January 1, 1921.

For all banks, figures are as of June 30, or the nearest reporting date. In the early years, however, no uniform date can be assumed; and those relating to private banks for some of the recent years have been obtained by averaging year-end figures.

In compiling this table, wherever irregularities in the sources were detected they were rectified if feasible.

Table II - Number of Banks in Each State on June 30, 1900, 1920, and 1931

State	Number of incorporated banks (State and national)(1)			Number of private banks(2)			Number of all banks(1)		
	1900	1920	1931	1900	1920	1931	1900	1920	1931
Alabama	48	352	284	40	8	2	88	360	286
Arizona	19	87	37	8	-	-	27	87	37
Arkansas	46	487	321	18	4	1	64	491	322
California	269	723	410	22	-	-	291	723	410
Colorado	67	398	250	55	5	-	122	403	250
Connecticut	105	140	156	14	23	13	119	163	169
Delaware	23	45	59	4	-	-	27	45	59
Dist. of Col.	20	45	39	5	-	-	25	45	39
Florida	39	265	193	14	2	-	53	267	193
Georgia	172	738	344	49	41	38	221	779	382
Idaho	17	222	131	8	-	-	25	222	131
Illinois	388	1,498	1,463	619	386	-	1,007	1,884	1,463
Indiana	225	880	713	228	174	92	453	1,054	805
Iowa	617	1,704	1,107	534	223	74	1,151	1,927	1,181
Kansas	487	1,345	972	81	4	3	568	1,349	975
Kentucky	301	584	515	44	-	-	345	584	515
Louisiana	78	267	206	14	-	-	92	267	206
Maine	99	118	90	11	-	-	110	118	90
Maryland	101	265	205	62	28	22	163	293	227
Massachusetts	282	269	248	304	-	-	586	269	248
Michigan	275	656	672	255	213	83	530	869	755
Minnesota	281	1,506	933	259	-	-	540	1,506	933
Mississippi	113	354	267	14	-	-	127	354	267
Missouri	574	1,649	1,100	108	3	1	682	1,652	1,101
Montana	36	423	165	21	8	1	57	431	166
Nebraska	513	1,196	727	75	-	-	588	1,196	727
Nevada	5	33	33	2	-	-	7	33	33
New Hampshire	64	80	69	2	-	-	66	80	69
New Jersey	164	361	515	6	14	6	170	375	521
New Mexico	14	123	51	9	1	1	23	124	52
New York	594	817	904	1,086	145	20	1,680	962	924
North Carolina	93	623	324	31	2	-	124	625	324
North Dakota	153	898	302	6	-	-	159	898	302
Ohio	440	998	871	276	144	48	716	1,142	919
Oklahoma	115	959	550	11	-	-	126	959	550
Oregon	46	275	215	37	2	-	83	277	215
Pennsylvania	644	1,422	1,418	319	114	26	963	1,536	1,444
Rhode Island	57	33	26	10	-	-	67	33	26
South Carolina	54	461	140	26	1	1	80	462	141
South Dakota	135	694	318	56	6	2	191	700	320
Tennessee	111	546	433	19	-	-	130	546	433
Texas	209	1,548	1,176	190	176	67	399	1,724	1,243
Utah	40	133	96	13	-	-	53	133	96
Vermont	48	88	84	1	-	-	49	88	84
Virginia	135	488	430	39	7	3	174	495	433
Washington	57	393	307	32	-	-	89	393	307
West Virginia	126	340	262	10	-	-	136	340	262
Wisconsin	217	970	910	129	-	-	346	970	910
Wyoming	22	160	82	11	2	-	33	162	82
UNITED STATES	8,738	28,659	21,123	5,187	1,736	504	13,925	30,395	21,627

(1) Source: Annual reports of the Comptroller of the Currency. Figures are exclusive of mutual savings and private banks.

(2) For source see p. 93.

Table III - Population per Bank in Each State in 1900, 1920, and 1931(1)

State	Incorporated banks (State and national)(2)			All banks(2)		
	1900	1920	1931	1900	1920	1931
Alabama	38,104	6,702	9,398	20,784	6,553	9,332
Arizona	6,421	3,920	11,973	4,519	3,920	11,973
Arkansas	28,522	3,616	5,801	20,500	3,587	5,783
California	5,520	4,812	14,263	5,103	4,812	14,263
Colorado	8,060	2,379	4,172	4,426	2,350	4,172
Connecticut	8,648	9,957	10,410	7,630	8,552	9,609
Delaware	8,043	4,978	4,068	6,852	4,978	4,068
Dist. of Col.	13,950	9,844	12,590	11,160	9,844	12,590
Florida	13,564	3,762	7,803	9,981	3,734	7,803
Georgia	12,884	3,943	8,456	10,027	3,736	7,615
Idaho	9,529	1,968	3,405	6,480	1,968	3,405
Illinois	12,428	4,358	5,275	4,788	3,465	5,275
Indiana	11,182	3,343	4,575	5,554	2,791	4,052
Iowa	3,618	1,412	2,237	1,939	1,249	2,097
Kansas	3,018	1,318	1,943	2,588	1,314	1,937
Kentucky	7,133	4,149	5,107	6,223	4,149	5,107
Louisiana	17,718	6,764	10,316	15,022	6,764	10,316
Maine	7,020	6,517	8,889	6,318	6,517	8,889
Maryland	11,762	5,498	8,024	7,288	4,973	7,247
Massachusetts	9,947	14,423	17,258	4,787	14,423	17,258
Michigan	8,804	5,657	7,338	4,568	4,270	6,531
Minnesota	6,231	1,596	2,762	3,243	1,596	2,762
Mississippi	13,726	5,059	7,588	12,213	5,059	7,588
Missouri	5,413	2,068	3,315	4,556	2,064	3,312
Montana	6,750	1,317	3,261	4,263	1,292	3,241
Nebraska	2,078	1,089	1,904	1,813	1,089	1,904
Nevada	8,400	2,333	2,788	6,000	2,333	2,788
New Hampshire	6,438	5,550	6,768	6,242	5,550	6,768
New Jersey	11,487	8,828	7,979	11,082	8,499	7,887
New Mexico	13,929	2,943	8,392	8,478	2,919	8,231
New York	12,237	12,799	14,111	4,327	10,870	13,805
North Carolina	20,354	4,136	9,929	15,266	4,123	9,929
North Dakota	2,085	719	2,262	2,006	719	2,262
Ohio	9,450	5,821	7,708	5,807	5,087	7,306
Oklahoma	6,870	2,135	4,407	6,270	2,135	4,407
Oregon	9,000	2,869	4,498	4,988	2,848	4,498
Pennsylvania	9,786	6,169	6,841	6,544	5,712	6,717
Rhode Island	7,509	18,515	26,692	6,388	18,515	26,692
South Carolina	24,814	3,670	12,450	16,750	3,662	12,362
South Dakota	2,978	924	2,192	2,105	916	2,178
Tennessee	18,207	4,297	6,092	15,546	4,297	6,092
Texas	14,588	3,037	5,028	7,642	2,727	4,757
Utah	6,925	3,406	5,333	5,226	3,406	5,333
Vermont	7,167	4,000	4,286	7,020	4,000	4,286
Virginia	13,733	4,758	5,651	10,655	4,691	5,612
Washington	9,088	3,478	5,143	5,820	3,478	5,143
West Virginia	7,611	4,341	6,676	7,051	4,341	6,676
Wisconsin	9,535	2,729	3,255	5,980	2,729	3,255
Wyoming	4,227	1,231	2,780	2,818	1,216	2,780
UNITED STATES	8,697	3,713	5,874	5,457	3,501	5,737

(1) For population figures, mid-year estimates from the Statistical Abstract of the United States were used in order to be comparable with the active bank figures except in 1900 where, estimates not being available, census figures were used.

(2) Exclusive of mutual savings banks.

Table IV - Distribution of Incorporated Banks in 1920 by Size of Capital Stock

State Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
New England	1	0	0	34	7	70	16	67	18	75	14	17	1	320
Maine	0	0	0	10	2	21	4	10	3	4	1	0	0	55
New Hampshire	0	0	0	3	3	8	3	2	4	2	0	0	0	25
Vermont	0	0	0	8	1	23	2	4	0	1	0	0	0	39
Massachusetts	0	0	0	0	0	7	1	26	6	49	10	12	1	112
Rhode Island	1	0	0	1	0	1	2	3	1	3	1	3	0	16
Connecticut	0	0	0	12	1	10	4	22	4	16	2	2	0	73
Middle Atlantic	26	6	22	146	43	173	39	194	222	210	56	85	11	1,233
New York	0	0	0	64	22	43	7	62	13	50	20	35	10	326
New Jersey	0	0	0	1	0	11	2	79	8	37	9	7	0	154
Delaware	0	0	3	3	1	5	0	1	2	0	4	1	0	20
Pennsylvania	2	0	6	37	13	94	23	33	191	111	20	28	1	559
Maryland	24	6	12	40	7	13	4	14	4	9	3	8	0	144
Dist. of Col.	0	0	1	1	0	7	3	5	4	3	0	6	0	30
North Central	267	141	257	1,093	425	584	139	349	81	199	41	39	6	3,621
Michigan	0	1	162	117	69	64	16	51	16	23	9	12	1	541
Wisconsin	230	97	78	123	98	110	22	36	6	13	1	3	0	817
Illinois	10	28	5	346	110	192	39	137	23	96	16	10	5	1,017
Indiana	0	0	3	294	88	99	35	64	13	21	6	2	0	625
Ohio	27	15	9	213	60	119	27	61	23	46	9	12	0	621
Southern Mountain	246	249	133	240	184	150	60	85	27	48	19	9	0	1,450
West Virginia	1	0	1	71	35	38	13	28	9	18	2	0	0	216
Virginia	84	31	46	40	50	20	14	19	7	10	8	6	0	335
Kentucky	1	172	52	57	58	54	17	20	7	8	4	1	0	451
Tennessee	160	46	34	72	41	38	16	18	4	12	5	2	0	448
Southeastern	331	374	178	452	208	284	134	180	32	58	9	8	0	2,248
North Carolina	188	27	57	65	36	39	24	37	4	9	2	3	0	491
South Carolina	50	25	42	64	35	62	36	41	6	10	0	0	0	371
Georgia	0	184	29	176	51	81	31	45	6	18	3	5	0	629
Florida	0	71	14	40	21	29	4	19	2	4	1	0	0	205
Alabama	34	35	14	54	27	32	15	18	7	8	2	0	0	246
Mississippi	59	32	22	53	38	41	24	20	7	9	1	0	0	306

Table IV - Distribution of Incorporated Banks on June 30, 1920 by Size of Capital Stock (Continued)

State Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)													Total
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	
Southwestern	543	274	244	363	230	264	96	118	28	52	10	9	0	2,231
Louisiana	25	39	14	28	29	34	19	20	5	8	4	4	0	229
Texas	163	91	132	183	132	132	42	65	17	26	4	5	0	992
Arkansas	127	35	29	64	24	56	24	23	5	10	2	0	0	399
Oklahoma	228	109	69	88	45	42	11	10	1	8	0	0	0	611
Western Grain	2,380	984	849	1,338	615	700	146	244	38	92	15	12	0	7,413
Minnesota	443	153	107	234	84	89	18	25	2	15	4	3	0	1,177
North Dakota	349	148	75	90	21	24	1	8	0	1	0	0	0	717
South Dakota	158	125	55	123	40	36	6	6	1	1	1	0	0	552
Iowa	189	130	122	334	176	243	48	68	15	25	2	2	0	1,354
Nebraska	189	162	178	224	118	96	16	19	2	4	0	0	0	1,008
Missouri	611	126	196	159	108	122	43	84	13	37	5	7	0	1,511
Kansas	441	140	116	174	68	90	14	34	5	9	3	0	0	1,094
Rocky Mountain	163	65	158	259	124	144	29	64	15	22	9	2	0	1,054
Montana	0	0	112	73	27	31	6	17	3	8	1	0	0	278
Idaho	23	14	9	47	16	17	3	8	2	2	0	0	0	141
Wyoming	47	6	8	19	8	12	6	4	1	0	0	0	0	111
Colorado	88	36	17	40	22	27	4	10	3	4	3	1	0	255
New Mexico	0	0	0	34	22	12	1	3	1	2	0	0	0	75
Arizona	3	6	1	17	12	12	2	11	1	1	1	0	0	67
Utah	1	3	10	24	16	25	6	7	3	5	3	1	0	104
Nevada	1	0	1	5	1	8	1	4	1	0	1	0	0	23
Pacific Coast	83	78	19	215	59	137	61	91	41	70	24	26	1	905
Washington	58	42	10	86	18	35	11	22	2	13	3	3	0	303
Oregon	25	36	9	35	16	32	4	16	2	7	2	1	0	185
California	0	0	0	94	25	70	46	53	37	50	19	22	1	417
UNITED STATES	4,140	2,219	1,881	4,250	1,939	2,545	727	1,404	504	829	197	207	19	20,861(1)

(1) The 1920 figures as given in this table and in Tables VI, VIII, X, XII, and XIV include 386 banks in Illinois which were classed as private banks on June 30 of that year, most of which had been converted to State banks by the end of the year on account of a law prohibiting the operation of private banks after January 1, 1921.

In classifying active State banks by size groups, whenever individual reports for June 30 were not obtainable, figures for the nearest available date were used. For this reason the totals in appendix Tables IV-XV, showing the

Table IV - Distribution of Incorporated Banks in 1920 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)											
	Under $25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
New England	0	18	2	78	19	112	50	88	25	15	2	409
Maine	0	4	0	29	4	13	3	8	2	0	0	63
New Hampshire	0	6	1	10	6	18	9	5	0	0	0	55
Vermont	0	3	1	11	5	16	8	5	0	0	0	49
Massachusetts	0	3	0	21	3	46	22	44	11	7	2	159
Rhode Island	0	0	0	0	0	6	2	3	5	1	0	17
Connecticut	0	2	0	7	1	13	6	23	7	7	0	66
Middle Atlantic	1	397	49	432	79	305	108	192	50	54	13	1,680
New York	1	123	14	116	11	95	30	55	13	23	10	491
New Jersey	0	50	10	48	7	53	12	23	5	4	0	212
Delaware	0	3	1	4	5	2	2	2	0	0	0	19
Pennsylvania	0	197	21	241	48	140	61	99	22	19	3	851
Maryland	0	24	3	23	8	15	3	6	5	5	0	92
Dist. of Col.	0	0	0	0	0	0	0	7	5	3	0	15
North Central	4	308	74	311	106	291	64	139	37	26	7	1,367
Michigan	0	12	5	28	5	33	5	17	3	3	1	112
Wisconsin	0	35	5	30	14	31	4	24	6	1	1	151
Illinois	1	116	33	135	45	79	24	29	10	4	4	480
Indiana	1	68	17	46	14	61	12	25	6	4	0	254
Ohio	2	77	14	72	28	87	19	44	12	14	1	370
Southern Mountain	1	118	41	108	49	91	30	43	24	14	0	519
West Virginia	0	31	16	27	10	22	4	6	5	1	0	122
Virginia	1	32	14	37	16	25	8	16	9	7	0	165
Kentucky	0	33	5	25	10	30	14	10	5	2	0	134
Tennessee	0	22	6	19	13	14	4	11	5	4	0	98
Southeastern	1	49	25	100	36	112	35	65	15	8	0	446
North Carolina	0	8	1	18	8	30	3	15	3	1	0	87
South Carolina	0	10	3	20	5	18	7	12	5	2	0	82
Georgia	0	5	9	23	11	15	11	14	2	3	0	93
Florida	0	7	4	15	3	12	3	5	4	0	0	53
Alabama	1	18	8	19	7	24	9	12	1	2	0	101
Mississippi	0	1	0	5	2	13	2	7	0	0	0	30

Table IV - Distribution of Incorporated Banks in 1920 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)											
	Under $25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
Southwestern	0	326	79	247	68	154	27	81	29	14	0	1,025
Louisiana	0	7	1	11	0	4	4	6	3	2	0	38
Texas	0	109	54	137	52	110	18	48	18	10	0	556
Arkansas	0	23	4	25	8	11	2	8	2	0	0	83
Oklahoma	0	187	20	74	8	29	3	19	6	2	0	348
Western Grain	3	613	125	444	91	175	18	67	15	25	3	1,579
Minnesota	1	172	33	61	17	23	0	11	6	6	1	331
North Dakota	0	126	6	32	4	10	0	3	0	0	0	181
South Dakota	1	61	14	39	5	13	2	1	0	0	0	136
Iowa	0	90	29	129	28	47	7	24	2	2	0	358
Nebraska	0	45	20	75	11	19	4	6	4	4	0	188
Missouri	0	31	7	30	10	29	1	12	3	11	2	136
Kansas	1	88	16	78	16	34	4	10	0	2	0	249
Rocky Mountain	2	185	49	109	29	84	15	39	4	3	0	519
Montana	0	78	13	18	9	9	4	14	0	0	0	145
Idaho	0	24	9	21	6	16	1	4	0	0	0	81
Wyoming	0	11	6	12	4	11	1	2	0	0	0	47
Colorado	0	48	15	32	6	24	4	8	2	2	0	141
New Mexico	1	14	4	12	2	9	1	4	0	0	0	47
Arizona	0	2	0	7	0	8	1	2	0	0	0	20
Utah	1	6	2	6	0	4	3	4	1	1	0	28
Nevada	0	2	0	1	2	3	0	1	1	0	0	10
Pacific Coast	4	119	12	130	18	101	18	44	10	21	3	480
Washington	1	24	2	22	3	18	0	8	3	6	0	87
Oregon	2	20	6	30	4	16	2	7	0	3	0	90
California	1	75	4	78	11	67	16	29	7	12	3	303
UNITED STATES	16	2,133	456	1,959	495	1,425	365	758	209	180	28	8,024

Table V - Distribution of Incorporated Banks in 1930 by Size of Capital Stock

State Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
New England	1	0	0	26	2	59	12	67	33	79	18	27	2	326
Maine	0	0	0	6	0	16	5	8	5	4	1	2	0	47
New Hampshire	0	0	0	1	1	8	2	2	6	5	0	0	0	25
Vermont	0	0	0	7	0	18	2	8	0	4	0	0	0	39
Massachusetts	0	0	0	0	0	3	1	20	10	41	9	15	1	100
Rhode Island	1	0	0	2	0	1	0	2	3	3	1	2	1	16
Connecticut	0	0	0	10	1	13	2	27	9	22	7	8	0	99
Middle Atlantic	20	5	12	118	47	176	36	224	237	299	105	119	30	1,428
New York	0	0	0	33	14	52	12	84	18	70	28	38	23	372
New Jersey	0	0	0	1	0	7	2	90	19	66	24	21	2	232
Delaware	0	0	2	3	3	6	2	5	4	1	1	5	0	32
Pennsylvania	1	0	0	47	19	95	17	24	188	151	45	41	4	632
Maryland	19	5	10	34	11	13	2	10	4	9	7	8	1	133
Dist. of Col.	0	0	0	0	0	3	1	11	4	2	0	6	0	27
North Central	157	150	245	1,098	465	617	181	372	100	293	76	57	12	3,823
Michigan	0	0	159	119	67	80	28	53	20	42	13	16	3	600
Wisconsin	124	81	66	125	131	112	38	51	8	31	3	3	0	773
Illinois	33	69	18	336	132	218	55	125	27	145	39	19	4	1,220
Indiana	0	0	2	275	80	88	30	73	12	32	8	3	0	603
Ohio	0	0	0	243	55	119	30	70	33	43	13	16	5	627
Southern Mountain	149	193	111	229	143	161	63	93	29	50	23	11	0	1,255
West Virginia	0	0	0	53	17	35	9	30	10	17	6	2	0	179
Virginia	47	20	33	44	29	35	18	20	9	13	7	3	0	278
Kentucky	0	133	42	58	58	55	19	24	8	13	5	4	0	419
Tennessee	102	40	36	74	39	36	17	19	2	7	5	2	0	379
Southeastern	118	210	109	277	149	199	61	128	30	38	10	9	0	1,335
North Carolina	29	38	46	37	34	37	2	22	6	6	0	5	0	262
South Carolina	21	9	11	29	11	19	5	17	3	4	3	1	0	133
Georgia	0	77	9	90	25	47	12	30	10	10	3	2	0	315
Florida	0	32	7	29	6	24	13	27	4	8	2	0	0	152
Alabama	17	24	11	59	32	34	13	15	3	5	1	1	0	215
Mississippi	48	30	25	33	41	38	16	17	4	5	1	0	0	258

Table V - Distribution of Incorporated Banks in 1930 by Size of Capital Stock (Continued)

State Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
Southwestern	269	175	178	320	145	199	77	90	24	32	8	9	1	1,527
Louisiana	11	21	7	27	22	42	19	17	7	10	3	4	1	191
Texas	60	46	114	168	89	99	35	46	11	11	3	4	0	686
Arkansas	94	27	28	57	23	42	21	19	6	8	2	1	0	328
Oklahoma	104	81	29	68	11	16	2	8	0	3	0	0	0	322
Western Grain	1,177	600	608	1,004	499	466	98	176	29	69	7	11	2	4,746
Minnesota	229	94	97	142	83	57	16	16	2	7	1	3	0	747
North Dakota	71	98	34	34	10	5	0	1	1	0	0	0	0	254
South Dakota	34	73	34	86	23	19	2	5	0	1	0	0	0	277
Iowa	98	72	74	304	145	168	31	53	12	13	1	3	0	974
Nebraska	100	70	104	175	81	55	8	6	1	2	0	0	0	602
Missouri	361	94	164	129	94	95	32	67	9	38	4	4	2	1,093
Kansas	284	99	101	134	63	67	9	28	4	8	1	1	0	799
Rocky Mountain	65	42	67	168	60	90	14	50	8	19	5	3	0	591
Montana	0	0	37	37	13	15	2	11	2	3	1	0	0	121
Idaho	11	10	9	35	8	13	1	6	3	0	0	0	0	96
Wyoming	16	6	1	16	7	6	0	6	1	0	0	0	0	59
Colorado	37	24	11	34	11	20	3	6	1	1	2	0	0	150
New Mexico	0	0	0	13	5	7	0	0	0	1	0	0	0	26
Arizona	1	1	1	2	3	6	3	6	1	4	1	1	0	30
Utah	0	1	7	23	13	16	3	10	0	8	1	2	0	84
Nevada	0	0	1	8	0	7	2	5	0	2	0	0	0	25
Pacific Coast	48	51	11	138	39	107	32	40	34	54	15	14	5	588
Washington	36	30	5	69	14	32	7	8	4	12	4	3	0	224
Oregon	12	21	6	38	10	24	4	8	3	5	4	0	0	135
California	0	0	0	31	15	51	21	24	27	37	7	11	5	229
UNITED STATES	2,001	1,426	1,341	3,378	1,549	2,074	574	1,240	524	933	267	260	52	15,619

Table V - Distribution of Incorporated Banks in 1930 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)										
	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
New England	15	1	65	21	106	43	81	27	15	3	377
Maine	1	0	16	5	11	5	12	2	0	0	52
New Hampshire	3	1	11	7	20	7	7	0	0	0	56
Vermont	3	0	10	5	14	7	5	1	0	0	45
Massachusetts	5	0	18	3	48	18	36	11	10	3	152
Rhode Island	0	0	0	0	3	1	2	3	1	0	10
Connecticut	3	0	10	1	10	5	19	10	4	0	62
Middle Atlantic	299	34	371	83	352	219	298	84	51	12	1,803
New York	89	9	109	20	142	37	94	29	20	7	556
New Jersey	24	4	52	7	100	18	70	14	8	0	297
Delaware	3	0	3	3	3	0	4	0	0	0	16
Pennsylvania	168	18	191	45	88	158	122	34	16	5	845
Maryland	15	3	16	8	19	6	4	4	2	0	77
Dist. of Col.	0	0	0	0	0	0	4	3	5	0	12
North Central	234	68	274	93	244	86	168	56	30	8	1,261
Michigan	13	7	26	5	36	12	12	10	3	2	126
Wisconsin	30	5	32	12	27	11	23	9	5	1	155
Illinois	93	27	117	41	76	20	59	18	8	3	462
Indiana	49	14	38	10	43	17	25	9	5	0	210
Ohio	49	15	61	25	62	26	49	10	9	2	308
Southern Mountain	85	35	113	46	106	30	46	17	22	0	500
West Virginia	22	13	24	8	22	5	10	5	2	0	111
Virginia	24	11	34	11	36	11	15	6	9	0	157
Kentucky	22	5	33	13	31	11	11	4	3	0	133
Tennessee	17	6	22	14	17	3	10	2	8	0	99
Southeastern	30	16	68	23	96	33	67	16	14	2	365
North Carolina	3	2	10	2	21	5	13	7	1	0	64
South Carolina	4	1	9	2	7	3	6	2	1	0	35
Georgia	8	5	11	9	16	10	12	1	1	2	75
Florida	1	1	14	3	19	1	8	2	6	0	55
Alabama	13	7	20	5	21	8	20	2	5	0	101
Mississippi	1	0	4	2	12	6	8	2	0	0	35

Table V - Distribution of Incorporated Banks in 1930 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of capital stock (in thousands of dollars)										
	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
Southwestern	312	72	236	60	144	29	74	17	23	2	969
Louisiana	5	0	8	0	7	2	4	1	4	0	31
Texas	133	51	155	49	110	17	49	12	16	1	593
Arkansas	24	3	16	5	5	5	7	2	0	0	67
Oklahoma	150	18	57	6	22	5	14	2	3	1	278
Western Grain	456	110	327	64	154	20	83	21	13	4	1,252
Minnesota	110	29	52	12	34	1	15	4	3	3	263
North Dakota	71	8	14	3	9	2	5	0	0	0	112
South Dakota	50	8	19	2	10	2	4	0	0	0	95
Iowa	57	24	82	15	35	4	17	5	2	0	241
Nebraska	49	17	62	11	16	3	8	2	3	0	171
Missouri	23	8	28	9	25	1	20	7	3	1	125
Kansas	96	16	70	12	25	7	14	3	2	0	245
Rocky Mountain	104	24	79	15	43	11	28	10	3	0	317
Montana	25	6	10	3	4	4	11	0	0	0	63
Idaho	14	3	14	7	1	2	0	0	0	0	41
Wyoming	5	2	6	1	6	2	3	0	0	0	25
Colorado	43	11	28	3	20	1	8	3	3	0	120
New Mexico	9	1	10	0	2	2	2	0	0	0	26
Arizona	2	0	4	0	5	0	2	1	0	0	14
Utah	4	0	6	0	3	0	0	5	0	0	18
Nevada	2	1	1	1	2	0	2	1	0	0	10
Pacific Coast	86	11	104	18	75	22	51	15	14	7	403
Washington	25	3	25	6	22	3	10	6	4	1	105
Oregon	19	6	29	2	18	5	12	0	2	0	93
California	42(1)	2	50	10	35	14	29	9	8	6	205
UNITED STATES	1,621(1)	371	1,637	423	1,320	493	896	263	185	38	7,247

(1) Includes one bank in California with less than $25,000 of capital stock.

Table VI - Distribution of the Aggregate Capital Stock of Incorporated Banks on June 30, 1920 by Size of Capital Stock

State Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 1,000	$1,000 to $5,000	$5,000 and over	Total
New England	5	0	0	850	238	3,500	1,156	6,700	2,670	19,077	7,750	26,950	7,000	75,896
Maine	0	0	0	250	70	1,050	309	1,000	475	1,250	500	0	0	4,904
New Hampshire	0	0	0	75	98	400	232	200	600	400	0	0	0	2,005
Vermont	0	0	0	200	40	1,150	126	400	0	200	0	0	0	2,116
Massachusetts	0	0	0	0	0	350	60	2,600	875	11,640	5,500	17,700	7,000	45,725
Rhode Island	5	0	0	25	0	50	150	300	120	900	500	7,000	0	9,050
Connecticut	0	0	0	300	30	500	279	2,200	600	4,687	1,250	2,250	0	12,096
Middle Atlantic	260	90	424	3,650	1,421	8,650	2,772	19,400	29,917	53,399	31,217	138,255	107,700	397,155
New York	0	0	0	1,600	713	2,150	450	6,200	1,865	12,300	11,109	60,498	102,500	199,385
New Jersey	0	0	0	25	0	550	146	7,900	1,175	8,939	4,700	9,000	0	32,435
Delaware	0	0	56	75	29	250	0	100	260	0	2,374	1,000	0	4,144
Pennsylvania	14	0	117	925	432	4,700	1,648	3,300	25,363	29,487	11,034	48,057	5,200	130,277
Maryland	246	90	232	1,000	247	650	285	1,400	596	1,973	2,000	9,300	0	18,019
Dist. of Col.	0	0	19	25	0	350	243	500	658	700	0	10,400	0	12,895
North Central	3,660	2,835	5,514	30,075	17,069	31,150	9,944	36,100	11,340	48,854	22,738	61,650	31,000	311,929 (1)
Michigan	0	15	3,231	2,925	2,299	3,200	1,131	5,100	2,192	6,300	5,100	17,500	5,000	53,993
Wisconsin	2,334	1,455	1,532	3,075	4,435	5,500	1,492	3,600	805	3,275	800	3,000	0	31,303
Illinois	1,005	1,140	515	11,400	5,217	11,500	3,134	14,900	3,415	22,700	8,200	17,500	26,000	126,676 (1)
Indiana	0	0	52	7,350	3,077	4,950	2,389	6,400	1,656	4,850	3,650	2,500	0	36,874
Ohio	321	225	184	5,325	2,041	5,950	1,798	6,100	3,272	11,729	4,988	21,150	0	63,083
Southern Mountain	2,457	3,735	2,629	6,000	6,320	7,500	4,189	8,500	3,940	12,218	10,645	11,300	0	79,433
West Virginia	10	0	22	1,775	1,250	1,900	922	2,800	1,339	4,725	1,250	0	0	15,993
Virginia	872	465	882	1,000	1,776	1,000	973	1,900	997	2,473	4,239	6,000	0	22,577
Kentucky	7	2,580	1,032	1,425	1,945	2,700	1,141	2,000	1,050	2,200	2,306	2,000	0	20,386
Tennessee	1,568	690	693	1,800	1,349	1,900	1,153	1,800	554	2,820	2,850	3,300	0	20,477
Southeastern	3,196	5,610	3,553	11,300	7,098	14,200	9,297	18,000	4,589	13,407	5,097	9,469	0	104,816
North Carolina	1,755	405	1,165	1,625	1,313	1,950	1,703	3,700	592	2,043	1,297	3,469	0	21,017
South Carolina	469	375	866	1,600	1,232	3,100	2,502	4,100	841	2,389	0	0	0	17,474
Georgia	0	2,760	551	4,400	1,715	4,050	2,081	4,500	856	4,425	1,700	6,000	0	33,038
Florida	0	1,065	258	1,000	683	1,450	270	1,900	300	800	500	0	0	8,226
Alabama	354	525	276	1,350	915	1,600	1,009	1,800	975	1,800	1,000	0	0	11,604
Mississippi	618	480	437	1,325	1,240	2,050	1,732	2,000	1,025	1,950	600	0	0	13,457

Table VI - Distribution of the Aggregate Capital Stock of Incorporated Banks in 1920 by Size of Capital Stock (Continued)

State Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
Southwestern	5,535	4,110	4,815	9,075	7,749	13,200	6,454	11,800	4,042	12,525	5,900	14,500	0	99,705
Louisiana	272	585	267	700	991	1,700	1,243	2,000	743	2,075	2,550	8,500	0	21,626
Texas	1,758	1,365	2,608	4,575	4,490	6,600	2,780	6,500	2,395	6,150	2,100	6,000	0	47,321
Arkansas	1,231	525	566	1,600	790	2,800	1,691	2,300	754	2,450	1,250	0	0	15,957
Oklahoma	2,274	1,635	1,374	2,200	1,478	2,100	740	1,000	150	1,850	0	0	0	14,801
Western Grain	24,002	14,760	16,872	33,950	20,491	35,000	10,088	24,400	5,224	21,487	8,310	17,500	0	232,084
Minnesota	4,510	2,295	2,151	5,850	2,756	4,450	1,200	2,500	250	3,500	2,210	3,000	0	34,672
North Dakota	3,513	2,220	1,487	2,250	690	1,200	75	800	0	200	0	0	0	12,435
South Dakota	1,436	1,875	1,106	3,075	1,330	1,800	370	600	150	300	500	0	0	12,542
Iowa	1,950	1,950	2,420	8,350	5,989	12,150	3,375	6,800	2,135	6,060	1,200	2,000	0	54,379
Nebraska	1,886	2,430	3,524	6,100	3,900	4,800	1,137	1,900	255	900	0	0	0	26,832
Missouri	6,216	1,890	3,895	3,975	3,552	6,100	3,026	8,400	1,734	8,267	2,900	12,500	0	62,455
Kansas	4,491	2,100	2,289	4,350	2,274	4,500	905	3,400	700	2,260	1,500	0	0	28,769
Rocky Mountain	1,645	975	3,148	6,475	4,176	7,200	2,027	6,400	2,125	5,490	4,600	2,000	0	46,261
Montana	0	0	2,240	1,825	920	1,550	445	1,700	425	1,775	500	0	0	11,380
Idaho	232	210	180	1,175	575	850	173	800	310	780	0	0	0	5,285
Wyoming	470	90	157	475	285	600	395	400	150	0	0	0	0	3,022
Colorado	891	540	336	1,000	685	1,350	285	1,000	370	940	1,500	1,000	0	9,897
New Mexico	0	0	0	850	700	600	60	300	150	450	0	0	0	3,110
Arizona	30	90	20	425	417	600	155	1,100	150	250	500	0	0	3,737
Utah	10	45	195	600	559	1,250	448	700	450	1,295	1,600	1,000	0	8,152
Nevada	12	0	20	125	35	400	66	400	120	0	500	0	0	1,678
Pacific Coast	839	1,170	376	5,375	2,035	6,850	4,297	9,100	5,910	18,580	14,026	37,403	7,000	112,961
Washington	581	630	200	2,150	627	1,750	760	2,200	275	3,300	1,600	3,000	0	17,073
Oregon	258	540	176	875	551	1,600	254	1,600	300	1,700	1,000	1,000	0	9,854
California	0	0	0	2,350	857	3,500	3,283	5,300	5,335	13,580	11,426	33,403	7,000	86,034
UNITED STATES	40,687	32,565	36,913	104,000	65,067	125,300	49,737	139,200	69,527	204,437	110,283	319,027	152,700	1,449,443

Table VI - Distribution of the Aggregate Capital Stock of Incorporated Banks in 1920 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
New England	0	0	0	450	75	3,900	1,353	11,200	7,205	21,957	14,314	20,350	25,000	105,804
Maine	0	0	0	100	0	1,450	270	1,300	425	2,300	1,200	0	0	7,045
New Hampshire	0	0	0	150	30	500	430	1,800	1,325	1,000	0	0	0	5,235
Vermont	0	0	0	75	45	550	375	1,600	1,160	1,200	0	0	0	5,005
Massachusetts	0	0	0	75	0	1,050	203	4,600	3,125	10,915	6,350	11,000	25,000	62,318
Rhode Island	0	0	0	0	0	0	0	600	270	850	2,850	1,000	0	5,570
Connecticut	0	0	0	50	0	350	75	1,300	900	5,692	3,914	8,350	0	20,631
Middle Atlantic	0	0	24	9,925	1,702	21,600	5,480	30,500	15,015	48,192	27,402	79,800	133,000	372,640
New York	0	0	24	3,075	495	5,800	745	9,500	4,190	13,340	7,502	33,500	116,000	194,171
New Jersey	0	0	0	1,250	352	2,400	507	5,300	1,740	5,520	2,500	6,350	0	25,919
Delaware	0	0	0	75	30	200	365	200	232	413	0	0	0	1,515
Pennsylvania	0	0	0	4,925	715	12,050	3,311	14,000	8,453	25,440	11,450	29,400	17,000	126,744
Maryland	0	0	0	600	110	1,150	552	1,500	400	1,802	3,000	7,500	0	16,614
Dist. of Col.	0	0	0	0	0	0	0	0	0	1,677	2,950	3,050	0	7,677
North Central	0	15	63	7,700	2,510	15,550	7,329	29,100	9,006	37,040	20,250	41,750	58,500	228,813
Michigan	0	0	0	300	170	1,400	330	3,300	765	4,550	1,800	4,500	5,000	22,115
Wisconsin	0	0	0	875	165	1,500	1,103	3,100	575	6,250	3,000	1,000	6,000	23,568
Illinois	0	15	0	2,900	1,137	6,750	3,088	7,900	3,371	7,500	5,650	6,250	41,500	86,061
Indiana	0	0	19	1,700	560	2,300	953	6,100	1,615	6,950	3,500	6,000	0	29,697
Ohio	0	0	44	1,925	478	3,600	1,855	8,700	2,680	11,790	6,300	24,000	6,000	67,372
Southern Mountain	0	15	0	2,950	1,435	5,400	3,418	9,100	4,248	11,470	13,575	17,100	0	68,711
West Virginia	0	0	0	775	566	1,350	701	2,200	581	1,700	2,700	1,000	0	11,573
Virginia	0	15	0	800	494	1,850	1,120	2,500	1,135	4,445	4,775	8,000	0	25,134
Kentucky	0	0	0	825	180	1,250	683	3,000	1,957	2,575	3,500	3,500	0	17,470
Tennessee	0	0	0	550	195	950	914	1,400	575	2,750	2,600	4,600	0	14,534
Southeastern	0	0	23	1,225	847	5,000	2,541	11,200	4,939	16,885	8,100	8,700	0	59,460
North Carolina	0	0	0	200	30	900	535	3,000	425	4,200	1,600	1,000	0	11,890
South Carolina	0	0	0	250	100	1,000	360	1,800	1,010	2,825	2,500	2,000	0	11,845
Georgia	0	0	0	125	312	1,150	811	1,500	1,550	3,550	1,250	3,200	0	13,448
Florida	0	0	0	175	140	750	225	1,200	405	1,400	2,250	0	0	6,545
Alabama	0	0	23	450	265	950	470	2,400	1,274	3,100	500	2,500	0	11,932
Mississippi	0	0	0	25	0	250	140	1,300	275	1,810	0	0	0	3,800

Table VI - Distribution of the Aggregate Capital Stock of Incorporated Banks in 1920 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 25	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
Southwestern	0	0	0	8,150	2,671	12,350	4,645	15,400	3,860	19,350	15,850	19,300	0	101,576
Louisiana	0	0	0	175	48	550	0	400	600	1,350	1,750	3,800	0	8,673
Texas	0	0	0	2,725	1,830	6,850	3,615	11,000	2,560	11,300	10,100	13,000	0	62,980
Arkansas	0	0	0	575	138	1,250	520	1,100	250	2,250	1,000	0	0	7,083
Oklahoma	0	0	0	4,675	655	3,700	510	2,900	450	4,450	3,000	2,500	0	22,840
Western Grain	0	0	52	15,325	4,348	22,200	6,295	17,500	2,580	16,075	8,175	37,250	25,000	154,800
Minnesota	0	0	18	4,300	1,096	3,050	1,185	2,300	0	3,075	3,300	12,000	5,000	35,324
North Dakota	0	0	0	3,150	180	1,600	310	1,000	0	700	0	0	0	6,940
South Dakota	0	0	17	1,525	515	1,950	350	1,300	300	250	0	0	0	6,207
Iowa	0	0	0	2,250	1,035	6,450	1,950	4,700	960	5,700	1,100	2,200	0	26,345
Nebraska	0	0	0	1,125	700	3,750	725	1,900	600	1,450	2,275	4,350	0	16,875
Missouri	0	0	0	775	230	1,500	665	2,900	120	2,550	1,500	16,700	20,000	46,940
Kansas	0	0	17	2,200	592	3,900	1,110	3,400	600	2,350	0	2,000	0	16,169
Rocky Mountain	0	15	16	4,625	1,668	5,450	2,060	8,400	2,225	9,450	2,200	3,250	0	39,359
Montana	0	0	0	1,950	435	900	645	900	575	3,050	0	0	0	8,455
Idaho	0	0	0	600	303	1,050	440	1,600	150	1,050	0	0	0	5,193
Wyoming	0	0	0	275	215	600	300	1,100	125	450	0	0	0	3,065
Colorado	0	0	0	1,200	520	1,600	390	2,400	600	2,200	1,000	2,250	0	12,160
New Mexico	0	15	0	350	135	600	150	900	150	1,000	0	0	0	3,300
Arizona	0	0	0	50	0	350	0	800	150	400	0	0	0	1,750
Utah	0	0	16	150	60	300	0	400	475	1,100	500	1,000	0	4,001
Nevada	0	0	0	50	0	50	135	300	0	200	700	0	0	1,435
Pacific Coast	41	0	22	2,975	435	6,500	1,270	10,100	2,685	10,750	5,250	32,700	19,500	92,228
Washington	13	0	0	600	75	1,100	210	1,800	0	1,900	1,600	6,400	0	13,698
Oregon	28	0	0	500	210	1,500	270	1,600	275	1,750	0	5,000	0	11,133
California	0	0	22	1,875	150	3,900	790	6,700	2,410	7,100	3,650	21,300	19,500	67,397
UNITED STATES	41	45	200	53,325	15,691	97,950	34,391	142,500	51,763	191,169	115,116	260,200	261,000	1,223,391

Table VII - Distribution of the Aggregate Capital Stock of Incorporated Banks in 1930 by Size of Capital Stock

State Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
New England	10	0	0	650	70	2,950	891	6,700	4,724	20,229	9,800	44,308	10,000	100,332
Maine	0	0	0	150	0	800	390	800	750	1,200	500	2,000	0	6,590
New Hampshire	0	0	0	25	30	400	150	200	789	1,205	0	0	0	2,799
Vermont	0	0	0	175	0	900	126	800	0	850	0	0	0	2,851
Massachusetts	0	0	0	0	0	150	75	2,000	1,475	10,090	5,100	25,400	5,000	49,290
Rhode Island	10	0	0	50	0	50	0	200	395	700	500	5,000	5,000	11,905
Connecticut	0	0	0	250	40	650	150	2,700	1,315	6,184	3,700	11,908	0	26,897
Middle Atlantic	213	75	237	2,950	1,600	8,800	2,487	22,400	31,533	76,734	62,391	202,359	444,938	856,717
New York	0	0	0	825	470	2,600	780	8,400	2,625	17,700	16,079	66,837	398,700	515,016
New Jersey	0	0	0	25	0	350	150	9,000	2,805	16,275	14,600	31,181	12,367	86,753
Delaware	0	0	36	75	105	300	150	500	481	249	500	8,871	0	11,267
Pennsylvania	10	0	0	1,175	643	4,750	1,187	2,400	24,554	39,535	27,068	72,320	27,621	201,263
Maryland	203	75	201	850	382	650	130	1,000	555	2,275	4,144	12,750	6,250	29,465
Dist. of Col.	0	0	0	0	0	150	90	1,100	513	700	0	10,400	0	12,953
North Central	1,608	2,250	4,900	27,450	15,941	30,850	12,368	37,200	14,026	71,599	44,025	93,450	179,150	534,817
Michigan	0	0	3,187	2,975	2,333	4,000	1,887	5,300	2,845	11,250	7,650	25,450	25,000	91,877
Wisconsin	1,267	1,215	1,309	3,125	4,498	5,600	2,656	5,100	1,082	7,425	1,500	3,500	0	38,277
Illinois	341	1,035	355	8,400	4,459	10,900	3,865	12,500	3,740	34,208	22,700	28,650	100,500	231,653
Indiana	0	0	49	6,875	2,778	4,400	2,060	7,300	1,694	7,791	4,500	3,500	0	40,947
Ohio	0	0	0	6,075	1,873	5,950	1,900	7,000	4,665	10,925	7,675	32,350	53,650	132,063
Southern Mountain	1,540	2,895	2,186	5,725	4,876	8,050	4,485	9,300	4,107	12,364	13,850	18,916	0	88,294
West Virginia	0	0	0	1,325	585	1,750	625	3,000	1,433	4,300	3,100	2,166	0	18,284
Virginia	495	300	641	1,100	1,036	1,750	1,307	2,000	1,276	3,261	4,400	7,000	0	24,566
Kentucky	0	1,995	822	1,450	1,926	2,750	1,323	2,400	1,144	3,350	2,925	5,750	0	25,835
Tennessee	1,045	600	723	1,850	1,329	1,800	1,230	1,900	254	1,453	3,425	4,000	0	19,609
Southeastern	1,170	3,140	2,150	6,925	5,038	9,950	4,277	12,800	4,225	9,121	6,287	14,200	0	79,283
North Carolina	274	570	914	925	1,200	1,850	158	2,200	819	1,800	0	8,200	0	18,910
South Carolina	208	135	221	725	366	950	338	1,700	450	939	1,987	2,000	0	10,019
Georgia	0	1,155	176	2,250	823	2,350	870	3,000	1,451	2,455	2,050	3,000	0	19,580
Florida	0	480	133	725	190	1,200	914	2,700	570	1,820	1,000	0	0	9,732
Alabama	177	360 ~~350~~	213	1,475	1,101	1,700	885	1,500	400	1,057	500	1,000	0	10,358
Mississippi	511	450	493	825	1,358	1,900	1,112	1,700	535	1,050	750	0	0	10,684

Table VII - Distribution of the Aggregate Capital Stock of Incorporated Banks in 1930 by Size of Capital Stock (Continued)

State Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)													
	Under $15	$15	$15 to 25	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
Southwestern	2,716	2,625	3,460	8,000	4,908	9,950	5,312	9,000	3,455	8,003	4,600	12,403	6,750	81,182
Louisiana	113	315	135	675	766	2,100	1,321	1,700	1,001	2,478	1,900	6,103	6,750	25,357
Texas	654	690	2,194	4,200	3,038	4,950	2,381	4,600	1,575	3,000	1,600	5,300	0	34,182
Arkansas	917	405	553	1,425	744	2,100	1,460	1,900	879	1,825	1,100	1,000	0	14,308
Oklahoma	1,032	1,215	578	1,700	360	800	150	800	0	700	0	0	0	7,335
Western Grain	11,953	9,000	12,092	25,100	16,547	23,300	6,718	17,600	4,080	15,428	3,900	13,600	22,000	181,318
Minnesota	2,339	1,410	1,949	3,550	2,769	2,850	1,065	1,600	270	1,400	800	3,000	0	23,002
North Dakota	715	1,470	674	850	322	250	0	100	150	0	0	0	0	4,531
South Dakota	326	1,095	682	2,150	767	950	130	500	0	200	0	0	0	6,800
Iowa	1,027	1,080	1,471	7,600	4,919	8,400	2,170	5,300	1,750	3,010	600	3,750	0	41,077
Nebraska	978	1,050	2,067	4,375	2,619	2,750	558	600	150	500	0	0	0	15,647
Missouri	3,669	1,410	3,260	3,225	3,062	4,750	2,175	6,700	1,210	8,468	2,000	5,750	22,000	67,679
Kansas	2,899	1,485	1,989	3,350	2,089	3,350	620	2,800	550	1,850	500	1,100	0	22,582
Rocky Mountain	657	630	1,334	4,200	1,986	4,500	987	5,000	1,170	4,890	2,600	3,550	0	31,504
Montana	0	0	740	925	415	750	160	1,100	300	700	600	0	0	5,690
Idaho	112	150	180	875	275	650	75	600	450	0	0	0	0	3,367
Wyoming	160	90	20	400	250	300	0	600	150	0	0	0	0	1,970
Colorado	375	360	214	850	340	1,000	210	600	150	240	1,000	0	0	5,339
New Mexico	0	0	0	325	160	350	0	0	0	250	0	0	0	1,085
Arizona	10	15	20	50	95	300	201	600	120	950	500	1,050	0	3,911
Utah	0	15	140	575	451	800	195	1,000	0	2,150	500	2,500	0	8,326
Nevada	0	0	20	200	0	350	146	500	0	600	0	0	0	1,816
Pacific Coast	485	765	212	3,450	1,334	5,350	2,174	4,000	4,980	13,857	8,125	15,700	49,000	109,432
Washington	364	450	100	1,725	465	1,600	465	800	600	2,987	2,100	3,200	0	14,856
Oregon	121	315	112	950	330	1,200	257	800	425	1,250	2,000	0	0	7,760
California	0	0	0	775	539	2,550	1,452	2,400	3,955	9,620	4,025	12,500	49,000	86,816
UNITED STATES	20,352	21,380	26,571	84,450	52,300	103,700	39,699	124,000	72,300	232,225	155,578	418,486	711,838	2,062,879

Table VII - Distribution of the Aggregate Capital Stock of Incorporated Banks in 1930 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)										
	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
New England	375	35	3,250	1,487	10,600	6,120	20,747	16,225	26,131	72,500	157,470
Maine	25	0	800	345	1,100	675	3,225	1,200	0	0	7,370
New Hampshire	75	35	550	490	3,000	1,025	1,550	0	0	0	5,725
Vermont	75	0	500	375	1,400	1,010	1,300	500	0	0	5,160
Massachusetts	125	0	900	202	4,800	2,570	9,340	6,225	16,621	72,500	113,283
Rhode Island	0	0	0	0	300	120	750	1,850	1,500	0	4,520
Connecticut	75	0	500	75	1,000	720	4,582	6,450	8,010	0	21,412
Middle Atlantic	7,475	1,175	18,550	5,840	35,200	29,758	73,915	47,530	89,070	374,725	683,238
New York	2,225	330	5,450	1,420	14,200	5,215	22,850	15,650	32,444	336,225	436,009
New Jersey	600	120	2,600	510	10,000	2,650	17,450	7,830	14,850	0	56,610
Delaware	75	0	150	210	300	0	913	0	0	0	1,648
Pennsylvania	4,200	615	9,550	3,148	8,800	21,073	30,575	19,500	29,126	38,500	165,087
Maryland	375	110	800	552	1,900	820	1,052	2,500	5,000	0	13,109
Dist. of Col.	0	0	0	0	0	0	1,075	2,050	7,650	0	10,775
North Central	5,850	2,375	13,700	6,375	24,400	12,358	43,275	31,450	42,490	80,000	262,273
Michigan	325	240	1,300	340	3,600	1,785	3,050	5,700	3,250	12,500	32,090
Wisconsin	750	175	1,600	845	2,700	1,625	5,500	4,950	5,000	10,000	33,145
Illinois	2,325	972	5,850	2,788	7,600	2,890	15,075	10,500	10,540	46,500	105,040
Indiana	1,225	465	1,900	720	4,300	2,398	6,625	5,200	10,500	0	33,333
Ohio	1,225	523	3,050	1,682	6,200	3,660	13,025	5,100	13,200	1,100	58,665
Southern Mountain	2,125	1,194	5,650	3,162	10,600	4,400	11,945	9,250	38,125	0	86,451
West Virginia	550	450	1,200	545	2,200	775	2,670	2,500	3,000	0	13,890
Virginia	600	374	1,700	735	3,600	1,585	4,125	3,100	13,500	0	29,319
Kentucky	550	180	1,650	893	3,100	1,560	2,600	2,300	6,000	0	18,833
Tennessee	425	190	1,100	989	1,700	480	2,550	1,350	15,625	0	24,409
Southeastern	750	560	3,400	1,725	9,600	4,525	16,510	8,600	20,150	10,400	76,220
North Carolina	75	80	500	150	2,100	695	3,175	3,700	1,000	0	11,475
South Carolina	100	40	450	150	700	385	1,500	1,000	1,500	0	5,825
Georgia	200	175	550	700	1,600	1,370	2,800	600	1,000	10,400	19,395
Florida	25	35	700	225	1,900	150	2,050	1,300	9,400	0	15,785
Alabama	325	230	1,000	360	2,100	1,130	4,875	1,000	7,250	0	18,270
Mississippi	25	0	200	140	1,200	795	2,110	1,000	0	0	5,470

Table VII - Distribution of the Aggregate Capital Stock of Incorporated Banks in 1930 by Size of Capital Stock (Continued)

National Banks

States by geographic divisions	Capital stock by size groups (in thousands of dollars)										
	$25	$25 to 50	$50	$50 to 100	$100	$100 to 200	$200 to 500	$500 to 1,000	$1,000 to 5,000	$5,000 and over	Total
Southwestern	7,800	2,445	11,800	4,103	14,400	4,215	18,200	9,900	36,400	13,000	122,263
Louisiana	125	0	400	0	700	300	1,000	600	6,000	0	9,125
Texas	3,325	1,755	7,750	3,368	11,000	2,480	11,900	7,300	23,700	8,000	80,578
Arkansas	600	100	800	340	500	700	2,050	1,000	0	0	6,090
Oklahoma	3,750	590	2,850	395	2,200	735	3,250	1,000	6,700	5,000	26,470
Western Grain	11,400	3,827	16,350	4,490	15,400	2,850	20,325	12,050	22,100	29,100	137,892
Minnesota	2,750	960	2,600	875	3,400	150	3,550	2,200	5,000	17,000	38,485
North Dakota	1,775	275	700	225	900	270	1,350	0	0	0	5,495
South Dakota	1,250	285	950	150	1,000	275	875	0	0	0	4,785
Iowa	1,425	895	4,100	1,015	3,500	535	4,400	2,600	3,000	0	21,470
Nebraska	1,225	575	3,100	755	1,600	450	1,950	1,600	3,600	0	14,855
Missouri	575	275	1,400	605	2,500	120	5,250	3,900	8,500	12,100	35,225
Kansas	2,400	562	3,500	865	2,500	1,050	2,950	1,750	2,000	0	17,577
Rocky Mountain	2,600	810	3,950	1,255	4,350	2,025	6,850	5,350	4,000	0	31,190
Montana	625	190	500	220	400	600	2,450	0	0	0	4,985
Idaho	350	100	700	700	150	675	0	0	0	0	2,675
Wyoming	125	65	300	80	600	300	800	0	0	0	2,270
Colorado	1,075	380	1,400	195	2,000	150	1,850	1,550	4,000	0	12,600
New Mexico	225	35	500	0	200	300	650	0	0	0	1,910
Arizona	50	0	200	0	500	0	700	500	0	0	1,950
Utah	100	0	300	0	300	0	0	2,600	0	0	3,300
Nevada	50	40	50	60	200	0	400	700	0	0	1,500
Pacific Coast	2,137	375	5,200	1,280	7,500	3,135	12,650	8,075	25,700	117,500	183,552
Washington	625	105	1,250	420	2,200	400	2,500	3,100	7,500	8,000	26,100
Oregon	475	200	1,450	135	1,800	710	2,725	0	6,000	0	13,495
California	1,037(1)	70	2,500	725	3,500	2,025	7,425	4,975	12,200	109,500	143,957
UNITED STATES	40,512(1)	12,796	81,850	29,717	132,050	69,386	224,417	148,430	304,166	697,225	1,740,549

(1) Includes one bank in California with capital stock of $12,000.

Table VIII- Distribution of Incorporated Banks in 1920 by Size of Loans and Investments

State Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	15	9	25	35	30	72	82	28	21	3	320
Maine	2	2	6	10	4	16	9	4	2	0	55
New Hampshire	3	1	4	4	3	6	3	1	0	0	25
Vermont	2	0	5	3	3	17	9	0	0	0	39
Massachusetts	0	1	3	7	10	20	41	13	16	1	112
Rhode Island	3	0	0	1	2	3	2	1	2	2	16
Connecticut	5	5	7	10	8	10	18	9	1	0	73
Middle Atlantic	71	64	152	132	123	273	228	97	76	17	1,233
New York	7	18	49	37	25	58	52	28	38	14	326
New Jersey	4	2	6	13	17	33	47	22	10	0	154
Delaware	2	1	5	1	2	3	2	3	1	0	20
Pennsylvania	35	28	61	54	56	155	113	34	20	3	559
Maryland	23	15	26	22	16	20	9	9	4	0	144
District of Col.	0	0	5	5	7	4	5	1	3	0	30
North Central	501	698	1,074	479	261	318	181	53	46	10	3,621
Michigan	42	73	169	80	49	66	36	9	15	2	541
Wisconsin	157	178	234	119	59	53	14	1	2	0	817
Illinois	161	180	306	121	61	86	62	22	13	5	1,017
Indiana	86	160	179	75	46	49	25	4	1	0	625
Ohio	55	107	186	84	46	64	44	17	15	3	621
Southern Mountain	497	298	338	118	67	84	35	9	4	0	1,450
West Virginia	26	33	69	27	20	31	8	1	1	0	216
Virginia	106	69	86	24	15	19	12	4	0	0	335
Kentucky	138	106	114	47	21	16	7	1	1	0	451
Tennessee	227	90	69	20	11	18	8	3	2	0	448
Southeastern	808	460	509	192	103	120	42	8	6	0	2,248
North Carolina	144	101	137	42	27	25	13	0	2	0	491
South Carolina	119	68	87	41	21	28	7	0	0	0	371
Georgia	276	140	119	38	16	24	10	4	2	0	629
Florida	79	37	45	12	13	16	2	1	0	0	205
Alabama	95	63	50	15	8	9	2	3	1	0	246
Mississippi	95	51	71	44	18	18	8	0	1	0	306

Table VIII- Distribution of Incorporated Banks in 1920 by Size of Loans and Investments (Continued)

State Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	978	481	429	159	61	79	31	8	4	1	2,231
Louisiana	59	38	58	27	17	14	7	4	4	1	229
Texas	451	204	195	69	18	41	12	2	0	0	992
Arkansas	196	68	66	32	19	9	7	2	0	0	399
Oklahoma	272	171	110	31	7	15	5	0	0	0	611
Western Grain	2,564	1,870	1,918	535	214	209	74	20	8	1	7,413
Minnesota	351	268	345	113	48	33	14	5	0	0	1,177
North Dakota	362	212	125	12	3	3	0	0	0	0	717
South Dakota	163	146	176	44	13	8	1	1	0	0	552
Iowa	273	297	430	169	71	75	31	7	1	0	1,354
Nebraska	344	291	284	59	14	14	1	1	0	0	1,008
Missouri	645	330	316	89	44	50	25	4	7	1	1,511
Kansas	426	326	242	49	21	26	2	2	0	0	1,094
Rocky Mountain	388	247	223	76	34	50	30	6	0	0	1,054
Montana	102	83	53	16	8	9	7	0	0	0	278
Idaho	38	34	44	8	3	10	4	0	0	0	141
Wyoming	53	20	26	8	1	3	0	0	0	0	111
Colorado	135	43	43	8	11	9	3	3	0	0	255
New Mexico	30	18	15	6	1	5	0	0	0	0	75
Arizona	13	17	12	7	3	5	10	0	0	0	67
Utah	15	29	25	15	6	8	3	3	0	0	104
Nevada	2	3	5	8	1	1	3	0	0	0	23
Pacific Coast	169	141	218	118	57	101	59	19	20	3	905
Washington	92	56	78	32	10	22	10	2	1	0	303
Oregon	50	41	42	26	9	9	6	1	1	0	185
California	27	44	98	60	38	70	43	16	18	3	417
UNITED STATES	5,991	4,268	4,886	1,844	950	1,306	762	248	185	35	20,475

Table VIII - Distribution of Incorporated Banks in 1920 by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	2	21	62	59	44	99	82	25	12	3	409
Maine	0	4	11	10	5	19	11	3	0	0	63
New Hampshire	0	5	16	10	6	11	7	0	0	0	55
Vermont	1	2	7	13	8	15	3	0	0	0	49
Massachusetts	1	8	15	16	19	39	37	15	6	3	159
Rhode Island	0	1	2	1	4	0	5	2	2	0	17
Connecticut	0	1	11	9	2	15	19	5	4	0	66
Middle Atlantic	27	82	329	233	219	388	244	84	55	19	1,680
New York	7	26	105	73	54	104	65	19	25	13	491
New Jersey	2	8	31	20	35	59	35	18	4	0	212
Delaware	0	2	5	4	3	3	2	0	0	0	19
Pennsylvania	18	43	170	122	113	198	124	39	18	6	851
Maryland	0	3	18	14	14	21	11	5	6	0	92
Dist. of Col.	0	0	0	0	0	3	7	3	2	0	15
North Central	51	135	293	215	171	278	142	48	26	8	1,367
Michigan	1	5	12	19	9	37	18	6	4	1	112
Wisconsin	7	9	25	19	20	42	20	8	0	1	151
Illinois	24	56	122	84	60	74	40	10	6	4	480
Indiana	6	40	62	37	37	40	22	6	4	0	254
Ohio	13	25	72	56	45	85	42	18	12	2	370
Southern Mountain	15	36	145	85	66	94	37	28	13	0	519
West Virginia	4	10	39	15	15	24	7	8	0	0	122
Virginia	5	13	40	29	23	24	13	11	7	0	165
Kentucky	3	8	37	24	16	30	10	4	2	0	134
Tennessee	3	5	29	17	12	16	7	5	4	0	98
Southeastern	9	32	87	93	39	107	58	9	12	0	446
North Carolina	1	3	12	17	6	25	19	3	1	0	87
South Carolina	2	2	18	18	4	24	9	3	2	0	82
Georgia	1	6	20	24	9	19	9	1	4	0	93
Florida	1	5	8	9	10	11	5	1	3	0	53
Alabama	4	16	25	19	6	21	7	1	2	0	101
Mississippi	0	0	4	6	4	7	9	0	0	0	30

Table VIII - Distribution of Incorporated Banks in 1920 by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	85	150	347	155	83	93	77	16	19	0	1,025
Louisiana	4	5	3	4	6	4	7	2	3	0	38
Texas	42	71	184	88	48	57	44	9	13	0	556
Arkansas	8	15	19	14	10	8	9	0	0	0	83
Oklahoma	31	59	141	49	19	24	17	5	3	0	348
Western Grain	59	183	545	322	143	201	75	23	24	4	1,579
Minnesota	11	27	127	66	31	42	16	4	5	2	331
North Dakota	10	44	79	27	6	12	2	1	0	0	181
South Dakota	10	12	44	23	23	18	5	1	0	0	136
Iowa	5	25	108	81	45	62	22	5	5	0	358
Nebraska	2	14	62	54	19	22	7	4	4	0	188
Missouri	4	18	38	27	7	12	13	6	9	2	136
Kansas	17	43	87	44	12	33	10	2	1	0	249
Rocky Mountain	75	76	117	77	45	63	51	11	4	0	519
Montana	42	32	29	12	8	7	14	1	0	0	145
Idaho	9	7	20	15	9	13	6	2	0	0	81
Wyoming	3	5	14	4	4	9	7	1	0	0	47
Colorado	10	18	37	25	17	21	6	3	4	0	141
New Mexico	6	11	10	7	4	4	4	1	0	0	47
Arizona	1	1	1	7	0	5	5	0	0	0	20
Utah	4	2	4	4	2	3	6	3	0	0	28
Nevada	0	0	2	3	1	1	3	0	0	0	10
Pacific Coast	22	44	104	76	51	100	45	16	19	3	480
Washington	2	5	23	14	8	16	8	5	6	0	87
Oregon	4	7	23	16	17	14	6	0	3	0	90
California	16	32	58	46	26	70	31	11	10	3	303
UNITED STATES	345	759	2,029	1,315	861	1,423	811	260	184	37	8,024

Table IX - Distribution of Incorporated Banks in 1930 by Size of Loans and Investments

State Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	11	7	12	23	18	77	102	42	31	3	326
Maine	1	1	0	6	7	11	13	4	4	0	47
New Hampshire	3	0	2	2	1	9	6	2	0	0	25
Vermont	2	1	0	4	2	12	15	3	0	0	39
Massachusetts	0	1	0	2	3	17	37	23	16	1	100
Rhode Island	3	0	1	0	1	3	4	0	2	2	16
Connecticut	2	4	9	9	4	25	27	10	9	0	99
Middle Atlantic	24	56	178	133	103	344	323	115	119	33	1,428
New York	2	4	27	38	27	91	88	34	40	21	372
New Jersey	1	4	20	11	18	72	53	22	28	3	232
Delaware	5	2	7	6	1	3	3	1	4	0	32
Pennsylvania	10	29	90	61	46	146	158	49	36	7	632
Maryland	6	17	30	15	10	25	15	5	8	2	133
Dist. of Col.	0	0	4	2	1	7	6	4	3	0	27
North Central	581	698	987	496	263	421	236	73	55	13	3,823
Michigan	53	84	154	82	61	88	45	12	18	3	600
Wisconsin	99	143	245	120	62	76	24	3	1	0	773
Illinois	284	225	264	127	60	116	91	34	14	5	1,220
Indiana	93	149	153	77	29	64	28	8	2	0	603
Ohio	52	97	171	90	51	77	48	16	20	5	627
Southern Mountain	395	261	267	117	61	92	38	12	12	0	1,255
West Virginia	15	29	46	25	17	30	12	3	2	0	179
Virginia	81	56	64	26	13	22	12	2	2	0	278
Kentucky	115	100	96	37	20	30	13	4	4	0	419
Tennessee	184	76	61	29	11	10	1	3	4	0	379
Southeastern	550	235	263	115	61	69	26	10	6	0	1,335
North Carolina	113	47	50	18	9	14	6	2	3	0	262
South Carolina	50	23	27	10	10	6	4	1	2	0	133
Georgia	162	55	47	20	9	13	5	4	0	0	315
Florida	56	23	36	16	9	8	3	1	0	0	152
Alabama	110	43	34	12	5	8	2	0	1	0	215
Mississippi	59	44	69	39	19	20	6	2	0	0	258

Table IX - Distribution of Incorporated Banks in 1930 by Size of Loans and Investments (Continued)

State Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	750	271	274	98	45	50	22	9	7	1	1,527
Louisiana	39	27	51	20	16	21	9	3	4	1	191
Texas	363	117	126	44	12	12	6	4	2	0	686
Arkansas	171	53	48	24	13	12	4	2	1	0	328
Oklahoma	177	74	49	10	4	5	3	0	0	0	322
Western Grain	1,891	1,065	1,099	306	158	140	64	12	8	3	4,746
Minnesota	245	155	210	76	28	23	7	1	2	0	747
North Dakota	183	37	29	4	1	0	0	0	0	0	254
South Dakota	118	74	66	8	5	5	1	0	0	0	277
Iowa	216	234	294	88	60	47	29	4	2	0	974
Nebraska	255	156	155	20	10	5	1	0	0	0	602
Missouri	488	210	206	77	34	40	24	7	4	3	1,093
Kansas	386	199	139	33	20	20	2	0	0	0	799
Rocky Mountain	184	120	141	51	32	28	25	5	5	0	591
Montana	44	27	24	11	6	5	3	1	0	0	121
Idaho	26	28	22	6	5	5	4	0	0	0	96
Wyoming	18	9	19	5	3	4	1	0	0	0	59
Colorado	79	25	29	8	2	2	4	0	1	0	150
New Mexico	4	6	10	5	0	0	1	0	0	0	26
Arizona	4	2	6	3	2	5	6	1	1	0	30
Utah	6	18	26	10	10	5	3	3	3	0	84
Nevada	3	5	5	3	4	2	3	0	0	0	25
Pacific Coast	118	96	154	55	44	59	37	11	8	6	588
Washington	68	36	63	18	12	17	6	2	2	0	224
Oregon	41	34	22	15	13	6	2	2	0	0	135
California	9	26	69	22	19	36	29	7	6	6	229
UNITED STATES	4,504	2,809	3,375	1,394	785	1,280	873	289	251	59	15,619

Table IX - Distribution of Incorporated Banks in 1930 by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	5	4	32	44	38	93	102	33	23	3	377
Maine	0	0	1	7	5	12	20	6	1	0	52
New Hampshire	1	0	10	12	10	11	11	1	0	0	56
Vermont	0	1	5	7	6	15	10	1	0	0	45
Massachusetts	3	0	9	12	8	41	48	14	14	3	152
Rhode Island	0	1	0	1	2	0	1	4	1	0	10
Connecticut	1	2	7	5	7	14	12	7	7	0	62
Middle Atlantic	7	53	234	227	216	453	410	121	67	15	1,803
New York	1	10	65	73	68	135	135	40	22	7	556
New Jersey	0	6	31	34	30	82	77	22	15	0	297
Delaware	0	1	4	2	2	3	4	0	0	0	16
Pennsylvania	6	35	128	109	106	204	175	50	25	7	845
Maryland	0	1	6	9	10	28	16	5	1	1	77
Dist. of Col.	0	0	0	0	0	1	3	4	4	0	12
North Central	46	106	268	150	158	262	171	62	31	7	1,261
Michigan	2	5	16	9	26	31	20	10	5	2	126
Wisconsin	3	7	25	17	14	46	28	10	4	1	155
Illinois	19	50	112	57	59	75	60	20	7	3	462
Indiana	8	27	49	26	22	41	24	8	5	0	210
Ohio	14	17	66	41	37	69	39	14	10	1	308
Southern Mountain	12	21	113	106	55	105	52	17	19	0	500
West Virginia	3	7	26	21	11	22	13	6	2	0	111
Virginia	2	5	31	34	22	31	20	7	5	0	157
Kentucky	1	3	34	30	14	33	13	1	4	0	133
Tennessee	6	6	22	21	8	19	6	3	8	0	99
Southeastern	14	32	64	54	40	82	58	7	12	2	365
North Carolina	3	2	9	7	3	23	14	3	0	0	64
South Carolina	2	2	9	5	2	7	7	0	1	0	35
Georgia	1	12	20	13	8	10	8	0	1	2	75
Florida	0	5	5	11	5	16	6	2	5	0	55
Alabama	8	11	20	16	13	18	10	0	5	0	101
Mississippi	0	0	1	2	9	8	13	2	0	0	35

Table IX - Distribution of Incorporated Banks in 1930 by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Number of banks grouped by size of loans and investments (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	134	189	285	110	81	69	58	22	19	2	969
Louisiana	2	3	8	3	4	5	2	0	4	0	31
Texas	92	103	173	71	50	40	34	17	12	1	593
Arkansas	7	13	18	10	4	6	6	3	0	0	67
Oklahoma	33	70	86	26	23	18	16	2	3	1	278
Western Grain	79	210	414	177	105	143	82	23	15	4	1,252
Minnesota	7	30	92	45	24	37	18	4	3	3	263
North Dakota	14	34	32	11	5	8	7	1	0	0	112
South Dakota	9	17	34	12	10	5	8	0	0	0	95
Iowa	12	29	78	41	23	35	13	8	2	0	241
Nebraska	8	32	65	21	11	20	9	1	4	0	171
Missouri	9	15	28	17	15	11	19	6	4	1	125
Kansas	20	53	85	30	17	27	8	3	2	0	245
Rocky Mountain	26	46	88	39	29	40	32	11	6	0	317
Montana	11	13	12	4	4	8	9	1	1	0	63
Idaho	3	6	16	5	3	5	2	1	0	0	41
Wyoming	1	1	7	2	3	4	7	0	0	0	25
Colorado	8	22	38	17	6	18	5	1	5	0	120
New Mexico	3	3	6	3	5	1	4	1	0	0	26
Arizona	0	1	2	5	1	1	1	3	0	0	14
Utah	0	0	6	1	5	1	1	4	0	0	18
Nevada	0	0	1	2	2	2	3	0	0	0	10
Pacific Coast	12	40	93	61	45	73	49	11	10	9	403
Washington	3	8	25	13	14	22	12	2	5	1	105
Oregon	2	15	24	15	11	13	9	2	1	1	93
California	7	17	44	33	20	38	28	7	4	7	205
UNITED STATES	335	701	1,591	968	767	1,320	1,014	307	202	42	7,247

Table X - Distribution of the Aggregate Loans and Investments of Incorporated Banks on June 30, 1920 by Size of Loans and Investments

State Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	1,216	1,796	9,561	22,029	26,408	103,553	259,199	198,902	412,858	262,366	1,297,888
Maine	138	420	2,182	6,283	3,578	22,343	24,736	29,611	24,189	0	113,480
New Hampshire	300	215	1,648	2,397	2,623	8,333	8,140	6,074	0	0	29,730
Vermont	83	0	1,969	1,885	2,780	24,759	29,247	0	0	0	60,723
Massachusetts	0	219	1,154	4,464	8,764	29,128	136,771	93,666	341,360	133,695	749,221
Rhode Island	171	0	0	730	1,525	4,356	5,540	7,785	30,878	128,671	179,656
Connecticut	524	942	2,608	6,270	7,138	14,634	54,765	61,766	16,431	0	165,078
Middle Atlantic	6,452	12,909	56,546	81,819	106,986	383,885	704,291	694,737	1,564,687	2,447,756	6,060,068
New York	611	3,713	18,440	22,645	21,516	79,466	159,222	210,686	907,764	2,217,817	3,641,880
New Jersey	412	402	2,498	8,065	14,989	47,631	149,353	153,036	194,510	0	570,896
Delaware	168	228	1,937	544	1,780	3,576	6,906	22,530	12,125	0	49,794
Pennsylvania	2,950	5,560	22,300	33,557	48,650	221,847	345,860	242,561	343,168	229,939	1,496,392
Maryland	2,311	3,006	9,543	13,805	13,972	25,866	27,507	59,467	63,688	0	219,165
Dist. of Col.	0	0	1,828	3,203	6,079	5,499	15,443	6,457	43,432	0	81,941
North Central	64,712	156,098	405,999	298,632	231,405	442,386	546,801	344,484	869,622	848,686	4,208,825(1)
Michigan	3,960	14,643	62,330	48,704	41,814	90,874	103,265	60,439	261,830	195,345	883,204
Wisconsin	14,246	35,314	83,017	72,074	50,211	71,121	42,816	9,263	50,504	0	428,566
Illinois	30,922	52,544	130,708	81,410	59,937	123,745	194,849	140,108	290,547	432,341	1,537,111(1)
Indiana	9,562	32,317	62,134	44,363	39,394	66,327	70,348	27,881	10,610	0	362,936
Ohio	6,022	21,280	67,810	52,081	40,049	90,319	135,523	106,793	256,131	221,000	997,008
Southern Mountain	43,531	58,243	121,804	70,898	57,052	115,505	109,837	56,342	73,616	0	706,828
West Virginia	2,825	6,598	25,739	15,817	16,954	42,737	23,550	8,207	11,128	0	153,555
Virginia	8,416	13,210	30,509	14,520	12,878	26,536	40,190	24,704	0	0	170,963
Kentucky	12,799	20,613	40,844	28,263	17,564	21,730	18,928	5,294	14,499	0	180,534
Tennessee	19,491	17,822	24,712	12,298	9,656	24,502	27,169	18,137	47,989	0	201,776
Southeastern	70,238	89,939	179,530	115,583	88,328	165,644	125,528	54,434	110,100	0	999,324
North Carolina	12,693	19,524	48,976	24,972	23,148	33,932	38,615	0	32,263	0	234,123
South Carolina	9,563	13,869	29,832	24,569	17,807	38,498	22,585	0	0	0	156,723
Georgia	24,225	27,430	41,672	22,531	13,719	33,360	27,731	26,639	51,533	0	268,840
Florida	7,243	7,047	16,126	7,428	11,372	22,120	6,781	8,008	0	0	86,125
Alabama	8,520	12,146	17,254	9,493	7,181	12,048	7,224	19,787	11,448	0	105,101
Mississippi	7,994	9,923	25,670	26,590	15,101	25,686	22,592	0	14,856	0	148,412

Table X - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1920 by Size of Loans and Investments (Continued)

State Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	87,629	93,827	149,447	95,333	52,598	104,577	91,499	53,801	101,995	60,676	891,382
Louisiana	5,633	7,572	20,682	16,213	15,345	17,438	19,412	24,402	101,995	60,676	289,368
Texas	39,354	39,503	68,280	41,511	14,790	56,557	35,831	14,356	0	0	310,182
Arkansas	15,337	13,382	23,160	19,298	16,234	11,591	21,269	15,043	0	0	135,314
Oklahoma	27,305	33,370	37,325	18,311	6,229	18,991	14,987	0	0	0	156,518
Western Grain	241,388	365,713	666,924	322,723	182,821	283,341	206,106	122,506	174,017	53,361	2,618,900
Minnesota	33,489	52,361	122,209	67,947	41,241	43,283	36,074	31,227	0	0	427,831
North Dakota	36,627	40,702	41,060	7,301	2,542	4,469	0	0	0	0	132,701
South Dakota	15,167	28,473	62,763	25,510	11,037	10,828	2,723	6,320	0	0	162,821
Iowa	26,597	58,272	151,925	101,782	60,309	100,869	86,096	40,975	17,868	0	644,693
Nebraska	33,676	57,703	97,712	36,553	11,770	16,603	2,041	4,134	0	0	260,192
Missouri	56,004	64,396	109,531	54,610	37,786	70,124	72,076	29,663	156,149	53,361	703,700
Kansas	39,828	63,806	81,724	29,020	18,136	37,165	7,096	10,187	0	0	286,962
Rocky Mountain	35,141	48,600	74,491	45,947	28,478	66,882	91,712	52,043	0	0	443,294
Montana	9,918	15,910	17,974	9,423	6,999	12,376	20,435	0	0	0	93,035
Idaho	3,955	6,826	14,979	4,729	2,455	12,899	11,348	0	0	0	57,191
Wyoming	4,116	3,953	8,733	5,083	814	4,128	0	0	0	0	26,827
Colorado	11,166	8,711	12,957	4,849	9,022	11,986	9,378	24,674	0	0	92,743
New Mexico	2,956	3,498	5,216	3,523	889	6,101	0	0	0	0	22,183
Arizona	1,311	3,337	4,396	4,086	2,321	6,741	28,973	0	0	0	51,165
Utah	1,577	5,749	8,495	9,210	5,057	11,524	12,559	27,369	0	0	81,540
Nevada	142	616	1,741	5,044	921	1,127	9,019	0	0	0	18,610
Pacific Coast	16,540	27,618	78,541	71,970	49,054	139,471	185,843	128,989	424,285	254,050	1,376,361
Washington	8,769	10,701	28,904	18,899	8,762	29,062	34,664	15,348	19,064	0	174,173
Oregon	5,003	7,863	14,329	15,541	8,141	12,606	19,003	6,407	22,245	0	111,138
California	2,768	9,054	35,308	37,530	32,151	97,803	132,176	107,234	382,976	254,050	1,091,050
UNITED STATES	550,216	837,967	1,721,076	1,117,139	816,042	1,800,337	2,320,816	1,706,238	3,731,180	3,926,895	18,527,906

Table X - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1920 by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	181	4,228	24,093	36,566	38,433	135,946	258,036	179,506	204,024	364,053	1,245,066
Maine	0	718	4,237	5,960	4,370	24,785	33,926	21,937	0	0	95,933
New Hampshire	0	1,032	6,500	6,242	4,975	15,220	18,481	0	0	0	52,450
Vermont	46	430	2,337	8,345	6,843	21,222	7,453	0	0	0	46,676
Massachusetts	135	1,668	6,369	9,772	17,059	53,936	118,194	106,907	123,108	364,053	801,201
Rhode Island	0	167	672	641	3,568	0	16,738	12,265	24,579	0	58,630
Connecticut	0	213	3,978	5,606	1,618	20,783	63,244	38,397	56,337	0	190,176
Middle Atlantic	3,062	17,026	127,556	145,335	192,423	546,702	742,249	574,198	1,201,957	3,301,752	6,852,260
New York	779	5,537	41,548	45,603	47,649	146,496	200,717	119,254	553,791	2,871,667	4,033,041
New Jersey	171	1,591	11,903	12,119	31,036	86,337	110,198	129,803	89,845	0	473,003
Delaware	0	489	1,858	2,465	2,714	4,600	6,547	0	0	0	18,673
Pennsylvania	2,112	8,729	65,370	76,310	99,042	277,229	369,750	273,041	415,667	430,085	2,017,335
Maryland	0	680	6,877	8,838	11,982	27,406	30,552	30,216	108,806	0	225,357
Dist. of Col.	0	0	0	0	0	4,634	24,485	21,884	33,848	0	84,851
North Central	5,663	27,753	106,158	133,535	147,245	385,603	442,719	334,128	483,445	1,018,728	3,084,977
Michigan	120	1,065	4,400	11,433	8,048	49,706	62,784	41,120	66,600	86,370	331,646
Wisconsin	716	1,955	9,317	11,993	17,254	60,619	66,763	58,880	0	103,382	330,879
Illinois	2,672	11,675	44,574	51,245	51,815	108,279	117,948	64,704	121,193	697,295	1,271,400
Indiana	635	7,927	21,693	23,757	31,492	53,810	72,403	39,736	77,963	0	329,416
Ohio	1,520	5,131	26,174	35,107	38,636	113,189	122,821	129,688	217,689	131,681	821,636
Southern Mountain	1,267	7,426	53,547	51,985	57,303	130,219	110,760	172,346	261,365	0	846,218
West Virginia	217	2,063	14,491	9,179	13,018	32,390	20,163	46,988	0	0	138,509
Virginia	396	2,709	14,766	17,422	20,014	35,130	39,948	73,007	122,814	0	326,206
Kentucky	309	1,635	13,730	14,835	13,803	40,808	29,354	21,883	62,269	0	198,626
Tennessee	345	1,019	10,560	10,549	10,468	21,891	21,295	30,468	76,282	0	182,877
Southeastern	1,054	6,696	31,555	57,340	34,045	150,147	171,081	51,283	181,702	0	684,903
North Carolina	99	721	4,137	10,605	5,231	34,438	58,048	16,089	13,201	0	142,569
South Carolina	264	354	6,976	10,816	3,436	34,422	26,807	16,828	21,784	0	121,687
Georgia	141	1,403	6,753	14,432	7,607	26,924	23,134	6,427	71,447	0	158,268
Florida	93	957	2,853	5,708	9,038	15,754	17,886	6,733	37,340	0	96,362
Alabama	457	3,261	9,168	11,565	5,223	29,651	19,247	5,206	37,930	0	121,708
Mississippi	0	0	1,668	4,214	3,510	8,958	25,959	0	0	0	44,309

Table X - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1920 by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	8,941	30,692	124,381	94,333	73,451	129,830	226,687	111,298	336,607	0	1,136,220
Louisiana	511	1,044	1,130	2,298	4,891	5,775	20,260	18,973	63,891	0	118,773
Texas	4,175	14,205	67,082	53,032	40,554	81,252	126,284	56,909	223,723	0	667,216
Arkansas	796	3,155	6,801	8,618	8,478	9,562	30,778	0	0	0	68,188
Oklahoma	3,459	12,288	49,368	30,385	19,528	33,241	49,365	35,416	48,993	0	282,043
Western Grain	5,421	38,308	201,484	193,677	122,438	273,807	220,721	154,853	481,606	317,177	2,009,492
Minnesota	871	5,881	48,044	39,495	26,183	59,485	50,214	25,494	124,291	128,291	508,249
North Dakota	1,172	9,237	26,506	16,002	5,017	17,349	5,037	5,308	0	0	85,628
South Dakota	589	2,433	16,853	13,890	19,897	24,762	12,980	5,461	0	0	96,865
Iowa	446	5,235	41,189	47,767	38,487	82,706	64,105	27,846	76,880	0	384,661
Nebraska	261	2,936	23,593	33,676	16,450	28,299	21,134	27,677	66,512	0	220,538
Missouri	394	3,855	13,834	16,352	5,958	17,856	37,483	47,365	201,202	188,886	533,185
Kansas	1,688	8,731	31,465	26,495	10,446	43,350	29,768	15,702	12,721	0	180,366
Rocky Mountain	7,278	15,209	43,970	46,797	38,334	87,608	145,088	73,111	79,980	0	537,375
Montana	4,123	6,315	10,268	7,366	6,585	11,383	37,158	5,652	0	0	88,850
Idaho	863	1,518	7,671	8,851	7,894	16,813	16,722	12,031	0	0	72,363
Wyoming	358	969	5,283	2,619	3,368	11,861	19,224	7,317	0	0	50,999
Colorado	895	3,591	14,437	15,166	14,399	29,887	16,508	19,914	79,980	0	194,777
New Mexico	596	2,185	3,917	4,588	3,507	5,733	9,473	6,241	0	0	36,240
Arizona	101	204	312	4,101	0	6,397	15,060	0	0	0	26,175
Utah	342	427	1,445	2,440	1,655	4,241	21,501	21,956	0	0	54,007
Nevada	0	0	637	1,666	926	1,293	9,442	0	0	0	13,964
Pacific Coast	1,810	8,664	38,395	46,126	43,780	133,368	132,986	114,420	403,717	227,284	1,150,550
Washington	145	878	8,623	8,694	6,695	23,790	25,236	34,873	91,096	0	200,030
Oregon	253	1,555	7,975	9,520	14,572	18,224	17,983	0	80,488	0	150,570
California	1,412	6,231	21,797	27,912	22,513	91,354	89,767	79,547	232,133	227,284	799,950
UNITED STATES	34,677	156,002	751,139	805,694	747,452	1,973,230	2,450,327	1,765,143	3,634,403	5,228,994	17,547,061

Table XI - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1930 by Size of Loans and Investments

State Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	796	1,407	4,120	14,028	15,913	112,370	330,348	285,704	596,743	309,515	1,670,944
Maine	83	217	0	3,434	6,070	15,704	38,697	28,408	77,721	0	170,334
New Hampshire	371	0	575	1,255	785	11,780	17,616	14,826	0	0	47,208
Vermont	120	175	0	2,695	1,829	16,620	43,785	18,060	0	0	83,284
Massachusetts	0	219	0	1,278	2,701	24,601	126,217	157,199	314,713	62,288	689,216
Rhode Island	28	0	278	0	988	4,522	15,596	0	39,577	247,227	308,216
Connecticut	194	796	3,267	5,366	3,540	39,143	88,437	67,211	164,732	0	372,686
Middle Atlantic	2,755	11,125	64,536	82,426	90,010	501,079	1,006,657	819,188	2,370,583	6,977,411	11,925,770
New York	153	937	9,668	23,621	23,560	135,029	269,569	249,294	903,123	5,793,600	7,408,554
New Jersey	62	814	7,676	6,769	15,500	104,235	162,860	158,919	481,096	291,520	1,229,451
Delaware	574	374	2,439	3,860	896	4,558	10,615	8,544	85,649	0	117,509
Pennsylvania	1,301	5,693	32,538	37,376	40,560	212,234	501,351	339,792	685,347	765,029	2,621,221
Maryland	665	3,307	10,289	9,391	8,638	34,676	44,632	34,956	158,984	127,262	432,800
Dist. of Col.	0	0	1,926	1,409	856	10,347	17,630	27,683	56,384	0	116,235
North Central	58,834	138,103	352,004	303,319	226,756	575,324	712,376	525,884	1,151,898	2,591,739	6,636,237
Michigan	5,932	16,427	55,540	49,499	52,505	122,039	132,153	85,487	421,995	477,647	1,419,224
Wisconsin	9,506	28,511	89,118	74,312	54,422	102,087	70,315	21,302	27,982	0	477,555
Illinois	27,485	44,966	93,446	77,224	51,768	156,244	277,875	262,790	208,312	1,293,743	2,493,853
Indiana	9,887	29,031	53,660	46,287	24,720	86,804	83,561	51,801	32,387	0	418,138
Ohio	6,024	19,168	60,240	55,997	43,341	108,150	148,472	104,504	461,222	820,349	1,827,467
Southern Mountain	35,681	50,949	95,910	70,676	51,315	121,750	110,810	77,160	221,125	0	835,376
West Virginia	1,785	5,978	16,872	14,946	13,689	41,559	33,417	19,458	25,625	0	173,329
Virginia	7,822	11,086	23,378	15,745	10,976	28,256	37,278	10,395	48,914	0	193,850
Kentucky	11,308	19,389	34,801	22,636	16,915	39,936	35,231	28,289	82,972	0	291,477
Tennessee	14,766	14,496	20,859	17,349	9,735	11,999	4,884	19,018	63,614	0	176,720
Southeastern	45,787	46,158	92,675	70,171	52,687	95,660	79,808	70,319	128,800	0	682,065
North Carolina	9,937	9,142	16,927	11,050	7,988	18,930	22,175	13,553	79,276	0	188,978
South Carolina	3,831	4,486	9,796	6,320	8,868	8,263	12,691	6,198	34,126	0	94,579
Georgia	12,444	11,033	16,320	11,955	7,765	18,072	15,897	29,521	0	0	123,007
Florida	4,903	4,778	12,845	9,763	7,514	11,240	6,762	6,404	0	0	64,209
Alabama	9,201	8,312	11,992	7,153	4,267	11,724	7,129	0	15,398	0	75,176
Mississippi	5,471	8,407	24,795	23,930	16,285	27,431	15,154	14,643	0	0	136,116

Table XI - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1930 by Size of Loans and Investments (Continued)

State Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	61,779	52,288	97,691	59,803	38,774	64,738	67,355	65,022	136,079	77,672	721,201
Louisiana	4,090	5,170	18,132	11,723	13,563	26,509	29,843	23,586	97,687	77,672	307,975
Texas	29,212	22,767	45,792	26,615	10,312	15,981	17,337	24,011	24,434	0	216,461
Arkansas	13,119	10,069	17,355	15,355	11,341	15,478	13,280	17,425	13,958	0	127,380
Oklahoma	15,358	14,282	16,412	6,110	3,558	6,770	6,895	0	0	0	69,385
Western Grain	176,201	208,255	380,464	186,919	136,043	189,528	185,508	80,477	173,580	259,318	1,976,293
Minnesota	23,489	30,960	74,778	46,017	23,916	31,171	21,606	6,999	40,651	0	299,587
North Dakota	14,744	6,756	9,539	2,163	880	0	0	0	0	0	34,082
South Dakota	11,395	14,495	22,090	4,789	4,135	7,381	2,702	0	0	0	66,987
Iowa	22,797	46,335	102,522	54,456	51,079	60,419	80,915	26,489	47,386	0	492,398
Nebraska	24,460	30,143	52,240	12,675	8,528	6,961	3,592	0	0	0	138,599
Missouri	43,048	41,031	71,541	46,232	29,685	58,005	72,254	46,989	85,543	259,318	753,646
Kansas	36,268	38,535	47,754	20,587	17,820	25,591	4,439	0	0	0	190,994
Rocky Mountain	16,641	23,733	50,198	31,604	27,337	40,299	77,632	41,779	68,001	0	377,224
Montana	3,965	5,321	7,995	6,696	4,828	7,602	8,748	16,283	0	0	61,438
Idaho	2,485	5,495	8,164	3,590	4,191	6,505	11,297	0	0	0	41,727
Wyoming	1,790	1,865	6,152	2,806	2,627	6,073	2,307	0	0	0	23,620
Colorado	6,541	4,919	10,348	5,414	1,740	3,089	11,852	0	10,035	0	53,938
New Mexico	507	1,269	4,077	3,217	0	0	2,532	0	0	0	11,602
Arizona	318	455	2,264	1,828	2,006	7,022	18,715	5,364	13,458	0	51,430
Utah	710	3,440	9,274	6,272	8,543	7,779	12,837	20,132	44,508	0	113,495
Nevada	325	969	1,924	1,781	3,402	2,229	9,344	0	0	0	19,974
Pacific Coast	12,604	19,409	55,073	33,659	37,643	84,729	113,197	76,167	151,781	903,170	1,487,432
Washington	6,982	7,009	22,232	11,176	10,422	25,116	17,467	14,936	23,748	0	139,088
Oregon	4,619	7,046	7,932	8,967	11,360	8,063	6,677	11,806	0	0	66,470
California	1,003	5,354	24,909	13,516	15,861	51,550	89,053	49,425	128,033	903,170	1,281,874
UNITED STATES	411,078	551,427	1,192,671	852,605	676,478	1,785,477	2,683,691	2,041,700	4,998,590	11,118,825	26,312,542

Table XI - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1930 by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
New England	705	802	14,141	27,330	34,234	141,423	327,305	237,117	453,281	726,076	1,962,414
Maine	0	0	259	4,535	4,354	17,218	62,064	41,463	11,600	0	141,493
New Hampshire	143	0	3,947	7,363	8,761	16,450	30,589	8,173	0	0	75,426
Vermont	0	193	1,883	4,351	5,366	21,441	29,146	5,900	0	0	68,280
Massachusetts	423	0	5,148	7,132	6,746	59,227	152,452	92,376	313,952	726,076	1,363,532
Rhode Island	0	162	0	553	1,824	0	4,782	30,610	15,152	0	53,083
Connecticut	139	447	2,904	3,396	7,183	27,087	48,272	58,595	112,577	0	260,600
Middle Atlantic	879	10,961	89,991	142,898	188,195	661,342	1,243,515	839,705	1,260,601	4,582,513	9,020,600
New York	131	2,158	25,438	45,754	59,444	195,869	409,136	274,064	400,008	3,744,309	5,156,311
New Jersey	0	1,233	11,978	21,213	26,452	124,620	239,322	146,846	308,585	0	880,249
Delaware	0	217	1,731	1,386	1,813	3,938	11,570	0	0	0	20,655
Pennsylvania	748	7,112	48,579	69,031	91,661	298,920	522,019	356,955	453,925	779,153	2,628,103
Maryland	0	241	2,265	5,514	8,825	36,376	49,287	33,234	15,173	59,051	209,966
Dist. of Col.	0	0	0	0	0	1,619	12,181	28,606	82,910	0	125,316
North Central	5,669	21,103	100,103	93,265	136,774	364,955	530,586	433,258	513,909	1,082,383	3,282,005
Michigan	266	1,047	6,489	5,849	21,935	44,509	62,825	78,592	68,116	226,627	516,255
Wisconsin	377	1,519	9,325	10,543	12,795	65,686	79,033	64,667	46,657	133,138	423,740
Illinois	2,339	9,792	40,346	35,196	50,490	104,070	190,407	137,945	98,740	638,405	1,307,730
Indiana	999	5,357	18,194	15,779	18,764	55,395	80,868	57,554	102,570	0	355,480
Ohio	1,688	3,388	25,749	25,898	32,790	95,295	117,453	94,500	197,826	84,213	678,800
Southern Mountain	1,580	4,289	43,278	64,217	48,536	146,471	149,148	108,993	378,791	0	945,303
West Virginia	411	1,483	9,870	12,430	9,792	28,693	34,732	37,731	25,979	0	161,121
Virginia	290	971	11,885	20,238	19,004	45,240	63,333	44,625	101,918	0	307,504
Kentucky	122	617	13,092	18,770	12,623	46,912	36,270	7,113	89,573	0	225,092
Tennessee	757	1,218	8,431	12,779	7,117	25,626	14,813	19,524	161,321	0	251,586
Southeastern	1,576	6,746	24,007	33,697	34,156	114,995	172,242	48,630	209,774	134,427	780,250
North Carolina	309	371	3,345	4,533	2,479	30,693	45,064	19,676	0	0	106,470
South Carolina	163	450	3,424	3,045	1,777	10,244	23,043	0	22,864	0	65,010
Georgia	123	2,462	7,306	7,965	6,701	14,917	22,173	0	11,937	134,427	208,011
Florida	0	1,123	1,835	6,659	4,206	22,105	16,768	15,682	79,996	0	148,375
Alabama	981	2,340	7,842	10,249	11,293	25,793	24,543	0	94,977	0	178,018
Mississippi	0	0	254	1,246	7,700	11,243	40,651	13,272	0	0	74,366

Table XI - Distribution of the Aggregate Loans and Investments of Incorporated Banks ~~in~~ 1930
by Size of Loans and Investments (Continued)

National Banks

States by geographic divisions	Loans and investments by size groups (in thousands of dollars)										
	Under $150	$150 to 250	$250 to 500	$500 to 750	$750 to 1,000	$1,000 to 2,000	$2,000 to 5,000	$5,000 to 10,000	$10,000 to 50,000	$50,000 and over	Total
Southwestern	14,266	37,734	101,197	66,051	70,768	93,827	183,383	153,937	385,132	116,587	1,222,882
Louisiana	204	623	3,022	1,984	3,565	7,000	6,739	0	73,009	0	96,146
Texas	9,267	20,262	61,817	42,013	44,057	55,117	105,850	122,255	223,144	66,235	750,017
Arkansas	856	2,704	6,370	6,435	3,164	7,602	18,310	20,473	0	0	65,914
Oklahoma	3,939	14,145	29,988	15,619	19,982	24,108	52,484	11,209	88,979	50,352	310,805
Western Grain	9,137	42,050	149,843	107,107	90,526	194,788	258,490	154,397	309,624	372,093	1,688,055
Minnesota	851	6,040	34,005	26,718	20,335	49,184	56,349	28,522	53,853	228,713	504,570
North Dakota	1,468	6,593	11,532	6,834	4,238	10,432	20,548	5,760	0	0	67,405
South Dakota	1,085	3,505	11,831	7,558	8,672	8,180	23,294	0	0	0	64,125
Iowa	1,593	6,009	27,842	24,728	20,452	48,468	43,718	52,267	38,784	0	263,861
Nebraska	720	6,480	24,786	12,548	9,200	25,197	29,413	7,953	77,501	0	193,798
Missouri	1,071	2,916	9,700	10,383	13,173	14,527	61,698	41,467	113,618	143,380	411,933
Kansas	2,349	10,507	30,147	18,338	14,456	38,800	23,470	18,428	25,868	0	182,363
Rocky Mountain	2,924	9,071	33,320	24,066	24,380	58,402	100,996	77,401	113,385	0	443,945
Montana	1,252	2,542	4,371	2,352	3,480	11,255	26,743	8,728	12,398	0	73,121
Idaho	380	1,250	6,395	3,195	2,481	7,653	6,467	6,492	0	0	34,313
Wyoming	146	184	2,995	1,180	2,256	6,077	18,467	0	0	0	31,305
Colorado	785	4,257	14,044	10,257	5,471	25,989	18,422	7,356	100,987	0	187,568
New Mexico	361	589	2,323	1,794	4,098	1,520	12,165	6,017	0	0	28,867
Arizona	0	249	707	3,243	794	1,331	3,239	17,142	0	0	26,705
Utah	0	0	2,083	717	4,179	1,717	4,783	31,666	0	0	45,145
Nevada	0	0	402	1,328	1,621	2,860	10,710	0	0	0	16,921
Pacific Coast	1,427	8,002	33,811	38,372	40,053	104,994	146,931	81,803	191,754	1,756,772	2,403,919
Washington	295	1,724	9,364	7,960	12,287	31,436	38,751	14,569	79,204	65,347	260,937
Oregon	294	2,898	8,968	9,481	9,840	19,273	23,204	10,696	38,592	59,729	182,975
California	838	3,380	15,479	20,931	17,926	54,285	84,976	56,538	73,958	1,631,696	1,960,007
UNITED STATES	38,163	140,758	589,691	597,003	667,622	1,881,197	3,112,596	2,135,241	3,816,251	8,770,851	21,749,373

Table XII - Distribution of Incorporated Banks in 1920 by Size of Town

State Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
New England	1	3	45	35	41	55	34	28	78	320
Maine	0	1	17	11	11	7	3	5	0	55
New Hampshire	0	0	8	5	2	4	3	3	0	25
Vermont	1	1	14	8	6	9	0	0	0	39
Massachusetts	0	0	3	1	12	18	17	13	48	112
Rhode Island	0	1	0	2	1	0	3	2	7	16
Connecticut	0	0	3	8	9	17	8	5	23	73
Middle Atlantic	46	91	138	143	143	158	64	101	349	1,233
New York	5	31	63	46	24	32	14	15	96	326
New Jersey	0	0	5	14	34	22	15	26	38	154
Delaware	4	4	3	5	0	0	0	0	4	20
Pennsylvania	11	26	45	60	79	99	26	60	153	559
Maryland	26	30	22	18	6	5	9	0	28	144
District of Col.	0	0	0	0	0	0	0	0	30	30
North Central	889	760	659	330	235	218	164	70	296	3,621
Michigan	111	118	126	51	44	27	28	9	27	541
Wisconsin	307	199	126	68	29	26	38	4	20	817
Illinois	245	195	178	92	67	55	42	14	129	1,017
Indiana	120	125	121	67	48	61	25	35	23	625
Ohio	106	123	108	52	47	49	31	8	97	621
Southern Mountain	563	285	238	118	69	42	33	40	62	1,450
West Virginia	39	41	46	26	14	20	14	16	0	216
Virginia	158	49	52	13	10	6	12	8	27	335
Kentucky	193	90	70	37	27	11	7	5	11	451
Tennessee	173	105	70	42	18	5	0	11	24	448
Southeastern	533	499	608	255	143	106	37	52	15	2,248
North Carolina	151	95	118	49	31	29	18	0	0	491
South Carolina	108	55	99	47	21	23	3	15	0	371
Georgia	107	146	187	83	45	21	6	22	12	629
Florida	33	57	59	19	18	1	7	11	0	205
Alabama	58	72	62	25	10	9	3	4	3	246
Mississippi	76	74	83	32	18	23	0	0	0	306

Table XII - Distribution of Incorporated Banks in 1920 by Size of Town (Continued)

State Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
Southwestern	726	558	467	226	106	74	17	18	39	2,231
Louisiana	58	53	41	41	14	10	3	0	9	229
Texas	253	297	236	85	42	35	11	3	30	992
Arkansas	139	92	83	49	19	8	1	8	0	399
Oklahoma	276	116	107	51	31	21	2	7	0	611
Western Grain	3,989	1,376	969	368	211	177	41	82	200	7,413
Minnesota	650	184	140	47	42	28	0	10	76	1,177
North Dakota	564	83	40	12	5	13	0	0	0	717
South Dakota	335	119	68	7	16	3	4	0	0	552
Iowa	591	302	204	99	47	48	23	22	18	1,354
Nebraska	563	198	154	39	28	9	0	7	10	1,008
Missouri	704	288	236	98	48	31	14	13	79	1,511
Kansas	582	202	127	66	25	45	0	30	17	1,094
Rocky Mountain	446	166	207	95	55	38	17	0	30	1,054
Montana	160	44	38	9	11	13	3	0	0	278
Idaho	55	38	20	13	11	4	0	0	0	141
Wyoming	58	8	31	5	6	3	0	0	0	111
Colorado	134	30	37	15	6	6	7	0	20	255
New Mexico	26	10	16	15	6	2	0	0	0	75
Arizona	6	16	13	16	10	2	4	0	0	67
Utah	5	16	42	19	5	4	3	0	10	104
Nevada	2	4	10	3	0	4	0	0	0	23
Pacific Coast	199	153	168	108	75	55	21	23	103	905
Washington	104	57	55	17	15	13	4	4	34	303
Oregon	68	39	24	17	11	7	0	0	19	185
California	27	57	89	74	49	35	17	19	50	417
UNITED STATES	7,392	3,891	3,499	1,678	1,078	923	428	414	1,172	20,475

Table XII - Distribution of Incorporated Banks in 1920 by Size of Town (Continued)

National Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
New England	1	17	67	54	69	86	36	27	52	409
Maine	0	5	16	10	15	9	4	4	0	63
New Hampshire	0	0	14	11	8	16	2	4	0	55
Vermont	1	7	18	6	10	7	0	0	0	49
Massachusetts	0	1	13	15	28	40	14	15	33	159
Rhode Island	0	1	2	0	0	1	6	0	7	17
Connecticut	0	3	4	12	8	13	10	4	12	66
Middle Atlantic	118	212	367	311	181	188	72	54	177	1,680
New York	31	63	113	90	34	56	29	13	62	491
New Jersey	5	17	40	50	36	24	12	9	19	212
Delaware	3	4	7	2	0	0	0	0	3	19
Pennsylvania	70	113	184	154	104	104	26	32	64	851
Maryland	9	15	23	15	7	4	5	0	14	92
Dist. of Col.	0	0	0	0	0	0	0	0	15	15
North Central	87	178	328	205	209	157	82	49	72	1,367
Michigan	1	3	26	17	26	15	13	5	6	112
Wisconsin	4	20	31	31	24	21	13	3	4	151
Illinois	38	72	130	75	60	41	25	16	23	480
Indiana	22	34	61	40	35	30	12	14	6	254
Ohio	22	49	80	42	64	50	19	11	33	370
Southern Mountain	42	59	144	120	56	37	17	21	23	519
West Virginia	13	13	41	24	8	13	6	4	0	122
Virginia	17	24	45	29	17	11	5	6	11	165
Kentucky	5	11	41	36	20	8	6	3	4	134
Tennessee	7	11	17	31	11	5	0	8	8	98
Southeastern	11	32	122	96	69	72	22	16	6	446
North Carolina	2	2	16	26	14	20	7	0	0	87
South Carolina	3	10	19	15	16	9	5	5	0	82
Georgia	0	6	30	20	14	12	3	4	4	93
Florida	0	4	15	12	10	3	3	6	0	53
Alabama	6	10	36	18	10	14	4	1	2	101
Mississippi	0	0	6	5	5	14	0	0	0	30

Table XII - Distribution of Incorporated Banks in 1920 by Size of Town (Continued)

National Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
Southwestern	62	184	348	181	98	78	28	20	26	1,025
Louisiana	0	5	4	10	7	6	4	0	2	38
Texas	25	105	200	85	52	44	17	4	24	556
Arkansas	1	14	26	22	11	4	3	2	0	83
Oklahoma	36	60	118	64	28	24	4	14	0	348
Western Grain	215	352	480	203	136	97	19	28	49	1,579
Minnesota	42	78	108	44	25	17	0	4	13	331
North Dakota	59	56	44	7	7	8	0	0	0	181
South Dakota	25	34	44	13	14	3	3	0	0	136
Iowa	38	84	96	59	37	21	12	8	3	358
Nebraska	21	37	70	19	22	6	0	4	9	188
Missouri	5	16	43	16	14	12	4	4	22	136
Kansas	25	47	75	45	17	30	0	8	2	249
Rocky Mountain	101	69	141	78	53	48	15	0	14	519
Montana	57	25	30	6	12	13	2	0	0	145
Idaho	7	9	29	14	14	8	0	0	0	81
Wyoming	3	2	21	6	6	9	0	0	0	47
Colorado	22	25	34	25	12	9	6	0	8	141
New Mexico	11	4	14	11	3	4	0	0	0	47
Arizona	0	0	4	6	4	3	3	0	0	20
Utah	1	4	4	7	2	0	4	0	6	28
Nevada	0	0	5	3	0	2	0	0	0	10
Pacific Coast	32	61	134	90	56	40	17	15	35	480
Washington	5	10	27	17	5	8	4	1	10	87
Oregon	8	15	29	15	12	6	0	0	5	90
California	19	36	78	58	39	26	13	14	20	303
UNITED STATES	669	1,164	2,131	1,338	927	803	308	230	454	8,024

Table XIII - Distribution of Incorporated Banks in 1930 by Size of Town

State Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10 000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
New England	1	4	47	36	45	59	36	21	77	326
Maine	0	1	13	8	11	7	3	4	0	47
New Hampshire	0	0	10	5	0	4	3	3	0	25
Vermont	1	1	14	7	7	9	0	0	0	39
Massachusetts	0	0	3	2	12	21	13	11	38	100
Rhode Island	0	0	1	2	0	1	2	1	9	16
Connecticut	0	2	6	12	15	17	15	2	30	99
Middle Atlantic	96	117	150	178	167	202	73	109	336	1,428
New York	11	48	57	53	36	46	14	15	92	372
New Jersey	1	2	11	18	41	47	25	36	51	232
Delaware	6	5	5	5	0	0	0	0	11	32
Pennsylvania	40	40	57	84	85	104	27	58	137	632
Maryland	38	22	20	18	5	5	7	0	18	133
Dist. of Col.	0	0	0	0	0	0	0	0	27	27
North Central	1,041	761	648	299	215	201	169	92	397	3,823
Michigan	141	107	132	53	41	39	17	32	38	600
Wisconsin	279	185	121	50	23	30	38	16	31	773
Illinois	381	218	174	80	61	54	45	25	182	1,220
Indiana	129	123	103	51	38	38	29	15	77	603
Ohio	111	128	118	65	52	40	40	4	69	627
Southern Mountain	489	249	206	95	60	41	28	33	54	1,255
West Virginia	28	38	40	14	16	11	6	26	0	179
Virginia	140	44	30	17	7	12	9	2	17	278
Kentucky	172	82	69	27	23	15	10	5	16	419
Tennessee	149	85	67	37	14	3	3	0	21	379
Southeastern	296	271	332	190	85	63	24	35	39	1,335
North Carolina	66	51	68	29	18	11	6	13	0	262
South Carolina	31	19	28	21	18	2	3	11	0	133
Georgia	73	61	84	41	18	15	4	10	9	315
Florida	15	25	34	28	17	7	6	0	20	152
Alabama	55	45	55	31	6	12	0	1	10	215
Mississippi	56	70	63	40	8	16	5	0	0	258

Table XIII - Distribution of Incorporated Banks in 1930 by Size of Town (Continued)

State Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
Southwestern	488	325	324	169	102	47	19	17	36	1,527
Louisiana	34	28	51	36	18	8	5	3	8	191
Texas	202	163	145	71	47	19	9	7	23	686
Arkansas	106	69	64	48	20	12	2	7	0	328
Oklahoma	146	65	64	14	17	8	3	0	5	322
Western Grain	2,427	910	648	260	133	131	36	50	151	4,746
Minnesota	393	134	95	37	24	21	0	0	43	747
North Dakota	188	39	20	0	3	3	1	0	0	254
South Dakota	172	50	37	7	3	6	2	0	0	277
Iowa	436	209	141	84	21	30	23	21	9	974
Nebraska	339	126	81	24	14	10	0	2	6	602
Missouri	476	203	184	71	45	29	6	16	63	1,093
Kansas	423	149	90	37	23	32	4	11	30	799
Rocky Mountain	176	101	137	69	51	22	16	3	16	591
Montana	52	25	23	8	6	4	3	0	0	121
Idaho	25	27	13	19	8	4	0	0	0	96
Wyoming	19	8	23	2	5	2	0	0	0	59
Colorado	71	18	24	9	12	4	3	3	6	150
New Mexico	2	6	4	6	6	1	1	0	0	26
Arizona	1	7	4	5	7	0	6	0	0	30
Utah	4	4	36	18	5	4	3	0	10	84
Nevada	2	6	10	2	2	3	0	0	0	25
Pacific Coast	132	95	113	48	42	35	14	6	103	588
Washington	64	52	40	13	7	13	2	0	33	224
Oregon	52	17	24	11	9	5	2	0	15	135
California	16	26	49	24	26	17	10	6	55	229
UNITED STATES	5,146	2,833	2,605	1,344	900	801	415	366	1,209	15,619

Table XIII - Distribution of Incorporated Banks in 1930 by Size of Town (Continued)

National Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
New England	1	16	61	52	60	87	37	22	41	377
Maine	0	5	11	10	13	7	3	3	0	52
New Hampshire	0	0	13	12	6	16	5	4	0	56
Vermont	0	7	16	6	9	7	0	0	0	45
Massachusetts	1	1	11	16	24	44	17	11	27	152
Rhode Island	0	1	1	0	0	1	2	0	5	10
Connecticut	0	2	9	8	8	12	10	4	9	62
Middle Atlantic	137	257	368	312	211	213	78	61	166	1,803
New York	35	90	125	94	47	62	27	12	64	556
New Jersey	5	27	47	50	56	43	23	17	29	297
Delaware	3	2	7	2	0	0	0	0	2	16
Pennsylvania	86	125	170	151	103	103	23	32	52	845
Maryland	8	13	19	15	5	5	5	0	7	77
Dist. of Col.	0	0	0	0	0	0	0	0	12	12
North Central	80	164	276	175	207	145	83	42	89	1,261
Michigan	1	6	28	23	23	23	9	7	6	126
Wisconsin	3	17	31	28	28	17	17	7	7	155
Illinois	40	68	109	59	68	34	26	17	41	462
Indiana	18	29	40	26	36	26	13	7	15	210
Ohio	18	44	68	39	52	45	18	4	20	308
Southern Mountain	41	56	136	96	79	36	27	9	20	500
West Virginia	10	12	37	14	18	9	6	5	0	111
Virginia	23	21	42	24	19	13	8	2	5	157
Kentucky	5	10	41	30	23	8	11	2	3	133
Tennessee	3	13	16	28	19	6	2	0	12	99
Southeastern	4	17	73	73	65	76	19	24	14	365
North Carolina	0	2	10	11	13	15	2	11	0	64
South Carolina	2	2	5	6	7	5	5	3	0	35
Georgia	0	2	24	15	15	11	2	4	2	75
Florida	0	1	8	12	15	6	5	0	8	55
Alabama	2	10	22	24	12	21	0	6	4	101
Mississippi	0	0	4	5	3	18	5	0	0	35

Table XIII - Distribution of Incorporated Banks in 1930 by Size of Town (Continued)

National Banks

States by geographic divisions	Number of banks by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
Southwestern	68	151	313	167	116	74	24	19	37	969
Louisiana	0	2	6	8	5	4	2	3	1	31
Texas	48	95	190	96	65	43	14	16	26	593
Arkansas	0	14	20	14	9	7	3	0	0	67
Oklahoma	20	40	97	49	37	20	5	0	10	278
Western Grain	173	270	346	145	112	95	28	21	62	1,252
Minnesota	26	57	73	36	27	19	0	0	25	263
North Dakota	37	30	22	3	10	6	4	0	0	112
South Dakota	24	22	26	9	3	8	3	0	0	95
Iowa	27	64	61	35	18	11	14	8	3	241
Nebraska	24	33	66	13	14	11	0	4	6	171
Missouri	6	13	30	14	20	13	4	4	21	125
Kansas	29	51	68	35	20	27	3	5	7	245
Rocky Mountain	32	53	85	48	42	29	14	2	12	317
Montana	13	14	14	5	7	7	3	0	0	63
Idaho	4	8	10	11	6	2	0	0	0	41
Wyoming	1	0	11	5	4	4	0	0	0	25
Colorado	11	23	36	10	14	12	4	2	8	120
New Mexico	3	3	7	5	4	2	2	0	0	26
Arizona	0	0	3	3	4	0	4	0	0	14
Utah	0	4	1	5	3	0	1	0	4	18
Nevada	0	1	3	4	0	2	0	0	0	10
Pacific Coast	31	43	90	71	39	51	21	13	44	403
Washington	6	13	26	21	3	17	6	0	13	105
Oregon	7	15	22	18	13	8	2	0	8	93
California	18	15	42	32	23	26	13	13	23	205
UNITED STATES	567	1,027	1,748	1,139	931	806	331	213	485	7,247

Table XIV - Distribution of the Aggregate Loans and Investments of Incorporated Banks on June 30, 1920 by Size of Town

States by geographic divisions	State Banks									
	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
New England	2,587	1,026	35,243	30,895	73,368	97,938	105,497	124,305	827,029	1,297,888
Maine	0	508	10,770	12,167	17,799	20,440	22,151	29,645	0	113,480
New Hampshire	0	0	6,939	3,459	7,082	5,060	6,325	865	0	29,730
Vermont	2,587	376	14,106	8,864	18,384	16,406	0	0	0	60,723
Massachusetts	0	0	2,671	679	13,531	31,134	57,950	56,838	586,418	749,221
Rhode Island	0	142	0	1,488	7,785	0	3,893	17,459	148,889	179,656
Connecticut	0	0	757	4,238	8,787	24,898	15,178	19,498	91,722	165,078
Middle Atlantic	11,051	35,848	86,834	138,966	192,487	323,062	197,273	338,079	4,736,468	6,060,068
New York	1,663	12,026	40,631	44,742	34,925	73,181	58,495	73,020	3,303,197	3,641,880
New Jersey	0	0	3,414	14,673	48,484	62,239	63,014	125,496	253,576	570,896
Delaware	966	2,452	4,032	13,107	0	0	0	0	29,237	49,794
Pennsylvania	1,142	6,076	26,812	52,613	97,073	177,367	58,188	139,563	937,558	1,496,392
Maryland	7,280	15,294	11,945	13,831	12,005	10,275	17,576	0	130,959	219,165
Dist. of Col.	0	0	0	0	0	0	0	0	81,941	81,941
North Central	204,830	267,537	322,379	206,041	200,885	272,530	300,620	187,587	2,246,416	4,208,825(1)
Michigan	25,662	45,123	73,900	35,712	50,263	51,176	98,321	62,681	440,366	883,204
Wisconsin	62,057	73,079	62,448	48,030	23,340	25,100	40,409	3,540	90,563	428,566
Illinois	74,022	79,421	92,372	54,179	52,243	64,756	85,497	35,017	999,604	1,537,111(1)
Indiana	21,691	31,145	42,636	34,244	35,077	63,831	22,940	61,348	50,024	362,936
Ohio	21,398	38,769	51,023	33,876	39,962	67,667	53,453	25,001	665,859	997,008
Southern Mountain	92,263	66,725	92,498	63,580	55,361	37,539	50,395	62,546	185,921	706,828
West Virginia	9,779	11,325	25,733	16,749	11,854	21,712	22,467	33,936	0	153,555
Virginia	29,801	13,463	21,703	6,393	12,558	3,310	17,489	7,615	58,631	170,963
Kentucky	34,091	23,907	25,407	17,165	20,545	9,649	10,439	4,475	34,856	180,534
Tennessee	18,592	18,030	19,655	23,273	10,404	2,868	0	16,520	92,434	201,776
Southeastern	67,842	95,744	192,983	133,796	134,888	102,634	83,288	144,984	43,165	999,324
North Carolina	24,280	24,377	45,676	25,726	24,633	30,585	58,846	0	0	234,123
South Carolina	13,661	13,478	36,242	29,288	17,883	20,797	4,541	20,833	0	156,723
Georgia	10,227	18,849	40,594	33,254	27,657	16,534	6,328	92,447	22,950	268,840
Florida	2,951	9,028	18,925	9,421	16,131	1,478	10,216	17,975	0	86,125
Alabama	7,177	10,820	17,071	15,885	9,320	7,527	3,357	13,729	20,215	105,101
Mississippi	9,546	19,192	34,475	20,222	39,264	25,713	0	0	0	148,412

Table XIV - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1920 by Size of Town (Continued)

State Banks

States by geographic divisions	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
Southwestern	76,725	95,774	149,832	107,120	73,934	80,196	30,494	46,801	230,506	891,382
Louisiana	8,080	14,472	17,376	27,964	13,189	18,252	9,976	0	180,059	289,368
Texas	24,014	45,142	70,556	37,350	29,172	30,073	17,602	5,826	50,447	310,182
Arkansas	10,579	15,755	31,175	23,556	14,440	9,793	730	29,286	0	135,314
Oklahoma	34,052	20,405	30,725	18,250	17,133	22,078	2,186	11,689	0	156,518
Western Grain	663,206	399,651	391,311	199,595	122,747	164,380	62,813	118,364	496,833	2,618,900
Minnesota	125,031	63,610	66,287	27,443	25,071	25,020	0	5,474	89,895	427,831
North Dakota	85,305	20,143	11,790	5,316	1,797	8,350	0	0	0	132,701
South Dakota	62,210	38,735	34,115	5,330	10,250	1,745	10,436	0	0	162,821
Iowa	128,635	107,708	106,204	65,317	33,423	65,687	37,346	52,428	47,945	644,693
Nebraska	93,770	58,089	57,119	16,512	10,443	5,815	0	7,153	11,291	260,192
Missouri	87,938	65,657	76,843	51,442	30,234	24,510	15,031	15,582	336,463	703,700
Kansas	80,317	45,709	38,953	28,235	11,529	33,253	0	37,727	11,239	286,962
Rocky Mountain	61,409	39,441	71,554	56,638	53,634	46,997	31,702	0	81,919	443,294
Montana	25,973	12,279	12,728	5,241	10,387	20,937	5,490	0	0	93,035
Idaho	8,996	9,669	8,432	12,844	13,310	3,940	0	0	0	57,191
Wyoming	6,263	1,527	10,487	1,622	5,140	1,788	0	0	0	26,827
Colorado	14,597	5,571	10,790	4,571	2,636	4,303	8,638	0	41,637	92,743
New Mexico	3,627	2,086	4,463	6,935	2,242	2,830	0	0	0	22,183
Arizona	649	3,111	3,968	15,552	15,173	2,072	10,640	0	0	51,165
Utah	582	3,833	13,836	7,455	4,746	3,872	6,934	0	40,282	81,540
Nevada	722	1,365	6,850	2,418	0	7,255	0	0	0	18,610
Pacific Coast	36,526	48,715	89,274	82,264	88,536	77,568	72,753	89,294	791,431	1,376,361
Washington	16,262	13,139	23,512	11,535	10,557	14,471	4,351	10,797	69,549	174,173
Oregon	11,711	9,452	10,617	10,884	9,590	9,108	0	0	49,776	111,138
California	8,553	26,124	55,145	59,845	68,389	53,989	68,402	78,497	672,106	1,091,050
UNITED STATES	1,191,951	1,032,975	1,414,710	1,014,422	992,193	1,198,127	934,593	1,111,960	9,636,975	18,527,906

Table XIV - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1920 by Size of Town (Continued)

States by geographic divisions	National Banks									
	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
New England	322	8,572	36,819	38,084	74,030	144,491	76,871	104,642	761,235	1,245,066
Maine	0	2,774	10,799	8,849	17,283	18,199	15,792	22,237	0	95,933
New Hampshire	0	0	6,193	5,580	5,511	20,780	5,300	9,086	0	52,450
Vermont	322	4,100	11,977	5,273	15,033	9,971	0	0	0	46,676
Massachusetts	0	159	5,835	7,784	27,404	67,229	29,373	57,221	606,196	801,201
Rhode Island	0	288	551	0	0	750	8,339	0	48,702	58,630
Connecticut	0	1,251	1,464	10,598	8,799	27,562	18,067	16,098	106,337	190,176
Middle Atlantic	45,669	101,223	260,596	329,454	247,788	448,220	226,417	243,681	4,949,212	6,852,260
New York	12,404	27,836	77,834	87,384	43,800	150,604	88,046	70,853	3,474,280	4,033,041
New Jersey	1,478	8,609	29,926	49,352	55,614	49,825	44,200	44,022	189,977	473,003
Delaware	1,004	1,465	5,057	3,003	0	0	0	0	8,144	18,673
Pennsylvania	24,893	54,633	130,036	174,722	140,440	236,019	81,854	128,806	1,045,932	2,017,335
Maryland	5,890	8,680	17,743	14,993	7,934	11,772	12,317	0	146,028	225,357
Dist. of Col.	0	0	0	0	0	0	0	0	84,851	84,851
North Central	20,259	61,670	186,841	158,294	226,949	293,942	258,169	227,518	1,651,335	3,084,977
Michigan	317	830	17,741	15,156	31,336	27,195	57,031	26,286	155,754	331,646
Wisconsin	550	9,086	17,664	25,723	29,313	54,643	50,186	13,216	130,498	330,879
Illinois	9,692	22,242	81,008	50,251	61,897	73,836	69,305	67,912	835,257	1,271,400
Indiana	4,700	10,583	26,210	28,892	33,080	47,076	30,274	67,422	81,179	329,416
Ohio	5,000	18,929	44,218	38,272	71,323	91,192	51,373	52,682	448,647	821,636
Southern Mountain	12,071	24,276	80,906	110,820	70,466	82,478	69,540	106,542	289,119	846,218
West Virginia	4,282	5,597	19,796	21,165	10,059	30,025	23,929	23,656	0	138,509
Virginia	4,945	10,644	28,965	41,153	24,919	26,226	25,950	22,687	140,717	326,206
Kentucky	1,313	4,598	23,332	27,121	21,820	17,801	19,661	9,732	73,248	198,626
Tennessee	1,531	3,437	8,813	21,381	13,668	8,426	0	50,467	75,154	182,877
Southeastern	2,752	10,079	61,611	78,086	85,958	159,345	85,502	107,935	93,635	684,903
North Carolina	645	740	9,593	23,726	20,111	56,739	31,015	0	0	142,569
South Carolina	877	4,266	11,037	10,319	23,954	22,273	25,350	23,611	0	121,687
Georgia	0	1,716	15,082	14,365	13,205	22,305	5,812	21,171	64,612	158,268
Florida	0	865	6,842	10,889	10,573	5,234	10,472	51,487	0	96,362
Alabama	1,230	2,492	15,737	13,864	10,032	24,811	12,853	11,666	29,023	121,708
Mississippi	0	0	3,320	4,923	8,083	27,983	0	0	0	44,309

Table XIV - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1920 by Size of Town (Continued)

National Banks

States by geographic divisions	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
Southwestern	11,680	45,487	145,598	110,476	112,702	166,392	132,466	127,989	283,430	1,136,220
Louisiana	0	999	1,627	7,109	9,109	24,956	28,680	0	46,293	118,773
Texas	4,506	26,374	89,863	55,482	61,105	91,178	77,502	24,069	237,137	667,216
Arkansas	47	3,237	11,242	12,915	15,558	7,473	10,428	7,288	0	68,188
Oklahoma	7,127	14,877	42,866	34,970	26,930	42,785	15,856	96,632	0	282,043
Western Grain	57,815	138,698	253,909	162,765	154,366	176,098	68,977	157,571	839,293	2,009,492
Minnesota	11,565	32,688	56,800	38,207	39,043	36,615	0	42,457	250,874	508,249
North Dakota	13,767	18,957	22,902	6,896	7,509	15,597	0	0	0	85,628
South Dakota	7,482	13,645	28,111	11,606	19,199	4,981	11,841	0	0	96,865
Iowa	12,744	36,169	59,089	55,913	38,239	45,291	48,548	43,167	45,451	384,661
Nebraska	6,670	18,680	40,031	12,420	22,450	9,321	0	17,597	93,369	220,538
Missouri	1,164	5,065	15,890	10,820	12,434	15,827	8,588	23,674	439,723	533,185
Kansas	4,423	13,494	31,086	26,903	15,442	48,466	0	30,676	9,876	180,366
Rocky Mountain	17,845	19,580	72,710	65,268	76,045	110,471	50,771	0	124,685	537,375
Montana	8,578	6,217	14,766	6,519	19,103	26,145	7,522	0	0	88,850
Idaho	1,467	2,614	15,809	12,141	17,903	22,429	0	0	0	72,363
Wyoming	422	323	10,859	4,340	10,233	24,822	0	0	0	50,999
Colorado	5,525	8,132	18,271	19,349	16,958	12,974	23,886	0	89,682	194,777
New Mexico	1,812	969	6,816	10,569	4,112	11,962	0	0	0	36,240
Arizona	0	0	1,244	5,216	5,419	5,310	8,986	0	0	26,175
Utah	41	1,325	1,521	3,423	2,317	0	10,377	0	35,003	54,007
Nevada	0	0	3,424	3,711	0	6,829	0	0	0	13,964
Pacific Coast	6,006	22,901	76,528	80,552	82,233	79,533	52,115	76,723	673,959	1,150,550
Washington	1,501	4,073	15,245	15,283	7,444	21,584	12,429	12,525	109,946	200,030
Oregon	1,808	6,014	16,595	12,773	21,014	9,877	0	0	82,489	150,570
California	2,697	12,814	44,688	52,496	53,775	48,072	39,686	64,198	481,524	799,950
UNITED STATES	174,419	432,486	1,175,518	1,133,799	1,130,537	1,660,970	1,020,828	1,152,601	9,665,903	17,547,061

Table XV - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1930 by Size of Town

State Banks

States by geographic divisions	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
New England	3,581	2,172	60,042	56,663	92,650	182,241	183,690	149,548	940,357	1,670,944
Maine	0	217	12,975	15,710	21,101	34,038	39,317	46,976	0	170,334
New Hampshire	0	0	13,412	8,334	0	13,967	10,725	770	0	47,208
Vermont	3,581	696	20,815	10,586	24,319	23,287	0	0	0	83,284
Massachusetts	0	0	6,790	3,828	22,985	63,531	67,469	91,037	433,576	689,216
Rhode Island	0	0	1,454	5,401	0	12,988	8,010	29	280,334	308,216
Connecticut	0	1,259	4,596	12,804	24,245	34,430	58,169	10,736	226,447	372,686
Middle Atlantic	38,177	76,336	140,503	281,231	346,744	640,516	345,944	554,656	9,501,663	11,925,770
New York	7,615	32,559	62,400	95,125	92,298	172,729	114,634	124,681	6,706,513	7,408,554
New Jersey	339	1,160	10,305	20,739	73,473	149,912	110,119	206,826	656,578	1,229,451
Delaware	2,460	3,882	5,560	33,032	0	0	0	0	72,575	117,509
Pennsylvania	13,457	20,753	50,697	106,292	159,719	289,640	102,892	223,149	1,654,622	2,621,221
Maryland	14,306	17,982	11,541	26,043	21,254	28,235	18,299	0	295,140	432,800
Dist. of Col.	0	0	0	0	0	0	0	0	116,235	116,235
North Central	218,285	264,290	334,691	232,579	204,927	297,601	378,300	260,194	4,445,370	6,636,237
Michigan	33,764	44,346	88,020	49,872	48,488	81,693	65,497	140,911	866,633	1,419,224
Wisconsin	72,136	79,994	69,824	44,627	21,044	35,350	42,889	21,784	89,907	477,555
Illinois	64,489	62,297	75,391	52,618	47,972	69,346	115,617	70,761	1,935,362	2,493,853
Indiana	23,753	33,476	38,729	29,763	30,011	47,568	44,800	22,156	147,882	418,138
Ohio	24,143	44,177	62,727	55,699	57,412	63,644	109,497	4,582	1,405,586	1,827,467
Southern Mountain	86,884	68,454	91,056	59,146	55,244	54,795	47,857	87,721	284,219	835,376
West Virginia	7,716	13,437	26,586	10,957	17,965	16,200	11,532	68,936	0	173,329
Virginia	30,430	15,458	15,589	10,691	8,431	12,766	17,431	4,014	79,040	193,850
Kentucky	33,264	25,236	29,406	16,129	20,137	23,176	17,588	14,771	111,770	291,477
Tennessee	15,474	14,323	19,475	21,369	8,711	2,653	1,306	0	93,409	176,720
Southeastern	30,026	44,214	101,374	95,930	64,369	69,684	46,332	181,844	48,292	682,065
North Carolina	8,130	7,194	20,430	14,335	11,993	15,333	8,855	102,708	0	188,978
South Carolina	3,333	2,753	9,532	10,317	14,182	1,922	3,503	49,037	0	94,579
Georgia	4,538	7,479	16,630	15,010	12,524	12,067	11,087	28,878	14,794	123,007
Florida	1,265	3,081	7,952	12,874	10,649	7,258	9,533	0	11,597	64,209
Alabama	4,830	5,351	15,891	9,840	2,329	13,813	0	1,221	21,901	75,176
Mississippi	7,930	18,356	30,939	33,554	12,692	19,291	13,354	0	0	136,116

Table XV - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1930 by Size of Town (Continued)

State Banks

States by geographic divisions	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
Southwestern	42,903	51,418	84,528	79,453	62,685	52,506	25,551	68,431	253,726	721,201
Louisiana	4,949	8,701	21,009	24,146	16,931	18,382	13,810	13,106	186,941	307,975
Texas	16,246	21,389	34,410	24,991	25,041	10,673	7,810	13,208	62,693	216,461
Arkansas	7,273	10,873	14,991	25,313	12,322	14,403	78	42,117	0	127,380
Oklahoma	14,435	10,455	14,118	5,003	8,381	9,048	3,853	0	4,092	69,385
Western Grain	363,326	236,474	248,618	145,359	97,397	121,837	56,775	103,211	603,296	1,976,293
Minnesota	69,111	47,332	50,890	22,103	18,327	20,590	0	0	71,234	299,587
North Dakota	18,759	6,594	5,760	0	1,018	1,801	150	0	0	34,082
South Dakota	25,186	12,776	14,466	3,260	1,934	6,915	2,450	0	0	66,987
Iowa	89,535	68,245	70,430	60,398	21,562	41,217	47,880	76,897	16,234	492,398
Nebraska	52,218	30,589	24,730	9,783	6,526	6,351	0	299	8,103	138,599
Missouri	57,194	41,818	55,822	33,444	36,098	25,917	3,989	14,496	484,868	753,646
Kansas	51,323	29,120	26,520	16,371	11,932	19,046	2,306	11,519	22,857	190,994
Rocky Mountain	21,513	23,685	46,941	44,092	49,422	35,560	68,082	7,465	80,464	377,224
Montana	7,138	5,898	9,519	5,141	3,816	10,426	19,500	0	0	61,438
Idaho	3,059	5,487	4,389	12,749	9,031	7,012	0	0	0	41,727
Wyoming	2,348	1,923	8,807	810	7,342	2,390	0	0	0	23,620
Colorado	7,106	3,055	5,274	3,981	4,451	3,958	4,008	7,465	14,640	53,938
New Mexico	342	1,908	857	3,071	2,412	480	2,532	0	0	11,602
Arizona	28	2,430	1,311	5,000	15,801	0	26,860	0	0	51,430
Utah	613	1,325	11,874	9,638	5,374	3,665	15,182	0	65,824	113,495
Nevada	879	1,659	4,910	3,702	1,195	7,629	0	0	0	19,974
Pacific Coast	22,576	31,372	61,423	34,162	49,894	56,281	33,243	37,113	1,161,368	1,487,432
Washington	8,969	12,827	15,460	9,413	4,274	15,480	3,527	0	69,138	139,088
Oregon	8,987	4,270	8,447	5,940	8,814	4,258	5,413	0	20,341	66,470
California	4,620	14,275	37,516	18,809	36,806	36,543	24,303	37,113	1,071,889	1,281,874
UNITED STATES	827,271	798,415	1,169,176	1,028,615	1,023,332	1,511,021	1,185,774	1,450,183	17,318,755	26,312,542

Table XV - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1930 by Size of Town (Continued)

National Banks

States by geographic divisions	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
New England	253	11,053	50,360	61,308	93,389	218,740	169,119	115,057	1,243,135	1,962,414
Maine	0	3,909	13,346	23,385	26,988	27,078	19,471	27,316	0	141,493
New Hampshire	0	0	7,736	10,011	3,856	23,897	19,441	10,485	0	75,426
Vermont	0	5,711	15,723	7,272	20,703	18,871	0	0	0	68,280
Massachusetts	253	132	7,403	12,010	33,901	110,314	74,426	52,357	1,072,736	1,363,532
Rhode Island	0	162	553	0	0	962	10,083	0	41,323	53,083
Connecticut	0	1,139	5,599	8,630	7,941	37,618	45,698	24,899	129,076	260,600
Middle Atlantic	73,706	175,414	377,044	497,202	449,544	752,136	343,666	424,885	5,927,003	9,020,600
New York	20,378	63,072	134,914	170,145	109,244	253,304	127,839	124,903	4,152,512	5,156,311
New Jersey	2,351	18,195	52,880	73,333	114,748	128,505	92,801	103,913	293,023	880,249
Delaware	1,598	805	6,682	5,838	0	0	0	0	5,732	20,655
Pennsylvania	41,300	81,639	161,765	224,992	219,573	350,438	103,897	196,069	1,248,430	2,628,103
Maryland	7,579	11,703	20,803	22,894	5,979	19,889	19,129	0	101,990	209,966
Dist. of Col.	0	0	0	0	0	0	0	0	125,316	125,316
North Central	18,029	54,980	162,213	171,174	262,027	309,005	335,845	228,711	1,740,021	3,282,005
Michigan	367	2,134	21,387	24,566	36,295	49,893	61,496	66,779	253,338	516,255
Wisconsin	451	7,375	18,500	30,096	43,405	42,418	70,335	40,219	170,941	423,740
Illinois	9,353	21,040	65,730	50,359	81,748	74,943	96,378	74,796	833,383	1,307,730
Indiana	3,992	7,735	17,866	20,949	35,263	46,559	41,665	24,426	157,025	355,480
Ohio	3,866	16,696	38,730	45,204	65,316	95,192	65,971	22,491	325,334	678,800
Southern Mountain	15,635	24,829	93,642	85,488	100,710	92,520	105,946	74,237	352,296	945,303
West Virginia	3,575	5,042	24,100	13,403	24,530	24,006	25,575	40,890	0	161,121
Virginia	9,720	11,445	35,859	25,772	27,460	44,280	40,409	22,814	89,745	307,504
Kentucky	1,987	4,686	25,715	26,723	28,574	12,433	35,015	10,533	79,426	225,092
Tennessee	353	3,656	7,968	19,590	20,146	11,801	4,947	0	183,125	251,586
Southeastern	537	4,107	31,678	46,751	69,645	148,661	60,158	175,654	243,059	780,250
North Carolina	0	569	3,763	10,246	16,250	28,815	13,524	33,303	0	106,470
South Carolina	275	780	2,553	2,535	7,140	8,770	13,281	29,676	0	65,010
Georgia	0	496	8,096	8,140	12,122	19,587	3,337	66,294	89,939	208,011
Florida	0	215	3,926	7,852	16,928	9,504	12,897	0	97,053	148,375
Alabama	262	2,047	9,560	14,899	12,324	36,478	0	46,381	56,067	178,018
Mississippi	0	0	3,780	3,079	4,881	45,507	17,119	0	0	74,366

Table XV - Distribution of the Aggregate Loans and Investments of Incorporated Banks in 1930 by Size of Town (Continued)

National Banks

States by geographic divisions	Loans and investments by size of town									
	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	100,000 and over	Total
	(in thousands of dollars)									
Southwestern	9,658	29,265	99,760	87,111	110,289	147,622	88,556	110,302	540,319	1,222,882
Louisiana	0	365	1,848	6,186	3,164	15,936	6,738	30,035	31,874	96,146
Texas	6,760	18,090	63,170	49,468	63,464	72,976	48,681	80,267	347,141	750,017
Arkansas	0	3,161	6,787	7,543	10,335	20,421	17,667	0	0	65,914
Oklahoma	2,898	7,649	27,955	23,914	33,326	38,289	15,470	0	161,304	310,805
Western Grain	37,225	86,296	166,264	103,470	122,205	182,509	80,625	105,221	804,240	1,688,055
Minnesota	7,153	22,299	36,566	27,191	32,343	49,615	0	0	329,403	504,570
North Dakota	7,019	9,411	9,575	2,345	13,555	14,077	11,423	0	0	67,405
South Dakota	5,298	7,339	13,832	7,946	4,176	15,899	9,635	0	0	64,125
Iowa	6,553	21,741	34,676	29,199	21,082	23,699	38,271	49,698	38,942	263,861
Nebraska	5,445	9,619	34,593	8,922	14,303	17,742	0	23,766	79,408	193,798
Missouri	949	3,223	10,330	7,684	19,328	19,329	17,025	16,685	317,380	411,933
Kansas	4,808	12,664	26,692	20,183	17,418	42,148	4,271	15,072	39,107	182,363
Rocky Mountain	5,041	15,467	45,444	37,184	55,964	74,375	66,911	12,659	130,900	443,945
Montana	1,824	3,675	9,387	3,808	12,286	19,147	22,994	0	0	73,121
Idaho	558	2,117	4,397	8,673	8,826	9,742	0	0	0	34,313
Wyoming	146	0	7,102	4,798	7,793	11,466	0	0	0	31,305
Colorado	2,059	6,656	16,503	6,706	12,399	19,164	11,243	12,659	100,179	187,568
New Mexico	454	667	3,201	3,857	5,393	6,285	9,010	0	0	28,867
Arizona	0	0	1,227	1,722	5,820	0	17,936	0	0	26,705
Utah	0	1,733	377	3,139	3,447	0	5,728	0	30,721	45,145
Nevada	0	619	3,250	4,481	0	8,571	0	0	0	16,921
Pacific Coast	7,808	17,915	47,787	56,112	53,784	93,772	65,367	62,102	1,999,272	2,403,919
Washington	1,847	5,823	13,024	18,896	1,884	38,679	22,263	0	158,521	260,937
Oregon	1,487	5,234	9,584	14,526	21,351	14,766	4,221	0	111,806	182,975
California	4,474	6,858	25,179	22,690	30,549	40,327	38,883	62,102	1,728,945	1,960,007
UNITED STATES	167,892	419,326	1,074,192	1,145,800	1,317,557	2,019,340	1,316,193	1,308,828	12,980,245	21,749,373

Tables XVI, XVII, and XVIII, giving by States the changes in (1) State banks, (2) national banks, and (3) State and national banks combined are to be inserted here and will occupy about 75 printed pages. These tables have been prepared and will be furnished to the printer by the Committee.

Table XIX - Number of Primary Bank Organizations in the United States, 1921-1931 by Size of Capital Stock

Size group capital stock	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	Total
	State banks											
Under $25,000	100	71	69	74	70	37	27	25	29	26	17	545
25,000 - 50,000	110	104	112	97	68	63	67	71	53	38	40	823
50,000 - 100,000	52	62	85	49	59	43	37	28	21	22	18	476
100,000 - 200,000	65	66	69	54	55	52	36	35	22	13	8	475
200,000 - 1,000,000	31	31	22	27	29	35	38	21	33	12	6	285
1,000,000 and over	4	-	4	1	2	7	5	2	5	7	1	38
Total	362	334	361	302	283	237	210	182	163	118	90	2,642
	National banks											
Under $25,000	-	-	-	-	-	-	-	-	-	-	-	-
25,000 - 50,000	48	35	23	35	40	26	15	12	8	9	3	254
50,000 - 100,000	32	20	30	17	34	27	27	14	18	5	6	230
100,000 - 200,000	20	7	15	11	25	20	17	21	19	9	5	169
200,000 - 1,000,000	9	10	22	14	19	31	25	17	18	7	1	173
1,000,000 and over	1	1	5	4	2	3	1	4	8	2	--	31
Total	110	73	95	81	120	107	85	68	71	32	15	857
	State and national banks											
Under $25,000	100	71	69	74	70	37	27	25	29	26	17	545
25,000 - 50,000	158	139	135	132	108	89	82	83	61	47	43	1,077
50,000 - 100,000	84	82	115	66	93	70	64	42	39	27	24	706
100,000 - 200,000	85	73	84	65	80	72	53	56	41	22	13	644
200,000 - 1,000,000	40	41	44	41	48	66	63	38	51	19	7	458
1,000,000 and over	5	1	9	5	4	10	6	6	13	9	1	69
Total	472	407	456	383	403	344	295	250	234	150	105	3,499

Table XX - Number of Primary Bank Organizations in the United States, 1921-1931 by Size of Town

Population of town	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	Total
	State banks											
Under 1,000	144	111	105	101	82	59	61	59	49	42	28	841
1,000 - 5,000	80	74	109	81	74	62	57	55	46	30	35	703
5,000 - 10,000	24	27	27	18	24	13	16	11	9	11	10	190
10,000 - 100,000	47	54	49	38	55	50	30	23	17	7	10	380
100,000 and over	67	68	71	64	48	53	46	34	42	28	7	528
Total	362	334	361	302	283	237	210	182	163	118	90	2,642
	National banks											
Under 1,000	33	20	18	15	28	22	14	16	5	5	1	177
1,000 - 5,000	50	30	39	35	40	33	30	17	23	10	8	315
5,000 - 10,000	8	6	4	7	16	7	6	8	10	5	3	80
10,000 - 100,000	8	8	9	8	21	18	11	9	7	7	1	107
100,000 and over	11	9	25	16	15	27	24	18	26	5	2	178
Total	110	73	95	81	120	107	85	68	71	32	15	857
	State and national banks											
Under 1,000	177	131	123	116	110	81	75	75	54	47	29	1,018
1,000 - 5,000	130	104	148	116	114	95	87	72	69	40	43	1,018
5,000 - 10,000	32	33	31	25	40	20	22	19	19	16	13	270
10,000 - 100,000	55	62	58	46	76	68	41	32	24	14	11	487
100,000 and over	78	77	96	80	63	80	70	52	68	33	9	706
Total	472	407	456	383	403	344	295	250	234	150	105	3,499

APPENDIX B

Digest of State Laws Relating to Private Banks or Bankers

DIGEST OF STATE LAWS RELATING TO PRIVATE BANKS OR BANKERS.

The following is a digest of the laws of the several States, as of February 15, 1931, having reference to the organization and operation of private banks or bankers, which was prepared in the office of the General Counsel to the Federal Reserve Board with the assistance of the Counsel for the various Federal reserve banks.

Only the provisions of State laws pertaining to the organization and operation of private banks or bankers and the nature and scope of the supervision of them exercised by the State banking authorities have been covered in the digest; and no attempt has been made to digest in detail any provisions pertaining to liquidation. The laws of some States require private banks or bankers to conduct their business in accordance with the provisions covering incorporated banks. In such cases, this general requirement has been digested, but no attempt has been made to digest the provisions covering incorporated banks.

In preparing this digest, it has been assumed that the terms "private bank" and "private banker" are generally understood to embrace all persons, firms, partnerships, associations or other organizations engaged in one or more of the generally recognized phases of the banking business without being incorporated. Where, however, the term "private bank" or "private banker" is defined in the State laws, such definition is summarized in the digest.

ALABAMA.

Private banks subject to same general provisions as incorporated banks and to certain additional specific provisions.

The laws of this State create a banking department which is "charged with the execution of all laws relating to *** individuals doing or carrying on a banking business in the State of Alabama." The laws also provide that "The word 'bank' as herein used means any person, firm, partnership or corporation doing or carrying on a banking business, * * *, unless used in such connection and so as to express a different meaning", indicating that so-called private bankers are subject to the same general provisions as are made applicable to incorporated banks. (Civil Code, Sec. 6275; Banking Laws, 1928, sec. 6275, p. 3). In addition, the laws also contain provisions specifically covering the organization, operation and liquidation of private bankers, and these provisions are set forth below.

Organization; notice of intention to commence business; publication of.

"No individual or individuals or partnership shall commence the carrying on of the banking business without first giving notice of intention to organize and carry on such business by publication at least once a week for four successive weeks in a newspaper to be designated by the superintendent of banks published in the city or town or county where such bank is proposed to be located. Such notice shall specify the name or names of the individual or individuals proposed to be interested in such bank, what interest each will have, the amount of the capital proposed to be used in the proposed banking business, the name under which and the place where the business will be carried on, and the bona fide cash value of the assets and property of each individual to be interested in the bank, over and above all indebtedness. Copy of such published notice * * * shall be made and filed with the superintendent of banks." (Civil Code, sec. 6349; Banking Laws, 1928, sec. 6349, p. 24.)

Investigation by superintendent of banks.

"The superintendent of banks shall investigate and ascertain whether the character and general fitness of the individuals named are such as to command the confidence of the community in which said bank is proposed to be located, and that there is public necessity for said bank, and sufficient business to support the same in said community, the same as is required preliminary to the incorporation of a bank under the provisions of this article." If, after such investigation, the superintendent is of the opinion that the facts do not warrant the establishment of such bank, "he shall issue under his hand and official seal, in duplicate, a refusal to permit the individuals proposed to be interested in the proposed bank from operating the bank, and shall **** transmit to the probate judge of the county in which the bank is proposed

to be located and do business, one of the duplicates of his refusal, which the probate judge shall file and record in his office, and the other duplicate of his refusal the superintendent shall file in his office." (Civil Code, sec. 6350; Banking Laws, 1928, sec. 6350, p. 24.)

Application for permit to commence business.

"Before any *** individual banker shall transact any business as a bank, such *** individual shall file with the superintendent request for a permit to commence business." (Civil Code, sec. 6351; Banking Laws, 1928, sec. 6351, p. 24.)

Written approval of superintendent of banks required.

"No *** individual or individuals shall transact any business as a bank in this State other than such as relates to the formation of such bank without the written approval of the superintendent of banks and without his written certificate stating that such *** individual banker has complied with all the requirements of law and is authorized to transact business within this State as a bank and that such business can be safely entrusted to it, which certificate shall be recorded in the office of the superintendent in a book to be kept by him for that purpose, and a certified copy thereof under the hand and official seal of the superintendent shall be filed and recorded in the office of the probate judge of the county wherein the *** individual is to have its, his or their principal place of business, at the expense of the bank". (Civil Code, sec. 6352; Banking Laws, 1928, sec. 6352, p. 25.)

Examination by superintendent as to payment of capital.

"The superintendent shall, before issuing his permit to any *** individual banker to commence business, examine or cause an examination to be made in order to ascertain whether the requisite capital of such bank has been paid in in cash. The superintendent shall not authorize such *** individual banker to commence business unless it appears to his satisfaction from such examination, or other evidence satisfactory to him, that the requisite capital has, in good faith, been subscribed, and paid in cash." (Civil Code, sec. 6353; Banking Laws, 1928, sec. 6353, p. 25.)

Transacting business without permit; penalty.

"Any person who shall hereafter transact any business as an officer or agent *** of an individual banker hereafter commencing business, before such *** individual banker is authorized to transact business as a bank by the permit of the superintendent of banks, shall be guilty of a misdemeanor and, upon conviction, shall be fined not less than one hundred nor more than one thousand dollars." (Criminal Code, sec. 3400; Banking Laws, 1928, sec. 3400, p. 63.)

Individual may appeal from decision of superintendent refusing permit.

An individual may appeal to the State Banking Board and a court of competent jurisdiction from a decision refusing him the right to establish an individual bank. (Civil Code, sec. 6356; Banking Laws, 1928, sec. 6356, p. 26.)

Annual assessments for expenses of banking department.

Each private banker on the call of the superintendent of banks, is required to pay a certain amount into the treasury of the State, between the first day of January and the first day of April of each year, or at such other time as the superintendent may designate, to be used as an aid in defraying the expenses of the banking department. (Civil Code, sec. 6287; Banking Laws, 1928, sec. 6287, p. 6). Each bank failing to pay this assessment "shall forfeit to the State five ($5.00) dollars for each day after it is (in) default, ***". (Civil Code, sec. 6288; Banking Laws, 1928, sec. 6288, p. 7).

Examinations; number and nature of.

"The superintendent of banks shall either personally, or by competent examiner appointed by him, visit and examine *** every individual banker doing a banking business, in and under the laws of the State of Alabama, at least twice in each year. On every such examination, inquiry shall be made as to the condition and resources of the corporation (or the individual or individuals in case of individual bankers), the mode of conducting and managing the affairs of the bank, ***, the investment of the funds of the bank, the safety and prudence of the management of the bank, and whether the requirements of its charter and of law have been complied with in the administration of the affairs of the bank, and as to such other matters as the superintendent of banks may prescribe. In addition, the superintendent of banks shall in like manner examine or cause to be examined into the affairs of every *** individual banker doing a banking business whenever in the judgment of the superintendent the management and condition of the bank is such as to render an examination of its affairs necessary or expedient, or whenever in the opinion of the superintendent the interest of the public demands an examination." (Civil Code, sec. 6289; Banking Laws, 1928, sec. 6289, pp. 7 and 8).

Reserve requirements.

"No bank, firm, person or corporation doing a banking business shall reduce, or be allowed to reduce the cash of the bank on hand below fifteen per cent of demand deposits, provided that three-fifths of said fifteen per cent reserve may consist of the balance due by banks and bankers to said bank when payable on demand." (Civil Code, sec. 6337; Banking Laws, 1928, sec. 6337, p. 19).

Failure of private banker to pay over money on demand.

Any private banker who sells or disposes of property for another, and refuses for three days after demand made by the person entitled to make such demand or his agent or attorney, to pay the amount to which such person is entitled, must on conviction, be fined not more than one thousand dollars, and may also be imprisoned in the county jail, or sentenced to hard labor for the county for not more than six months. (Code of Alabama, 1923, sec. 3976.)

Impairment of capital; power and duty of superintendent.

"Whenever the superintendent of banks shall have reason to believe that the *** capital of any individual banker is reduced by impairment or otherwise below the amount of its paid-up capital stock, he shall require such *** individual banker to make good the deficit within thirty days after the date of the requirement by him, which requirement shall be in writing. The superintendent may examine or cause to be examined into the affairs of any such bank to ascertain the amount of such impairment or reduction of capital and whether the deficiency has been made good as required by him". (Civil Code, sec. 6297; Banking Laws, 1928, sec. 6297, p. 9).

Superintendent must request correction of unsafe practices.

"The superintendent of banks shall submit to the *** governing body of any individual banker, and request a correction of any matter in the conduct of the affairs of the bank which, in his opinion, is unsafe." (Civil Code, sec. 6298; Banking Laws, 1928, sec. 6298, p. 9).

Unsafe or unsound condition or other matters of default or misconduct; superintendent may take possession.

"Whenever it shall appear to the superintendent of banks that any *** individual banker has violated its charter or any law of the State, or is conducting business in any unauthorized manner, or if the capital of *** any individual banker is impaired and not made good under the requirement of the superintendent within the required time, or if any such *** individual banker shall refuse to submit its papers, books and concerns to the inspection of the superintendent or any examiner, or if any officer thereof shall refuse to be examined on oath touching the conduct of any such *** individual banker or if any such *** individual banker shall suspend payment of its obligations or if from any examination the superintendent shall have reason to conclude that such *** individual banker is in an unsound or unsafe condition to transact the business for which it was organized, or that it is unsafe for it to continue business, or if any such *** individual banker shall neglect or refuse to observe any order of the superintendent directing or requiring the doing of any particular thing required to be done by law, the superintendent may call a meeting of the banking board and submit to said board matters of default or misconduct in the affairs of the banks of which the bank shall have notice and upon which the bank may be heard in person or by counsel, and if said board or a majority of said board, so directs, the superintendent shall forthwith take possession of the property and business of such *** individual banker and retain such possession until such *** individual banker shall resume business or its affairs be finally liquidated, as herein provided". (Civil Code, sec. 6299; Banking Laws, 1928, sec. 6299, pp. 9 and 10).

Superintendent not to take charge of individual banker unless directed to do so by banking board.

"The superintendent of banks shall not take possession of the property and business of any bank under the provisions of this article unless *** directed so to do by the banking board. On taking possession of the property and business of any such *** individual banker, the superintendent shall give notice of such fact to all banks and other parties or corporations holding or in possession of any assets of such *** individual banker." (Civil Code, sec. 6303; Banking Laws, 1928, sec. 6303, p. 11).

When business may be resumed.

"After the superintendent has taken possession of *** (the) business of an individual banker, the superintendent may permit such *** individual banker to resume business upon such condition as may be approved by him including an observance of all the requirements of law, and making good all deficits in the previous observances of law." (Civil Code, sec. 6305; Banking Laws, 1928, sec. 6305, p. 11).

Liquidation of affairs by superintendent.

"Upon taking possession of any of the property and business of any *** individual banker, the superintendent may collect moneys due to such *** individual banker and do such other acts as are necessary to conserve its assets and business, and shall proceed to liquidate the affairs thereof as hereinafter provided. The superintendent shall collect all debts due and claims belonging to the bank." (Civil Code, sec. 6306; Banking Laws, 1928, sec. 6306, p. 11). The laws also contain detailed provisions relating to the powers and duties of, and the procedure to be followed by, the superintendent of banks in the actual liquidation of the affairs of an individual banker. (Civil Code, sec. 6304, 6307-6319 and 6325; Banking Laws, 1928, secs. 6304, 6307-6319 and 6325, pp. 11-14 and 16).

ARIZONA.

Private or partnership banks expressly prohibited.

The laws of this State provide that "The establishing or maintenance of private or partnership banks is hereby expressly prohibited; PROVIDED, that all such banks now in operation shall retire from business or incorporate under the provisions of this Chapter within a period of five years from and after the approval of this Chapter". (Banking Laws, 1922, sec. 30, p. 24; Senate Bill No. 26, First Special Session of the Fifth Legislature of Arizona, sec. 30).

ARKANSAS.

Private banks permitted, but subject to same provisions as incorporated banks.

The laws of this State, in defining the word "bank", recognize a private banking business but indicate that such business is subject generally to the same provisions as those which cover incorporated banks. This definition reads in part as follows:

"Wherever the word 'bank' appears in this (bank) act, it shall be deemed to apply alike to any incorporated bank, trust company, or savings bank, *** and also to any partnership or individual transacting a banking business." (Acts of 1913, Act 113, sec. 10, as amended by Acts of 1923, Act 627, sec. 17; Banking Law Pamphlet, 1929, sec. 20, p. 14).

The following provisions are specifically made applicable to private banks.

Organization; application to bank commissioner.

The laws provide that persons desiring to organize a corporation for the purpose of transacting a banking or trust business "may apply to the (bank) Commissioner to be incorporated and shall submit their proposed articles of agreement" which shall set out certain information. (Acts of 1913, Act 113, sec. 11; C. & M. Digest, sec. 675; Banking Law Pamphlet, 1929, sec. 12, p. 8). If an application to engage in the business of banking is made by a private bank, "it shall be in such form as the Commissioner shall prescribe, and he shall make the same inquiry as is required in cases of incorporation before issuing to such firm or individual his permit of any kind of a bank." (Acts of 1913, Act 113, sec. 14; C. & M. Dig., sec. 678; Banking Law Pamphlet, 1929, sec. 15, p. 11).

With reference to the "same inquiry" which the bank commissioner institutes in the case of an incorporated bank, the laws provide that "the Commissioner shall ascertain, from the best source of information at his command, the character and general fitness of the persons named as stockholders (owners), and their standing in the community in which the proposed institution is to be located, and whether the requisite capital has been in good faith subscribed and paid." (Acts of 1913, Act 113, sec. 12; C. & M. Dig., sec. 676; Banking Law Pamphlet, 1929, sec. 13, p. 9).

Fee required for organization, increase of capital and amendment of charter.

"No corporation, firm or individual shall be allowed to do a banking business of any kind unless it, they, he, or she, shall pay to the Bank Commissioner a fee of one-fifth of one per cent on the authorized capital stock. Fees at the same rate shall be charged for

an increase of capital stock." For each amendment or supplement to the charter, except for an increase of capital stock, a fee of ten dollars shall be charged. (Acts of 1913, Act 113, sec. 16; C. & M. Dig., sec. 680; Banking Law Pamphlet, 1929, sec. 17, p. 11).

Title must show that institution is not incorporated.

Any individual or firm doing business as a private bank shall designate a name for such bank, which shall show that it is not incorporated. (Acts of 1913, Act 113, sec. 15; C. & M. Dig., sec. 679; Banking Law Pamphlet, 1929, sec. 16, p. 11).

Property must be held in name of bank.

All real and personal property owned by a private bank must be held in its name and not in the name of the owner or owners of the bank. (Acts of 1913, Act 113, sec. 15; C. & M. Dig., sec. 679; Banking Law Pamphlet, 1929, sec. 16, p. 11).

When creditor of owner may attach bank's assets.

All of the assets of a private bank are exempt from attachment or execution by any creditor of an owner until all of the liabilities of the bank have been paid in full. (Acts of 1913, Act 113, sec. 15; C. & M. Dig., sec. 679; Banking Law Pamphlet, 1929, sec. 16, p. 11).

Owner may not use bank's funds for private business; note of owner as asset.

"No private banker shall use any of the funds of his bank for private business, and the note of the owner or owners of any private bank shall not be considered or accepted as a part of its assets." (Acts of 1913, Act 113, sec. 15; C. & M. Dig., sec. 679; Banking Law Pamphlet, 1929, sec. 16, p. 11).

When owner's widow can be endowed of bank's property.

"In case of the death of an individual banker, his widow shall not be endowed of any of the property of the bank, except such as remains after the payment of all depositors and other creditors." (Acts of 1913, Act 113, sec. 15; C. & M. Dig., sec. 679; Banking Law Pamphlet, 1929, sec. 16, p. 11).

Acceptances and letters of credit; limit of liability.

"Any *** private bank, *** may accept for payment at a future date drafts drawn upon it by its customers and to issue letters of credit authorizing the holders thereof to draw drafts upon it or upon its correspondents at sight or on time not exceeding six months; provided, that no bank shall incur liabilities under this subdivision to an amount equal at any time in the aggregate to more than its paid-up and unimpaired capital stock and certified surplus fund." (Act of March 22, 1919, p. 251, sec. 4; C. & M. Dig., sec. 741; Banking Law Pamphlet, 1929, sec. 30, p. 21).

CALIFORNIA.

Banking business may only be transacted by corporations.

The laws of this State provide that the business of banking may only be transacted by corporations duly organized for that purpose. The provisions in this connection read as follows:

"The word 'bank' as used in this act shall be construed to mean any incorporated banking institution which shall have been incorporated to conduct the business of receiving money on deposit, ***, *** It shall be unlawful for any corporation, partnership, firm or individual to engage in or transact a banking business within this state except by means of a corporation duly organized for such purpose. ***" (California Bank Act, 1929, sec. 2, p. 3).

COLORADO.

Private banking business permitted, but made subject to same provisions as incorporated banks.

The laws of this State provide that where the business of banking is engaged in by persons or copartnerships such business is subject to the same requirements as are made applicable to incorporated banks. The laws in this connection read as follows:

"The word 'Bank,' as used in this Act, shall include every person, co-partnership and corporation, except National Banks, engaged in the business of banking in the State of Colorado". (Laws of 1913, sec. 1, p. 116; Compiled Laws of 1921, sec. 2653; Banking Laws, 1928, sec. 1 p. 3).

"When by the provisions hereof anything is required to be done by any incorporated bank or its board of directors, or any officer, director or employee thereof, or their right or power to do a specified act is denied, the same act shall be done, or not, as the case may be, by individuals or co-partners engaged in the banking business." (Laws of 1913, sec. 2, p. 116; Compiled Laws of 1921, sec. 2654; Banking Laws, 1928, sec. 2, p. 3).

In addition to the provisions applicable to incorporated banks, persons or co-partnerships are subject to the following specific provisions:

Word "State" may not be used as part of title.

"Individuals or co-partnerships engaged in banking shall not use the word 'State' as a part of the bank or firm name." (Laws of 1913, sec. 9, p. 118; Compiled Laws of 1921, sec. 2661; Banking Laws, 1928, sec. 9, p. 7).

Ownership of capital stock by copartners.

"Co-partners conducting a bank shall each own at least two per cent thereof (capital stock) in no wise pledged or incumbered." (Laws of 1919, sec. 1, p. 299, amending Laws of 1913, sec. 12, p. 119; Compiled Laws of 1921, sec. 2664; Banking Laws, 1928, sec. 12, p. 9).

Oath required of owner of unincorporated bank.

"Every owner of any portion of an unincorporated bank actually engaged in the management thereof, shall take and subscribe to an oath that he will, so far as the duty devolves upon him, diligently and honestly administer the affairs of the bank; that he will not knowingly violate, nor willingly permit to be violated, any provision of the law; that he is the owner in good faith of at least that part of the capital stock of said bank or that portion of the capital employed therein" specified by the provision last above quoted. (Laws of 1913, sec. 14, p. 119; Compiled Laws of 1921, sec. 2666; Banking Laws, 1928, sec. 14, p. 9).

Loans to co-owners prohibited.

"No unincorporated bank shall loan to any person or co-partner owning an interest therein. No individual or co-partner owning an interest in an unincorporated bank shall become endorser for any person, firm or corporation borrowing money therefrom, nor shall any note or obligation of such individual or co-partner be considered an asset of such bank." (Laws of 1913, sec. 33, p. 124; Compiled Laws of 1921, sec. 2687; Banking Laws, 1928, sec. 37, p. 21).

CONNECTICUT.

Private banking business prohibited; exceptions.

The laws of this state provide that "No person, firm, corporation or unincorporated association of persons, other than a private banker who, on May 29, 1925, was engaged in business as a private banker, and, prior thereto, qualified as such by the filing of the bond or securities required by the general statutes, or a person, firm, corporation, or unincorporated association of persons succeeding in ownership to the business of a private banker qualified as above provided, and who shall, upon succeeding to such business, comply with the provisions of law relating to private bankers, shall engage in the business of a private banker, provided nothing herein contained shall prevent any firm, partnership or unincorporated association of persons carrying on the business of a private banker from changing or increasing the membership of such firm, partnership or unincorporated association of persons or from reorganizing into a new firm, partnership or unincorporated association of persons". (General Statutes of Connecticut, Revision of 1930, sec. 3958).

"No private banker shall use, as a part of his name or as a prefix or suffix thereto or as a designation of the business carried on by him, the word 'banker', 'bank', 'banking', 'trust' or 'savings' but he may do so if he qualifies it by the word 'private'". (General Statutes of Connecticut, Revision of 1930, sec. 3950).

Definition of term "private banker".

"The term 'private banker' shall mean any person, corporation, firm, partnership or unincorporated association of persons, engaged in whole or in part in the business of receiving deposits subject to check or for repayment upon the presentation of a passbook, certificate of deposit or other evidence of debt, or for repayment upon request of the depositor, or engaged in the business of receiving money for transmission, other than a bank, trust company or building and loan association organized under the laws of this State or of the United States or express companies having a contract or contracts with a railway or railways covering express transportation." (General Statutes of Connecticut, Revision of 1930, sec. 3949).

Bond must be filed with State Treasurer; purpose of.

Every private banker must deposit with the treasurer of the State a bond executed by the private banker and by a surety company or the owner or owners of real estate within the State, approved by the bank commissioner. This bond shall be conditioned upon the repayment of any money which may be deposited with the private banker and upon the faithful transmission of any money which may be delivered to such banker for transmission to another, "and upon the payment, in the event of the insolvency or bankruptcy of such private banker, of the full amount recoverable under the conditions of such bond to the assignee, receiver or trustee of such private banker for the benefit (1) of the persons making such deposits or delivering money to such private banker for transmission to another and (2) the satisfaction of the general debts and obligations of such private banker". (General Statutes of Connecticut, Revision of 1930, sec. 3951).

Amount of bond dependent upon population.

"The amount of the bond required of each private banker engaged in business in any city or town having a population of twenty thousand or less shall be twenty thousand dollars, and of each private banker engaged in business in any city or town having a population in excess of twenty thousand shall be forty thousand dollars." (General Statutes of Connecticut, Revision of 1930, sec. 3951).

Securities may be deposited in lieu of bonds.

"Any private banker may, at his option, deposit with the treasurer in lieu of such bond, in whole or in part, securities owned by him of a sufficient actual value to aggregate, with any bond so filed, the required amount of such bond, which securities shall be such as shall have been approved by the bank commissioner." (General Statutes of Connecticut, Revision of 1930, sec. 3951).

Release of bond and securities.

Any bond or securities deposited with the treasurer may be released and delivered to the private banker upon the substitution of another bond or securities aggregating the required amount and approved by the bank commissioner. Any bond or securities shall also be released and delivered to a private banker upon the discontinuance of his business and upon delivery by him to the treasurer of the state of a certificate issued by the bank commissioner that all depositors and creditors have been paid in full and all outstanding liabilities have been satisfied. (General Statutes of Connecticut, Revision of 1930, sec. 3951).

Securities and money paid under bond because of default constitute trust fund.

Any security deposited with the State treasurer, and any money which, in case of default, is paid under any bond filed by any private banker "shall constitute a trust fund (1) for the benefit of the depositors of such private banker and the persons who shall deliver money to such private banker for transmission to others, which depositors or persons shall be preferred as to such money and securities so deposited or recovered in proportion to the obligations of such private banker to them arising out of such deposits or receipt of money for transmission and (2) for the benefit of the general creditors of such private banker." (General Statutes of Connecticut, Revision of 1930, sec. 3951).

Real estate of person acting as surety on bond must be described and is subject to a lien.

Whenever the treasurer accepts as surety on any bond any person owning real estate "he shall require such real estate to be described in such bond, and such real estate shall thereupon be subject to a lien to the amount of the obligation of such bond, which lien shall take precedence over any subsequent incumbrance, except liens for taxes or municipal assessments." A certified copy of the bond must be filed and recorded in the office of the town clerk in each town where such real estate is located, and a recording fee therefor must be paid by the private banker. (General Statutes of Connecticut, Revision of 1930, sec. 3951).

Provisions not applicable to certain persons, firms, etc.

The provisions relating to the deposit of a bond with the State "shall not apply to any person, firm, partnership, or unincorporated association of persons engaged solely in the business of forwarding or transmitting money." (General Statutes of Connecticut, Revision of 1930, sec. 3951).

Statement of assets and liabilities must be filed with the bank commissioner.

Every private bank shall "annually, on the first day of November or oftener if required by the commissioner, file with the bank commissioner a statement, under oath, in such form as may be required by the commissioner, showing his assets and liabilities, and giving such other information as may be required by the commissioner. (General Statutes of Connecticut, Revision of 1930, sec. 3954).

Examinations; insolvency or possibility of loss to depositors; bank commissioner may suspend operations.

"The commissioner may cause an examination to be made of the affairs of any private banker at any time at the expense of such private banker, and, if after appraising all the assets of such private banker, including loans on real estate and any real estate owned by such banker, he shall find that such private banker is insolvent, or that the depositors or persons delivering money to him for transmission are liable to suffer any loss, he may deliver to such private banker a written notice to discontinue receiving money from depositors or money for transmission and to discontinue paying depositors or other creditors.*** The written order of the commissioner authorized hereby shall be in effect a temporary injunction restraining such private banker and his employees from receiving money from depositors, or for transmission, and from paying depositors or other creditors until the same shall be vacated by any order of the superior court or a judge thereof." (General Statutes of Connecticut, Revision of 1930, sec. 3955).

Procedure to restrain continuance in business or to obtain appointment of receiver; liquidation.

If the bank commissioner finds that the private banker is insolvent or that the depositors are liable to suffer a loss, he must then make an application to the superior court for the county in which such banker is located setting forth the facts and circumstances and praying for the appointment of a receiver or an injunction restraining such private banker from continuing in business. If it appears to the court, after a hearing on the application, that such private banker is insolvent or can not resume business with safety to the public, such court may issue an injunction restraining the private banker from further carrying on business, and, "if insolvent, from collecting

"or receiving any debts or from paying out, selling, assigning or transferring any of the assets, moneys, funds or lands belonging to him until the court shall otherwise order." The court at the time of ordering the injunction, or at any time during the continuance of such injunction, may appoint a receiver for the insolvent private banker. The receiver has the powers conferred by law upon receivers of insolvent banks and trust companies. The court may limit the time for filing claims against such receiver and the winding up of the business of the private banker, "the liquidation of his property and assets and the distribution of the avails thereof among the creditors of such private banker". (General Statutes of Connecticut, Revision of 1930, section 3955).

Distribution of assets.

The "avails" shall be applied as follows: (1) To the expenses of settling the affairs of the private banker; (2) to the payment of the deposits and the money entrusted to the banker for transmission; (3) to the payment of all other liabilities of the banker. The balance of such avails shall be paid to such banker. (General Statutes of Connecticut, Revision of 1930, sec. 3955).

Receiver required to file bond.

The receiver must file a bond in such form and in such amount as the court may direct before taking control of the assets of any private banker. (General Statutes of Connecticut, Revision of 1930, sec. 3955).

Additional provisions regarding power of bank commissioner and superior court to suspend business in order to preserve assets or protect depositors.

"The commissioner may issue a temporary order restraining any *** private banker *** from paying out any funds *** or receiving deposits, or may take possession of *** such private banker's business until such time as a hearing may be arranged before a judge of the superior court, who may, upon application of the commissioner, *** or private banker, whenever, in the opinion of such commissioner, *** or private banker, it may be necessary to preserve assets or protect depositors, make an order restraining any *** private banker from paying out the funds of such *** private banker, or any portion thereof, or from declaring or paying dividends on any deposits or capital stock for such time as such judge shall deem necessary. Such order shall be in writing directed to the *** private banker to be affected thereby, and a copy of the order attested and left by the commissioner *** with such private banker shall be sufficient notice thereof. Before issuing such restraining order, the judge shall cause reasonable notice to be given to the *** private banker to be affected thereby. *** notice to an agent of any private banker shall be notice to such private banker. Notice may be waived by any such *** private banker or agent. Before *** any private banker shall apply to any judge for such

"restraining order, notice shall be given in writing to the bank commissioner of intention to so apply at least ten days before such application shall be made. If, in the opinion of the bank commissioner, (or) private banker *** such order should be revoked or modified, any judge of the superior court may, on application of such commissioner, (or) private banker *** revoke or modify the original order, and notice of such revocation or modification shall be given to the *** private banker affected thereby in the same manner as in the case of the original order." (General Statutes of Connecticut, Revision of 1930, sec. 3870).

Annual fee must be paid bank commissioner.

Every private banker is required to pay annually to the bank commissioner a fee of fifty dollars. (General Statutes of Connecticut, Revision of 1930, sec. 3957).

Purchase of real estate without approval of bank commissioner prohibited.

"No private banker doing business in this state *** shall purchase any real estate without first obtaining the approval of the bank commissioner." (General Statutes of Connecticut, Revision of 1930, sec. 3952).

Reserve fund required.

"Each such private banker shall maintain a reserve fund of twelve per centum of the demand deposits and five per centum of the time deposits held by him." (General Statutes of Connecticut, Revision of 1930, section 3953).

What reserve fund shall consist of.

"Such reserve fund shall consist of gold and silver coin, the demand obligations of the United States or national bank currency or federal reserve notes and federal reserve bank notes and be held by such private banker in his place of business and of balances with reserve agents, subject to demand draft or bonds which are legal investments for savings banks of this state, provided each such reserve agent shall be a depository approved by the bank commissioner; and the bonds, held as a part of such reserve, shall, at no time, exceed at par value one-sixth of the total reserve fund." (General Statutes of Connecticut Revision of 1930, sec. 3953).

Dividends or new loans, discounts, etc., prohibited while reserve is impaired.

Whenever the reserve fund of any private banker falls below the requirements, such banker is prohibited from making any new loans, discounts or investments, or any dividend or distribution of profits

until the reserve fund is restored to the required amount. (General Statutes, of Connecticut, Revision of 1930, sec. 3953).

Duty of bank commissioner in case of impaired reserve fund.

"The bank commissioner shall notify any private banker whose reserve fund shall fall below said required amount, and, if such private banker shall fail for thirty days thereafter to make good such reserve fund, the bank commissioner may apply for the appointment of a receiver to wind up his business." (General Statutes of Connecticut, Revision of 1930, sec. 3953).

Definition of permanent capital.

"Any real estate, security, personal property or evidence of ownership of property acquired by any unincorporated private banker, with the capital of such banker and cash received on deposit in excess of the total liabilities of such banker, shall be construed and designated as permanent capital." (General Statutes of Connecticut, Revision of 1930, sec. 3960).

Investment of permanent capital.

"Each such banker may, subject to the restrictions provided for herein, invest his permanent capital and the deposits received in such real and personal property, as he may deem advisable, provided the security afforded depositors shall not be imperiled by any such investment." (General Statutes of Connecticut, Revision of 1930, sec. 3960).

Restriction upon lending permanent capital to certain corporations.

"No private banker shall lend, directly or indirectly, to any corporation of which he is the legal or equitable owner of more than twenty-five per centum of the issued capital stock, any part of his permanent capital or capital stock or the deposits received by him." (General Statutes of Connecticut, Revision of 1930, sec. 3961).

Location of property upon which loans are made.

All real property and mortgage loans held by any private banker on May 29, 1925, or acquired with capital or deposits, or to which title has been taken in connection with the business of the private banker, must be located in the State of Connecticut, or in certain counties of the States of Rhode Island, Massachusetts or New York. (General Statutes of Connecticut, Revision of 1930, sec. 3962).

Real estate loans prohibited if aggregate amount exceeds 80% of appraised value of property.

"No private banker shall make a loan, directly or indirectly,

"upon the security of real estate if the total amount of mortgages, liens and encumbrances upon such real estate, including the mortgage loan to be made by such private banker, shall, in the aggregate amount, exceed eighty per centum of the appraised value of such real estate." (General Statutes of Connecticut, Revision of 1930, sec. 3963).

Branch or new place of business prohibited, but location in same town may be changed.

"No private banker shall establish any branch or open any new place of business, provided nothing herein contained shall prevent the change of location of the place of business of any private banker within the town in which such business is located, but nothing herein contained shall permit the change of location of such business from one town to another." (General Statutes of Connecticut, Revision of 1930, sec. 3959).

Penalties for violations.

Any person violating any of the above provisions "or of any other statute concerning the regulation of private bankers or concerning persons engaged in the business of receiving money for forwarding or transmission, shall be fined not more than two thousand dollars or imprisoned not more than one year or both." (General Statutes of Connecticut, Revision of 1930, sec. 3967).

Private bankers may incorporate; conditions precedent.

"Any person, firm or unincorporated association of persons, engaged on May 29, 1925, in the business of private banker ***, may incorporate, for the purpose of conducting such business, in the manner provided by law for the organization of joint stock corporations, except as provided herein. The by-laws of any private banker incorporating *** shall be submitted to the bank commissioner for approval, and no by-laws shall be adopted unless the same shall have been approved by him. Any such person, firm or association intending to incorporate for the purpose of transacting such business shall serve notice upon the commissioner of his intention to incorporate, and shall furnish evidence to the commissioner that the capital stock of such corporation to the amount of at least twenty-five thousand dollars shall have beensubscribed for, with capital stock shall not be invested in securities deposited with the state treasurer in lieu of a bond to the state." (General Statutes of Connecticut, Revision of 1930, sec. 3964).

DELAWARE

Banking business must be conducted under corporate charter.

"It shall be unlawful to conduct a banking business or the business of a trust company within this State except under a corporate

"charter valid in this State authorizing the conduct of such business in this State." (Act approved March 31, 1921, Laws of 1921, sec. 2; Banking Laws, 1929, sec. 2, p. 15). "No bank or trust company not actively engaged in business in this State at the time of the adoption of this Act shall open a place of business in this State without having first secured from the State Bank Commissioner a certificate that it has complied with all the requirements of law and that it is authorized to conduct the business specified therein." (Act approved March 31, 1921, Laws of 1921, sec. 3; Banking Laws, 1929, sec. 3, p. 15).

Forming banking company without incorporation; penalty.

"It is unlawful for any persons to associate in forming a banking company without incorporation; and any persons who shall receive subscriptions to the capital stock of such company, or shall subscribe for shares therein, shall forfeit and pay five hundred dollars to anyone who will sue for the same; one-half thereof for the use of the State." (Rev. Code of Del., 1915, sec. 2102; Banking Laws, 1929, sec. 2102, p. 31.)

Unauthorized banking operations or advertising; penalties.

"If any persons, members, or agents, of such (unincorporated banking) association, shall issue any bills, or notes, in the nature of bank notes, payable to bearer or order, or loan money upon actual or accommodation notes, or receive money on deposit, every such person shall forfeit and pay five hundred dollars, to be recovered and applied" as provided in the provision last above quoted. (Rev. Code of Del., 1915, sec. 2103; Banking Laws, 1929, sec. 2103, p. 31). "Any person, firm, or association of individuals * * *, who shall in any manner represent or hold out him, her, themselves or itself, whether by public advertisement, placard, hand bill or otherwise, as engaged in the receipt of deposits of money as a savings fund, bank or trust company or any business substantially similar thereto within the boundaries of the State of Delaware, not being authorized under the laws of this State to engage in such business or any business substantially similar thereto, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in a sum not exceeding two hundred dollars or imprisoned for a term not exceeding one year, or both, at the discretion of the Court." (Rev. Code of Del., 1915, sec. 3507; Banking Laws, 1929, sec. 3507, p. 39.)

DISTRICT OF COLUMBIA.

No prohibition against private banking business, and, except for taxation provisions, no other provisions applicable.

The laws of the District of Columbia do not contain any provisions prohibiting the transaction of a banking business by a private bank; nor do such laws contain any provisions covering the operation or supervision of such a bank. The laws, however, do contain provisions

defining a private bank and subjecting it to "a tax of five hundred dollars per annum". These provisions are given below.

Rate of taxation; "private bank or banker" defined.

"Private banks or bankers not incorporated shall pay a tax of five hundred dollars per annum. Every person, firm, company, or association not incorporated having a place of business where credits are opened by the deposit or collection of moneys or currency subject to be paid or remitted upon draft, check, or order, or where money is advanced or loaned on stocks, bonds, bullion, bills of exchange, or promissory notes, or where stocks, bonds, bills of exchange or promissory notes are received for discount or for sale, shall be regarded as a private bank or banker." (Act of July 1, 1902, 32 Stats. 621, ch. 1352, sec. 6, par. 14; Code of the District of Columbia, Title 20, sec. 765, p. 253.)

When tax must be paid.

"The taxes for said private banks and bankers, and note brokers shall be paid to the collector of taxes of the District of Columbia, and shall date from the first day of July in each year and expire on the thirtieth day of June following. Said taxes shall date from the first day of the month in which the liability begins, and payment shall be made for a proportionate amount." (Act of July 1, 1902, 32 Stats. 622, ch. 1352, sec. 6, par. 17; Code of the District of Columbia, Title 20, sec. 768, p. 253).

FLORIDA.

Private banking business prohibited.

Under the terms of a statute of this State enacted in 1915, it is provided that, except for persons, firms or companies which were conducting a private banking business on or before June 4, 1915, "no person, firm or company shall be allowed to conduct a banking business in this State without being incorporated under the banking laws of this State." (Acts of 1915, ch. 6812, sec. 1; Banking Laws, 1930, Article 14, sec. 4202, p. 55).

Persons, firms or companies conducting a private banking business as of June 4, 1915, could have been permitted by the Comptroller of the State, up to November 1, 1915, to continue such business if they had a capital of $15,000; but if authority to continue in business had not been obtained prior to November 1, 1915, the laws required that a receiver be appointed for such private banks. For private banks which were authorized to continue in business, the laws provide that they "shall be governed and controlled by the Banking Laws of this State, in so far as the same may be applicable, as fully and completely as if incorporated as a banking company, and shall be subject to all the penalties of said laws, and to the supervision, control and direction of the Comptroller." (Acts of 1915, ch. 6812, secs., 2,3,4 and 5; Banking Laws, 1930, Article 14, secs. 4203,4205 and 4206, pp.55 and 56).

GEORGIA

No provisions covering operation except restrictions against using certain advertising or banking terms.

"No private person, firm, or voluntary association engaged in the business of banking in this State not subject to the supervision of the Superintendent of Banks, and no private corporation except a bank duly chartered and organized under the laws of this State or under the Acts of Congress" shall make use of any advertising importing a corporation or indicating that the business engaged in is that of regularly chartered bank. Private banks are also prohibited from using the words "bank", "banker", "banking company", "banking house", or any other similar words indicating that the business done is that of a bank, without also using therewith the words "plainly written or printed, so that the same may be readily read, 'Private Bank, Not Incorporated', and every person, firm, association, or private corporation other than a regularly chartered bank, advertising to receive, or receiving deposits, shall at the window or desk at which such deposits are received place, a conspicuous sign with letters not less than one inch in height, upon which shall be printed the words, 'Private Banker, Not Incorporated'." Private bankers engaged in business at the time of the passage of the act containing these provisions (August 16, 1919) are not required to change the names in use by them and "may continue to use, without further qualification or restriction, the word 'Banker' or 'Bankers', where the use of their names conveys unmistakably that they are not incorporated." (Banking Law Pamphlet, with amendments to August 26, 1925, Article 1, sec. 4, pp. 3 and 4.) A violation of these provisions constitutes a misdemeanor. (Banking Law Pamphlet, with amendments to August 26, 1925, Article 20, sec. 35, p. 95).

Private bank may be converted into a bank.

The laws of this State also contain provisions permitting a private bank to convert into a bank upon complying with the laws covering the incorporation of banks. (Banking Law Pamphlet, with amendments to August 26, 1925, Article 11, secs. 1 to 3 inclusive, pp. 47 and 48.)

IDAHO

Private banking prohibited; but certain private bankers may continue in business.

The laws of this State provide that "it shall be unlawful for any corporation, partnership, firm or individual to engage in or transact a banking or banking and trust business within this state except by means of a corporation duly organized for such purpose, except that any individual, co-partnership or unincorporated association actually transacting a banking or banking and trust business as herein defined within this state on the date this act becomes effective, may continue in such

"business at the places where they are then located, under and subject to the provisions of this act." (Banking Laws, 1925, sec. 2, p. 5; Idaho Banking Code, 1925, ch. 133, sec. 2.) The word "bank", as used in these laws, "shall be construed to include any individual, co-partnership, or unincorporated association engaged in the banking business as herein defined." (Banking Laws, 1925, sec. 2, p. 5; Idaho Banking Code, 1925, ch. 133, sec. 2).

Definition of banking business.

"The soliciting, receiving or accepting of money or its equivalent on deposit as a regular business shall be deemed to be doing a banking business, whether such deposit is made subject to check, or is evidenced by a certificate of deposit, a passbook, a note, a receipt, or other writing; Provided, that nothing herein shall apply to or include money or its equivalent left in escrow or left with the agent pending investment in real estate or securities for or on account of his principal." (Banking Laws, 1925, sec. 2, p. 5; Idaho Banking Code, 1925, ch. 133, sec. 2.)

Banking business must be authorized by law; penalty.

"It shall be unlawful for any individual, copartnership, association, firm or corporation to receive money upon deposit or transact any other form of banking business except as authorized by this act. Any person violating any provision of this section, either individually or as an interested party in any co-partnership, association, firm or corporation, shall be guilty of a misdemeanor and upon conviction thereof shall be fined in the sum of not less than $300 nor more than $1,000, or by imprisonment in the county jail not less than thirty days nor more than one year, or by both fine and imprisonment." (Banking Laws, 1925, sec. 102, p. 47; Idaho Banking Code, 1925, ch. 133, sec. 102).

Advertising banking business not authorized by law; penalty.

"Any person, firm, or corporation, other than a national bank, not authorized to do a banking or trust business under this act, that uses or advertises as part of his or its firm or corporate name the word 'bank', 'banker', 'trust company', 'savings bank', or any other word or words of similar import, is guilty of a felony. Provided, however, this section shall not apply to title or trust companies incorporated under Chapter 194 of the Idaho Compiled Statutes 1919, nor to any company which prior to the passage of this act has lawfully assumed and used as a part of its name the word 'trust' or 'trust company'". (Banking Laws, 1925, sec. 103, p. 47; Idaho Banking Code, 1925, ch. 133, sec. 103.)

ILLINOIS

Banking business forbidden to natural persons, firms or partnerships.

"After January 1, 1921 no natural person or natural persons, firm or partnership shall transact the business of banking or the business of receiving money upon deposit, or shall use the word 'Bank' or 'Banker' in connection with said business; provided, that nothing herein

contained shall be construed to prohibit banks incorporated under the laws of this State or of the United States from appointing natural persons as agents to receive deposits of savings in and through the public schools." (Act of June 4, 1929, sec. 15½; Laws of 1929, sec. 15½, p. 188, made effective by popular vote as of December 2, 1930.)

Penalty for violation.

"Any person or persons violating this section shall be deemed guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine of not more than one thousand dollars ($1,000) or by imprisonment in the county jail for not more than one (1) year, or by both such fine and imprisonment, and the Attorney General or State's attorney of the county in which any such violation occurs may restrain such violation by a bill in equity to be filed in the Circuit Court of such county." (Act of June 4, 1929, sec. 15½; Laws of 1929, sec. 15½, p. 188, made effective by popular vote as of December 2, 1930.)

(Note: -- Sec. 15½ of the Illinois Laws of 1929, as it appeared in the laws of 1919, p. 235, prohibited the transacting of the business of transmitting money to foreign countries and buying and selling foreign money or receiving money on deposit to be transmitted to foreign countries (express, steamship and telegraph companies excepted).

The Supreme Court of Illinois in the case of Wedesweiler vs. Brundage, 297 Ill. 228, 130 N.E. 520, (April 5, 1921) held that these restrictions rendered the section unconstitutional on the grounds that it embraced a subject not mentioned in the title of the act, that it granted a special privilege in violation of sec. 22 of Art. IV of the Illinois Constitution, that it deprived the Appellees of the right to continue the business in which they were engaged without due process of law, and that it deprived them of equal protection of the laws in violation of Sec. 2, Art. II of the State Constitution and of Sec. 1 of the 14th Amendment to the Federal Constitution. The court further held that, in the absence of a statute, the right of an individual to engage in the banking business in all or any of its departments is unrestricted, but that the business is of a public character and is properly subject to statutory regulations for the protection of the public; and, that an individual is not engaged in the banking business because he does some of the things which are frequently or usually done by banks, such as loaning money and taking bonds and mortgages therefor and in transmitting money to foreign countries or buying and selling foreign exchange. This case is cited for the purpose of showing that the scope of the present section appears to be somewhat limited.)

INDIANA

Private banks must be authorized to transact banking business.

"It shall be unlawful for any individual, (or) firm *** to

hereafter engage in a banking business after the enactment of this act (1915) without first receiving from the (State) charter board the approval of their application ***. When in the judgment of said charter board it is advisable to make a personal investigation as to the need and necessity of establishing (a) * * * private bank, * * * , then the board may appoint some person to make a thorough investigation, and said person shall make a written report of his findings and file same with the charter board; *** ". (Acts of 1915, sec. 3, p. 550; Banking Laws, 1929, sec. 3, p. 77.)

Penalty for violation of above provision.

"Any person violating the provision of this (above quoted) section either individually or as an interest (ed) party, shall be guilty of a misdemeanor, and upon conviction thereof", shall be subject to certain prescribed penalties. (Acts of 1915, sec. 3, p. 550; Banking Laws, 1929, sec. 3, p. 77).

Applicability of provisions of act of 1907.

The Act of 1907, provides "That every partnership, firm or individual transacting a banking business within this state, or using the word bank, banker, or banking in connection with his or its business, shall be subject to the provisions of this act." (Acts of 1907, sec. 1, p. 174; Banking Laws, 1929, sec. 1, p. 43.)

Capital required; investment of; segregation of

"It shall be unlawful for any partnership, firm or individual to transact a banking business in this state, or to advertise as a banker unless said partnership, firm or individual has at least ten thousand ($10,000) dollars of cash capital invested in well secured notes in state or municipal bonds, or in bank building, furniture or fixtures, and shall be set apart for the security of the creditors of said bank; * * *". (Acts of 1907, p. 174, sec. 2; Banking Laws, 1929, sec. 2, p. 43.)

Real estate investments; restrictions upon and conditions regarding.

" * * * not more than one-third of the capital * * * fixed in the detailed statement of such partnership, firm, or individual shall be invested in real estate: * * *". If any part is invested in real estate, the real estate must be conveyed to the private bank in its own name by a deed signed and acknowledged by the members of the bank and their wives. The deed must give a description of the real estate and its value, must convey a good fee simple title, shall be recorded in the recorder's office of the county where the land is located and "a copy thereof filed with the bank commissioner: Provided, That no part of the capital, surplus or undivided profits of said bank, except as aforesaid, may be invested in real estate except it be taken in settlement of a doubtful claim, or purchased at judicial sale on a judgment or a decree of foreclosure in favor of said bank; and when so taken, it must be by deed made to such; and the president and cashier of such bank are hereby empowered and authorized to execute good and sufficient deed or deeds therefor, in the name of such bank, upon proper order made therefor by the board of directors of such bank. All mortgages held by or to secure money loaned by the bank shall be satisfied of record upon the payment thereof, by a release or satisfaction of mortgage executed in the name of the bank by its president, vice president or cashier." (Acts of 1907, p. 174, sec. 2; Banking Laws, 1929, sec. 2, pp. 43 and 44.)

Increase or decrease of capital stock.

The capital stock of any private banker may be increased by an agreement in writing signed by the partners or owners holding two thirds of the capital stock and paying into the bank in money the amount of the increase. This amount and a certificate by the cashier or manager of the bank of its payment, shall, within five days thereafter, be filed with the bank commissioner. The capital stock may be decreased but at no time below $10,000, upon a written petition of the partners or owners

holding two-thirds of the capital stock to the bank commissioner. The bank commissioner, after an examination of the bank may approve or refuse the reduction. If approved, that fact must be indorsed upon the petition, and notice of such reduction must immediately be published for thirty days in some newspaper published in the town where the bank is located, or, if no newspaper is published in the town, then in one published at the county seat. (Acts of 1907, p. 174, sec. 2; Banking Laws, 1929, sec. 2, p. 44).

Statement required to be filed.

Every private banker is required to file with the bank commissioner a detailed sworn statement of:

First. The name of the bank.

Second. A copy of the articles of copartnership or agreement under which the business is being, or is to be conducted, which shall be executed and acknowledged by all the parties interested in the bank, and at least one of whom shall be a resident of the State of Indiana. If a bank business is being or is to be transacted or carried on by an individual, such individual must be a resident of the State of Indiana, and the statement must so show.

Third. The county and city or town in which the bank is to be located, and the business carried on.

Fourth. The amount of the capital paid into the business and to be kept and maintained at all times in the business.

Fifth. That the aggregate responsibility and net worth of the individual members of such firm, partnership or individual is equal to an amount at least double the amount of the capital paid into the bank.

Sixth. The names of the officers who are to manage the business. (Acts of 1907, p. 174, sec. 3; Banking Laws, 1929, sec. 3, p. 44).

Certificates of stock must be issued to individuals forming bank and deemed capital stock.

Each private bank shall issue certificates of stock to the individual or individuals forming the bank "in an amount equal to the capital of said bank, which certificates of stock shall be deemed and considered the capital stock of such bank, * * * ". (Acts of 1907, p. 174, sec. 4; Banking Laws, 1929, sec. 4, p. 45.)

Certificate from bank commissioner to transact banking business; when issued; fee required.

After the filing of the statement referred to above and the "payment to the bank commissioner (of) a fee of one-tenth of 1 per cent,

of such capital stock, and the filing with the bank commissioner, (of) the oath of some member of the partnership, firm or individual, that the capital has been paid in as provided for and in compliance * * * (with) this act, then the bank commissioner shall, without unnecessary delay, issue to such partnership, firm or individual, a certificate authorizing such partnership, firm or individual to transact a banking business." (Acts of 1907, p. 174; sec. 5; Banking Laws, 1929, sec. 5, p. 45.)

List of owners must be posted and changes must be reported to bank commissioner.

A list of the owners of any private bank, and a statement to the effect that the institution is a private bank, must be posted in the room of every such bank. Any subsequent changes in the owners must be shown on the list and a report of all such changes must be made to the bank commissioner. (Acts of 1907, p. 174, sec. 6; Banking Laws, 1929, sec. 6, p. 45.)

Report showing resources and liabilities must be made to bank commissioner; number required and contents of.

Every private banker "shall make to the bank commissioner two reports during each and every year, according to the form which may be prescribed by him, verified by the oath or affirmation of the president, cashier or other managing agent of such bank, which report shall exhibit in detail the resources and liabilities of the bank at the close of business on any past day to be by him specified; * * * ". These reports must be made within five days after they have been called for by the bank commissioner and a verified copy must be published in a newspaper. (Acts of 1907, p. 174, sec. 7; Banking Laws, 1929, sec. 7, p. 46.)

Commissioner may call for special reports.

The commissioner is empowered to call for special reports "whenever, in his judgment, the same shall be necessary, in order to arrive at a full and complete knowledge of its (the private bank's) condition". (Acts of 1907, p. 174, sec. 7; Banking Laws, 1929, sec. 7, p. 46.)

Capital stock, surplus and undivided profits must be given as items.

Each private bank "in making any statement of the liabilities and assets of said bank, shall give the amount of its capital stock, its surplus and undivided profits as items thereof." (Acts of 1907, p. 174, sec. 4; Banking Laws, 1927, sec. 4, p. 45). "In no reports filed * * * shall real or personal property of an individual or individuals owning said bank, except the title is in the bank, be permitted as an asset." (Acts of 1907, p. 174, sec. 7; Banking Laws, 1929, sec. 7, p. 46.)

Penalty for failure to transmit or publish reports of condition.

Any private bank failing to make and publish any report of condition within five days after a request is made therefor is subject to a penalty of not less than one hundred dollars nor more than five hundred dollars. (Acts of 1907, p. 174, sec. 7; Banking Laws, 1929, sec. 7, p. 46).

Additional penalties prescribed for violations.

"Any person, firm or copartnership violating any of the provisions of this (1907) act shall be fined in any sum not exceeding one thousand dollars, to which may be added for the second offense imprisonment for any term not exceeding two years." (Acts of 1907, p. 174, sec. 9; Banking Laws, 1929, sec. 9, p. 46.)

Property held in trust.

If property is held in trust by a private banker, complete information regarding the trust must be set forth in an instrument which must be recorded in the recorder's office of the county in which the private bank is located and the instrument together with a certificate showing that it has been recorded must be filed with the bank commissioner. If the instrument is not recorded and filed, the property held in trust "shall be considered a part of the assets" of the private bank in case the affairs of the bank are wound up and the "remaining assets are not sufficient to pay in full the bona fide claims of all depositors." (Acts of 1907, p. 174, sec. 10; Banking Laws, 1929, sec. 10, p. 47)

Depositors have lien on assets.

The depositors in any private bank "shall have a first lien on the assets of such bank in case it is wound up, to the amount of their several deposits. And for any balance remainingunpaid, such depositors shall share in the general assets of the owner or owners, alike, with general creditors." (Acts of 1907, p. 174, sec. 11; Banking Laws, 1929, sec. 11. p. 47)

Private banks may sue and be sued; service of process; effect of judgments.

Any private banker "shall have the right to sue, and be sued, under the name under which such bank is authorized to transact its business. Service of summons or other process of court upon the officer or agent in charge of the business of such bank shall be good and sufficient service to give the court jurisdiction, and any judgment obtained against such bank shall be valid and binding against all the persons interested therein." (Acts of 1907, p. 174, sec. 12; Banking Laws, 1929, sec. 12, p. 47.)

Loans to officers restricted.

No private banker nor any of its officers "shall loan any of the funds of said bank in any amount exceeding thirty (30) per cent of the capital stock of said bank to any officer or officers thereof". (Acts of 1907, p. 174, sec. 13; Banking Laws, 1929, sec. 13, p. 48.)

Branch offices prohibited.

It is unlawful for any private banker "to open, or establish a branch bank or branch office: Provided, That the provisionsof this section shall not apply to branch banks or branch offices for which charters have heretofore been granted." (Acts of 1921, p. 367, sec. 1; Banking Laws, 1929, p. 139.)

Trust powers may be executed.

Private banks may "accept and execute trusts of any and every description which may be committed or transferred to them, under the same rules and regulations as now govern like powers in loan and trust companies." (Acts of 1915, p. 310; Banking Laws, 1929, p. 81.)

Examinations; number and character of.

The affairs of every private bank shall be examined by one of the examiners appointed by the bank commissioner "as often as shall be deemed necessary", and a thorough examination into all the affairs of the bank is required. The examiner may examine under oath any of the bank's officers and agents, has the power to administer oaths to such officers and agents, and must make a detailed report of the condition of the bank to the bank commissioner. Each bank is charged a fee for such examinations according to the amount of its assets. (Acts of 1911, p. 30, sec. 2, as amended by Acts of 1921, p. 816 and by Acts of 1929, p. 495; Banking Laws, 1929, sec. 2, pp. 83-85)

Insolvent or failing condition; receiver may be appointed; duties of examiner and bank commissioner.

If a private bank is in an insolvent or failing condition, or if the assets are being wasted or improperly used, at the time the State bank examiner makes an examination, the examiner is required immediately to notify the bank commissioner. If the commissioner then deems it "necessary and expedient" he may direct the examiner or some other person to take charge and control of the private bank; and the commissioner shall, if he finds it to be to the best interests of the depositors and creditors of the bank, make application to the circuit or superior court of the county where the bank is situated for the appointment of a receiver for it. Notice of such application shall be given to the stockholders and depositors of the bank by publication as

directed by the court. If any private bank becomes in a failing or insolvent condition or fails or suspends between periods of examination, it shall be the duty of its officers immediately to notify the commissioner of such condition, failure or suspension, and the commissioner shall thereupon appoint some proper person to take charge of its assets, pending application for and the appointment of a receiver. Any of the officers failing to so report the suspension or failure of his bank shall be deemed guilty of a misdemeanor and on conviction may be fined not less than one hundred dollars nor more than five hundred dollars. The person appointed to take charge of the assets of any private bank shall receive reasonable compensation to be recommended by the bank commissioner and allowed him by the court having jurisdiction over the receiver, and immediately paid out of the assets before any distribution thereof is made. (Acts of 1911, p. 30, sec. 2, as amended by Acts of 1921, p. 816, and by Acts of 1929, p. 495; Banking Laws, 1929, sec. 2, pp. 83-85).

Failure of bank commissioner to discharge duties with reference to failing or insolvent private banks.

If the bank commissioner fails, neglects or refuses for fifteen days to discharge any duty imposed upon him with reference to failing or insolvent private banks, the depositors and creditors representing 25 per cent of the total deposits and obligations, except stock liability, have the right to petition the Attorney General who shall thereupon perform the duties of the bank commissioner in the particular case and apply for a receiver. (Acts of 1911, p. 30, sec. 2, as amended by Acts of 1921, p. 816, and by Acts of 1929, p. 495; Banking Laws, 1929, sec. 2, p. 85.)

Voluntary liquidation; commissioner may petition for receiver.

When a private bank has been in voluntary liquidation for eighteen or more months, the bank commissioner may petition the court for the appointment of a receiver if he considers that the affairs are not being administered to the best interests of the depositors and stockholders. Upon the appointment of the receiver, he "shall take charge and proceed to administer and terminate the affairs of the institution." (Acts of 1915, p. 546, sec. 1; Banking Laws, 1929, p. 82).

Failure to pay examination fee also cause for appointment of receiver.

A failure to pay any examination fee is also cause for the appointment of a receiver of a private bank. (Acts of 1911, p. 30, sec. 2, as amended by Acts of 1921, p. 816, and Acts of 1929, p. 495; Banking Laws, 1929, sec. 2, p. 85)

Owners may stay or abate appointment of receiver.

Upon the filing of a bond before the court which appointed a

receiver for a private bank, or before which the commissioner's application for the appointment of a receiver is pending, the owners of a private bank may abate or stay the appointment of a receiver. (Acts of 1907, p. 174, sec. 14; Banking Laws, 1929, sec. 14, p. 48.)

Voluntary liquidation.

The laws of this state contain provisions outlining the procedure and the conditions under which a private bank may go into voluntary liquidation. (Acts of 1907, p. 174, sec. 15; Banking Laws, 1929, sec. 15, p. 48.)

Reports and examination of private banks in voluntary liquidation.

Private banks in voluntary liquidation are subject to the same examinations and must, at the discretion of the bank commissioner, make the same reports as solvent private bankers. (Acts of 1911, p. 30, sec. 2, as amended by Acts of 1921, p. 816, and Acts of 1929, p. 495; Banking Laws, 1929, sec. 2, p. 85.)

Taxation of private banks.

There are also provisions covering the taxation of membership shares or certificates of stock of private banks. (Acts of 1919, p. 198; Banking Laws, 1929, pp. 101-108.)

IOWA.

No provisions covering operation except restrictions on the use of certain advertising or banking terms.

The laws of this State provide that "It shall be unlawful for any individual, partnership, or unincorporated association * * * not subject to supervision or examination of the banking department" to make use of the words "bank", "banking", "banker" or any derivative of the word "banking", or to make use of any sign or advertising indicating that the place of business or the business carried on is that of a bank. (Banking Laws, 1929, ch. 412, sec. 9151.) It is also provided that a violation of these provisions constitutes a misdemeanor (Banking Laws, 1929, ch. 412, sec. 9152); but that neither the penalties prescribed for the commission of this misdemeanor nor the above restriction on the use of certain advertising or banking terms "shall be construed as affecting or in any wise interfering with any private bank or private banker that may be engaged in lawful business previous to April 16, 1919." (Banking Laws, 1929, ch. 412, sec. 9153). An additional penalty is prescribed in case "any * * * private banker, or person, not incorporated under the provisions" of law covering savings banks," or any officer, agent, servant, or employee thereof" advertises or exhibits any sign as a savings bank. (Banking Laws, 1929, ch. 413, sec. 9200). The laws also require corporations organized under the general incorporation laws to transact a banking business to have the word "State" as a part of their titles, but these laws specifically deny the right to use this word as a part of its title to any "partnership, individual, or unincorporated association engaged in buying or selling exchange, receiving deposits, discounting notes and bills, or other banking business." (Banking Laws, 1929, ch. 414, secs. 9202 and 9203.)

KANSAS

Corporate charter required to engage in banking business.

"From and after the passage and taking effect of this act, it shall be unlawful for an individual, firm or association to engage in the banking business in the State of Kansas without first making application to and receiving a corporate charter therefor from the State charter board, and procuring a certificate to transact such business from the bank commissioner, as provided by law: Provided, That this act shall not apply to any individual, firm or association now engaged in the transaction of banking business in the State of Kansas as a private bank." (Laws of 1929, ch. 90, sec. 1; Banking Laws, 1929, sec. 95, p. 29). Private bankers engaged in business at the time of the enactment of the above provision of law "shall be amenable to all the provisions" of the so-called bank act. (Laws of 1897, ch. 47, sec. 36, as amended by Laws of 1907, ch. 64, sec. 1; Revised Statutes of Kansas, 1923, sec. 9-138; Banking Laws, 1929, sec. 36, p. 14.)

KENTUCKY

Private banking business expressly prohibited.

The laws of this State provide "That it shall be unlawful for any person or persons, either as individuals or co-partners, to engage in or conduct the business of private banking in this Commonwealth." (Acts of 1906, Ch. 44, p. 278, sec. 1; Carroll's Ky. Stats., 1930, sec. 602a-1).

Penalty for transacting private banking business.

"Any person or persons who shall engage in such business after this law shall become effective shall be deemed guilty of a misdemeanor, and, upon conviction, shall be fined not less than twenty nor more than fifty dollars for each day he or they shall be engaged in said business; after April 15, 1906, to be recovered under indictment in the circuit court of the country where the offense shall be committed." (Acts of 1906, ch. 44, p. 278, sec. 2; Carroll's Ky. Stats., 1930, sec. 602a-2).

Private banking provisions repealed; incorporation required.

"Sections 599, 600, 601 and 602, Kentucky Statutes, relating to private banking are hereby repealed, and persons hereafter conducting or engaging in the banking business in this Commonwealth are required to become incorporated as now provided by law." (Acts of 1906, ch. 44, p. 278, sec. 3; Carroll's Ky. Stats., 1930, sec. 602a-3).

LOUISIANA.

Private banking of doubtful legality.

Section 275 of the Revised Statutes of Louisiana (Act 166 of 1855) provides that -

> "Any person or association of persons, or corporation formed in compliance with the following provisions, may transact the business of banking in this state, and establish offices of discount, deposits, and circulation for that purpose, upon the terms and conditions; and subject to all the liabilities and penalties herein described."

Section 1 of Act 179 of 1902, as amended by Act 140 of 1906, (Banking Law Pamphlet, 1928, sec. 1, p. 4) provides -

> "*** that the business of banking shall be carried on only by such incorporated associations as shall have been organized under the laws of this state, and of the United States, by individual citizens of the state and by firms domiciled in the state where active members shall be citizens of this state, provided that no private banker or other person or persons not incorporated under this act shall be permitted to use the title Bank, Banking Association or Savings Bank in connection with its name."

Section 1 of Act 137 of 1918 (Banking Law Pamphlet, 1928, sec. 1, p. 105), provides in part that -

> "***No person, firm, association, company or corporation, either domestic or foreign, excepting only banks organized under the laws of the United States, not subject to the supervision of the Examiner of State banks, and not required by the laws of the State of Louisiana to report to him, and which has not received from the Examiner of State banks a certificate of authority to do a banking business, *** shall engage in the business of banking, or the business of receiving money on deposit, *** or solicit or receive deposits or transact business in the way or manner of a bank, savings bank or trust company ***"

Section 4 of this Act (Banking Law Pamphlet, 1928, sec. 4, p. 108), also provides that "all laws or parts of laws in conflict herewith be, and the same are hereby repealed."

The provisions of Section 275 of the Revised Statutes and Section 1 of Act 179 of 1902, as amended by Act 140 of 1906, above quoted authorized private bankers to carry on the "business of banking"; but whether private banking can now be transacted lawfully is a doubtful question in view of the fact that the laws do not appear to contain any provisions providing for the supervision of, or the issuance of a certificate of authority to do a banking business to, private bankers by the "Examiner of State banks", which is required by the above quoted provision of Section 1 of Act 137 of 1918, as a condition precedent to the transaction of a banking business by any person or corporation. Furthermore, the Examiner of State banks advises that he will not issue a certificate of authority to a private banker to engage in the banking business. Additional provisions of Act 137 of 1918 affecting the private banking situation are set forth below.

Prohibition against advertising or transacting business as bank, savings bank or trust company.

No person, firm, association, company or corporation, except banks organized under the laws of the United States, not authorized to do business by the State Bank Examiner or reporting to or under his supervision, can "advertise that he or it is accepting money, savings and issuing notes or certificates of deposit or investment therefor * * * or transact business in such a way or manner as to lead the public to believe that its business is that of a bank, savings bank, or trust company, * * * , or use the word, 'Bank', 'Banker', 'Banking', 'Savings Bank', 'Savings', 'Trust', 'Trustee', 'Trust Company', * * * or any other word or words of similar import as part of its name or title, " or make use of any sign or other advertising indicating that the place of business or the business carried on is in any way that of a bank, savings bank, or trust company. (Act 137 of 1918, sec. 1; Banking Law Pamphlet, 1928, sec. 1. pp. 105 and 106.)

Penalty for violation of above provisions; procedure to restrain violation.

The laws prescribe that a penalty of $100 a day must be paid to the State for each day that a violation of any of the above provisions continues. Upon an action brought by the Attorney General the District Court may issue an injunction restraining the use of words or from further transacting business in violation of the above provisions, and may make such other order as equity and justice may require. (Act 137 of 1918, sec. 1; Banking Law Pamphlet, 1928, sec. 1, pp. 106 and 107.)

Examiner must examine persons or firms suspected of violating above provisions; fees.

Whenever it comes to the notice of the State Bank Examiner that any person, firm, or corporation, is violating the above provisions or is conducting the business of banking, it is his duty to make an immediate examination of the affairs of any such person, firm, or corporation. For the purpose of making such examination, the examiner is given free access to all the books, papers and accounts and has power to administer oaths to any officer, agent, employee, etc., of such person, firm, or corporation, and to any other person whose testimony may be required. The examiner is authorized in his discretion, to assess the same fee for such examination as is assessed for the examination of incorporated banks and trust companies. (Act 137 of 1918, sec. 2; Banking Law Pamphlet, 1928, sec. 2. pp. 107 and 108.)

Refusal to permit examination or answer inquiries.

A refusal to exhibit or turn over any books, accounts and papers for examination or to answer any inquiries of the examiner, constitutes a misdemeanor which, upon conviction, is punishable by a fine of not less than $100 nor more than $500. (Act 137 of 1918, sec. 2; Banking Law Pamphlet, 1928, sec. 2, p. 107.)

Examiner to report violations to Attorney General.

Where the State Bank Examiner has duly ascertained that any person, firm, or corporation is engaging in the business of banking or otherwise violating the provisions above referred to, it is his duty to report such violation or violations to the Attorney General, "who shall institute the necessary proceedings to enforce the penalties" above provided for. (Act 137 of 1918, sec. 3; Banking Law Pamphlet, 1928, sec. 3, p. 108.)

MAINE

Private banking prohibited; some exceptions.

General rule:

> " No person, copartnership, association, or corporation shall do a banking business unless duly authorized under the laws of this state or the United States, except as provided by section four. The soliciting, receiving, or accepting of money or its equivalent on deposit as a regular business by any person, copartnership, association, or corporation, or a corporation intended to derive profit from the loan of money except as a reasonable incident to the transaction of other corporate business or when necessary to prevent corporate funds from being unproductive, shall be deemed to be doing a banking business, whether such deposit is made subject to check or is evidenced by a certificate of deposit, a pass-book, a note, a receipt, or other writing; provided that nothing herein shall apply to or include money left with an agent, pending investment in real estate or securities for or on account of his principal.
>
> Whoever violates this section, either individually or as an interested party in any copartnership, association, or corporation, shall be punished by a fine of not less than three hundred dollars nor more than one thousand dollars, or by imprisonment for not less than sixty days nor more than eleven months, or by both such fine and imprisonment." (R.S. of 1930, ch. 57, sec. 3.)

Exceptions:

(a) Corporations which desire to encourage thrift among their employees may secure right to receive from such employees deposits subject to interest at a specified rate, upon application to the bank commissioner and compliance with certain conditions. (R.S. of 1930, ch. 57, sec. 4.)

(b) Apparently a foreign person or association may carry on the business of accumulating and loaning or investing the savings of its members or of other persons in the manner of loan or building associations upon compliance with certain conditions.

"The bank commissioner may authorize any such association or corporation duly established under the laws of another state to carry on such business in this state, but said association or corporation shall not transact such business in this state unless it shall first deposit with the treasurer of state, the sum of twenty-five thousand dollars and thereafter a sum equal to fifteen per cent of the deposits made in such association or corporation by citizens of the state, the amount of percentage of deposits so required to be determined from time to time by the bank commissioner; or in lieu thereof the whole or any part of said sum may consist of any of the securities in which savings banks may invest, as regulated in section twenty-seven at their par value, and the said deposit shall be held in trust by said treasurer for the protection and indemnity of the residents of the state with whom such associations or corporations respectively have done or may transact business. Said moneys or property shall be paid out or disposed of only on the order of some court of competent jurisdiction, made on due notice to the attorney-general of the state, and upon such notice to the creditors and shareholders of such association or corporation as the court shall prescribe. For the purpose of ascertaining the business and financial condition of any such association or corporation doing or desiring to do such business, the bank commissioner may make examinations of such associations or corporations, at such times and at such places as he may desire, the expense of such examinations being paid by the association or corporation examined, and may also require returns to be made in such form and at such times as he may elect. Whenever, upon examination or otherwise, it is the opinion of the bank commissioner that any such association or corporation is transacting business in such manner as to be hazardous to the public, or its condition is such as to render further proceedings by it hazardous to the public, said bank commissioner shall revoke or suspend the authority given to said association or corporation; but this section shall not prevent such association, corporation, or institution incorporated under the laws of another state, from loaning money upon mortgages of real estate located within the state." (R.S. of 1930, ch. 57, sec. 122.)

Prohibition of use of words "bank," "savings," "trust" and related words.

"No person or partnership and no association or corporation unless duly authorized under the laws of this state or of the United States to conduct the business of a bank or trust company shall use as a part of the name or title under which such business is conducted, or as designating such business, the word or words 'bank,' 'banker,' 'trust,' 'trust company,' 'banking,' or 'trust and banking company,' or the plural of any such word or words or any abbreviation thereof in or in con-

nection with any other business than that of a bank or trust company duly authorized as aforesaid. Provided, however, that this restriction shall not apply to any such person, partnership, association, or corporation, conducting business under such name or style prior to the twenty-third day of April, nineteen hundred five. No person, partnership, association, or corporation, bank or trust company, except a mutual savings bank organized under the laws of this state, shall use as a part of its name or title the word or words 'saving,' 'savings,' or 'savings bank.' Provided, however, that this restriction shall not apply to any business being conducted under such name or style prior to the twenty-third day of April, nineteen hundred five, nor to any bank or trust company using such word or words prior to the first day of January, nineteen hundred twenty-nine.

Any person, partnership, association, or corporation violating any of the provisions of this section may be enjoined therefrom by any court having general equity jurisdiction, on application of the bank commissioner or any person, corporation, or association injured or affected by such use; and any such court may further enjoin any attempt on the part of any person, firm, or corporation to mislead or give a false impression to the public that such person, firm or corporation is authorized under the laws of this state to conduct the business of a trust company. Any person or persons violating any of the provisions of this section, either individually, as members of any association or copartnership, or as interested in any such corporation, shall be punished by a fine of not more than one thousand dollars, or by imprisonment for not less than sixty days nor more than eleven months, or by both such fine and imprisonment." (R.S. of 1930, ch. 57, sec. 5.)

MARYLAND.

No provisions covering operation except restrictions against using certain advertising.

Except for the following provisions, which appear to be applicable to private banks, the laws of this State contain no provisions covering the organization or operation of private banks:

"No person, co-partnership or corporation not subject to the supervision and examinations of the Bank Commissioner, and not required to make reports to him * * *, shall make use of any sign at the place where such business is transacted, having thereon any artificial or corporate name or other words indicating that such place or office is the place or office of a banking institution as defined in this Article"; nor shall such person or persons, make use of or circulate any advertising "indicating that such business is the business of a banking institution." A violation of these provisions constitutes a misdemeanor and subjects the person or persons committing such viola-

tion to certain prescribed penalties. "The provisions of this section shall not apply to persons, copartnerships, or corporations which, at the time this Act takes effect, (June 1, 1918), are engaged in business in incorporated towns or cities of the State of less than ten thousand inhabitants." (Annotated Code of Maryland, 1924, Vol. 1, Article Eleven sec. 78; Laws of 1910, ch. 219, sec. 74, as amended by Laws of 1912, ch. 194, sec. 74 and Laws of 1918, ch. 33, sec. 75; Banking Laws, 1927, sec. 78, p. 36.)

Definition of "Banking Institution."

"the words 'Banking Institutions', as used in this Article, shall be held to mean incorporated Banks, Savings Institutions and Trust Companies, * * * ". (Annotated Code of Maryland, 1924, Vol. 1, Article Eleven Sec. 52; Laws of 1910, ch. 219, sec. 51; Banking Laws, 1927, sec. 52, p. 27.)

MASSACHUSETTS.

No provisions prohibiting private banking business; but certain advertising, and receiving deposits as savings bank or trust company prohibited.

The laws of this State do not contain any provisions with reference to the organization or establishment of private banks or bankers, except as indicated in last paragraph hereof, and except for the prohibitions embraced in the following provisions, the laws are silent with regard to the operation of such banks or bankers. The following provisions prohibit the receipt of deposits as a savings bank or trust company, and the use of any advertising or banking terms indicating that the place of business or the business carried on is that of a savings bank or trust company, by any person, partnership or association other than savings banks and trust companies incorporated under the laws of Massachusetts.

Prohibition against receipt of certain deposits and use of specific banking terms and other advertising.

" * * * no person, partnership or association except savings banks and trust companies incorporated under the laws of this commonwealth", and certain foreign banking corporations, shall hereafter make use of any signs or other advertising indicating that the place of business or business transacted is that of a savings bank; "nor shall any such * * * person, partnership or association, * * * solicit or receive deposits or transact business in the way or manner of a savings bank, or in such a way or manner as to lead the public to believe, or as in the opinion of the commissioner might lead the public to believe, that its business is that of a savings bank; nor shall any person, partnership, * * * or association, (excepting certain institutions not connected with or related to private banks or bankers) * * *

hereafter transact business under any name or title which contains the word 'bank' or 'banking', or any word in a foreign language having the same or similar meaning, as descriptive of said business, or, if he or it does a banking business or makes a business of receiving money on deposit, under any name or title containing the word 'trust', or any word in a foreign language having the same or similar meaning, as descriptive of said business." (General Laws, ch. 167, sec. 12; as amended Act 1921, ch. 78, sec. 1; Act 1922, ch. 114; Banking Law Pamphlet Relating to Savings Banks, 1929, ch. 167, sec. 12, p. 4.)

Bank Commissioner may examine books, accounts, etc. to ascertain whether law is being violated.

"The commissioner or his examiners may examine the accounts, books and papers of any * * * person, partnership or association making a business of receiving money on deposit, or which has the word 'bank', 'banking', 'banker', 'bankers', or 'trust', or any word in a foreign language having the same or similar meaning, in the name under which its business is conducted, in order to ascertain whether such * * *, person, partnership or association has violated or is violating any provision of the preceding section; and any * * *, person, partnership or association refusing to allow such examination or violating any provision of said section shall forfeit to the commonwealth one hundred dollars a day for every day or part thereof during which such refusal or violation continues." (General Laws, ch. 167, sec. 13; as amended Acts 1921, ch. 78, sec. 2; Banking Law Pamphlet Relating to Savings Banks, 1929, ch. 167, sec. 13, p. 4.)

Commissioner shall report violations to Attorney General; procedure to restrain violation.

Any refusal to permit such an examination, or any violation of the provisions first above quoted "shall forthwith be reported by the commissioner to the Attorney General. The said forfeiture may be recovered by an information or other appropriate proceeding brought in the Supreme Judicial or Superior Court in the name of the Attorney General. Upon such information or other proceeding the court may issue an injunction restraining such * * * , person, partnership or association from further prosecution of its business within the commonwealth during the pendency of such proceeding or for all time, and may make such other orders or decrees as equity and justice may require." (General Laws, ch. 167, sec. 13; as amended Acts 1921, ch. 78, sec. 2; Banking Law Pamphlet Relating to Savings Banks, ch. 167, sec. 13, p. 4.)

Further prohibition against use of term "Trust Company" or receiving deposits as trust company.

"No person or association and no bank or corporation, except trust companies, shall use in the name or title under which his or its business is transacted the words 'Trust Company' even though said words

may be separated in such name or title by one or more other words, or advertise or put forth a sign as a trust company or in any way solicit or receive deposits as such. Whoever violates this section shall forfeit one hundred dollars for each day during which such violation continues." Certain foreign corporations are excepted from the provisions of this section. (General Laws, ch. 172, sec. 4; as amended Acts 1923, ch. 41; Trust Company Law Pamphlet, ch. 172, sec. 4, p. 15.)

Persons engaged in the receipt and transmission of funds to foreign countries.

Persons engaged in the business principally or in conjunction with that of selling railroad or steamship tickets or in the supplying of laborers, receiving deposits for safe keeping or transmitting the same or equivalents to foreign countries shall, "before engaging or becoming financially interested or continuing to engage or be financially interested in the business of receiving deposits of money for the purpose of transmitting the same or equivalents thereof to foreign countries, make, execute and deliver to the state treasurer a bond in a sum equal to twice the amount of money or equivalents thereof transmitted to foreign countries by such person in any one week, as determined by the commissioner of banks, in this chapter called the commissioner, but in no event shall the sum of the bond be less than fifteen thousand dollars; provided, that the sum of such bond shall be increased on order of the commissioner at any time to such amount as shall be shown by examination to be necessary. Said bond shall be conditioned upon the faithful holding and transmission of any money or equivalents thereof which shall have been delivered to such person for transmission to a foreign country, and, in the event of the insolvency or bankruptcy of the principal, upon the payment of the full amount of such bond to the assignee, receiver or trustee of the principal, as the case may require for the benefit of such persons as shall have been delivered money or equivalents thereof to said principal for the purpose of transmitting the same to a foreign country." (Acts 1923, ch. 473, sec. 2; Acts 1929, ch. 182, sec. 2.)

MICHIGAN.

Private banks expressly prohibited; exception.

"On and after the effective date of this act (1925), it shall be unlawful for any individual person, or unincorporated association of individual persons, to engage in the business of banking, * * *: Provided, That this act shall not apply to any individual person or unincorporated association of individual persons engaged in the business of banking at the time of the passage of this act." (Public Acts of 1925, Act No. 284, sec. 1; Banking Laws, 1929, sec. 364, p. 105.)

Penalty for establishment of private bank.

"From and after the passage of this act, no person or association of persons, not incorporated under the banking laws of this State

and not now engaged in the private banking business, shall open up or attempt to operate any private bank, and any such operation or attempt shall be deemed a violation of this act, and the persons so operating or attempting to operate shall be deemed guilty of a felony, and on conviction thereof shall be punished by a fine not exceeding one thousand dollars or by imprisonment in the State prison for not more than five years, or by both such fine and imprisonment in the discretion of the court: Provided, That nothing in this act contained shall be construed to prohibit the surviving partner or partners of a copartnership from continuing the operation of any private bank operated by such copartnership at the time this act shall take effect." (Public Acts of 1925, Act No. 284, sec. 2; Banking Laws, 1929, sec. 365, p. 105.)

MINNESOTA.

"Individual or co-partnership" prohibited from transacting business of savings bank, safe deposit company or trust company.

From the following provisions, it appears that "a person, firm, individual or copartnership" is prohibited from advertising or engaging in business in any way as a savings bank, safe deposit company or trust company.

Provisions prohibiting business as savings bank, etc.

"No individual, co-partnership or corporation other than a savings bank or safe deposit and trust company subject to and complying with all the provisions of law relating to such bank or safe deposit and trust companies respectively, shall in any manner display or make use of any sign, symbol, token, letterhead, card, circular, advertisement stating, representing or indicating that he, it, or they, are authorized to transact the business which a savings bank, safe deposit or trust company usually does, or under said provision are authorized to do; nor shall any such individual, co-partnership or corporation use the words 'savings' or 'trust' or 'safe deposit' alone or in combination in title or name or otherwise or in any manner solicit business or make loans or solicit or receive deposits or transact business as a savings bank or safe deposit or trust company. * * . Every individual, co-partnership or corporation which shall violate any of the provisions of this section shall forfeit to the State the sum of one hundred dollars for every day such violation shall continue." (Act approved March 21, 1929, Laws of 1929, ch. 77, sec. 1; Banking Laws, 1929, sec. 1, p. 18.)

"Bank", "savings bank", "trust company" and "banking" defined.

"A bank is a corporation under public control, having a place of business where credits are opened by the deposit or collection of money and currency, subject to be paid or remitted upon draft, check, or order, and where money is advanced, loaned on stocks, bonds, bullion, bills of exchange, and promissory notes, and where the same are received for discount or sale; and all persons and co-partnerships, respectively, so operating, are bankers.

"A savings bank is an institution under like control, managed by disinterested trustees solely authorized to receive and safely invest the savings of small depositors.

"A trust company is a corporation under like control, authorized, within prescribed limitations, to act as a safe deposit company, trustee or representative for or under any court, public or private corporation, or individual, and as surety or guarantor." (General Statutes, 1923, sec. 7635; Banking Laws, 1929, p. 7)

"A 'bank' is a corporation having a place of business in this State, where credits are opened by the deposit of money or currency, or the collection of the same, subject to be paid or remitted on draft, check or order; and where money is loaned or advanced on stocks, bonds, bullion, bills of exchange or promissory notes, and where the same are received for discount or sale. A 'savings bank' is a corporation managed by disinterested trustees, solely authorized to receive and safely invest the savings of small depositors. Every 'bank' or 'savings bank' in this State shall at all times be under the supervision and subject to the control of the public examiner, (superintendent of banks) * * * and when so conducted said business shall be known as 'banking'." (General Statutes, 1923, sec. 7636; Banking Laws, 1929, p. 8).

Restriction against use of word "bank".

"Any person, firm or corporation carrying on in this State the business, or any part thereof, defined as 'banking' in the preceding section, who refuses to permit the public examiner (superintendent of banks) to inspect and superintend said business, and to see that the same is carried on in accordance with the banking laws of this State shall not be permitted to use the word 'bank' as the whole or any part of the business name of the place where said business is carried on, nor shall the word 'bank' be used on any stationery or in any advertisement of said business, as the whole or any part of the name or description of said business." (General Statutes, 1923, sec. 7637; Banking Laws, 1929, p. 8.)

MISSISSIPPI.

Banking business may only be transacted by corporations.

The laws of this State provide that "any person or firm now engaged in the banking business" as described below, "shall incorporate within six months after this (banking) act goes into effect. This section shall not apply except when such corporations keep the actual money on deposit or solicit outside deposits, but any person or association of

"persons now engaged in the banking business in this State shall be subject to all the provisions of this (banking) act until such person, persons or associations of persons shall be or become incorporated as provided in this section". Any person or firm is doing a banking business, under the Mississippi laws, when he or it has "a place of business within this state, where credits are opened by the deposit or collection of money or currency or negotiable paper subject to be paid or remitted upon draft, receipt, check or order, or sale of drafts or exchange drawn on local or foreign banks, *** ". (Laws of 1914, ch. 124, sec. 27; Brown's Miss. and Fed. Stats., 1925, sec. 27, p. 43).

MISSOURI.

Private banks may not now be established.

By an act enacted in the year 1915, this state prohibited the establishment of new private banks, the pertinent provision stating "that hereafter no new private bank shall be established". This act also contains detailed provisions covering the organization, operation and supervision of banks and apparently permitted private banks who were engaged in a banking business at the time of its passage to continue the operation of such business upon complying with the provisions covering incorporated banks so far as the same are applicable." In addition, the act contains provisions specifically applicable to private banks, these provisions being set forth below.

Definition of "private bankers".

"Private bankers are declared to be those who carry on the business of banking by receiving money on deposit, with or without interest, by buying and selling bills of exchange, promissory notes, gold or silver coin, bullion, uncurrent money, bonds or stocks, or other securities, and of loaning money, without being incorporated." (Laws of 1915, p. 157; Rev. Stats. of Mo., 1929, sec. 5403; Banking Laws, 1919, sec. 11781, p. 88.)

Capital requirements.

A private banker could not engage in business "without a paid-up capital of not less than ten thousand dollars, and if said banking business is to be carried on in a city having a population of one hundred and fifty thousand inhabitants or more, then without a paid-up capital of not less than one hundred thousand dollars, * * * ". (Laws of 1915, p. 157; Rev. Stats. of Mo., 1929, sec. 5404; Banking Laws, 1919, sec. 11782, p. 88.)

Sworn statement necessary; contents of

Before engaging in business a private banker also had to file "a statement, subscribed and sworn to as correct and true before a notary public by each person connected with such business as owner or partner, setting forth: First, the names and places of residence of all

"persons interested in the business, all of whom shall be residents of this state, the amount of capital invested; and second, the name in which the business is to be conducted and the place at which it is to be carried on; which statement shall be acknowledged, recorded in the office of the recorder of deeds of the county in which the bank is to be located, and a certified copy of such recorded instrument shall be filed in the office of the bank commissioner: * * *". (Laws of 1915, p. 157; Rev. Stats. of Mo., 1929, sec. 5404; Banking Laws, 1919, sec. 11782, pp. 88 and 89).

Cashier must give bond; condition of.

"The cashier of each private bank shall give bond to the state of Missouri, for such sum, and conditioned, as may be required by the commissioner, which shall be approved by the commissioner, and filed in his office." (Laws of 1915, p. 158; Rev. Stats. of Mo., 1929, sec. 5407; Banking Laws, 1919, sec. 11785, p. 90).

License fee or tax.

"No private banker * * *, after having made, recorded and filed the statement required by this article, shall be required to pay any license or tax not required of banks." (Laws of 1915, p. 158; Rev. Stats. of Mo., 1929, sec. 5408; Banking Laws, 1919, sec. 11786, p. 90.)

Provisions covering incorporated banks made applicable.

All of the provisions of law covering the organization, operation and supervision of incorporated banks "shall, so far as the same are applicable, apply to all private bankers doing business in this State; * * *" (Laws of 1915, p. 158; Rev. Stats. of Mo., 1929, sec. 5407; Banking Laws, 1919, sec. 11785, p. 90)

Loan on personal security of owner in excess of 10% of capital prohibited; violation cause for appointment of receiver.

A private banker cannot make any loan or discount on the personal security or obligation of any owner in excess of ten per cent of the paid up capital and surplus of the bank. A violation of this prohibition empowers the bank commissioner "in his discretion, to make application for the appointment of a receiver for such private bank or banker, as now provided by law in case of insolvent banks and trust companies." (Laws of 1915, p. 157; Rev. Stats. of Mo., 1929, sec. 5405; Banking Laws, 1919, sec. 11783, p. 89).

Restriction upon use of funds.

"No private banker shall employ any part of his capital, or any funds deposited with or borrowed by him, in dealing or trading in, buying or selling lands, goods, chattels, wares or merchandise, but he may sell and dispose of all kinds of property which may necessarily come into his possession in the collection of his loans or discounts." (Laws of 1915, p. 158; Rev. Stats. of Mo., 1929, sec. 5406; Banking Laws, 1919, sec. 11784, p. 89.)

Loans to one borrower and other use of funds.

A private banker may not "use or employ his capital or funds deposited with or borrowed by him in any other manner than banks are * * * permitted, or loan a greater amount to any person or loan any sum whatever, except upon like security as is required to be taken by banks." (Laws of 1915, p. 158; Rev. Stats. of Mo., 1929, sec. 5406; Banking Laws, 1919, sec. 11784, p. 89).

Surplus of 20% of capital required before profits may be distributed.

The profits of a private banker may not be distributed "without first setting apart to surplus accounts at least twenty per cent of the net profits each year until the surplus equals twenty per cent of the capital, and said surplus shall not be diminished except for the payment of any losses which may occur: Provided, if there are undivided profits, these shall first be used in payment of such losses." (Laws of 1915, p. 158; Rev. Stats. of Mo., 1929, sec. 5406; Banking Laws, 1919, sec. 11784, p. 89.)

Penalty for violation of provisions.

Any private banker who fails to make and file the statement required of incorporated banks or so much thereof as the bank commissioner may require "or shall fail or refuse to make or render any other report or statement required by the banking laws of this state, or who shall, wilfully and corruptly, make any such statement falsely, or who shall violate any of the provisions of this article (covering incorporated and private banks), he or they, and each of them shall be deemed guilty of a misdemeanor, and, upon conviction thereof, upon information or indictment, shall be punished by a fine, for each offense, not exceeding five thousand dollars nor less than five hundred dollars, or by imprisonment not less than one nor more than twelve months in the city or county jail, or by both such fine and imprisonment." (Laws of 1915, p. 158; Rev. Stats. of Mo., 1929, sec. 5407; Banking Laws, 1919, sec. 11785, p. 90.)

"If at any time the commissioner shall be satisfied that any private banker * to which has been issued an authorization certificate or license, is violating any of the provisions of this chapter, or is conducting its business in an unauthorized or unsafe manner, or is in an unsound or unsafe condition to transact its business, or cannot with safety and expediency continue business, the commissioner may, over his official signature and seal of office notify the holder of such authorizetion certificate or license that the same is revoked." (Rev. Stats. of Mo., 1929, sec. 5299).

MONTANA.

Banking business may only be transacted by corporations; exception.

The laws of this state provide that "It shall be unlawful for any corporation, partnership, firm, or individual to engage in or trans-

act a banking business within this state, except by means of a corporation duly organized for such purpose. * * * this (bank) Act shall not apply to any person, firm or association now doing a private banking business; provided, however, that said private banks hereinabove referred to shall come under all of the provisions of this Act which may be fairly applicable thereto; * * * ". (Laws of 1927, ch. 89, sec. 2; Banking Laws, 1927, sec. 2, p. 8)

Advertising before issuance of charter; penalty

"It shall be unlawful for any individual, firm or corporation to advertise, publish or otherwise promulgate that it is engaged in the banking business without first having obtained authority from the Department of Banking, * * * . Any such individual, or member of such firm, or officer of any such corporation so offending, shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished as provided by the laws of this State." (Laws of 1927, ch. 89, sec. 107; Banking Laws, 1927, sec. 107, p. 60)

As stated above, private bankers who were engaged in the transaction of a banking business as of the passage of the so-called bank act, March 8, 1927, are required to comply with such provisions of the bank act as "may be fairly applicable thereto". The bank act also contains other provisions which are specifically applicable to these private bankers, those provisions being set forth below.

Name of private bank.

The name of a private bank must contain the name of the individual conducting the business, or, if a copartnership or association, the name of at least one actual and responsible member thereof, "in addition to which name there shall be no other designation then the words 'bank of', 'Banking house of' 'banker', or 'bankers'. Nothing in this section shall apply to any person, firm or association now conducting a private banking business in this state, which bank is now authorized by the State Banking Department to do a banking business". (Laws of 1927, ch. 89, sec. 82; Banking Laws, 1927, sec. 82, p. 52).

"Approved property or assets" must be owned before deposits may be received.

Every private bank must before receiving any money on deposit "actually own and possess, within the State of Montana, approved property or assets not exempt from execution of the minimum value" of not less than $20,000; not less than $30,000 in cities and towns having a population of over 2,000 and up to 5,000; not less than $50,000 in cities having a population of 5,000 to 10,000; not less than $75,000 in cities having a population of 10,000 to 25,000; in all cities having a population of 25,000 or over the value of the property or assets must be $100,000. This financial condition must appear and be carried on the books of every private bank and these provisions "shall extend and be applicable separately to each and every private bank conducted by any person, co-partnership, or association, and no asset or assets shall appear on the books of more than one bank." (Laws of 1927, ch. 89, sec. 83; Banking Laws, 1927, sec. 83, p. 53).

Examinations; power of State Examiner.

Every private bank "shall be subject to examination and visitations of the State Examiner once each year, and oftener when deemed

"necessary by said examiner, who shall have full power and authority to investigate and examine all books, papers, and effects of any such bank or banking house for the purpose of ascertaining the financial condition of any such bank or banks, and shall have the power in aid thereof to administer oaths to any person or persons, or the agent or employees of any person or persons conducting such bank or banking business." (Laws of 1927, ch. 89, sec. 84; Banking Laws, 1927, sec. 84, p. 53).

Reports of condition; number and nature of; publication required.

The cashier of every private bank is required, on call of the superintendent of banks, to make not less than three reports of condition during each year, anyone of which must be not less than two months apart. These reports must be verified by the cashier, must be made in such form as the superintendent may prescribe, and must contain a full abstract of the general accounts of the bank and show under appropriate heads the resources and liabilities of the bank. A condensed form of each report must be published in the newspapers and proof of such publication is required to be made to the superintendent. The superintendent also has power to call for special reports whenever he considers that such reports are necessary. (Laws of 1927, ch. 89, sec. 86; Banking Laws, 1927, sec. 86, p. 54).

Penalty for receiving deposits while bank is insolvent or for making false statements or entries.

Any person, or the members of any private bank, who receives deposits when such person or private bank is insolvent "or who subscribes or makes any false statement, or entries in the books of any such bank, or who knowingly subscribes or exhibits any false papers, with the intention of deceiving any person authorizing (authorized) to examine the condition of any bank provided for in this Act, or who wilfully subscribes or makes false reports to the Superintendent of Banks, shall be guilty of a felony, and shall be punishable by imprisonment in the State prison for a term not exceeding five (5) years." (Laws of 1927, ch. 89, sec. 87; Banking Laws, 1927, sec. 87, p. 55).

Pledging of assets.

"No * * * banker * * * shall, except as otherwise authorized by law, pledge or hypothecate as collateral security for money borrowed, its assets in a ratio exceeding one and one half times the amount borrowed (except as otherwise authorized by the Superintendent)." (Laws of 1927, ch. 89, sec. 99; Banking Laws, 1927, sec. 99, p. 58).

Taxation of private banks.

The laws of this state also contain detailed provisions covering the taxation of private banks. (Laws of 1927, ch. 64, sec. 1; Banking Laws, 1927, sec. I (2067), pp. 78 and 79).

NEBRASKA.

Banking business may only be transacted by corporations.

The laws of this State provide that the business of banking may only be transacted by corporations duly organized for that purpose. The provisions in this connection read as follows:

"The department of trade and commerce shall have general supervision and control of banks and banking under the laws of this state and no person or persons shall be permitted to engage in or transact a banking business save corporations having complied with the provisions of this article." (Comp. Stat. of Nebraska, 1922, sec. 7982; Banking Laws, 1929, sec. 7982, p. 3).

"It shall be unlawful for any corporation, partnership, firm or individual to engage in or transact a banking business within this state, except by means of a corporation duly organized for such purpose under the laws of this state." (Comp. Stat. of Nebraska, 1922, sec. 7984; Banking Laws, 1929, sec. 7984, p. 3).

NEVADA.

Private banking business must be licensed; provisions of bank act applicable.

In order to engage in the business of banking in this State a private banker must obtain a license to do so and is subject "as far as may be" to the provisions of law covering incorporated banks.

Necessity for license.

"No individual, *** banking firm, *** company, *** shall engage in the banking business in this state without first obtaining from the bank examiner a license in the form presented by him, authorizing such individual, firm, *** company, *** to use the name and transact the business of a bank; ***" (Act of March 22, 1911, sec. 47; Banking Laws, 1930, sec. 47, p. 16).

Subject to supervision and control of State banking board and bank examiner; bank act made applicable.

"The state board of finance, sitting as the Nevada state banking board, shall have, in connection with the state bank examiner, supervision and control of banks and banking in this state, and no persons, firms, associations, or corporations shall be permitted to engage in the banking business in this state, save in compliance with this (bank) act." (Act of March 22, 1911, sec. 49, as amended by Laws of 1919, p. 285; Banking Laws, 1930, sec. 49, p. 16). The laws also

provide that "All of the provisions of this (bank) act shall be applicable as far as may be to individuals, firms, or associations, as well as to corporations." (Act of March 22, 1911, sec. 8; Banking Laws, 1930, sec. 8, p. 6).

Definition of words used in bank act.

"The words 'corporation,' 'banking corporation,' 'bank', 'trust company,' or 'banker', as used in this (bank) act, shall refer to and include banks, savings banks, and trust companies, individuals, firms, associations, and corporations of any character conducting the business of receiving money on deposit or otherwise carrying on a banking or trust company business, except as herein specially provided." (Act of March 22, 1911, sec. 75; Banking Laws, 1927, sec. 75, p. 23).

NEW HAMPSHIRE.

Private banks subject generally to banking and taxation laws.

The laws of this State provide that "Every association or partnership formed for the purpose of loaning money or dealing in money, receiving deposits, buying or selling exchange or transacting such other business as is usually transacted by banks, shall be a bank for the general purposes of this title and for taxation. The clerk or cashier of every such bank shall make the same returns to towns where its stockholders reside as the cashiers of other banks are by law required to make." (Public Stats., ch. 164, sec. 5; Public Laws, 1926, ch. 260, sec. 24; Banking Law Pamphlet, 1929, ch. 261, sec. 24, p. 9).

"This title" (XXVI) is that portion of the laws of New Hampshire relating to and covering the operation of banks, savings banks, and trust companies; and, apparently, the provision above quoted recognizes a private banking business, but requires such business to be conducted in accordance with the provisions of the laws relating to incorporated banking institutions and the taxation thereof, in so far as it is possible generally so to do. In addition, the laws contain certain provisions which are specifically applicable to private banks. These provisions are set out below.

Owners deemed stockholders; capital for taxation purposes.

"Every person owning any portion of the funds employed in any private bank shall be deemed a stockholder therein. The average amount of the capital of such private bank during the preceding year shall be the capital of such bank subject to taxation as stock." (Public Stats., ch. 164, sec. 6; Public Laws, 1926, ch. 260, sec. 25; Banking Law Pamphlet, 1929, ch. 260, sec. 25, p. 9).

Liability of stockholders.

"The stockholders of any private bank shall be liable as partners for all the debts and obligations of the bank." (Public Stats., ch. 164, sec. 7; Public Laws, 1926, ch. 260, sec. 26; Banking Law Pamphlet, 1929, ch. 260, sec. 26, p. 9).

Prohibition against advertising or transacting business as savings bank.

No person, partnership or association, "except savings institutions incorporated in this state", can make use of any sign or other form of advertising indicating that the place of business or business carried on is that of a savings bank, or "receive deposits and transact business in the way or manner of a savings bank, or in such a way or manner as to lead the public to believe, or, in the opinion of the commissioner, might lead the public to believe", that the business is that of a savings bank. (Laws of 1907, ch. 112, sec. 2; Public Laws, 1926, ch. 261, secs. 53-55; Banking Law Pamphlet, 1929, ch. 261, secs. 53-55, p. 18).

Examination to ascertain whether above provision is being violated.

"The commissioner shall have the authority to examine the accounts, books and papers of any ***, person, partnership or association which makes a business of receiving money on deposit in order to ascertain whether they have violated" the provisions last above referred to, and a penalty is prescribed for any such violation. (Laws of 1907, ch. 112, sec. 3; Public Laws, 1926, ch. 261, secs. 56 and 57; Banking Law Pamphlet, 1929, ch. 261, secs. 56 and 57, p. 19).

Recovery of penalty and injunction to restrain further prosecution of business.

"Any violation of *** (such) provisions *** shall forthwith be reported by the commissioner to the Attorney General; and the forfeiture may be recovered by an information or other appropriate proceeding brought in the superior court in his name. Upon such information or other proceeding the court may issue an injunction restraining such person, partnership, *** from further prosecution of its business within this state during the pendency of such proceeding or for all time, and may make such other order as justice may require." (Laws of 1907, ch. 112, sec. 3; Public Laws, 1926, ch. 261, secs. 58 and 59; Banking Law Pamphlet, 1929, ch. 261, secs. 58 and 59, p. 19).

Treasurer of savings bank shall not carry on private banking business.

"No treasurer or person acting as treasurer of a savings bank shall carry on or be engaged in the business of private banking, or shall suffer such business to be carried on in the office of the bank", and if any person violates these provisions "he shall be fined not more than one thousand dollars, or imprisoned not more

than one year or both". (Public Laws 1926, ch. 261, secs. 4 and 5.).

NEW JERSEY

Penalty for carrying on banking business without authority.

"No individual, association of individuals, partnership or joint stock association, shall engage in the business of banking, except under and in accordance with the provisions of this act, unless possessed of unencumbered assets of at least fifty thousand dollars, and that any such individual, association of individuals, partnership or joint stock association and the individual members thereof, who shall violate the provisions of this act and carry on the business of banking without authority, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding five thousand dollars, or by imprisonment at hard labor for a term not exceeding seven years, or both." (Laws of 1925, ch. 189, p. 454; Comp. Stat. of N. J., Supplement, 1925-1930, Sec. 17-44.).

Private banker must be a citizen of the United States and at least one member of the firm must reside in State.

"No individual or individuals shall engage in the business of banking who are not citizens of the United States, and no individual, association of individuals, partnership or joint stock association, shall engage in the business of banking within this State unless one or more of the persons so engaged shall be residents in and inhabitants of this State, and for every violation of the provisions of this section, the person or persons so offending shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be liable to a fine of not more than one thousand dollars, and in all reports that shall be made by such individual, association of individuals, partnership or joint stock association, the full names and places of residence of each of the persons so interested shall be fully set out." (Laws of 1925, ch. 189, p. 454; Comp. Stat. of N. J., Supplement, 1925-1930, Sec. 17-47.).

Insolvency, etc.; commissioner may apply for injunction or receiver.

In case it appears from any report made by or any examination of any private bank that such bank is insolvent or is unable to pay its obligations as they severally mature, or is unable to pay its depositors the money held by it on deposit whenever called upon so to do, or shall suspend its ordinary business for want of funds to carry on the same, or shall not be possessed of unencumbered assets of at least fifty thousand dollars in excess of its liabilities, the commissioner, or any creditor of the bank, may apply "to the chancellor" for an injunction or the appointment of a receiver. If after a hearing, it appears to the chancellor that the private bank is insolvent, or is not able to resume business

with safety to the public and advantage to the creditors, or is not possessed of unencumbered assets of at least fifty thousand dollars in excess of its liabilities, the chancellor may issue an injunction to restrain such private bank from further carrying on business, and if insolvent, from collecting or receiving any debts, or from paying out, selling, assigning or transferring any of the assets, moneys, funds, lands, tenements or effects belonging to it, until the court otherwise orders. (Laws of 1925, ch. 189, p. 455; Comp. Stat. of N. J., Supplement, 1925-1930, Sec. 17-48.).

Certificate of authority necessary to engage in business; examination by commissioner.

"No individual, association of individuals, partnership or joint stock association shall engage in the business of banking in this State unless authorized thereunto by the commissioner of banking and insurance by his certificate to that effect, and such certificate shall not be made or issued by the said commissioner until after the said individual, association of individuals, partnership or joint stock association, shall have made to him the report or reports required by this act; and not until after the said commissioner of banking and insurance, or some person appointed by him, shall have made an examination of the affairs and financial condition of such individual, association of individuals, partnership or joint stock association, from which it shall appear to said commissioner that he or they are then solvent and able to pay his or their debts at maturity, and are possessed of unencumbered assets of at least fifty thousand dollars in excess of his or their liabilities; provided, the commissioner of banking and insurance may refuse to issue such certificates of authorization if in his judgment the interests of the public would be best subserved by such refusal;" (Banking Laws of 1925, ch. 189, p. 456; Comp. Stat. of N. J., Supplement, 1925-1930, Sec. 17-51.).

Advertisements indicating banking business.

"that no individual, association of individuals, partnership or joint stock association, not authorized under this act to do a banking business, shall make use of any office sign at the place where his or their business is transacted, having thereon any artificial or corporate name or other word or words indicating that such place or office is the place or office of a bank, nor in any manner advertise that he or they are engaged in a banking business, nor make use of or circulate any letterheads, billheads, blank notes, blank receipts, certificates, circulars or any written or printed or partly written and partly printed paper whatever, having thereon any artificial or corporate name or any other word or words indicating that his or their business is that of a bank." (Laws of 1925, ch. 189, p. 456, Comp. Stat. of N. J., Supplement 1925-1930, Sec. 17-51.).

NEW MEXICO.

Provisions of "bank act" made applicable to "individuals and copartnerships."

The laws of this State provide that "This act shall be known as the 'Bank Act' and shall be applicable to all corporations, individuals and copartnerships specified in the next section, except as hereinafter specifically excepted." (Laws of 1915, ch. 67, sec. 1; New Mexico Stats. Ann., 1929, sec. 13-101; New Mexico Bank Code, 1929, sec. 1, p. 5.). The "next section" referred to sets out that "The word 'Bank' as used in this (bank) act includes every person, firm, company, copartnership or corporation, except National Banks, engaged in the business of banking in the State of New Mexico." (Laws of 1915, ch. 67, sec. 2; New Mexico Stats. Ann., 1929, sec. 13-102; New Mexico Bank Code, 1929, sec. 2, p. 5). The bank act provides further that "When by the provisions hereof anything is required to be done by any incorporated bank, or other corporation, carrying on a banking business under any of the provisions of this act, or by the Board of Directors of any such incorporated bank or corporation, or any officer, director or employee thereof, or their right or power to do a specific act is denied, the same act shall be done, or not, as the case may be, by individuals or copartners engaged in the banking business." (Laws of 1915, ch. 67, sec. 7; New Mexico Stats. Ann., 1929, sec. 13-107; New Mexico Bank Code, 1929, sec. 7, pp. 5 and 6.).

It would appear, therefore, that these provisions have the effect of subjecting persons, firms, copartnerships and unincorporated banks to the same provisions as are made applicable to incorporated banks. In addition the bank act makes the following requirements specifically applicable to private banks:

Private bankers engaged in other business in addition to that of banking; capital required; separation of capital; payment of creditors; manner of keeping books; bank act requirements covering reserves, deposits, investments, etc., made applicable.

"All persons, (and) co-partnerships * * * engaged in business, a portion only of which is banking, shall set apart and keep separate so much capital for banking as may be necessary for conducting a bank * * *. The capital so set apart and the assets of said bank or banking department shall be first applicable to the payment of the creditors thereof, as distinguished from the general creditors of the persons, (or) co-partnerships * * * conducting the same. Every person, (or) co-partnership * * * so carrying on a banking business in connection with any other business shall keep separate books of account for each banking business, and shall be governed as to all deposits, reserves, investments and transactions relating to such banking business, by the provisions of this act provided for

the control of such banking business, and with respect to said banking business or banking department shall be subject to all the provisions of this act." (Laws of 1915, ch. 57, sec. 9; New Mexico Stats. Ann., 1929, sec. 13-109; New Mexico Bank Code, 1929, sec. 9, p. 6.).

Certified statement as to capital stock, names and residences of co-partners, amount of capital owned by each.

The bank act provides that "any individual or co-partnership desiring to conduct a banking business shall file in the office of the State Bank Examiner and of the State Corporation Commission a similar statement" as that filed by a corporation. The laws with reference to the statement filed by a corporation provide that "As soon as ten per cent of the capital stock and surplus of the corporation shall be fully paid in cash, a copy of the by-laws of said bank and the oaths of its directors shall be filed in the office of the State Bank Examiner and of the State Corporation Commission, together with a statement executed on behalf of the corporation and sworn to by its president, and cashier or secretary, certifying: the full amount of the entire capital stock of said corporation subscribed; the names and residences of the officers, directors and stockholders of said corporation; the amount of stock owned by each, and the fact that such corporation will be fully prepared to transact the business for which it was organized, upon the payment in cash of the remaining ninety per cent of the capital stock and surplus." (Laws of 1929, ch. 131, sec. 5; New Mexico Stats. Ann., 1929, sec. 13-113; New Mexico Bank Code, 1929, sec. 13, p. 7).

Word "State" may not be used as part of title.

"Individuals and co-partners engaged in banking shall not use the word 'State' as part of the name of the banking business." (Laws of 1919, ch. 120, sec. 4; New Mexico Stats. Ann., 1929, sec. 13-114; New Mexico Bank Code, 1929, sec. 14, p. 8).

Ownership of stock by co-partners.

"Co-partners conducting a bank shall each own at least ten per cent" of the stock of the firm. (Laws of 1929, ch. 131, sec. 6; New Mexico Stats. Ann., 1929, sec. 13-117; New Mexico Bank Code, 1929, sec. 17, p. 9).

Oath required of owners.

Every owner of an unincorporated bank, actually engaged in its management, shall annually make an oath that he will diligently and honestly administer the affairs of the bank; that he will not knowingly violate, nor willingly permit to be violated, any provision of the law; and that he is the owner in good faith of the required amount of capital and that this capital is not pledged or incumbered.

The State Bank Examiner furnishes blanks for such oath and within twenty days after execution it must be filed with the State Bank Examiner. (Laws of 1919, ch. 120, sec. 8; New Mexico Stats. Ann., 1929, sec. 13-119; New Mexico Bank Code, 1929, sec. 19, p. 9.).

Penalty for failure to comply with provisions re oaths.

"Every bank failing to comply with the provisions of this section (regarding oaths) shall pay to the State Bank Examiner a penalty of Five Dollars for each day's delay." (Laws of 1919, ch. 120, sec. 8; New Mexico Stats. Ann., 1929, sec. 13-119; New Mexico Bank Code, 1929, sec. 19, p. 9).

Statement as to names and residences of owners and amount of stock held.

"Every bank shall, within twenty days after the first Tuesday in January of each year, upon a form to be furnished by the State Bank Examiner, file with the State Bank Examiner a statement sworn to by * * * at least two owners of an unincorporated bank, disclosing the names and residences of all *** owners thereof, together with the amount of stock or interest held by each. In the event of any change in the * * * owners of any unincorporated bank, such changes shall within twenty days be likewise certified to the State Bank Examiner." (Laws of 1919, ch. 120, sec. 9; New Mexico Stats. Ann., 1929, sec. 13-122; New Mexico Bank Code, 1929, sec. 22, p. 10).

Penalty for failure to comply with provisions re statement.

"Every bank failing to comply with the provisions of * * * (the) section (last above quoted) shall pay to the State Bank Examiner a penalty of Five Dollars for each day's delay." (Laws of 1919, ch. 120, sec. 9; New Mexico Stats. Ann., 1929, sec. 13-122; New Mexico Bank Code, 1929, sec. 22, p. 10).

Meetings of owners; examination of books, records, etc., required.

"The board of directors or owners of every bank shall hold regular meetings once each month. Failure on the part of any director without good cause to attend three consecutive meetings shall be ground for his removal by the State Bank Examiner. At not less than two of said meetings during each year, which meetings shall be at least five months apart, the board of directors or an auditing committee consisting of at least two members of the board of directors shall make a thorough examination of the books, records, funds, securities and other property held or owned by the bank, and shall enter upon their minutes the result of such examinations and a certified copy of such entry shall within twenty days from the date thereof be filed with the State Bank Examiner." (Laws of 1929, ch. 131, sec. 7; New Mexico Stats. Ann., 1929, sec. 13-123; New Mexico Bank Code, 1929, sec. 23, p. 10).

Penalty for failure to make such examination.

If the owners of any bank fail to make or cause to be made an examination of the books, records, funds, securities and other property held or owned by the bank, each of such owners is personally liable to a penalty of fifty dollars for every such failure. If this penalty is not paid within thirty days after demand therefor, the State Bank Examiner must institute civil proceedings to recover the same. No owner can be reimbursed out of the funds of the bank on account of any penalty paid, nor can any penalty be paid out of the funds of the bank. (Laws of 1929, ch. 131, sec. 7; New Mexico Stats. Ann., 1929, sec. 13-123; New Mexico Bank Code, 1929, sec. 23, p. 10).

Endorsement of paper of borrower by owner.

No owner in an unincorporated bank can become endorser for any person, firm or corporation borrowing money therefrom, nor can any note or obligation of such owner be considered as an asset of the bank. (Laws of 1919, ch. 120, sec. 20; New Mexico Stats. Ann., 1929, sec. 13-136; New Mexico Bank Code, 1929, sec. 35, p. 15.).

Declaration of dividend; surplus fund required.

The owners may semi-annually declare a dividend of so much of the net profits of the bank as has been actually earned and collected; but every bank must before the declaration of a dividend, carry one-fifth of its net profits for the preceding half year to its surplus fund until it amounts to fifty per centum of its capital stock, and such surplus must thereafter be maintained unless impaired by unavoidable losses. (Laws of 1929, ch. 131, sec. 11; New Mexico Stats. Ann., 1929, sec. 13-146; New Mexico Bank Code, 1929, sec. 45, p. 17).

NEW YORK

The laws of this State provide that if a private banker executes and has accepted by the superintendent of banks a certain affidavit, the required contents of which are hereinafter set forth, such banker is exempted from certain other provisions of law. The provisions covering such banker are digested immediately below.

A private banker who has not executed and had accepted by the superintendent the so-called exemption affidavit is subject, in addition to the provisions set out immediately below, to certain other provisions. These additional provisions are digested separately and follow after the provisions covering private bankers of the class first above referred to.

Definition of private banker.

"The term, 'private banker', when used in this chapter,

"means an individual, who, by himself, or as a member of a partnership or unincorporated association other than an unincorporated express company having a contract with a railroad company or railroad companies for the operation of an express service upon the lines thereof, is engaged in the business of receiving deposits subject to check or for repayment upon the presentation of a pass book, certificate of deposit or other evidence of debt, or upon the request of the depositor, or in the discretion of such individual, partnership or unincorporated association; of receiving money for transmission; of discounting or negotiating promissory notes, drafts, bills of exchange or other evidences of debt; of buying or selling exchange, coin or bullion; or is engaged in the business of transacting any part of such business. The term, 'private banker', when so used, shall include the executor or

administrator of a deceased private banker and a partnership or unincorporated association of private bankers." (Banking Law, sec. 2).

Classes of private bankers covered by provisions.

The laws of this State provide that the provisions applicable to private bankers, "except as hereinafter further limited, shall apply to every private banker engaged in the business of private banking in the State:

"1. Who makes use of the word 'bank,' 'banker,' 'banking' or any derivative or compound of any such word or any words in a foreign language having the same or similar meanings, in or on any sign or any passbook, check, receipt, note, stationery, billhead, certificate, blank, form, pamphlet, circular or newspaper or other advertising matter, or who solicits deposits by means of signs or other advertising; or

"2. Who pays or credits interest, or pays, credits or gives any bonus or gratuity or any thing of value, except on certificates of deposit actually outstanding at the time this act takes effect, to any depositor on any deposit balance of less than seven thousand five hundred dollars, if such deposit balance is that of any depositor resident in the United States who does not have with such banker during the period in respect of which interest is so paid or credited, an average daily credit balance or securities of an average daily market value, together exceeding seven thousand five hundred dollars; provided the aggregate amount of such deposit balances on which interest is so paid or credited exceeds two per centum of the total deposits of such private banker; or

"3. Who receives money on deposit for safekeeping or for any other purpose (other than for transmission to others) in such sums that the average of all the separate deposits so received by such private banker from all depositors during any twelve months' period (or for such period, if less than twelve months, that such private banker has been engaged in such business) is less than one thousand dollars. * * * ; or

"4. Who receives from any person at any one time money for transmission to others in any manner whatsoever in amounts of less than five hundred dollars, provided, however, that any private banker may, without thereby becoming subject to the provisions of this article, sell letters of credit, bankers' checks, travellers' checks, bills of exchange, drafts or other similar documents or may make cable transfers in amounts of less than five hundred dollars, if he has deposited and shall keep on deposit with the superintendent of banks interest bearing stocks or bonds of the United States or of this state or of any city, county, town, village or free school district in this state authorized by the legislature to issue the same, in a principal amount equal to one hundred thousand dollars. * * * ". (Banking Law, sec. 150).

Business not to be begun without authorization certificate of superintendent of banks.

None of the business comprised in the above definition of a private banker shall be carried on by any "individual, partnership or unincorporated association" unless an authorization certificate is granted by the superintendent of banks. (Banking Law, sec. 150-a).

Procedure to obtain authorization certificate.

Every private banker or other individual, partnership or unincorporated association seeking to engage in business as a private banker must submit to the superintendent of banks a verified certificate in duplicate which shall state:

"1. The full name, residence and post office address of such individual or of each member of such partnership or unincorporated association.

"2. The state, or country, of which each individual named in such affidavit is a citizen.

"3. The amount of permanent capital such individual, partnership or unincorporated association has kept invested in his business as a private banker or has deposited in cash to be invested in such business which shall be not less than the amounts hereinafter specified:

"(a) Fifteen thousand dollars if the place where the business is to be transacted is an incorporated or unincorporated village having a population which does not exceed two thousand;

"(b) Twenty-five thousand dollars if the place where the business is to be transacted is an incorporated or unincorporated village having a population of two thousand or more and less than ten thousand;

"(c) Fifty thousand dollars if the place where the business is to be transacted is an incorporated or unincorporated village or a city having a population of ten thousand or more and less than thirty thousand;

"(d) One hundred thousand dollars if the place where the business is to be transacted is a city having a population of thirty thousand or more.

"4. The place at which such business is to be transacted.

"5. If such private banker is engaged in business as a private banker in a city the population of which exceeds one hundred and seventy-five thousand, the amount of deposit balance upon which such

private banker pays or credits interest or pays, credits or gives any bonus or gratuity or anything of value to a depositor and the average of the separate deposits of such private banker since January first, nineteen hundred thirty, or for a period of twelve months immediately preceding the date of such verified certificate, exclusive of dividend checks, coupons or other small collection items collected by such private banker for customers in the ordinary course of business in; or, if the applicant has not already engaged in such business, said certificate shall state the minimum deposit balance upon which such applicant proposes to pay or credit interest or to pay, credit or give such bonus or gratuity, or thing of value.

"Such certificate shall be verified by such individual or by one or more members of a partnership or unincorporated association, in the discretion of the superintendent, upon a form prepared by the superintendent of banks, which shall state that the affiant or affiants have read such certificate and that the facts therein stated are true." (Banking Law , sec. 151).

When the superintendent receives the verified certificate, he must ascertain whether the character, responsibility and general fitness of the person or persons named in such certificate are such that the business of the proposed private banker will be honestly and efficiently conducted and whether the public convenience and advantage will be promoted by allowing such proposed banker to engage or continue in business. The superintendent is also required to ascertain whether the facts stated in the certificate are true in case the private banker has not submitted with it the so-called exemption affidavit or such affidavit has been refused by the superintendent. After the superintendent has satisfied himself that it is expedient and desirable to permit such private banker to engage or continue in business, he may approve the certificate and must immediately give notice of the approval to the private banker. (Banking Law , sec. 23).

<u>Revocation of authorization certificate or license by superintendent; effect of.</u>

"If at any time the superintendent shall be satisfied that any private banker * * * is violating any of the provisions of this chapter, or is conducting its business in an unauthorized or unsafe manner, or is in an unsound or unsafe condition to transact its business, or can not with safety and expediency continue business, the superintendent may, * * * notify the holder of such authorization certificate or license that the same is revoked." (Banking Law, sec. 29) It is also provided that "Whenever the superintendent shall have revoked his authorization of any such private banker, and shall have taken the action to make such revocation effective specified in section twenty-six of this chapter (section twenty-six provides for the revocation of the superintendent's acceptance

of the affidavit entitling private bankers to certain exemptions, and this section and the section covering the exemption affidavit are set out hereinafter), all the rights and privileges of such banker, resulting from such preceding authorization, shall forthwith cease and determine." (Banking Law , sec. 158).

Conditions precedent to transacting business.

No private banker can engage or continue in business until (a) the amount of permanent capital required by law is invested in the business, or is deposited in cash to be so invested, and (b) the superintendent of banks has issued an authorization certificate and has filed such certificate in his office. (Banking Law , sec. 152.) When the authorization certificate has been issued and filed by the superintendent of banks, a private banker is subject to all of the provisions relating to private bankers. (Banking Law , sec. 152).

Permanent unimpaired capital must be maintained; if impaired, superintendent may issue order to make deficiency good.

Every private banker must keep unimpaired in his banking business the amount of permanent capital specified in the verified certificate. (Banking Laws, sec. 154). Whenever it appears to the superintendent that the capital has been reduced below the requirements of law, he may issue an order directing that such deficiency be made good immediately or within a time specified in such order. (Banking Law , sec. 56).

Capital may be increased or decreased.

"From time to time, with the written approval of the superintendent and upon good cause shown, such permanent capital may be increased or decreased." (Banking Law , sec. 154).

Segregation of investment of capital and deposits.

"All securities, property and the evidences of title thereto, in which the permanent capital of and the deposits with any such private banker have been invested shall be segregated and kept separate and apart from all other property and assets of such private banker." (Banking Law , sec. 155).

Reserves required against deposits.

Every private banker is required to maintain total reserves against deposits in the following amounts (Banking Law , sec. 157):

18 per cent of demand deposits if located in a borough having a population of 1,500,000 or over; and at least 12 per cent of such deposits shall be maintained as reserve on hand.

15 per cent of demand deposits if located in a borough of 1,000,000 and less than 1,500,000 population and with no office in a borough of 1,500,000 or over; and at least 10 per cent of such deposits shall be maintained as reserves on hand.

12 per cent of demand deposits if located elsewhere in the state; and at least 4 per cent of such deposits shall be maintained as reserves on hand. (Banking Law , sec. 112).

Failure to maintain required reserves; penalties; superintendent may issue order to make deficiency good.

If any private banker fails to maintain the required reserves, "the superintendent shall levy an assessment upon it during such period as any encroachment upon its total reserves amounting to one per centum or more of its aggregate demand deposits shall continue", at certain prescribed rates. (Banking Law , secs. 30 and 157). The superintendent is given power, where a private banker refuses or fails to pay any such assessment or any penalty or forfeiture incurred under any provision of law, or where he violates any prohibition of law, to "report the facts to the Attorney General, who shall thereupon, in the name of the superintendent, institute such action or proceeding as the facts may warrant" against such private banker. (Banking Law , sec. 31). The superintendent is also given power, whenever it appears to him "that either the total reserves or reserves on hand of any such * * * private banker * * * are below the amount * * * required by law to be maintained, or that such * * * banker is not keeping its reserves on hand" to issue an order "directing that such * * * banker make good such reserves forthwith or within a time specified in such order, or that it keep its reserves on hand" as required by law. (Banking Law , sec. 56).

Reports of condition required.

"It shall be the duty of the superintendent to require all * * * private bankers * * * to make to him * * * regular periodical reports of their condition * * * and he shall prescribe the form and contents of all such reports. In addition to such regular reports he may require any such * * * banker * * * to make special reports to him at such times and in such form as he may prescribe, and may direct that such special reports be verified and prescribe the form of the verification.

"He shall at least once in every three months, designate some day therein in respect to which * * * every such private banker * * * (except such as have obtained certain exemptions through the filing of the affidavit hereinafter set forth) shall report to him, and he shall serve a notice designating such day." (Banking Law , sec. 42).

Examinations may be made by superintendent.

All private bankers engaged in business in cities or elsewhere in the State, from and after July 31, 1930, "shall be subject at all times to full and complete examinations by the superintendent or by his deputies, examiners or employees when duly authorized." (Banking Law , sec. 150-a).

Number of examinations required.

"The superintendent shall, either personally or by his deputies or examiners, at least twice in each year visit and examine * * * every private banker" subject to the provisions of law relating to private bankers, except such as have obtained certain exemptions through the acceptance by the superintendent of the affidavit hereinafter set forth. Private bankers who have had this affidavit accepted are only subject to examination once during each year. The superintendent is given power to examine private bankers "whenever, in his judgment, such examination is necessary or expedient.

"On every such examination inquiry shall be made as to the condition and resources of such * * * , banker * * * the mode of conducting and managing its affairs, * * *, the investment of its funds, the safety and prudence of its management, the security afforded to those by whom its engagements are held, and whether the requirements of its charter and of law have been complied with in the administration of its affairs; and as to such other matters as the superintendent may prescribe.

"The superintendent may also either personally or by his deputies or examiners, make such special investigations as he shall deem necessary to determine whether any individual, copartnership, unincorporated association * * * is violating, or has violated any of the provisions of this chapter; and to the extent necessary to make such determination the superintendent shall have the right to examine the relevant books, records, accounts, and documents." (Banking Law , sec. 39).

Penalty for refusal to permit examination.

A penalty is imposed for the refusal of a private banker to permit an examination or investigation of its affairs. (Banking Law , secs. 38 and 150-a).

Unlawful or unsafe practices; superintendent may issue order to discontinue.

"Whenever it shall appear to the superintendent that *** any private banker * * * has violated its charter or any law, or is conducting its business in an unauthorized or unsafe manner, he may issue an order directing the discontinuance of such unauthorized or unsafe practices and requiring the delinquent to appear before him,

"at a time and place fixed in said order, to present any explanation in defense of the practices directed in said order to be discontinued." (Banking Law , sec. 56).

Business of delinquent banker may be taken over by superintendent; and examinations may be made.

"The superintendent may forthwith take possession of the business and property of * * * any private banker * * * whenever it shall appear that such * * * banker:

1. Has violated its charter or any law;

2. Is conducting its business in an unauthorized or unsafe manner;

3. Is in an unsound or unsafe condition to transact its business;

4. Cannot with safety and expediency continue business;

5. Has an impairment of its capital;

6. Has suspended payment of its obligations;

7. Has neglected or refused to comply with the terms of a duly issued order of the superintendent;

8. Has refused, upon proper demand, to submit its records and affairs for inspection to an examiner of the banking department;

9. Has refused to be examined upon oath regarding its affairs." (Banking Law , sec. 57).

The superintendent, after he has taken possession of the property and business of a private banker, may make examinations and institute or continue inquiries until such banker resumes business or is finally liquidated in accordance with law. (Banking Law , sec. 39).

Circumstances under which possession of superintendent may terminate.

"When the superintendent shall have duly taken possession of such * * * private banker * * *, he may hold such possession until its affairs are finally liquidated by him, unless: (1) he shall have permitted such * * * banker to resume business * * *; (2) the superintendent shall have been directed by order of the supreme court to surrender such possession * * *; * * *; (4) the depositors and other creditors of such banker * * * and the expenses of such liquidation shall have been paid in full." (Banking Law , sec. 58).

Superintendent may permit resumption of business.

"The superintendent may, upon such conditions as may be approved by him, surrender possession for the purpose of permitting such * * * banker * * * to resume business; but the superintendent shall not authorize any reduction of capital stock or capital as one of the terms of such resumption." (Banking Law , sec. 61).

Liquidation; various provisions in relation thereto.

There are a number of detailed provisions with reference to the liquidation of the affairs of private bankers by the superintendent of banks. These provisions provide for the appointment of special deputies, assistants, etc., by the superintendent to assist him, the payment of expenses, the procedure to obtain possession of pleadings, etc., in actions in which attorneys' liens are asserted, the notification to those holding assets of the private bank of the fact that the superintendent has taken possession of such bank and the effect of such notification, the inventory of assets, the disposition by the superintendent of property held by the liquidating banker as bailee or as depositary, the liquidation and conservation of assets, the deposit of moneys collected by the superintendent, the appearance in suits, and the execution of instruments, etc., by the superintendent on behalf of the liquidating banker, the proof of claims by creditors, the listing of claims by the superintendent, the filing of objections to claims, the acceptance or refusal of claims by the superintendent, the effect of a lien on a judgment recovered by the superintendent after taking over a private banker, and the disposition of dividends to creditors. (Banking Law , secs. 62-75).

Change of location.

A private banker may change the location of his business with the permission of the superintendent of banks. (Banking Law , secs. 50 and 159).

Affidavit entitling private banker to certain exemptions; contents of; extent of exemptions.

"Any such private banker authorized by the superintendent to engage in such business, or who has applied for such authorization, may submit to the superintendent an affidavit executed in duplicate and verified in the same manner as the (verified) certificate * * * upon a form to be furnished by the superintendent containing a statment as follows:

"1. If such private banker is engaged in business elsewhere than in a city having a population of one hundred and seventy-five thousand or more, that such private banker has permanently invested

"in this state in his banking business immediately preceding the date of such affidavit, a capital over and above all his liabilities as such private banker at least equal to the minimum required by" the verified certificate; or

"2. If such private banker is engaged in business as a private banker in a city having a population of one hundred and seventy-five thousand or more:

"(a) That such private banker has permanently invested in this state in his banking business immediately preceding the date of such affidavit a capital of at least one hundred thousand dollars over and above all his liabilities as such private banker.

"(b) That such private banker will not pay or credit or advertise to pay or credit any interest or pay, credit or give any bonus or gratuity whatever or anything of value to any depositor on a deposit balance with such private banker of less than five hundred dollars.

"(c) That the average of the separate deposits * * * received by such private banker during the twelve months immediately preceding the date of such affidavit, for safekeeping or for any other purpose, exclusive of dividend checks, coupons, or other small collection items collected by such private banker for customers in the ordinary course of business, and also the average of the separate deposits received during such period for transmission to others, is three hundred dollars or more."

After the date upon which the superintendent has accepted and filed in his office such affidavit, and until such acceptance is revoked by the superintendent, the provisions hereinafter set out do not apply to such private banker, but such banker is subject to all of the provisions above set out. "The superintendent may at any time in his discretion require any such private banker to file an affidavit containing a statement as above specified and as of a date fixed in said request."

"In the event of the failure of such private banker so to do, or of the refusal of the superintendent to accept and file said affidavit all of the subsequent sections of this article (i.e., sections 161-175, inclusive) shall be applicable to such private banker". (Banking Law, sec. 160).

Investigation by superintendent of statements made in affidavit; refusal or acceptance of affidavit.

If, upon receipt by the superintendent of the affidavit above referred to, it fails to comply in form and substance with the requirements set out above, "he shall refuse to file it for examination until the defect or defects therein shall have been remedied". If such affidavit complies, or has been so amended as to comply, in all respects

with the requirements the superintendent shall, by such investigation as he may deem necessary, satisfy himself whether the facts stated in such affidavit are true. If the facts are found to be untrue, the superintendent shall refuse to accept the affidavit. If the superintendent shall be satisfied that the facts stated are true, he shall accept the affidavit and shall forthwith give notice of the acceptance to such private banker. (Banking Law , sec. 25).

Revocation of acceptance of affidavit; effect of revocation.

If at any time the superintendent has reason to believe that any private banker whose affidavit he has accepted "is not keeping permanently invested in this state in his banking business the amount of capital specified in such affidavit, or, that such banker is paying or crediting or advertising to pay or credit any interest, or is paying, crediting or giving any bonus or gratuity whatever or anything of value, on deposits of less than the amount stated in such affidavit, or that any material statement in such affidavit was in fact untrue, the superintendent shall forthwith institute such investigation as he shall deem necessary to ascertain the truth of such facts and may examine or cause an examination to be made into the books, papers and affairs of such private banker so far as may be necessary for such purposes. If from such investigation or otherwise the superintendent shall be satisfied that such banker is not keeping such capital so invested, or, that such banker is paying or crediting or advertising to pay or credit any interest, or is paying, crediting or giving any bonus or gratuity whatever or anything of value, on deposits of less than the amount stated in such affidavit, or that any material statement in such affidavit was in fact untrue, the superintendent may, over his official signature, notify such private banker that the acceptance of such affidavit is revoked. Such notice shall be executed in triplicate and the superintendent shall transmit one copy to such private banker, attach another to the duplicate of such affidavit on file in his own office and file the third copy thereof in the county clerk's office in which the other duplicate of such affidavit has been filed." (Banking Laws, sec. 26). It is also provided that "Whenever the superintendent shall have revoked his authorization of any such private banker, and shall have taken the action to make such revocation effective specified in section twenty-six of this chapter (this is the section last above quoted) all the rights and privileges of such banker, resulting from such preceding authorization, shall forthwith cease and determine." (Banking Law , sec. 158).

Additional Provisions Applicable To A Private Banker Who Has Not Executed The So-called Exemption Affidavit.

Investment of permanent capital and deposits.

"Every such private banker may, subject to the limitations and restrictions contained in this article, invest his permanent capital

"and the deposits received by him in such real or personal securities, or real and personal property, consistent with safety and prudence of management as he may deem proper, provided the security afforded depositors is not imperiled by such investments." (Banking Law , sec. 162).

Prohibitions against investments or loans of capital and deposits.

"No such private banker, however, shall appropriate to his own use or lend to any person or persons with whom he is associated as a partner, or invest in any business conducted by a partnership of which such private banker is a member, or lend directly or indirectly to any corporation of which he is the legal or equitable owner to the amount of twenty-five per centum or upwards of the issued capital stock of such corporation, any part of his permanent capital or of the deposits received by him." (Banking Law , sec. 162).

Real Estate and certain securities; when to be sold.

"All real estate which shall hereafter be purchased or otherwise acquired by any such private banker with his permanent capital or with money received by him on deposit or to which such private banker shall have taken title in connection with his business as such private banker, except that upon which his office is located, shall be sold within five years after taking title thereto; and all real estate so purchased or acquired, and held by such private banker at the time when this act takes effect, except that upon which his office is located, shall be sold within five years after this act takes effect; unless upon his application the superintendent of banks shall, in either case, have extended the time within which such sale shall be made.

"All such real estate and all registered securities and mortgages purchased by any such private banker with any part of his permanent capital or with money received by him on deposit, or held by any such private banker on the date when this act takes effect, shall be sold within one year after such date unless prior to the expiration of such year, such real estate or registered securities or mortgages shall have been recorded in the name of such private banker * * * ". (Banking Law , sec. 163).

Restrictions on purchase of, and loans on real estate.

"No such private banker shall hereafter purchase with any part of his permanent capital or deposits received by him any real estate which is subject to a mortgage, lien or encumbrance; nor make a loan, directly or indirectly, upon the security of real estate if such real estate is subject to a prior lien or encumbrance and the amount unpaid upon such prior mortgage, lien or encumbrance or the aggregate amount unpaid upon all prior mortgages, liens and encumbrances exceeds ten per centum of the permanent capital of such

"private banker, and, if the amount so secured, including all prior mortgages, liens and encumbrances, exceeds two-thirds of the value of such real estate." (Banking Law , sec. 164).

Books and records; superintendent may issue order to keep properly.

"Every such private banker shall keep separate and complete books of account in which shall be promptly entered the details of all business transacted by him as such banker including statements in detail of the liabilities incurred by him as such banker and of the securities or property in which the permanent capital and the deposits received by him have been invested." (Banking Law , sec. 165).

Every private banker is required to keep his books and records in such manner as the superintendent may direct (Banking Laws, sec. 165), the superintendent being authorized to "issue an order requiring such * * * banker * * * or the officers thereof or any of them, to open and keep such books or accounts as he may in his discretion, determine and prescribe for the purpose of keeping accurate and convenient records of the transactions and accounts of such * * * banker" whenever it appears to him that any private banker, except those who have had accepted the so-called exemption affidavit, "does not keep its books and accounts in such manner as to enable him readily to ascertain its true condition." (Banking Law , sec. 56).

Penalty for failure to obey order regarding books and accounts.

"Any such banker that refuses or neglects to obey any such order shall be subject to a penalty of one hundred dollars for each day that such refusal or neglect continues." (Banking Law , sec. 165).

Report regarding unclaimed deposits.

There are detailed provisions with reference to reporting to the superintendent of banks regarding unclaimed deposits. This report must be made annually and must state whether or not any unclaimed deposits are being held. Publication of a copy of such report is required to be made in the newspapers and a penalty of $100 per day is imposed for each day such report or the filing of an affidavit of proof of its publication with the superintendent is delayed or withheld. (Banking Law , sec. 166).

Transmission of money.

The laws contain provisions regulating the transmission of money by private bankers. Money received for transmission must be forwarded within five days after being received and a receipt must be given to the person delivering such money for transmission. A penalty is prescribed for a violation of these provisions. (Banking Law , secs. 167 and 168).

Monthly statement required of purchases and sales of property and discounts, loans or other advances.

A written verified statement is required to be filed monthly by private bankers with the superintendent of banks in which must be listed all purchase and sales of property made in connection with their business and all discounts, loans or other advances made by them, including overdrafts and renewals, since the last preceding statement. A description of the collateral if any, to such indebtedness must also be made. Discounts, loans, etc., however, of less than $100 may be omitted from such statement unless they increase by $100 the liability of some individual, partnership, unincorporated association or corporation since the last statement. (Banking Law , sec. 169).

Members of private bankers required to meet monthly.

"The members of any such partnership or unincorporated association of private bankers shall on or before the tenth day of each month meet for the purpose of considering the conditions and affairs of the banking business conducted by them" and of making the statement above referred to and such statement shall be verified by each member * * * except in case of disability or unavoidable absence." (Banking Law , sec. 169).

Reports of condition required.

A private banker who has not executed the so-called exemption affidavit is required to make reports of his condition to the superintendent every three months upon service of notice by him of the day on which such reports must be filed. (Banking Law , sec. 42). Within ten days after service of this notice on him "every such private banker shall make a written report to the superintendent of banks, which report shall be in the form and shall contain the matters prescribed by the superintendent and shall specifically state the items of permanent capital, deposits, specie and cash items, public securities and private securities, real estate and real estate securities and such other items as may be necessary to inform the public as to his financial condition and solvency or which the superintendent may deem proper to include therein, and shall also state the amount of deposits with him, the payment of which in case of insolvency is preferred by law or otherwise over other depositors. It shall state in detail the particular assets in which the permanent capital of such private banker is invested. Every such report shall be verified by the oath of such private banker and of each member of a partnership or an unincorporated association of private bankers to the effect that the report is true and correct in all respects to the best of the knowledge and belief of such banker or bankers and that the usual business of such banker has been transacted at the location stated in the (verified) certificate (hereinbefore referred to) * * *,

"and not elsewhere. In case of the disability or unavoidable absence of a member of a partnership or unincorporated association, such report may be verified by the other members; but the verification shall contain a statement of the reason for the failure of any member to sign and verify such report. Every such report, exclusive of the verification shall within thirty days after it shall have been filed with the superintendent be published by such private banker in one newspaper of the place where such private banker is engaged in business or if no newspaper is published there, in the newspaper published nearest to such place." (Banking Law , sec. 170).

Special reports of condition.

Every such private banker shall also make such other special reports to the superintendent as he may from time to time require in such form and on such dates as may be prescribed by the superintendent, which reports shall if required by the superintendent, be verified in such form as he may prescribe. (Banking Law , sec. 170).

Penalty for failure to make report of condition or include therein required information.

If any private banker fails to make any required report on or before the date designated for the making thereof or fails to include therein any matter required by the superintendent, such private banker shall forfeit the sum of one hundred dollars for every day that such report is delayed or withheld and for every day that it fails to report any such omitted matter, unless the time therefor has been extended by the superintendent. (Banking Laws, sec. 170). An extension of time not exceeding ten days may be granted by the superintendent "for satisfactory cause to him shown" within which such reports may be filed. (Banking Law , sec. 49).

Restrictions as to place of business.

A private banker shall not do business, or be located in the same room with, or in a room connecting with any bank, trust company, savings bank, or national banking association. (Banking Law , sec. 171).

Communications from superintendent must be submitted to members and noted on records.

Each official communication from the superintendent or one of his deputies to any private bank relating to an examination or investigation or containing suggestions or recommendations as to the conduct of the business, shall be submitted by the member receiving it to all the members of such private bank at their next meeting and duly noted on their records. (Banking Law , sec. 172).

NORTH CAROLINA.

Private banks permitted but subject to same laws and supervision as incorporated banks.

The following provisions recognize a private banking business, but indicate that such business is subject to the same provisions of law and supervision as are imposed upon incorporated banks.

Definition of term "bank".

The law provides that "The term 'Bank' when used in this chapter shall be construed to mean any corporation, partnership, firm, or individual receiving, soliciting, or accepting money or its equivalent on deposit as a business: Provided, however, this definition shall not be construed to include building and loan associations, Morris Plan Companies, industrial banks or trust companies not receiving money on deposit." (Consolidated Statutes of North Carolina, sec. 216(a); Banking Laws, 1927, sec. 216(a), p. 3).

Private banks made subject to bank act and supervision of Corporation Commission.

"Every bank, corporation, partnership, firm, company, or individual, now or hereafter transacting the business of banking, or doing a banking business in connection with any other business, under the laws of and within this State, shall be subject to the provisions of this chapter, and shall be under the supervision of the Corporation Commission. The Corporation Commission shall exercise control of and supervision over the banks doing business under this act, and it shall be its duty to execute and enforce through the Chief State Bank Examiner, the State Bank Examiners, and such other agents as are now or may hereafter be created or appointed, all laws which are now or may hereafter be enacted relating to banks as defined in this chapter." (Consolidated Statutes of North Carolina, sec. 222(a); Banking Laws, 1927, sec. 222(a), p. 32).

Promulgation of regulations covering transaction of business.

"For the more complete and thorough enforcement of the provisions of this act, the Corporation Commission is hereby empowered to promulgate such rules, regulations, and instructions, not inconsistent with the provisions of this chapter, as may in its opinion be necessary to carry out the provisions of the laws relating to banks and banking as herein defined, and as may be further necessary to insure such safe and conservative management of the banks under its supervision as will provide adequate protection for the interests of the depositors, creditors, stockholders, and public in the relations with such banks. All banks doing business under the provisions of this chapter

"shall conduct their business in a manner consistent with all laws relating to banks and banking, and all rules, regulations, and instructions that may be promulgated or issued by the Corporation Commission." (Consolidated Statutes of North Carolina, sec. 222(a); Banking Laws, 1927, sec. 222(a), p. 33).

Reports of condition required.

In addition to subjecting private banks to the provisions of law covering incorporated banks, the bank act expressly provides that "Every person, firm, * * *, or partnership doing a banking business, or a banking business in connection with any other business, shall make to the Corporation Commission not less than three reports (of condition) during each year, on forms prescribed by the Corporation Commission. If any person, firm, * * *, or copartnership shall show by said reports, or by the examination of any State bank examiner, that * * * (the) liabilities are equal to the amount of the capital stock * * *, the Corporation Commission shall have authority, and is hereby empowered, to make such rules and regulations for the reduction of said liabilities as it may deem necessary for the protection of the creditors and depositors of such banking institution." (Consolidated Statutes of North Carolina, sec. 222(c); Banking Laws, 1927, sec. 222(c), p. 33).

Advertising banking business and use of banking terms; when private banks may use.

"No person, association, firm, * * *, domiciled within the State of North Carolina, except * * *, persons, associations, or firms reporting to and under the supervision of the Corporation Commission, or under the Supervision of the Insurance Commissioner, shall therein advertise or put forth any sign as bank, banking, banker, or trust company, or use the word bank, banking, banker, or trust as a part of its name and title; * * * * . Any violation of the provisions of this section shall be a misdemeanor, and upon conviction thereof the offender shall be fined in a sum not exceeding five hundred dollars for each offense." (Consolidated Statutes of North Carolina, sec. 224(c); Banking Laws, 1927, sec. 224(c), p. 38).

NORTH DAKOTA.

Private banking business apparently prohibited.

"No person excepting national banking corporations shall transact a banking business nor use the words bank, banking company or banker in any sign, advertisement, letterhead or envelope or in any corporate or firm name, without complying with and organizing under the provisions of this Chapter" relating to the business of banking. (Compiled Laws of 1913, sec. 5177; Banking Laws, 1929, sec. 5177, p.

23). "This chapter" does not contain any provisions authorizing or covering the organization of a private bank, and it would seem that the effect of the above quoted provision is to prohibit a private banking business.

Penalty for violation of above provisions.

"Any person violating the provisions of this section, either individually or as an interested party in any association or corporation, is guilty of a misdemeanor, and on conviction thereof shall be fined not less than five hundred nor more than one thousand dollars, or imprisoned in the county jail not less than ninety days, or both, in the discretion of the court." (Compiled Laws of 1913, sec. 5177; Banking Laws, 1929, sec. 5177, p. 23).

OHIO

Unincorporated banks may not now be established.

"No authority to transact a banking business in this State shall be granted, except to a corporation duly organized and qualified for that purpose. Unincorporated banks now authorized to transact and actually transacting a banking business may continue such banking business in the city, village, or township in which they are now located so long as they comply with the provisions of this act." (General Code, sec. 710-76; Banking Laws, 1928, sec. 710-76, p. 29).

"Unincorporated bank" defined; scope of term "Board of directors."

"The following definitions shall be applied to the terms used in this act: * * * The term 'unincorporated bank' shall include every unincorporated person, firm or association transacting banking business in this state; and the term 'board of directors' shall include the owner or owners of such banks." (General Code, sec. 710-1; Banking Laws, 1928, sec. 710-1, p. 5).

"Banking business" defined; word "bank", unless otherwise stated, includes unincorporated banks.

"The term 'bank' shall include any person, firm, association, or corporation soliciting, receiving or accepting money, or its equivalent, on deposit as a business, whether such deposit is made subject to check or is evidenced by a certificate of deposit, a pass-book, a note, a receipt, or other writing, and unless the context otherwise requires as used in this act includes * * * * unincorporated banks; * * *". (General Code, sec. 710-2; Banking Laws, 1928, sec. 710-2, p. 5).

From the above provisions, it appears that unincorporated banks transacting a banking business at the time the act containing these provisions became law, are made subject to the provisions covering incorporated banks wherever this may appropriately be done. In addition, such unincorporated banks are specifically made subject to the following provisions.

Capital required; segregation necessary, purpose of.

Every unincorporated bank in cities or villages of two thousand or less population is required to have a paid-in capital of not less than $10,000; in cities or villages of more than two thousand to ten thousand population, the paid-in capital must be $25,000; and in cities of over ten thousand population, the paid-in capital must not be less than $50,000. This capital must remain in the possession of the bank as its property, and is to "be used for its sole purposes and for the security of its creditors". The capital shall at all times be segregated from any other property of the owners of the bank and shall be kept and maintained unimpaired for the security of the creditors of such bank". All unincorporated banks are required to comply with these provisions within one year. (General Code, sec. 710-78; Banking Laws, 1928, sec. 710-78, p. 30).

Advertising capital; restriction upon.

No unincorporated bank "shall advertise by newspaper, letterhead, or in any other way, a larger capital than has been actually paid in". (General Code, sec. 710-81; Banking Laws, sec. 710-81, p. 31).

Statement completely describing bank must be filed annually with superintendent of banks.

Every unincorporated bank, on or before January 31st of each year shall, under oath, file with the superintendent of banks, a full and complete detailed statement containing the following:

1. The name of the bank.

2. A copy of the articles of co-partnership or agreement under which the business of such bank is being conducted. One of the owners of such bank is required at all times to be a resident of the State of Ohio.

3. The location of the bank.

4. The amount of the permanent actually paid in capital of the bank which is in its possession as its property and for its sole purposes.

5. A statement of the responsibility and net worth of the individual members of the bank.

6. The names of the officers, agents or employees in active charge of the bank if such names are not given in the articles of co-partnership or agreement. (Act approved April 18, 1929, sec. 1, p. 4; General Code, sec. 710-77).

Names under which property must be held.

All real or personal property owned by an unincorporated bank must be held in the designated name of the bank or in the name of an individual as trustee therefor, and not in the name of the owners of the bank. (General Code, sec. 710-79; Banking Laws, 1928, sec. 710-79, p. 30).

Assets, when exempt from attachment or execution.

All of the assets of an unincorporated bank are exempt from attachment or execution by any creditor of the owners until all of the liabilities of the bank have been paid in full. (General Code, sec. 710-79; Banking Laws, 1928, sec. 710-79, p. 30).

Restriction against owners using funds for private use.

"No person, firm or association owning or conducting an unincorporated bank shall use any of the funds of such bank for his or their private business; except as a borrower in due course of business." (General Code, sec. 710-79; Banking Laws, 1928, sec. 710-79, p. 30).

Depositors have first lien on assets.

"The depositors in any unincorporated bank shall have first lien on the assets of such bank, in case it is wound up, to the amount of their several deposits, and for any balance remaining unpaid, such depositors shall share in the general assets of the owner or owners alike with general creditors." (General Code, sec. 710-80; Banking Laws, 1928, sec. 710-80, p. 30).

List of owners must be posted and changes must be reported to the superintendent of banks.

A list of the owners of any unincorporated bank, and a statement to the effect that the bank is unincorporated must be posted in the room in which the bank transacts its business. Any subsequent changes must be shown in the list and a report of all such changes must be made to the superintendent of banks. (General Code, sec. 710-81; Banking Laws, 1928, sec. 710-81, pp. 30 and 31).

engage in the banking business. (Laws of 1925, ch. 56, amending sec. 4216, Comp. Oklahoma Stats., 1921; Banking Laws, 1926, sec. 5, p. 74). Unless authority to engage in the banking business is obtained under these provisions, the transaction of such business by any individual or corporation is prohibited, the laws in this connection providing that "It shall be unlawful for any individual, firm, or association, or corporation to receive money upon deposit or transact a banking business except as authorized by the laws of the State of Oklahoma, or of the United States, or to use or advertise, in connection with any business other than the banking business, conducted under the banking laws of this State, the words: Banker, bankers, investment banker, or any other word or term calculated to deceive the public into belief that such person, firm, association or corporation, is engaged in the banking business." (Comp. Oklahoma Stats., 1921, sec. 4129; Banking Laws, 1926, sec. 44, p. 31). (See also Levy v. Reed, 1918, 690 Okla. 180, 170 Pac. 497).

Penalty for violation of above provision.

"Any person, firm, association or corporation violating any of the provisions of this section, either individually or as an interested party, in any firm, association or corporation shall be guilty of a misdemeanor, and upon conviction thereof, shall be fined in a sum not less than three hundred dollars ($300.00) nor more than one thousand ($1,000.00) dollars, or by imprisonment in the county jail not less than thirty days nor more than one year, or by both such fine and imprisonment, *** ". (Comp. Oklahoma Stats., 1921, sec. 4129; Banking Laws, 1926, sec. 44, p. 31).

Enforcement of provisions and prevention of further violations.

" *** it is hereby made the duty of the Attorney General to enforce the provisions of this section; and in order to further prevent the violation of the section, any court of competent jurisdiction in this State is hereby authorized and empowered to grant an injunction and to appoint a receiver to take charge of the business and assets of any person, firm, association or corporation found guilty of violating the provisions of this section, and to make all necessary and proper orders to wind up such business and prevent a violation of this section." (Comp. Oklahoma Stats., 1921, sec. 4129; Banking Laws, 1926, sec. 44, p. 31).

OREGON.

Banking business may only be transacted by corporations.

"It shall be unlawful for any corporation, partnership, firm or individual to engage in or transact a banking or trust business within this state, except by means of a corporation duly organized

"for such purpose." (Laws of 1925, ch. 207, sec. 2; Banking Laws 1925, including amendments of 1929, sec. 2, p. 4). "No person, firm, company, association, copartnership or corporation, either domestic or foreign, except national banks, not subject to the supervision of the superintendent of banks and not required by the provisions of this (bank) act to report to him, and which has not received a certificate to do a banking or trust business from the superintendent of banks, shall *** solicit or receive deposits or transact business in the way or manner of a bank, savings bank or trust company, or in such a way or manner as to lead the public to believe that its business is that of a bank, savings bank or trust company." There are also prohibitions against the use of the word bank, banker, etc., or any other form of advertising indicating that the business carried on is that of a bank. "Every person, firm, company, association, copartnership or corporation doing any of the things or transacting any of the business *** (referred to) must transact such business according to the provisions of the bank act.***" (Laws of 1925, ch. 207, sec. 54; Banking Laws, 1925, including amendments of 1929, sec. 54, pp. 19 and 20).

Violation of provisions; power of superintendent of banks; penalty.

The superintendent of banks has authority to examine the accounts, books and papers of every person, firm, association or copartnership in order to ascertain whether such person, firm, association or copartnership has violated or is violating any provision of the section last above referred to. Any person, firm, association or copartnership violating any provision of this section must pay a penalty of $100 a day for every day during which such violation continues. Upon an action brought by the superintendent of banks an injunction may be issued restraining any such person, firm, copartnership or association from further using such words or from further transacting business in such a manner as to lead the public to believe that the business is that of a bank, savings bank or trust company, and the court issuing the injunction may make such other order as may be proper. (Laws of 1925, ch. 207, sec. 54; Banking Laws, 1925, including amendments of 1929, sec. 54, pp. 19 and 20).

PENNSYLVANIA.

License to engage in business of private banking required.

Except as hereinafter provided, "no individual, partnership, or unincorporated association shall hereafter engage, directly or indirectly, in the business of receiving deposits of money for safekeeping or for the purpose of transmission to another, or for any other purpose, without having first obtained from a board, consisting of the State Treasurer, Secretary of the Commonwealth, the Secretary of Banking, - hereinafter referred to as the 'Board', - a license to engage in such business." (Act of June 19, 1911, P. L. 1060, sec. 1,

as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 711, p. 175).

The Board to License Private Bankers has been reorganized and continued by the provisions of the Pennsylvania Administrative Code of April 9th, 1929, P. L. 177. Section 202 of Article II of that Code provides that "The following boards, commissions, and offices are hereby placed and made departmental administrative boards, commissions, or offices, as the case may be, in the respective administrative departments mentioned in the preceding section, as follows: . . . . . In the Department of Banking, Board to License Private Bankers."

Section 428 of Article IV of the Administrative Code provides that "The Board to License Private Bankers shall consist of the Secretary of Banking, who shall be chairman thereof, the Secretary of the Commonwealth, and the State Treasurer."

Section 1604 of Article XVI of the Administrative Code provides with respect to the powers and duties of the Board to License Private Bankers that "Subject to any inconsistent provisions in this act contained, the Board to License Private Bankers shall continue to exercise the powers and perform the duties vested in and imposed upon the said board by the act, approved the nineteenth day of June, one thousand nine hundred and eleven (Pamphlet Laws, one thousand and sixty), entitled 'An Act to provide for licensing and regulating private banking in the Commonwealth of Pennsylvania, and providing penalties for the violation thereof,' its amendments and supplements . . . . " .

Statement required of applicant.

The applicant for a private banking license must file a written verified statement with the Secretary of Banking showing the amount of the assets and liabilities of the applicant and designating the place where the applicant proposes to engage in business, with the names and addresses of all partners or members of the private bank. It must also be shown that the applicant is a citizen of Pennsylvania; or, if the applicant is a partnership or unincorporated association, that a majority of the members having a controlling interest in the business are citizens of Pennsylvania. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 711, p. 175).

Bond must be filed; purpose and amount of.

A bond executed by the applicant and a surety or sureties approved by the board, must also be filed with the Secretary of

Banking to cover the faithful holding and repayment of all moneys received on deposit and the faithful transmission of any money which is received for transmission to another. The bond must also, in the case of insolvency or bankruptcy, cover the payment of the amounts recoverable to the assignee, receiver or trustee of the applicant for the benefit of the person making a deposit or delivering money for transmission to another. The amount of the bond is to be fixed by the board but is not to be less than $10,000 nor more than $50,000. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 712, pp. 177 and 178).

Money and securities may be deposited in lieu of bond.

Money and securities equal to the amount of the penalty fixed in the bond may be deposited by the applicant with the Secretary of Banking in lieu of such bond. The securities may consist of bonds of the United States, or bonds of the State of Pennsylvania or any municipality thereof, or other securities approved by the board. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 712, p. 178.).

Examination of applicant's standing; publication of application.

Upon receiving an application for a private banking license, "the Secretary of Banking shall cause to be made an examination of the financial standing and moral character of the applicant, as to whether the statements contained in the application are true" and this application must be advertised in the newspaper by the Secretary of Banking at the expense of the applicant. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 713, p. 179).

License issued in discretion of board; fee; when location may be changed.

After advertisement of the application, "the board may, in its discretion, approve or disapprove the application". If approval is granted, the bond, or any money or securities deposited in lieu thereof, shall be accepted and held by the Secretary of Banking for the purpose for which required, and he shall issue a license authorizing the applicant to engage in a private banking business at the place specified in the license certificate. A fee of fifty dollars is required for such a license, which may not be transferred or assigned.

The written approval of the board is required for the transaction of business at any place other than that specified in the license certificate. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 713, p. 179).

License must be posted; duplicate license may be issued.

The license must be posted in the place of business of the licensee and it is made unlawful to post such license in a place other than that designated as the licensee's place of business. Provision is also made for the issuance of a duplicate license in case the original is lost or destroyed. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 714, p. 180).

Bonds and money or securities constitute trust funds for depositors.

The money and securities deposited with the Secretary of Banking and money which may be paid on any bond in case of default, constitutes a trust fund for the benefit of depositors in the private bank and of such persons who have delivered money to such bank for transmission to another. Such beneficiaries are entitled to an absolute preference as to such moneys or securities over all general creditors of the bank. In the event of the insolvency or bankruptcy of the bank, such moneys and securities, on the order or judgment of a court of competent jurisdiction, must be delivered by the Secretary of Banking to the assignee, receiver or trustee of the bank designated in such order or judgment. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 715, p. 180).

Distribution of assets in case of insolvency.

In case of the insolvency of any private banker, the distribution of the assets, other than the proceeds from the bond or securities deposited, shall be made and preferred in the following order:

1. To the payment of all depositors of the private banker. Bona fide holders of certified checks, or of certificates of deposit, or of checks or drafts of the private banker given in exchange for or in payment of checks or drafts of depositors drawn on the private banker, not exceeding the balance to the credit of the depositor, are also treated as depositors within the meaning of this section.

2. To the payment and discharge of all the remaining liabilities of the private banker.

3. If there is anything remaining, it is distributed to the individual or the partners or members of the private banker according to their legal rights. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 716, p. 181).

List of licenses granted must be published annually; interest on deposits in lieu of bonds; custody of such deposits.

On the first day of January, the Secretary of Banking must print annually a list of all licenses granted and unrevoked. He must also pay over to each licensee all of the interest received by him upon any money or securities deposited in lieu of the bond. All money or securities must be turned into the State Treasury and receipted by the State Treasurer to the Secretary of Banking and the depositor, and is subject to withdrawal only upon the warrant of the Secretary of Banking. All interest coupons on any securities deposited shall be surrendered when due to the owners upon their request. (Act of June 19, 1911, P. L. 1060, sec. 1, as amended by Act of April 5, 1927, P. L. 106, No. 73, sec. 1, and Act of April 26, 1929, P. L. 813, sec. 1; Purdon's Penna. Stats., Title 7, sec. 717, p. 182).

Satisfaction or release of mortgage deposited as security in lieu of bond.

The laws contain provisions for the satisfaction or release of any mortgage, judgment or lien which may be accepted in lieu of a bond. (Act of May 23, 1913, P. L. 334, sec. 1; Purdon's Penna. Stats., Title 7, sec. 718, p. 182).

Character of books which must be kept.

Each private bank must keep such books of account as are approved by the Secretary of Banking. Such books must show full and

complete records of all business transacted and a full statement of all assets and liabilities. (Act of June 19, 1911, P. L. 1060, sec. 2; Purdon's Penna. Stats., Title 7, sec. 719, p. 183).

Statement of assets and liabilities, and publication of, required.

Each private bank is required at least two times each year to file with the secretary of banking a written statement, under oath and in such form as the secretary may prescribe, of the amount of its assets and liabilities. This statement must be made as of such days as the secretary may designate by a written notice mailed to the private bank and within ten days after the date of such notice. A copy of the statement must also be published in the newspapers. (Act of June 19, 1911, P. L. 1060, sec. 2; Purdon's Penna. Stats., Title 7, sec. 719, p. 183).

Revocation of license; notice of discontinuance of business.

The license may be revoked by the board for cause shown, and if it is revoked or surrendered, no refund of the license fee will be made. In case the license is revoked, it must be surrendered within twenty-four hours after written notice of such revocation has been given to the holder, and the bond or money and securities received from the private bank "shall continue to be held by the Commissioner (Secretary) of Banking until otherwise directed by the order or judgment of a court of competent jurisdiction". In case of a discontinuance of business, "notice thereof must previously have been published once a week during the thirty days in one newspaper of general circulation, and the legal periodical, if any, published in the city or county where such business has been conducted, or nearest adjacent county". (Act of June 19, 1911, P. L. 1060, sec. 2; Purdon's Penna. Stats., Title 7, sec. 719, p. 183).

Violations; penalties.

Any person, partnership, or unincorporated association transacting a banking business without a license, or who carries on such business after the license has been revoked, or who, without such license, uses the word "banking" or any equivalent term in advertising the business, or who fails to display the license certificate, or who fails to keep books and make reports as required, or who advertises or publishes in any manner, "either orally or in writing, any statement intended to convey or actually conveying the idea or impression that such licensee is in any way under the supervision of this State, or of any officer thereof, or that this State, or any officer thereof, has passed in any way whatsoever upon the responsibility, solvency, or qualifications of such licensee to engage in such business; or that this State, or any officer thereof, has examined any accounts of said licensee or has in any way certified that such licensee is in any way a fit person to carry on such business, shall be guilty of a misdemeanor, and punished as hereinafter provided." (Act of June 19, 1911, P. L. 1060, sec. 3; Purdon's

Penna. Stats., Title 7, sec. 720, p. 183).

False swearing as to certain facts.

Any person who, in any application for a private banking license or in any report, shall swear falsely as to the amount of the assets and liabilities of a licensee, or in any other particular or in any affidavit shall swear falsely as to any fact therein stated, shall be guilty of perjury. (Act of June 19, 1911, P. L. 1060, sec. 4; Purdon's Penna. Stats., Title 7, sec. 721, p. 184).

Failure to make or publish reports; penalty.

Any private bank which fails to make any required report or to publish any reports as required within the specified time, must forfeit the sum of twenty dollars for every day that such report or its publication is delayed or withheld. (Act of June 19, 1911, P. L. 1060, sec. 5; Purdon's Penna. Stats., Title 7, sec. 722, p. 184).

Recovery of money deposited for transmission; burden of proof in suit.

There are also provisions fixing the burden of proof in an action against a licensee to recover money deposited with such licensee for transmission. (Act of June 19, 1911, P. L. 1060, sec. 6; Purdon's Penna. Stats., Title 7, sec. 723, p. 185).

Forwarding of money for foreign transmission.

Money received for transmission to a foreign country by any licensee must be forwarded within five days after its receipt and every person who fails to so forward within the specified time is guilty of a misdemeanor and punishable as hereinafter provided. (Act of June 19, 1911, P. L. 1060, sec. 7; Purdon's Penna. Stats., Title 7, sec. 724, p. 185).

Applicability of foregoing provisions.

The above provisions became effective on December 1, 1911, and they applied "to all persons now or hereafter engaging in said (private banking) business" except as provided under the following caption entitled "Exceptions from foregoing provisions". (Act of June 19, 1911, P. L. 1060, sec. 13; Purdon's Penna. Stats., Title 7, footnote to sec. 711, p. 176).

Exceptions from foregoing provisions.

The foregoing provisions shall not apply:

(1) To any corporation authorized to do business under the Pennsylvania banking laws, to any corporation authorized to receive deposits under the laws of Pennsylvania, nor to any national bank.

(2) To any hotel keeper who receives money for safekeeping from a guest.

(3) To any express, steamship or telegraph company receiving money for transmission.

(4) To any individual, partnership, or unincorporated association who would otherwise be required to comply with the foregoing provisions, "who shall file with the Commissioner (Secretary) of Banking a bond, in the sum of one hundred thousand dollars, approved by the board as to form and sufficiency for the purpose, and conditioned as *** (provided above), where the business is conducted in a city of the first or second class; and if conducted in a city of the first class, and if conducted elsewhere in the State, such bond shall be in the sum of fifty thousand dollars; or in lieu thereof, money or securities approved by the Commissioner (Secretary) of Banking, of the same amounts: Provided, however, That the Secretary of Banking shall examine the books, papers, and affairs of such individual, partnership, or unincorporated association, and if satisfied from the examination that the business of such individual, partnership, or unincorporated association is conducted in an unauthorized or unsafe manner or is in an unsafe or unsound condition to continue business, he may, after hearing had upon due notice given with the approval and consent of the Attorney General, take possession of the business and property of such individual, partnership, or unincorporated association, and shall then proceed in the same manner as provided by law he shall proceed after having taken possession of the business and property of any *** person subject to the supervision of the Banking Department. If in the opinion of the Secretary of Banking the business of any such individual, partnership, or unincorporated association is in such an unsafe and unsound condition that immediate action is necessary, the Secretary may forthwith, without such hearing and consent of the Attorney General, take possession of the business and property of such individual, partnership, or unincorporated association; ***"

(5) To any individual, partnership, or unincorporated association, licensed under the laws of Pennsylvania to do a brokerage business, holding a membership in a lawfully incorporated brokerage exchange, and doing only such banking as is incidental to such brokerage business. The books or records showing the deposit or account of any depositor with any individual, partnership, or unincorporated association filing the bond, money, or securities referred to above, are not subject to any visitorial power, inspection, or examination by the Commissioner (Secretary) of Banking, except as hereinbefore provided; nor to examination or inspection by, or production in, any department or agency of the Government, State or municipal; nor to inspection, examination, or production in any court in any judicial proceeding except in cases of insolvency or bankruptcy, or a judicial proceeding or investigation involving the rights and liabilities of a creditor or depositor.

(6) To any person, firm, partnership, or unincorporated association engaged in business as private bankers "continuously and in the same locality" for a period of seven years prior to June 19, 1911.

(Act of June 19, 1911, P. L. 1060, sec. 8, as amended by Acts of May 2, 1925, P. L. 502, sec. 1; and March 17, 1927, P. L. 39, sec. 1; Purdon's Penna. Stats., Title 7, sec. 725, pp. 185-187).

Other violations.

Any private banker who violates any of the foregoing provisions, "the violation of which has not hereinbefore been made a misdemeanor or a felony, shall be guilty of a misdemeanor, and punished as hereinafter provided". (Act of June 19, 1911, P. L. 1060, sec. 9; Purdon's Penna. Stats., Title 7, sec. 726, p. 187.).

Penalty for violations.

"Every person found guilty of a misdemeanor under any of the *** (foregoing provisions) shall be sentenced to an imprisonment not exceeding two years, or be fined in an amount not exceeding one thousand dollars, or both or either, at the discretion of the court." (Act of June 19, 1911, P. L. 1060, sec. 10; Purdon's Penna. Stats., Title 7, sec. 727, p. 187).

Definition of "person".

The word "person" as used below "means an individual, a partnership, or an unincorporated association". (Act of June 15, 1923, P. L. 809, sec. 2, as amended by Act of May 5, 1927, P. L. 762, sec. 1; Purdon's Penna. Stats., Title 7, sec. 2, p. 13).

Department of Banking; scope of supervision; powers; duties.

"There shall continue to be a separate and distinct department, known as the Department of Banking, charged with the supervision of all the *** persons hereinafter described, and with the duty of taking care that the laws of this Commonwealth in relation thereto shall be faithfully executed, and that the greatest safety to the depositors therein or therewith and to other interested persons shall be afforded. *** The said supervision, duties, and powers shall *** extend and apply to all private or unincorporated banks, except such as are or shall be exempted by law, and to all such individuals, partnerships, and unincorporated associations, as are or shall be by law made subject to the supervision of said department, ***." (Act of June 15, 1923, P. L. 809, sec. 4; Purdon's Penna. Stats., Title 7, sec. 4, pp. 14 and 15).

Assessment against persons to pay expenses of banking department; failure or refusal to pay.

All the expenses of the department of banking including the cost of regular examinations "shall be charged to and paid by the *** persons subject to the supervision of the department, in equitable proportions, at such times and in such manner, as the secretary shall by general rule or regulation annually prescribe: * * * " For a failure or refusal, after thirty days written notice, to pay any sum lawfully assessed or charged by the secretary, the

secretary "shall call upon the Department of Justice to bring an action at law to recover the same". (Act of June 15, 1923, P. L. 809, sec. 9, as amended by Acts of April 13, 1927, P. L. 182, sec. 1, and April 25, 1929, P. L. 716, sec. 1; Purdon's Penna. Stats., Title 7, sec. 9(b), pp. 17 and 18).

Examination of.

"Every *** person included within the supervision of the department ***, together with all the property, assets, and resources of such *** person, shall be subject to inspection and examination" by the secretary, his deputies, or any qualified examiners of the department of banking. (Act of June 15, 1923, P. L. 809, sec. 13; Purdon's Penna. Stats., Title 7, sec. 13, p. 21).

Number and character of examinations; powers of examiner, reports of.

It is the duty of the secretary at least once each year, to examine the books, papers, and affairs of every person subject to the supervision of the department of banking. The examiner is empowered to make a thorough examination into all the business and affairs of the person and of all property, assets and resources wherever situated. The examiner also has power to examine under oath or otherwise, any of the officers, agents, employees or members of such person in possession of any assets or having knowledge of any assets of the person. The examiner is required to make a full and detailed report of the condition of the person who was examined, or such special report as may be directed by the secretary. (Act of June 15, 1923, P. L. 809, sec. 14, as amended by Act of May 5, 1927, P. L. 762, sec. 5; Purdon's Penna. Stats., Title 7, sec. 14 (a), p. 21).

Special examinations; cost of.

"The secretary may also at any time, make such special investigations or examinations as, in his opinion, the exigencies of any case may require"; and his power and duties and the powers and duties of any examiner assigned by him to conduct such special examination are the same as in the case of regular examinations. (Act of June 15, 1923, P. L. 809, sec. 14, as amended by Act of May 5, 1927, P. L. 762, sec. 5; Purdon's Penna Stats., Title 7, sec. 14 (a), p. 21). "The expenses incurred in connection with any special examination or investigation of any * * * person * * * shall be charged to and paid by such * * * person." (Act of June 15, 1923, P. L. 809, sec. 9, as amended by Acts of April 13, 1927, P. L. 182, sec. 1, and April 25, 1929, P. L. 716, sec. 1; Purdon's Penna. Stats., Title 7, sec. 9 (b), p. 18).

False testimony of officer, employee, etc. to examiner; penalty.

The wilful false swearing in any inquiry instituted by an examiner during an examination by any officer, agent, employee or member of any person "shall be perjury, and subject, upon conviction thereof, to the same punishment as is or may be provided by law for the punishment of perjury. Upon failure of any of the individuals, aforesaid, to make answer to any such inquiry, the Attorney General, upon request of the secretary, shall make information thereof to the court, whereupon said court, after hearing, shall make such order as the occasion requires." (Act of June 15, 1923, P. L. 809, sec. 14, as amended by Act of May 5, 1927, P. L. 762, sec. 5; Purdon's Penna. Stats., Title 7, sec. 14 (b), p. 22).

Reports of condition; number and character of; publication required.

Every person subject to the supervision of the department of banking must make to the secretary not less than two nor more than five verified reports of condition during each year, the number, form and manner of such reports to be prescribed by the secretary. Each report must exhibit in detail and under appropriate heads the resources and liabilities of the person at the close of business on any past day specified by the secretary, and must be sent to him within five days or within such further time as he may allow, after the receipt of the secretary's request to make such report. Abstract summaries of two of the reports, designated by the secretary, in each year must be published in a newspaper and proof of such publication must be furnished to the secretary. (Act of June 15, 1923, P. L. 809, sec. 15; Purdon's Penna. Stats., Title 7, sec. 15, pp. 22 and 23).

Special reports of condition.

"The secretary shall have power to call for a special report from any * * * person under the supervision of the department, * * * whenever, in his judgment, the same may be necessary to a full and complete knowledge of * * * his condition." (Act of June 15, 1923, P. L. 809, sec. 15; Purdon's Penna. Stats., Title 7, sec. 15, p. 23).

Reports and publications required above to be in lieu of all similar reports and publications heretofore required.

The laws of this State provide that "The reports and publications provided for in * * * (the above provisions relating to regular and special reports of condition) shall be in lieu of all reports and of all publications for similar purposes heretofore required by law to be made." (Act of June 15, 1923, P. L. 809, sec. 15; Purdon's Penna. Stats., Title 7, sec. 15, p. 23). This provision apparently has the effect of repealing that portion of the Act of June 11, 1911 (P. L. 1060, sec. 2; Purdon's Penna. Stats., Title 7, sec. 719, p.

183), hereinbefore referred to under the caption titled "Statement of assets and liabilities, and publication of, required", which requires private banks to file in the office of the Secretary of Banking a sworn statement of its assets and liabilities and to publish a copy of such statement in the newspapers.

Failure to make or publish reports; penalty.

A penalty is prescribed in case a person fails to make and transmit and to publish any report of condition referred to above. (Act of June 15, 1923, P. L. 809, sec. 15; Purdon's Penna. Stats., Title 7, sec. 15 (b), p. 23).

Report of gross receipts to Department of Revenue and payment of tax thereon.

The laws of this State also require a private banker on or before the first Monday of December of each year, to make a written sworn statement to the Department of Revenue in which must be set forth the full amount of "his gross receipts from commissions, discounts, abatements, allowances, and all other receipts" arising from his business during the year ending with the 30th day of November preceding the date of such return, "and shall forthwith pay into the State Treasury, through the Department of Revenue, one per centum upon the aggregate amount of such gross receipts * * * ". (Act of May 16, 1861, P. L. 708, sec. 1, as amended by Acts of June 27, 1895, P. L. 396, sec. 1, June 13, 1901, P. L. 559, No. 266, and April 25, 1929, P. L. 679, sec. 1; Act of April 9, 1929, P. L. 343, Art VII, sec. 719 a). "All * * private bankers shall be required to pay license as heretofore, in addition to the amounts which they shall be required to pay under the provisions of this Act." (Act of May 16, 1861, P. L. 708, sec. 4).

Additional report to Department of Revenue upon commencing business.

"Every private banker, hereafter commencing business in this Commonwealth, whether the business be conducted by an individual, or more than one person in partnership, shall, within sixty days after commencing such business, make a report to the Department of Revenue, setting forth the name or names of the persons engaging in such business, the name under which the business is being conducted, its location, and the amount of capital invested therein." (Act of April 9, 1929, P. L. 343, Art. VII, sec. 719 b).

Penalty for failure to make above reports to Department of Revenue.

Any private banker who neglects or refuses to make the return of gross receipts or the report referred to above to the Department of Revenue, "shall, for every such neglect or refusal, be subject to a penalty of one thousand dollars", which shall be collected by

the Department of Revenue. (Act of April 9, 1929, P. L. 343, Art. XVII, sec. 1707).

Branches; general establishment of prohibited;

The laws of this State provide that "no individual, partnership, or unincorporated association carrying on a banking business shall establish, maintain, or operate, either directly or indirectly, any branch bank, branch office, agency, sub-office, sub-agency, or branch place of business, within the Commonwealth of Pennsylvania, for the transaction of any part of * * * , his, or their business, but all of the business of such * * *, individuals, partnerships, and unincorporated associations shall be carried on solely and exclusively at * * * his, or their principal place of business." (Act of April 27, 1927, P. L. 400, sec. 1; Purdon's Penna. Stats., Title 7, sec. 302, p. 100).

Exceptions; establishment permitted within corporate limits of places where national banks were operating branches on March 1, 1927.

"This act shall not apply to * * * any individual, partnership, or unincorporated association carrying on a banking business which has * * * , his, or their principal place of business in a city, borough, or township within the Commonwealth of Pennsylvania, in which one or more national banking associations, * * * was, on March 1, 1927, operating one or more branch banks, branch offices, agencies, suboffices, subagencies, or branch places of business, for the transaction of any part of its business; and any such * * *, individuals, partnerships, and unincorporated associations may hereafter establish, subject to the approval of the Secretary of Banking, and thereafter maintain and operate branch banks, branch offices, agencies, suboffices, subagencies, and branch places of business for the transaction of any part of * * *, his, or their business, but only within the corporate limits of the city, borough, or township in which its principal office is located and in which such national banking association was, on March 1, 1927, operating one or more branch banks, branch offices, agencies, suboffices, subagencies, or branch places of business. The right to establish and maintain branch banks, branch offices, agencies, suboffices, subagencies, or branch places of business, under the provisions of this section, shall be limited to the territory included within the corporate limits on March 1, 1927, of the respective cities, boroughs, or townships in which such national banking associations were on that date operating one or more branch banks, branch offices, agencies, suboffices, subagencies, or branch places of business as aforesaid; and such right shall not extend to additional territory which may, after March 1, 1927, be added to such cities, boroughs, or townships, by annexation, consolidation with one or more municipal corporations or otherwise, nor shall it extend to other portions or divisions of municipal corporations to which such cities, boroughs, or townships may be annexed, or with which they may be consolidated after that date; the intention being to limit to the respective corporate limits of such cities, boroughs, or townships as

"they existed on March 1, 1927, the right to establish and maintain the branch banks, branch offices, agencies, suboffices, subagencies, and branch places of business authorized in this section." (Act of April 27, 1927, P. L. 400, sec. 3; Purdon's Penna. Stats., Title 7, sec. 304, p. 102).

Other exceptions are that the act does not apply to branches established or for which locations had been secured prior to March 1, 1927, or to branches resulting from consolidations effective prior to April 1, 1927; "and such * * * individuals, partnerships, and unincorporated associations shall have the right to relocate the same within the corporate limits of the city, borough, or township in which the principal place of business is located at the time of such relocation, subject to the approval of the Secretary of Banking." (Act of April 27, 1927, P. L. 400, sec. 2; Purdon's Penna. Stats., Title 7, sec. 303, p. 101).

Surety on bonds.

An "unincorporated bank" is prohibited from acting generally as "surety on any bonds". (Act of May 16, 1923, P. L. 248, secs. 1-3; Purdon's Penna. Stats., Title 7, secs. 281-283, pp. 98 and 99).

Preservation of records.

Every "private banker" must "preserve, in such form and manner that they may be readily produced on proper demand, all * * * his * * * records of original or final entry, including cards used under the card system, and deposit slips or tickets, for a period of seven years from the date of making the last entry on the same." (Act of April 4, 1929, P. L. 141, sec. 1; Purdon's Penna. Stats., Title 7, sec. 321, p. 104).

Advertising as trust company or using word "trust" as part of title.

The laws of this state prohibit any "person, copartnership, (or) limited copartnership" from advertising or putting forth any sign as a trust company or using the word "trust" as a part of his or its name or title. A penalty is prescribed for a violation of this prohibition. (Act of April 22, 1909, P. L. 121, sec. 2, as amended by Act of May 19, 1923, P. L. 274, sec. 1; Purdon's Penna. Stats., Title 7, sec. 687, p. 169).

Unauthorized or unsafe practices or other violations of law; secretary may issue order to discontinue.

Whenever it appears to the secretary that any person has violated any provision of law, or is conducting business in an unauthorized or unsafe manner, the secretary may issue an order directing such person to discontinue such violation of law or unauthorized or unsafe

practices. (Act of June 15, 1923, P. L. 809, sec. 20; Purdon's Penna. Stats., Title 7, sec. 20, p. 25).

Secretary may take possession of business; when:

"The secretary may, after hearing had upon notice given with the approval and consent of the Attorney General, take possession of the business and property of any * * * person subject to the supervision of the department, whenever it shall appear to him that such * * * person:

"I. Has violated any law regulating * * * his business, and has persisted in such violation in disregard of an order duly made by the secretary;

"II. Is conducting business in an unauthorized or unsafe manner and has persisted in disregard of an order duly made by the secretary;

"III. Is in an unsafe or unsound condition to continue business: Provided, in such case, That the secretary may forthwith, without such hearing and consent of the Attorney General, take possession of the business and property of any such * * * person receiving moneys on deposit, when and if, in his opinion the protection of depositors and the public requires such peremptory action;

"IV. Has an impairment of capital, which has not been restored or made good within the time fixed by order of the secretary;

"V. Has suspended payment of obligations;

"VI. Has neglected or refused to comply with the terms of any lawfully issued order of the secretary;

"VII. Has refused, upon proper demand, to submit the records and affairs of the business to the secretary, a deputy, or any duly authorized examiner or agent of the department;

"VIII. Has refused to be examined upon oath or affirmation, regarding such affairs;

"IX. Is in the hands of a receiver appointed by any court, or in any bankruptcy proceeding, or of an assignee or trustee for creditors appointed by such * * * person.

"The secretary may, in like manner, take possession of the business and property of any private or unincorporated bank, or the estate of any private banker, otherwise exempt from the supervision of the department, whenever such private or unincorporated bank shall have made an assignment for the benefit of creditors, or for any of the causes mentioned hereinbefore in this section." (Act of June 15, 1923, P. L. 809, sec. 21, as amended by Act of May 5, 1927, P. L. 762, sec. 7;

Purdon's Penna. Stats., Title 7, sec. 21, pp. 25 and 26.)

Certificate of taking possession; secretary to supersede receiver previously appointed.

When the secretary has taken possession of the business and property of any person, he must make a certificate setting forth that he has so taken possession, and must file such certificate in his office "and cause a certified copy thereof to be filed in the office of the prothonotary, * * *." After the filing of such certified copy, the secretary "shall supersede any receiver previously appointed by any court for, or any assignee or trustee for creditors appointed by, such * * * person." (Act of June 15, 1923, P. L. 809, sec. 22; Purdon's Penna. Stats., Title 7, sec. 22, pp. 27 and 28).

Secretary may be enjoined from continuing possession.

At any time within ten days after the secretary takes possession of any person, such person may apply to the court for an injunction to restrain the secretary from continuing such possession. If it appears from satisfactory evidence that there is just cause for the taking and continuing of possession, the secretary shall not be enjoined; but if this evidence can be overcome by proper proof produced by the person, "the court shall direct the secretary to refrain from further proceedings and to surrender such possession." (Act of June 15, 1923, P. L. 809, sec. 23, as amended by Act of May 5, 1927, P. L. 762, sec. 8; Purdon's Penna. Stats., Title 7, sec. 23, p. 28).

Notice of taking possession to parties holding assets; effect on liens, etc.

The secretary must give notice in writing to all parties holding assets of the fact that he has taken possession of the property and business of a person. "No one having such notice or actual knowledge that the secretary has so taken possession shall have a lien or charge against any of the assets of such * * * person for any charge, payment, advance, or clearance thereafter made or liability thereafter incurred." The status of all parties becomes fixed on the date the secretary files the certificate of possession in his office. (Act of June 15, 1923, P. L. 809, sec. 25, as amended by Act of May 5, 1927, P. L. 762, sec. 9; Purdon's Penna. Stats., Title 7, sec. 25, p. 29).

Inventory of assets.

The Secretary must make a complete inventory of the assets of any person, whose property and business he has taken over. (Act of June 15, 1923, P. L. 809, sec. 26; Purdon's Penna. Stats., Title 7, sec. 26, p.30).

Secretary may suspend or continue business.

The secretary is authorized, upon taking possession of the property and business of any person, "to continue or suspend the business for such

"period as he may deem necessary to enable him to determine whether to liquidate the affairs of such * * * person, and, during such period, to take such action as in his judgment is necessary to conserve the assets and business." (Act of June 15, 1923, P. L. 809, sec. 27; Purdon's Penna. Stats., Title 7, sec. 27, p. 30).

Surrender of possession by secretary.

The secretary may, upon conditions approved by him, surrender possession of the business of any person for the purpose of permitting such person to resume business, to sell or convey his property and franchise, or to merge or consolidate his business with that of another person, or because he is without funds to continue or liquidate the business and property of such person. When possession is so surrendered, the secretary must issue an order to that effect, which order must be filed in his office. A certified copy of the order must also be filed in the office of the prothonotary. (Act of June 15, 1923, P.L. 809, sec. 28, as amended by Act of May 5, 1927, P.L. 762, sec. 10; Purdon's Penna. Stats., Title 7, sec. 28,p.30).

Powers of secretary as receiver.

When the secretary takes possession of the business and property of any person, he has the same rights, powers and duties as a receiver appointed by any court of equity in the State of Pennsylvania. (Act of June 15, 1923, P.L. 809, sec. 29, as amended by Act of May 5, 1927, P.L. 762, sec. 11; Purdon's Penna. Stats., Title 7, sec. 29, p. 20).

Secretary to continue possession until affairs are liquidated; exceptions.

When the secretary has taken possession of the business and property of any person, he shall hold such possession until the affairs of such person have been liquidated by him, unless (1) he is directed by the court to surrender such possession, (2) he has permitted a resumption of business, or a sale or conveyance of property and franchises, or a merger or consolidation, or (3) the depositors and other creditors of such person and the expenses of such liquidation have been paid in full. (Act of June 15, 1923, P.L. 809, sec. 31; Purdon's Penna. Stats., Title 7, sec. 31, p. 32).

Liquidation.

The laws of this State also contain detailed provisions with reference to the liquidation of persons and the duties and powers of the Secretary of Banking in connection therewith. These provisions deal with the duty of the secretary to make an inventory and appraisement of assets of the person, the disposition of all funds, property and investments held by the person in a fiduciary capacity, the notice the secretary must give to depositors and creditors, the proof of claims by depositors and creditors, the allowance of such claims, the filing by the secretary of a partial or final statement of receipts and expenditures and a list of claims allowed or rejected, the distribution of dividends to approved claimants, the hearing and decision of controverted claims, and the payment of liquidation expenses. (Act of June 15, 1923, P. L. 809, secs. 40, 41,43,45 and 49, and secs. 38, 42,44,46,47, and 48, as amended by Act of May 5, 1927, P.L. 762, secs. 17-22; Purdon's Penna. Stats., Title 7, secs. 38,40-49, pp. 37-46).

RHODE ISLAND.

Private banking business apparently prohibited.

The following provisions would seem to prohibit a "person, partnership or association" from transacting a general banking business.

"No corporation, either domestic or foreign, and no person, partnership, or association, except banks, savings bank, or trust companies incorporated under the laws of this state" shall hereafter make use of any sign or other advertising indicating that the place of business or the business carried on is that of a "bank, savings bank, or trust company; nor shall any such corporation, person, association, or partnership receive deposits and transact business in the way or manner of a bank, savings bank, or trust company, or in such a way or manner as to lead the public to believe, or as, in the opinion of the bank commissioner, might lead the public to believe, that its business is that of a bank, savings bank, or trust company; * * *". (P.L. 1909, ch. 404, sec. 24; Banking Laws, 1929, sec. 24, p. 71.)

Examination by bank commissioner to ascertain whether law is being violated.

The bank commissioner and his assistants have authority "to examine the accounts, books, and papers of any corporation, person, partnership, or association which makes a business of receiving money on deposit, in order to ascertain whether such corporation, person, partnership, or association has violated or is violating any provision of this title; * * *". (P.L. 1909, ch. 404, sec. 25; Banking Laws, 1929, sec. 25. pp. 71 and 72.)

Penalty for violation; banking commissioner must report violation to Attorney General; procedure to restrain further violation.

Any person, partnership, or association violating any provision of the section first above quoted must pay a penalty of one hundred dollars a day for every day during which such violation continues, and all such violations must be immediately reported by the bank commissioner to the Attorney General. The penalty may be recovered by an information or other appropriate proceeding brought in the Superior Court for the County in which said violation has occurred, in the name of the Attorney General. Upon such information or other proceeding the court may issue an injunction restraining such person, partnership, or association from further prosecution of its business and may make such other order or decree as may be proper. (P.L. 1909, ch. 404, sec. 25; Banking Laws, 1929, sec. 25, p. 72.)

SOUTH CAROLINA.

Private banks not prohibited; apparently subject to examination; operations also subject to other provisions of law.

It does not appear that the laws of this State prohibit private

banks from transacting a banking business; but it does appear from certain provisions of these laws that private banks are subject to examination by the State Bank Examiner, are expressly required to publish reports of condition, are made subject to the general provisions covering the taxation of banks, and are expressly inhibited from using the words "bank", "banking", "trust", or "trust company" in connection with their business, or from making use of any advertising or transacting business in any manner so as to create the belief that the business engaged in is that of a trust company. These provisions are referred to below.

Banking institutions conducted by "persons" subject to examination by State Examiner.

The Governor of the State of South Carolina is required to "appoint a competent person to examine, from time to time, as hereinafter provided, into the affairs and the condition of all banks and banking institutions conducted by corporations or persons in this State." (Code of 1922, sec. 3977; Banking Law Pamphlet, 1928, sec. 82, p. 43.) Apparently, this provision makes private banks subject to examination by the State examiner "as hereinafter provided"; but because some of these "hereinafter provided" examination provisions can not be made to apply to private bankers, it would seem that it was intended that such provisions should apply to private banks wherever it is possible to make them applicable and these applicable provisions are set out below.

Duty and power of examiner; report of examination.

"It shall be the duty of such Bank Examiner, and he shall have power to make a thorough examination into all the books, papers and affairs of the aforesaid banks and banking institutions, and in making such examinations the Examiner shall have authority to administer oaths and to summon and examine any and all persons connected with the said banks and banking institutions, and if any person in such examination before the Bank Examiner shall testify falsely, he shall be indictable as for perjury. The Bank Examiner shall make a full and detailed report of his findings and file the same in the office of the State Treasurer, and in this report shall be set forth all violations, if any, of the banking laws of the State, and also such a full summary of the affairs of the bank as shall be necessary for the protection of the rights of the stockholders, depositors and creditors of such bank. It shall also be the duty of said Bank Examiner to forthwith bring to the attention of the said banks all such violations of the banking laws of this State and that the same be remedied or discontinued. He shall furnish all banks so examined by him or his assistants with a copy of said report. (Code of 1922, sec. 3978; Banking Law Pamphlet, 1928, sec. 83, p. 4.)

Number of examinations required; fees.

"The Bank Examiner shall make at least two examinations every year of all the banks and banking institutions in this State * * *." Fees for these examinations are to be charged according to the capital

of the banks. No bank can be required to pay for more than two examinations each year, unless additional examinations are necessary because of the mismanagement or negligence of a bank's officers in which cases the actual expenses of such additional examinations must be paid by the bank examined. The State Treasurer must hold these fees for paying the expenses of the State Examiner and they are payable upon the order of the State Bank Examiner. The State Treasurer must include in his annual report to the Legislature an abstract of the reports made to him by the State Bank Examiner, showing the financial condition of the banks examined by him, and also a schedule of the receipts and disbursements connected with the State Bank Examiner's office. (Code of 1922, sec. 3983, as amended by Acts of 1923, p. 191; Banking Law Pamphlet, 1928, sec. 85, p. 44).

Examiner may take charge of unsound bank and apply for appointment of receiver.

"If the State Bank Examiner shall find that any of the said banks or banking institutions are insolvent, or that their business is being so dishonestly and fraudulently conducted as to jeopardize the interests of the depositors, creditors or stockholders, he shall have full power, upon consultation with the State Treasurer, to take and retain possession of all the assets and property of every description belonging to such bank or banking institution: Provided, He shall have first applied for and obtained an order to this effect from a Circuit Judge, either residing or presiding at the time, in the Circuit in which such bank or banking institution is located, two days' notice of such application being first given to the Board of Directors of said bank of the application for said order. And it shall be his duty, and he is hereby authorized and empowered, to make proper application to the court for the appointment of himself or some other person as receiver to wind up and settle the affairs of such bank or banking institution." (Code of 1922, sec. 3985; Banking Law Pamphlet, 1928, sec. 87, p. 46).

Reports of condition and business must be published; penalty for failure to publish.

"All institutions doing business in this State in lending money and receiving deposits, under Acts of incorporation granted by the State, are hereby required, under penalty of a forfeiture of their charters, to publish in a newspaper in the city, town or village where they, or any branch thereof, may do business, when and as called for by the State Bank Examiner, without previous notice, a correct report of the condition and business of such institution, which report shall contain a statement, under oath, by the President or Cashier of such institution, of the amount of the capital stock paid in, deposits, discounts, property and liabilities of said institution, verified by three of the directors thereof.

"Upon failure of any such institution to publish the report required herein, the Attorney General, on notice thereof, shall at once take the necessary steps to vacate the charter of said institution. This section shall apply to all private banking institutions, whether chartered or not." (Code of 1922, sec. 3988; Banking Law Pamphlet, 1928, sec. 60, p. 28.)

Taxation.

The laws expressly make private banks subject to the provisions covering the taxation of the shares of stock and real estate of banks, and contain detailed requirements with reference to the manner of imposing such taxation. (Code of 1922, sec. 342, as amended by Laws of 1924, p. 1220, sec. 365, sec. 400-403; sec. 404, as amended by Laws of 1927, p. 265, sec. 405-412, and Acts approved March 21, 1924, p. 116, Acts of 1924, and April 14, 1925, p. 294, Laws of 1925; Banking Law Pamphlet, 1928, secs. 92-108, pp. 49-55.) Taxation of private banking institutions is also provided for by Chapter 194, Acts of 1925, p. 294.

Use of words "Bank" or "Banking".

"It shall be unlawful for any person or persons in this State to use the words 'Bank' or 'Banking' in connection with any business, calling or pursuit, other than a legalized incorporated banking institution. Any person or persons violating the provisions of this Act shall be subject to a fine of not less than one thousand ($1,000.00) dollars and not more than ten thousand ($10,000.00) dollars and by imprisonment not exceeding ten years, nor less than one year, in the discretion of the court." (Criminal Code of 1922, sec. 235; Banking Law Pamphlet, 1928, sec. 145, p. 109).

Use of words "trust" or "trust company", or transaction of business as trust company.

No person, association or firm "other than trust companies chartered under the laws of the State of South Carolina prior to the passage and approval of this Act, or other than a corporation authorized to do business of a trust company and subject to the supervision of the State Bank Examiner, shall make use of the words 'trust' or 'trust company' as part of any artificial or corporate name or title, nor make use of any advertising indicating that the business conducted is that of a trust company," nor transact business in such way or manner as to lead the public to believe or as in the opinion of the bank examiner might lead the public to believe, that his or its business is that of a trust company." A penalty is prescribed for a violation of these provisions. (Acts of 1928, ch. 693, sec. 24, p. 1283; Banking Law Pamphlet, 1928, sec. 24, p. 126).

Bank examiner may examine books, etc., in case of violation of above provisions.

"The bank examiner shall have authority to examine the accounts, books and papers of any person, association, firm or corporation whom he has reason to suspect is violating the provisions of this (above) section and to summon and examine under oath, which he is empowered to administer, any person whom he may have reason to believe has violated or is a participant in any violation of the provisions of this section." (Acts of 1928, ch. 693, sec. 24, p. 1283; Banking Law Pamphlet, 1928, sec. 24, p. 126).

SOUTH DAKOTA.

Private banking business permitted, but provisions of bank act made applicable.

It appears from the following provisions that a private banking business is not prohibited, but that where such business is engaged in it is subject to the same general provisions as are made applicable to incorporated banks and trust companies by the bank act.

"For the purpose of this chapter every corporation, association, firm or individual in this state whose business, in whole or in part, consists in the taking of deposits or buying and selling exchange shall be held to be a bank, and as thus defined each individual stockholder or member of such corporation, association or firm, except as to national banks, shall be subject to the provisions of this chapter". "This chapter" covers the organization and operation of banking institutions. "Where reference in this chapter is made to banks, trust companies or the business of banks or trust companies in any manner, the same shall be construed as applying to any such corporation, association, firm or individual so engaged in business as defined in this section, * * *". (South Dakota Revised Code of 1919, sec. 8948; Banking Laws, 1927, sec. 8948, p. 15). "* * * no charter or authority to engage in the banking business in this state shall be issued and no individual, co-partnership or corporation shall be permitted to engage in the banking business except on Certificate issued by the Superintendent of banks upon approval of the depositors' guaranty fund commission." (South Dakota Revised Code of 1919, sec. 8949; Banking Laws 1927, sec. 8949, p. 15). "It shall be unlawful for any person to advertise, publish or otherwise represent that he is engaged in the banking business, without first having obtained authority from the superintendent of banks as provided in this chapter", and a penalty is prescribed for unauthorized banking. (South Dakota Revised Code of 1919, sec. 9000; Banking Laws, 1927, sec. 9000, p. 33).

TENNESSEE.

Banking business may now only be transacted by corporations.

The following provisions of the laws of this State would seem to restrict the right to obtain the requisite certificate to do a banking business, after the passage of the so-called banking act of 1913, to a "corporation, firm or individual" which or who has complied with "the provisions of the law regulating the incorporation of banking corporations".

"Before any corporation, firm or individual shall open or commence the transaction of business as a bank in this State, after the passage of this (1913) Act, it shall first submit its affairs to an examination by the Superintendent of Banks, who shall ascertain whether the provisions of the law regulating the incorporation of banking corpor-

ations have been complied with, and whether the full amount of the capital stock with which it proposes to commence doing business has been paid in. If he shall find these things to have been properly done, he shall then issue a certificate to the said corporation, firm or individual banker, authorizing them to operate and carry on a business of banking." (Public Acts of 1913, ch. 20, sec. 24; Banking Law Pamphlet, with amendments to and including 1923, sec. 24, p. 22.)

"The provisions of this Act shall apply to all persons and corporations carrying on a banking business in this State, except that the provisions of this Act shall not apply to national banks". (Public Acts of 1913, ch. 20, sec. 42; Banking Law Pamphlet, with amendments to and including 1923, sec. 42, p. 27.)

"The term or word 'bank', or 'banks', or 'banker', as used in this Act, wherever it may occur in any part thereof, shall signify, mean, cover and include every trust company, loan company, mortgage security company, safe deposit company, receiving money on deposit, and every individual, firm, corporation, association or company doing a banking, loan or discount business and receiving money on deposit and performing functions of a bank". (Public Acts of 1913, ch. 20, sec. 44; Banking Law Pamphlet, with amendments to and including 1923, sec. 44, p. 28).

The bank act also contains numerous references to the words "persons", "firms" and "individuals", and, in some few instances, the term "private banker" is used; furthermore, the act, in certain sections thereof (sec. 10, paragraphs 5 and 15, and sec. 15, paragraph 1), specifically distinguishes between "corporations" and "persons" or "firms" engaged in the banking business in outlining the procedure to be followed in complying with the requirements of the respective sections, indicating that a private banking business is actually recognized in this State. In view of the provisions above quoted, however, it would seem that it was intended that this recognition should apply only to private bankers who were transacting a banking business prior to the passage of the 1913 bank act, although no such exception is expressly made in the act itself.

TEXAS.

Private banking business permitted, but subject to certain provisions of law.

"It is hereby declared to be the public policy of this State that no additional private banking institution or business shall be organized or established, after the taking effect of this Act, and it is hereby declared that it shall be unlawful for any person, association or persons, partnerships, or trustee or trustees acting under any common law declaration of trust, to hereafter organize or establish, begin or resume the operation of any banking institution or business within this State", except as provided hereinafter. (Laws of 1923, ch. 185, sec. 1,

p. 422; Rev. Stats., 1925, art. 541.) "It shall be the duty of private individuals or firms engaging in the banking business to use after the name under which the business is conducted, the word in parenthesis 'Unincorporated', and failure to do so shall subject the offender to a penalty of one hundred dollars * * *". (Acts of 1905, S.S., p. 11; Rev. Stats., 1925, art. 541.)

Advertising.

It is unlawful for any private banker "to use, advertise or put forth any sign as a bank, trust company, bank and trust company or savings bank, or to in any way solicit or receive business as such, or to use as their name or part of their name on any sign, advertising or letter head or envelope the word bank, banker, banking, banking company, trust, trust company, bank and trust company, savings bank, savings, or any other term which may or might be confused with the name of a corporation organized under the general provisions of the banking laws of this State." (Acts of 1925, ch. 148, p. 356; Rev. Stats., 1925, art. 541-A.)

Names of persons only can be used in name.

It is unlawful for a private bank to adopt or use any artificial name or business title or to use any other than the name of the person or persons of the private bank, in the management, conduct or operation of such private bank. (Acts of 1925, ch. 148, p. 356; Rev. Stats., 1925, art. 541-B.)

Funds not to be employed in speculative ventures.

No private bank "engaged in the business of banking or operating a bank of deposit in this State shall employ any part of the funds of the depositors of such institution in any speculative venture or enterprise owned or promoted by said bank or any of the partners, officers or managers thereof." (Acts of 1923, ch. 185, sec. 3, p. 423; Penal Code, 1925, art. 560.)

Affidavit of solvency required.

Not later than January 15th of each year, each private bank is required to file with the county clerk of the county in which the principal place of business of the bank is conducted, an affidavit stating that the bank is solvent and has and owns property and assets in the State of Texas the value of shich is in excess of any and all of the liabilities of such private bank. (Acts of 1923, ch. 185, sec. 4, p. 423; Penal Code, 1925, art. 561.)

Statement of ownership required; publication of.

Not later than January 20th of each year, each private bank is required to file with the county clerk of the county in which its principal place of business is located, a written sworn statement giving the names of each person holding or owning any financial interest in the bank, and a copy of such statement must be published "in some newspaper of general circulation in said county, if such newspaper be published within said county." (Acts of 1923, ch. 185, sec. 5, p. 423; Penal Code, 1925, art. 562.)

Restriction on advertisement of responsibility.

No private bank can advertise in any manner that it owns, possesses or has a financial responsibility in excess of the real and true financial responsibility of such bank. The laws define the term "financial responsibility" to mean money or real or personal property within the State. (Acts of 1923, ch. 185, sec. 8, p. 424; Penal Code, 1925, art. 563.)

Violation of preceding provisions; penalty.

A violation of any of the preceding provisions by any private bank or any member thereof constitutes a misdemeanor "punishable by a fine of not less than one hundred nor more than one thousand dollars, or by imprisonment in jail for not less than thirty days nor more than twelve months, or by both such fine and imprisonment. Each day said business is carried on or attempted to be carried on shall be a separate offense." (Acts of 1923, ch. 185, sec. 8, p. 424; Penal Code, 1925, art. 564.)

Receiving deposits while insolvent; penalty.

Any private banker, or any manager, cashier or other person, owning or operating a private bank, who receives or assents to the reception of any deposit of money or other valuable thing into the bank, or if such private bank, manager, cashier or other person, creates or assents to the creation of any debt, debts or indebtedness, in consideration or by reason of which indebtedness, any money or valu able property is received into the bank, after knowledge that such banker "is insolvent, or in failing circumstances, he shall be confined in the penitentiary not less than two nor more than ten years. " The failure of the private banker is prima facie evidence of knowledge that such banker was insolvent or in failing circumstances when the money or property was received. (Acts of 1923, ch. 185, sec. 7, p. 424; Penal Code, 1925, art. 565.)

Exceptions from above provisions.

The above provisions do not apply to private banks which were "actively engaged in the operation of any bank, trust company, bank and trust company or savings bank" at the time this (1925) Act became effective; nor do such provisions apply to "any bank which may have been in successful operation in this State for twenty years and shall have suspended operations prior to the passage of this Act, but which shall resume operation within twelve months after the passage of this Act. " The right to continue or resume business "is hereby expressly recognized, confirmed and fixed. " These provisions also do not apply to a private banker "who has for a period of one year next preceding the date that this Act becomes effective, and who, as such, in the course of the liquidation of any bank or trust company or bank and trust company within this State, has acquired the assets, or any part thereof, including the real estate used as its banking house or place of business and has assumed the liabilities, or a part thereof of such liquidated bank or trust company or bank and trust company. " (Acts of 1925, ch. 148, p. 356; Rev. Stats., 1925, art. 541-C; Penal Code, 1925, art. 566.)

"Blue Sky Law" not applicable to private banks.

The laws of this State also provide that the so-called "Blue Sky Law" shall not apply to private banks. (Rev. Stats., 1925, art. 599.)

UTAH.

Private banking expressly prohibited.

The laws of Utah provide that "The establishing or maintenance of private or partnership banks is hereby expressly prohibited; provided, that all such banks now in operation shall retire from business or incorporate under the provisions of this chapter within a period of five years from and after the approval of this chapter." (Act approved March 30, 1911; Compiled Laws of Utah, 1917, Title 19, ch. 6, as amended, sec. 994; Banking Laws, 1927, sec. 994, p. 9.)

VERMONT.

Private banking business prohibited.

"A person, firm, association or corporation, except corporations reporting to and under the supervision of the bank commissioner, shall not advertise or put forth any sign as a bank, banking association or trust company, or in any way solicit or receive deposits or transact business as a bank, banking association or trust company, or use the words 'bank', 'banking association' or 'trust company'; but this section shall not prevent an individual, as such, from acting in a trust capacity. A person, firm, association or corporation subject to the provisions of this section, who violates a provision thereof, shall be fined not more than five hundred dollars for each offense." (General Laws Relating to Banks, ch. 226, Part II, sec. 5419; Banking Laws, 1918, sec. 5419, p. 31.)

VIRGINIA.

Banking business may only be transacted by corporations; exceptions.

"No person, co-partnership or corporation, except corporations duly chartered and already conducting the business of banking or trust, under authority of the law of this State or the United States, or which shall hereafter be incorporated under the laws of this State, or authorized to do business under the banking laws of the United States, shall engage in the business of banking or trust in this State; and no foreign Corporation shall do a banking or trust business in this State, except that nothing in this chapter shall prevent any person or co-partnership or corporation from lending money on real estate and personal security or collateral, or from guaranteeing the payment of bonds, notes, bills and other obligations, or from purchasing or selling all stocks and bonds. But this section shall not apply to or affect any private banker or firm of private bankers who shall have been engaged in business on the first day of January, Nineteen Hundred and Ten." (Virginia Bank Act, sec. 3, as amended; ch. 507, Acts of 1928, p. 1308, as amended by ch. 278, Acts of 1930, p. 702.). The laws also contain provisions prohibiting persons or corporations not lawfully

engaged in the business of banking from using advertising indicating that the place of business or the business carried on is that of a bank or from using the word "bank", "banking", etc. in connection with the business. (Virginia Bank Act, sec. 4; ch. 507, Acts of 1928, p. 1308; Banking Law Pamphlet, 1929, sec. 4149 (4), p. 25.)

Penalty for violation of provisions.

The laws provide that any person or persons violating the provisions referred to above "either individually or as an interested party, in any co-partnership or corporation, shall be guilty of a misdemeanor." (Virginia Bank Act, sec. 4; ch. 507, Acts of 1928, p. 1308; Banking Law Pamphlet, 1929, sec. 4149 (4), p. 25.)

State Corporation Commission may examine books, records, etc. when violation suspected.

The State Corporation Commission has authority to examine the accounts, books and papers of any person or co-partnership whom it has reason to suspect is doing a banking business, in order to ascertain whether such person or co-partnership has violated or is violating, any provision of the banking act. The refusal to submit such accounts, books and papers is prima facie evidence of a violation. (Virginia Bank Act, Sec. 4; ch. 507, Acts of 1928, p. 1308; Banking Law Pamphlet, 1929, sec. 4149 (4), p. 25.)

WASHINGTON.

Private banking business apparently prohibited.

The laws of this state provide for the incorporation of banks and trust companies and mutual savings banks to engage in the business of banking as defined below. (Laws of 1923, sec. 3, p. 302, Laws of 1929, sec. 2, p. 93, sec. 3, p. 95, sec. 1, p. 437; Rem. Comp. Stats., 1927 Supp., secs. 3226 and 3229, as amended by Laws of 1929, secs. 2 and 3, pp. 93 and 95, and secs. 3227 and 3228; Banking Laws, 1929, secs. 29-32, pp. 13-16; Laws of 1915, secs. 1-5, pp. 549-552; Rem. Comp. Stats., sec. 3313 - 3317; Banking Laws, 1929, secs. 145-149, pp. 62-65) The laws, however, are silent with reference to the organization or establishment of private banks.

The laws further provide that "no person shall engage in banking except in compliance with and subject to the provisions of this (bank) act, except it be a national bank or except in so far as it may be authorized so to do by the laws of this state relating to mutual savings banks, * * *". (Laws of 1919, sec. 7, p. 730; Rem. Comp. Stats., sec. 3222; Banking Laws, 1929, sec. 25, p. 12.) It would seem, therefore, that this provision and the provisions digested immediately below, coupled with the silence of the laws as far as the organization of private banks is concerned, restrict the transaction of a banking business to incorporated banks, trust companies, mutual savings banks and national banks.

Definition of terms.

"The term 'banking' shall include the soliciting, receiving or accepting of money or its equivalent on deposit as a regular business."

"The term 'bank', where used in this act, unless a different meaning appears from the context, means any corporation organized under the laws of this state engaged in banking, other than a trust company, or a mutual savings bank."

"The term 'person' where used in this act, unless a different meaning appears from the context, includes a person, firm, association, partnership and corporation, and the plural thereof, whether resident, non-resident, citizen or not." (Laws of 1917, sec. 14, p. 275; Rem. Comp. Stats., sec. 3221; Banking Laws, 1929, sec. 24, p. 11.)

Use of word "bank", etc., and certain other advertising; penalty for unauthorized use.

The laws also contain the requirement that the name of every bank shall contain the word "bank", but provide that only a national bank, a bank or trust company authorized by the laws of Washington, or a foreign corporation, authorized by the bank act, shall use this word or the words "banking", "banker" or "trust", or other advertising indicating that a banking business is being carried on. "Every person who, * * * violate any provision of this section shall be guilty of a gross misdemeanor". (Laws of 1925, Ex. Sess., sec. 1, p. 177; Rem. Comp. Stats., 1927 Supp., sec. 3225; Banking Laws, 1929, sec. 28, p. 13.)

WEST VIRGINIA.

Private banking business prohibited.

"No person, persons, corporation or corporations doing business in this State, except a banking institution chartered and organized under the provisions of this article and article one of this chapter, and except a banking association chartered under acts of the congress of the United States, shall use in connection with such business, or as a designation or title, the term "bank;" "banker", "banking", "banking company", "banking association" "savings bank", or "trust company"; or engage in the banking business as defined in sections six and seven of this article, or hold himself, themselves or itself out as engaged in any such business.

"Any person or corporation and/or officer or director of any corporation violating any of the provisions of this section shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be fined not more than one thousand dollars; and at the discretion of the court any individual so offending shall be imprisoned in the county jail for a period not exceeding six months, or both fined and imprisoned, within such limits." (Section 2, Article 4, Chapter 31, Code of 1931; 1905, c. 45; 1907, c. 79; 1913, c. 21; 1919, c. 60; Code 1923, c. 54, section 78; 1925, c. 34; 1929, c. 23, Section 1)".

"No corporation chartered under the laws of this State, or of any other state, territory or sovereignty, except banking associations chartered under the laws of the United States of America, and banking institutions chartered under the laws of this State, as defined in this article, and no person, partnership or association of persons as a trust, or other

organization, shall engage in the business of banking in the State of West Virginia, or shall receive or accept deposits of money, or borrow money by receiving and giving credits for deposits, or by issuing certificates of deposit or certificates of indebtedness, or by making and negotiating any writing purporting to be a bond, contract, or other obligation, the performance of which requires the holder or other party to make deposits of money with the issuer, or by means of any other plan, pretext, scheme, shift or device.

"Nothing contained in this section shall affect the rights, privileges, objects or purposes delegated to other corporations by the general corporation law or other laws of this State.

"Any corporation or individual who violates any of the provisions of this section shall be guilty of a misdemeanor, and, upon conviction shall be fined not more than five thousand dollars, and, in addition to such penalty, every corporation so offending shall forfeit its corporate franchise, and every individual so offending shall be subject to a further penalty by confinement in jail for not more than one year." (Section 18, Article 4, Chapter 31, Code of 1931; 1903, c. 8; 1919, c. 80; 1921, c. 126; Code 1923, c. 54C, Sections 12, 14; 1925, c. 33; 1929, c. 23, Section 10)."

WISCONSIN.

Banking business may only be transacted by corporation.

"It shall be unlawful for any person, copartnership, association, or corporation to do a banking business without having been regularly organized and chartered as a national bank, a state bank, a mutual savings bank, or a trust company bank." (Wisconsin Statutes, ch. 224, sec. 224.03; Banking Laws, including amendments of 1927, sec. 224.03, p. 63.)

Definition of term "bank".

" The term 'bank', as used in this chapter, shall be construed to mean any incorporated banking institution which shall have been incorporated under the laws of this state as they existed prior to the passage of this chapter, and to such banking institutions as shall hereafter become incorporated under the provisions of this chapter. " (Wisconsin Statutes, sec. 224.01; Banking Laws, including amendments of 1927, sec. 224.01. p. 63.)

Penalty for unlawful banking.

"Any person or persons violating any of the provisions of * * * (the) section (first above quoted), either individually or as an interested party in any copartnership, association, or corporation shall be guilty of a misdemeanor and on conviction thereof shall be fined in a sum not less than three hundred dollars nor more than one thousand dollars, or by imprisonment in the county jail not less than sixty days nor more than one year, or by both such fine and imprisonment." (Wisconsin Statutes, sec. 224.03; Banking Laws, including amendments of 1927, sec. 224.03, p. 63).

WYOMING.

Banking business may only be transacted by corporations.

In order to transact a banking business as defined below, the laws of this State provide for the incorporation of banks, savings banks, loan and trust companies and trust company banks. (Laws of 1925, ch. 157, secs. 3, 55, 69 and 75; Banking Laws, with 1927 amendments, sec. 3, p. 11, sec. 55, p. 22, sec. 69, p. 26 and sec. 75, p. 28.) The law also provides that "No person, firm or corporation (except national banks) shall carry on a banking business except in compliance with the provisions of this (bank) act." (Laws of 1925, ch. 157, sec. 11; Banking Laws, with 1927 amendments, sec. 11, p. 13) It is further provided that "it shall be unlawful for any person or persons, co-partnership or association to transact the business of a savings bank, * * * unless such person, company or association has been duly incorporated under this act; * * * ." (Laws of 1925, ch. 157, sec. 68; Banking Laws, with 1927 amendments, sec. 68, p. 26.)

Scope of Bank Act.

"Every bank, banker or corporation in this State doing a banking

business under the provisions of this (bank) Act, shall be known as a State bank; and any and all reference herein made to this Act to state banks shall apply to every individual, firm or corporation doing a banking business under the provisions of this Act. " (Act of February 15, 1929, sec. 1; Laws of 1929, ch. 54, sec. 1.)

Definition of bank and banking business.

"Any person, firm or corporation (except national banks) having a place of business within this State where credits are opened by the deposit or collection of money or currency or negotiable paper subject to be paid or remitted upon draft, receipt, check, or order, shall be regarded as a bank or banker, and as doing a banking business under the provisions of this Act. " (Laws of 1925, ch. 157, sec. 10; Banking Laws, with 1927 amendments, sec. 10, p. 13.)

Restriction against use of certain advertising.

"No person, persons, firm or corporation shall advertise, issue or circulate any card or other papers, or exhibit any sign using either or any of the terms 'bank', 'banker', 'banking house', or 'trust company', until they have fully complied with the provisions of this Act; provided, that the term 'trust company' may be used by a person, firm or corporation when the business transacted is in no sense a banking business." (Laws of 1925, ch. 157, sec. 11; Banking Laws, with 1927 amendments, sec. 11, p. 13.) "It shall be unlawful for any person or persons, copartnership or association * * * to assume the name of a savings bank or association, unless such person, company or association has been duly incorporated under this Act; * * *". (Laws of 1925, ch. 157, sec. 68; Banking Laws, with 1927 amendments, sec. 68, p. 26)

Penalty for unlawful banking or advertising.

Any person, firm or corporation violating any of the above provisions shall be deemed guilty of a misdemeanor, and upon conviction shall be subject to certain prescribed penalties. (Laws of 1925, ch. 157, secs. 12 and 68; Banking Laws, with 1927 amendments, secs. 12 and 68, pp. 13 and 26).

APPENDIX C

Digest of Federal and State Laws Relating to Consolidation, Merger, etc., of Banks and/or Trust Companies

DIGEST OF FEDERAL AND STATE LAWS RELATING TO CONSOLIDATION, MERGER, ETC., OF BANKS AND/OR TRUST COMPANIES.

The following is a digest of the laws of the United States and of the several States, as of July 1, 1931, having reference to the consolidation, merger, etc., of banks and/or trust companies, which was prepared in the office of the General Counsel to the Federal Reserve Board, with the assistance of Counsel to the Federal Reserve Banks, pursuant to a request of the Board's Committee on Branch, Group and Chain Banking. Except for provisions covering the conversion of one bank or trust company into another this digest includes every provision of the Federal and State laws under which any bank or trust company, or the assets and liabilities thereof, may be united with, or transferred to, any other bank or trust company, such as the provisions governing consolidations, mergers, purchases of assets, etc.

NATIONAL BANK ACT.

Consolidation of two or more national banks.

The National Bank Act provides for the consolidation with the approval of the Comptroller of the Currency of any two or more national banks located in the same county, city, town or village under the charter of one of the banks. Such consolidation shall be on the terms and conditions agreed upon by a majority of the board of directors of each bank which must be ratified by the shareholders of each bank owning two-thirds of its capital stock at a meeting of the shareholders held after publication of notice in the newspapers for a period of four weeks and after sending notice to each shareholder by registered mail at least ten days prior to the meeting. The act makes provision for the payment to any dissenting shareholders of the appraised value of the stock held by such shareholders and for the disposal of any such shares at public auction. (Act of November 7, 1918; 40 Stat., 1043; U. S. Code, Annotated, Title 12, sec. 33.)

Legal effect - transfer of rights and assets by operation of law.

"All the rights, franchises, and interests of the said national bank so consolidated in and to every species of property, personal and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such national bank into which it is consolidated without any deed or other transfer, and the said consolidated national bank shall hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent as was held and enjoyed by the national bank so consolidated therewith". (Act of

(National Bank Act - cont'd.)

November 7, 1918; 40 Stat., 1044; U. S. Code, Annotated, Title 12, sec. 34.)

Consolidation of State and national banks.

The National Bank Act also makes provision for the consolidation of any State bank or any bank incorporated in the District of Columbia, when not in contravention of the law of the State under which such bank is incorporated, with a national bank and under the charter of the National Bank. The procedure provided for effecting such consolidations is similar to the procedure provided for the consolidation of two or more national banks which is described above. A similar procedure is also provided for the satisfaction of dissenting shareholders. (Act of February 25, 1927; 44 Stat., 1225; U. S. Code, Annotated, Title 12, sec. 34a.)

Legal effect - transfer of assets and rights by operation of law.

"All the rights, franchises, and interests of such State or District bank so consolidated with a national banking association in and to every species of property, real, personal, and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such national banking association into which it is consolidated without any deed or other transfer, and the said consolidated national banking association shall hold and enjoy the same and all rights of property, franchises, and interests, including the right of succession as trustee, executor, or in any other fiduciary capacity in the same manner and to the same extent as was held and enjoyed by such State or District bank so consolidated with such national banking association". (Act of February 25, 1927; 44 Stat.,

1225; U. S. Code, Annotated, Title 12, sec. 34a.)

ALABAMA.

Consolidation, merger or transfer of assets of banks and trust companies.

"Any bank or trust company doing a banking business may consolidate or merge with, or transfer its assets and liabilities to, another bank or trust company, * * *." (Civil Code of Alabama, sec. 6403; Banking Law Pamphlet, 1928, sec. 6403, page 41.)

Resolution of board of directors; consideration and approval of by stockholders and superintendent of banks; effect of approval.

In order to effect such consolidation, merger or transfer of assets, the Board of directors of each bank or trust company affected must pass a resolution stating that such consolidation, merger or transfer is desirable and call a meeting of the shareholders of each institution by giving at least thirty days' written notice to each shareholder of the date, place and purpose of the meeting. A copy of the resolution must also be furnished to the Superintendent of Banks and he must investigate the advisability of such consolidation, merger or transfer. On the day of the meeting of the shareholders, a resolution may be prepared setting forth the desirability and terms of the consolidation, merger, or transfer and if a majority of the shareholders of each institution approve the resolution and the superintendent of banks approves all of the proceedings, such resolution shall have the force and effect of consolidating or merging the institutions affected. (Civil Code of Alabama, section 6404; Banking Law Pamphlet, 1928, sec. 6404, page 41.)

Submission of certificate of proceedings to Superintendent of Banks for approval.

A certified copy of the minutes of the board of directors passing

(Alabama - cont'd.)

the resolution for consolidation, merger or transfer of assets and a certified copy of the minutes of the stockholders' meetings must be made under corporate seal and acknowledged by the president and cashier of each institution, and forwarded to the Superintendent of Banks for his certificate of approval. (Civil Code of Alabama, sec. 6405; Banking Law Pamphlet, 1928, sec. 6405, p. 42.)

Certificate of approval by Superintendent of banks; filing of.

If the superintendent of banks approves the entire proceedings, he must issue his written certificate of approval in duplicate, one to be filed in his office and the other to be forwarded to the probate judge of the county for record. (Civil Code of Alabama, sec. 6406; Banking Law Pamphlet, 1928, sec. 6406, p. 42.)

Examination of institutions by superintendent of banks.

Before approving proceedings to consolidate, the superintendent of banks must make an examination of each institution to determine whether the interests of the depositors, creditors and stockholders of each are protected and that such consolidation or transfer is made for legitimate purposes. His approval or disapproval in the premises must be on the basis of such examination and no "consolidation or transfer" can be made without his written consent. (Civil Code of Alabama, section 6407; Banking Law Pamphlet, 1928, section 6407, page 42.)

Appeal from adverse decision of superintendent of banks.

In case the superintendent refuses to give his consent, an appeal may be taken "to the circuit court of the county where such institution is located, said court considering the same in equity." (Civil Code of Alabama,

section 6408; Banking Law Pamphlet, 1928, sec. 6408, page 42.)

ARIZONA.

No provisions applicable to consolidations, mergers, etc.

The laws of Arizona do not contain any provisions specifically providing for the consolidation, merger, transfer of assets, etc., of banks or trust companies.

ARKANSAS.

Definition of the term "bank".

The word "bank" as used in the laws of Arkansas applies to any incorporated bank, trust company or savings bank. (Acts of 1923, Act 627, sec. 17; Crawford and Moses Digest, 1927 Supplement, sec. 674; Banking Law Pamphlet, 1929, p. 14.)

Consolidation of banks.

Any bank may purchase the assets of, or consolidate with, another bank by filing with the commissioner of banks, as an amendment to its articles of agreement, two copies of a resolution to the effect desired, adopted upon two-thirds vote of the stockholders of the respective banks affected, both such copies to be verified by the president and cashier or secretary, one to be retained by the commissioner and the other, upon his approval, to be filed for record with the clerk of the county in which the bank is located. The purchase or consolidation becomes effective only when such resolution is approved by the bank commissioner and so filed with the county clerk. It is further provided that upon the purchase of the assets of another bank, or the consolidation of two or more banks, all or any part of the assets may be accepted in lieu of cash at their actual value.

(Acts of 1923, Act 627, sec. 4; Crawford and Moses Digest, 1927 Supplement, sec. 674; Banking Law Pamphlet, 1929, p. 10.)

CALIFORNIA.

Definition of word "bank".

The term "bank" as used in the following provisions of the so-called California Bank Act includes commercial banks, savings banks and trust companies. (Cal. Bank Act, sec. 1.)

Consolidation of banks.

Any state bank may consolidate with one or more state banks "its capital stock, properties, trusts, claims, demands, contracts, agreements, obligations, debts, liabilities and assets of every kind and description, * * *." (Cal. Bank Act, sec. 31a.)

Directors' agreement for consolidation; subject to approval of superintendent of banks.

The consolidation may be upon such terms and in such manner as may be agreed upon by the board of directors of the banks involved. An original copy of such agreement must be filed in the office of the superintendent of banks and it does not become valid until it is approved by him. (Cal. Bank Act, 1929, sec. 31a.)

Submission of consolidation agreement to stockholders.

No consolidation can take effect until the agreement has been "ratified and confirmed" by the stockholders of each of the constituent banks, either in writing by two-thirds of the respective stockholders, or by the vote of two-thirds of such stockholders at a special meeting called after two weeks' notice has been given to each stockholder specifying the time, place and object of the meeting and after such notice has been

(California - cont'd.)

published for two successive weeks in a certain designated newspaper. (Cal. Bank Act, 1929, sec. 31a.)

Agreement for consolidation filed with superintendent of banks must be accompanied with certain papers.

There must be attached to the agreement which is filed with the superintendent of banks, either a memorandum of the ratification and confirmation of the agreement, signed and acknowledged by two-thirds of the stockholders of each bank, or a certificate of the secretary of the bank, under corporate seal and acknowledged by him, certifying that the agreement has been ratified and confirmed as provided above. (Cal. Bank Act, 1929, sec. 31a.)

Articles of incorporation and consolidation, contents of.

Articles of incorporation and consolidation must be prepared which must set forth:

"First - The name of the new corporation;

Second - The purpose for which it is formed;

Third - The place where its principal business is to be transacted;

Fourth - The term for which it is to exist, which shall not exceed fifty years;

Fifth - The number of its directors (which shall not be less than three) and the names and residences of the persons appointed to act as such until their successors are elected and qualified;

Sixth - The amount of its capital stock and the number of shares into which it is divided;

Seventh - The amount of stock actually subscribed, and by whom;

Eighth - The names of the constituent corporations."

(California - cont'd.)

The articles of incorporation and consolidation must be signed and countersigned by the president and secretary of each bank and sealed with the corporate seal; and the approval of the superintendent of banks must be attached thereto. (Cal. Bank Act, 1929, sec. 31a.)

Filing of articles of incorporation and consolidation.

The articles of incorporation and consolidation must then be filed with the secretary of state, and a copy of such articles, certified by the secretary of state, must be filed in his office, in the office of the county clerk of the county in which is located the principal place of business of the new corporation and each of its constituents and in the office of the superintendent of banks. The secretary of state must issue over the seal of the state a certificate that the articles have been filed in his office. (Cal. Bank Act, 1929, sec. 31a.)

Certificate of authorization to consolidated bank; issuance and filing of.

Provision is made for the issuance of a certificate of authorization to the consolidated bank by the superintendent of banks; and the superintendent must transmit to the secretary of state a duplicate of such certificate which he must file in his office. The superintendent must also file a duplicate of such certificate in his own office. (Cal. Bank Act, 1929, secs. 31a and 128.)

Certificate of superintendent of banks showing approval and consummation of consolidation.

Whenever two or more banks "authorized and qualified to conduct the business of acting as executor, administrator, guardian of estates, assignee, receiver, depositary or trustee" are consolidated into a bank

(California - cont'd.)

"likewise authorized and qualified", the superintendent of banks upon request, must issue a written certificate under his official seal and acknowledged by him, that the consolidation agreement has been filed in his office, that the consolidation has been approved by him and that it has been completed and consummated. He must attach to the certificate a true copy of the consolidation agreement which is on file in his office. Such certificate is prima facie evidence of the regularity of the proceedings and the fact of such consolidation. (Cal. Bank Act, 1929, sec. 31c.)

Recordation of certificate of superintendent; effect of.

"The recordation of such certificate in the office of the recorder of any county shall be, to all persons, in such county, constructive notice that all of the rights, benefits, privileges, duties and obligations of whatsoever kind or nature, held or possessed by or imposed upon the bank * * * that has expired by such consolidation * * *, are retained by and imposed upon the successor bank." (Cal. Bank Act, 1929, sec. 31c.)

Legal effect of consolidation.

When the superintendent of banks authorizes the consolidated corporation to commence business as provided by law "the new or consolidated corporation shall be a body politic and corporate by the name stated in the certificate, and for the term of fifty years, unless it is, in the articles of incorporation and consolidation, otherwise stated and thereupon each constituent corporation named in the articles of incorporation and consolidation must be deemed and held to have become extinct in all courts and places, and said new corporation must be deemed and held in all courts and places

(California - cont'd.)

to have succeeded to all their several capital stocks, properties, trusts, claims, demands, contracts, agreements, assets, choses and rights in action of every kind and description, both at law and in equity, and to be entitled to possess, enjoy, and enforce the same and every thereof, as fully and completely as either and every of its constituents might have done had no consolidation taken place. Said consolidated or new corporation must also, in all courts and places, be deemed and held to have become subrogated to its several constituents and each thereof, in respect to all their contracts and agreements with other parties, and all their debts, obligations, and liabilities, of every kind and nature, to any persons, corporations, or bodies politic, whomsoever, or whatsoever, and said new corporation must sue and be sued in its own name in any and every case in which any or either of its constituents might have sued or might have been sued at law or in equity had no such consolidation been made. Nothing in this section contained shall be construed to impair the obligation of any contract to which any of such constituents were parties at the date of such consolidation. All such contracts may be enforced by action or suit, as the case may be, against the consolidated corporation, and satisfaction obtained out of the property which, at the date of the consolidation, belonged to the constituent which was a party to the contract in action or suit, as well as out of any other property belonging to the consolidated corporation, and the stockholders of each constituent corporation so entering into such agreement shall continue subject to all the liabilities, claims and demands existing against them at or before such consolidation to the same extent as if the same had not

been made. The right of said new corporation to increase or decrease its capital stock, to change the number of its directors, to amend its articles of incorporation, to change its principal place of business, or its name, or to effect any other organic change shall be governed by the general corporation laws of this state and by the bank act, and the procedure to effect any such change shall be that defined by the general corporation laws and the bank act." (Cal. Bank Act, 1929, sec. 31a.)

Merger of banks.

Any two or more banks empowered by their articles of incorporation and authorized by the so-called Bank Act "to do the business of a commercial bank and savings bank and trust company, or any one or more or all of them, are hereby authorized to merge one or more of such banks into another of them," in accordance with the following requirements. (Cal. Bank Act, sec. 31b.)

Agreement of directors to merge; contents of.

The board of directors of each bank involved, may by a majority of the membership of each board at a meeting duly called and held, make or authorize to be made a duplicate written agreement for the merger of the banks. The agreement must specify the receiving bank and each bank to be merged, "and it shall prescribe the terms and conditions of the merger and the mode of carrying it into effect." The agreement may also provide for any matters to effect and accomplish the merger, not inconsistent with the bank act or other laws of California. (Cal. Bank Act, 1929, sec. 31b.)

Submission of merger agreement to superintendent of banks; approval of necessary.

The merger agreement and sworn copies of the proceedings of the

(California - cont'd.)

boards of directors authorizing the making of the agreement must be submitted to the superintendent of banks in duplicate for his approval "and shall not be valid until such approval is obtained." (Cal. Bank Act, sec. 31b.)

Merger agreement to be approved by stockholders.

The merger does not take effect until the agreement has been "ratified and confirmed" in writing by two-thirds of the stockholders of each bank, or approved by two-thirds of such stockholders at a regular or special meeting. When so adopted, the agreement "shall thereupon become binding upon such banks." (Cal. Bank Act, 1929, sec. 31b.)

Filing of approved merger agreement.

One original duplicate of the adopted agreement with a copy of the written approval of the superintendent of banks and a sworn copy of the proceedings of the meetings at which such agreement was finally approved, made by the respective secretaries, must be filed with the superintendent of banks, and the other original duplicate must be filed in the office of the clerk of the county where the principal place of business of the receiving corporation is located. (Cal. Bank Act, 1929, sec. 31 b.)

When merger takes effect.

Upon filing the duplicates of the agreement as above described, the agreement "shall take effect according to all of its terms and the merger shall thereupon take place as provided in the agreement without further or other act, transfer or substitution," and the merged corporations must surrender their licenses to do a banking business for cancellation to the superintendent of banks. (Cal. Bank Act, 1929, sec. 31b.)

(California - cont'd.)

Issuance of new stock for old; dissenting stockholders, rights of.

Provision is made for the issuance of new shares of stock to stockholders in lieu of the stock held by them in the merging corporations and for the appraisal and payment of the value of the stock held by any stockholder who votes against the merger or dissents thereto in writing after the merger agreement has been adopted by the stockholders. (Cal. Bank Act, 1929, sec. 31b.)

Certificate of superintendent of banks showing approval and consummation of merger.

Whenever two or more banks "authorized and qualified to conduct the business of acting as executor, administrator, guardian of estates, assignee, receiver, depositary or trustee" are merged into a bank "likewise authorized and qualified", the superintendent of banks upon request, must issue a written certificate under his official seal and acknowledged by him, that the merger agreement has been filed in his office, that the merger has been approved by him and that it has been completed and consummated. He must attach to the certificate a true copy of the merger agreement which is on file in his office. Such certificate is prima facie evidence of the regularity of the proceedings and the fact of such merger. (Cal. Bank Act, 1929, sec. 31c.)

Recordation of certificate of superintendent; effect of.

"The recordation of such certificate in the office of the recorder of any county shall be, to all persons, in such county, constructive notice that all of the rights, benefits, privileges, duties and obligations of whatsoever kind or nature, held or possessed by or imposed upon the bank * * * that has expired * * * by such merger, are retained by and imposed upon the

successor bank." (Cal. Bank Act, 1929, sec. 31c.)

Legal effect of merger.

"Upon the merger of any corporation or corporations into another, as provided in this section:

(a) "Its corporate existence shall be merged into that of such other corporation, and all and singular its rights, privileges and franchises, and its right, title and interest in and to all property, real, personal or mixed, and choses in action, and every right, privilege, interest or asset, of conceivable value or benefit then existing or which would thereafter inure to it under an unmerged existence shall be deemed fully and finally, and without any right of reversion, interruption, impairment or limitation of title, right or privilege, transferred to and vested in the corporation into which it shall have been merged, without further act or deed, and such last mentioned corporation shall have, hold, possess, enjoy and enforce the same in its own right, as fully as the same was possessed, enjoyed and held by the merged corporation from which it was, by operation of the provisions of this section, transferred.

(b) "Its rights, obligations, properties, assets, investments, deposits, demands, contracts, agreements, court and private trusts, as defined in the bank act, and other relations to any person, creditor, depositor, trustee, principal or beneficiary of any court or private trust, shall remain unimpaired and without change or alteration in any respect, and the corporation into which it shall have been merged shall, by such merger, ipso facto and by operation of law, without further transfer, substitution, act or deed, and in all courts and places be deemed and held to have, and shall become subrogated and shall succeed, to all such rights, obligations,

(California - cont'd.)

properties, assets, investments, deposits, demands, contracts, agreements, court and private trusts and other relations to any person, creditor, depositor, trustee, principal or beneficiary of any court or private trust, obligations and liabilities, of every kind or nature, and shall execute and perform all such court and private trusts in the same manner as though it had itself originally assumed the relation or trust or incurred the obligation or liability; the corporation into which it shall have been merged shall succeed to and be entitled to take and execute and receive the appointment to all executorships, trusteeships, guardianships and other fiduciary capacities in which the merged corporation may be then or thereafter named in wills theretofore or thereafter probated, or in any other instruments; and the liabilities and obligations of such merged corporation to the depositors, beneficiaries, principals and other creditors existing for any cause whatever shall not be impaired by such merger; nor shall any obligation or liability of any stockholder in any corporation which is a party to such merger be affected by any such merger, but such obligations and liabilities shall continue as fully and to the same extent as existed before such merger.

(c) "Any action pending or other judicial proceedings to which any corporation that shall so be merged is a party, shall not be deemed to have abated or to have discontinued by reason of the merger, but may be prosecuted to final judgment, order or other decree in the name of the merged corporation, in the same manner as if the merger had not been made, or such merging corporation may be substituted as a party to such action

(California - cont'd)

or proceeding, and any judgment, order or decree may be rendered for or against it that might have been rendered for or against such merged corporation, if the merger had not occurred." (Cal. Bank Act, 1929, sec. 31b.)

Legal effect of consolidation or mergers on trusts held by the constituent banks.

"Whenever a national banking association authorized and qualified to conduct in this state the business of acting as executor, administrator, guardian of estates, assignee, receiver, depositary or trustee under court and private trusts, has been heretofore or is created by the conversion of a state bank likewise authorized and qualified; or whenever one or more state banks or one or more national banking associations so authorized and qualified has been heretofore or is hereafter consolidated with or merged into one or more other national banking associations or into one or more state banks, likewise authorized and qualified, such state bank or national banking association into which such state bank has been or is converted or into or with which such bank or banks has been or are merged or consolidated shall by such conversion, merger or consolidation ipso facto and by operation of law, without further transfer, substitution, act or deed and in all courts and places, be deemed and hold to have, and shall become subrogated and shall succeed to, all rights, obligations, properties, assets, investments, deposits, demands, contracts, agreements, court and private trusts, and other relations to any person, creditor, depositor, trustor, principal or beneficiary of any court or private trust, and obligations and liabilities of every kind or nature which such prede-

(California - cont'd.)

cessor bank or banks so converted or merged or consolidated into or with such state bank or national banking association shall have held or enjoyed or been subject to, and shall execute and perform all such court and private trusts in the same manner as though it had itself originally assumed the relation or trust or incurred the obligation or liability. Such state bank or national banking association shall succeed to and be entitled to take and execute and receive the appointment to all executorships, trusteeships, guardianships and other fiduciary capacities in which the bank or banks so converted or merged into or consolidated with such state bank or national banking association may be then or thereafter named, in wills theretofore or thereafter probated, or in any other instruments. When such conversion, consolidation or merger is completed, there may be executed by the president and secretary or cashier of such state bank or national banking association" a certificate certifying that the business formerly conducted by the constituent corporation or corporations has been acquired and is being conducted by the resulting corporation. (Cal. Bank Act, 1929, sec. 31d.)

Recordation of certificate of bank; effect of.

"The recordation of such certificate in the office of the recorder of any county shall be, to all persons, in such county, constructive notice that all the rights, benefits, privileges, duties and obligations of whatsoever kind or nature held or possessed by or imposed upon the bank so converted or consolidated or merged are retained by and imposed upon the successor bank." Such certificate is prima facie evidence of the regularity of the proceedings and the fact of such consolidation or merger.

(California - cont'd.)

(Cal. Bank Act, 1929, sec. 31d.)

Sale of business.

Any bank may sell the whole of its business or the business of any of its departments or branches to any other bank. (Cal. Bank Act, 1929, sec. 31.)

Consent of stockholders necessary to effect sale.

The consent of two-thirds of the stockholders of each of the banks involved is necessary to effect such a sale; and the consent may be either in writing and acknowledged by such stockholders and attached to the instrument of sale, or to a copy thereof, or by vote of such stockholders at a special meeting. (Cal. Bank Act, 1929, sec. 31.)

Agreement for sale and purchase; contents of.

The selling and purchasing banks must enter into an agreement of sale and purchase which must contain all the terms and conditions connected with the transaction. The agreement must contain proper provision for the payment of liabilities of the selling bank and the assumption by the purchasing bank of all fiduciary and trust obligations of the selling bank, and in these particulars, is subject to the approval of the superintendent of banks and does not become valid until such approval is obtained. The agreement may contain provisions for the transfer of all deposits to the purchasing bank, subject to the right of every depositor of the selling bank to withdraw his deposit in full on demand after such transfer, regardless of the terms under which it was deposited. The agreement may also contain provisions for the transfer of all court and private trusts to the purchasing banks, subject to the rights of trustees and beneficiaries after such

(California - cont'd.)

transfer to nominate another and succeeding trustee of the trusts so transferred. (Cal. Bank Act, 1929, sec. 31.)

Filing of agreement for purchase and sale.

The agreement or a duplicate original thereof must be filed in the office of the superintendent of banks immediately after its execution by the banks involved and its approval by the superintendent. (Cal. Bank Act, 1929, sec. 31.)

Publication of notice of agreement for purchase and sale.

Notice of the agreement must be published for four successive weeks in a newspaper in each of the counties in which either of the banks has its principal place of business. An affidavit showing such publication must be filed with the superintendent within ten days after the last publication. (Cal. Bank Act, 1929, sec. 31.)

Obligations and liabilities of selling bank not impaired by sale; liability of stockholders of respective banks.

No obligation or liability of the selling bank or its stockholders and no rights, obligations and relations of any parties, creditors, depositors, trustors and beneficiaries are impaired by any sale, but the purchasing bank succeeds to all such relations, obligations, trusts and liabilities and is liable to pay and discharge all debts and liabilities and to perform all trusts of the selling bank. The stockholders of the respective corporations also continue subject to all the liabilities, claims and demands existing against them as such at or before the sale. (Cal. Bank Act, 1929, sec. 31.)

The affairs of the selling bank shall remain subject to the provisions of the so-called Bank Act. (Cal. Bank Act, 1929, sec. 31.)

(California - continued.)

Actions on account of transferred deposits, obligations, etc.; when estopped to bring.

No action can be brought against the selling bank or any of its stockholders on account of any deposit, obligations, trust or liabilities, which have been transferred to the purchasing bank, after the expiration of one year from the last day of the publication above referred to. (Cal. Bank Act, 1929, sec. 31.)

Maintenance of capital and surplus by selling bank.

The selling bank must maintain for a period of one year after the last day of the publication above described such an amount of capital or capital and surplus as the superintendent of banks may deem necessary. (Cal. Bank Act, 1929, sec. 31.)

Certificate of superintendent of banks showing approval and consummation of sale of business.

Whenever there has been completed the sale of the business of any bank "authorized and qualified to conduct the business of acting as executor, administrator, guardian of estates, assignee, receiver, depositary or trustee, to another bank, likewise authorized and qualified", the superintendent of banks upon request, must issue a written certificate under his official seal and acknowledged by him, that the agreement of sale and purchase has been filed in his office, that the sale and purchase has been approved by him and that it has been completed and consummated. He must attach to the certificate a true copy of the sale and purchase agreement which is on file in his office. Such certificate is prima facie evidence of the regularity of the proceedings and the fact of such sale

(California - cont'd.)

and purchase. (Cal. Bank Act, 1929, sec. 31c.)

Recordation of certificate of superintendent, effect of.

"The recordation of such certificate in the office of the recorder of any county shall be, to all persons, in such county, constructive notice that all of the rights, benefits, privileges, duties and obligations of whatsoever kind or nature, held or possessed by or imposed upon the bank so selling its business and assets * * * are retained by and imposed upon the successor bank." (Cal. Bank Act, 1929, sec. 31c.)

Legal effect on trusts held by selling bank.

"Upon the approval by the superintendent of banks of an agreement of sale and purchase and the transfer of the business of a trust department or of a bank having a trust department the purchasing bank shall, ipso facto and by operation of law and without further transfer, substitution, act or deed, and in all courts and places, be deemed and held to have succeeded and shall become subrogated and shall succeed to all rights, obligations, properties, assets, investments, deposits, demands, contracts, agreements, court and private trusts and other relations to any person, creditor, depositor, trustor, principal or beneficiary of any court or private trust, obligations and liabilities of every nature, and shall execute and perform all such court and private trusts in the same manner as though it had itself originally assumed the relation or trust or incurred the obligation or liability." (Cal. Bank Act, 1929, sec. 31.)

COLORADO

Consolidation of banks and/or trust companies.

Any state bank or trust company, or any national bank, "may be

consolidated with any state bank or trust company, or with any national banking association, under the charter of such state bank or trust company, or under the charter of such national banking association, or under a new charter issued to such consolidated state bank or trust company or to such consolidated national banking association, upon such terms and conditions as may be lawfully agreed upon; * * * " (Laws of 1931, ch. 54, sec. 1, p. 161.)

Consent of State Bank Commissioner or Comptroller of Currency necessary.

No state bank or trust company can consolidate with another state bank or trust company "without the written consent of the State Bank Commissioner; and no state bank or trust company shall consolidate with a national banking association, nor shall any national banking association consolidate with any state bank or trust company, without the written approval of the State Bank Commissioner and the Comptroller of the Currency; and no national banking association shall consolidate with any other national banking association without the consent of the Comptroller of the Currency." (Laws of 1931, ch. 54, sec. 1, p. 161.)

Consolidations involving national banks to comply with laws of United States and regulations of Federal Reserve Board.

The consolidation of a state bank or trust company with a national bank must comply with the "Federal banking laws and the rules and regulations of the Federal Reserve Board" and no consolidation of any kind "shall be in contravention of the laws of the United States or of the laws of the State of Colorado." (Laws of 1931, ch. 54, sec. 1. p. 161.)

Legal effect of consolidation

"At any time when such consolidation becomes effective all the property of the merging or consolidating banks, trust companies, or associations, including all right, title, and interest in and to all property of whatever kind of the institutions forming such consolidated bank, trust company, or association, whether real, personal or mixed, and things in action, and every right, privilege, interest, and asset of any conceivable nature, or benefit then existing, belonging or pertaining to the banks, trust companies, or associations forming such consolidated bank, trust company, or association, shall immediately, by proper order of the court, act of law and without any conveyance, transfer, and without any further act or deed, be vested in and become the property of such consolidated bank, trust company or association, which consolidated bank, trust company, or association shall have, hold and enjoy the same in its own right as fully and to the same extent as the same was possessed, held and enjoyed by the institutions, or any of the institutions, forming such consolidated bank, trust company, or association."

"Such consolidated state bank or trust company, or such consolidated national bank or association, shall be deemed to be a consolidation of the entity and of the identity of the institutions forming such consolidated bank, trust company, or association, and all the rights, obligations, and relations of the banks, trust companies or associations forming such consolidated bank, trust company or association, to or in respect to any person, estate, creditor, depositor, trustee, or beneficiary of any trust, and in or in respect to any executorship or trusteeship or

other trust or fidiciary function, and in or with respect to any appointment or designation as executor, trustee or other fiduciary, shall remain unimpaired, and the consolidated bank, trust company, or association, as of the time of taking effect of such change or consolidation, shall succeed to all the rights, obligations, designations, appointments, relations and trusts, and the duties and liabilities connected therewith, and shall execute and perform each and every trust or relation in the same manner as if such consolidated bank, trust company, or association had itself assumed the trust or relation, including the obligations and liabilities connected therewith. If any bank, trust company, or association forming such consolidated institution, is acting, or is designated as administrator, co-administrator, executor, co-executor, trustee, or co-trustee, of or in respect to any estate or trust being administered, or to be administered, under the laws of this state, such designation or relation, as well as any other and similar designation or fiduciary relations, and all rights, privileges, duties and obligations connected therewith, shall remain unimpaired and shall continue into and in said consolidated bank, trust company, or association, from and as of the time of the taking effect of such consolidation, irrespective of the date when any such designation or relation may have been made, created, or established, and irrespective of the date of any instrument relating thereto."

"All Acts and parts of Acts in conflict with this Act are hereby repealed". (Laws of 1931, secs. 2-4, ch. 54, pp. 162-164.)

CONNECTICUT.

Merger or consolidation.

"Any two or more state banks, trust companies or state bank and trust companies * * *, located and doing business in the same town may, with the approval of the banking commission, merge or consolidate into a single corporation to engage in the business of a state bank or trust company or both". (General Statutes, 1930, sec. 3890.)

Agreement of directors to merge or consolidate.

The directors of the corporations proposing to merge or consolidate may enter into an agreement prescribing the terms and conditions of the merger or consolidation and containing certain prescribed statements of fact with reference to the name and location of the consolidated corporation, the amount of its capital stock, the number of its directors, etc. (General Statutes, 1930, sec. 3891, as amended by Public Acts of 1931, ch. 88.)

Submission of agreement to stockholders.

The agreement must be submitted to the stockholders of each of the corporations involved at a special meeting called after twenty days' notice. Such notice must also be published in a designated newspaper or newspapers for three successive weeks. (General Statutes, 1930, sec. 3892, as amended by Public Acts of 1931, ch. 88.)

Approval of consolidation by stockholders; submission to banking commission.

If the consolidation or merger is approved by two-thirds of the

stockholders of each of the corporations, that fact must be certified under corporate seal upon the agreement by the secretaries of the respective corporations, and such certified agreement must then be submitted to the banking commission. (General Statutes, 1930, sec. 3892, as amended by Public Acts of 1931, ch. 88.)

Consideration and approval of agreement by banking commission; filing of approved agreement.

If the banking commission, after a hearing held after publication for three successive weeks of notice of such hearing, determines that the consolidation or merger "will promote public convenience" and that the terms thereof are reasonable and in accordance with law and sound public policy, it may approve such consolidation or merger. If approval is granted, the banking commission must certify its findings and approval on the agreement and file such agreement in the office of the Secretary of State. When so approved and filed, the agreement "shall evidence the terms and conditions of such consolidation and the legal existence and the organization of said consolidated corporation, and the provisions of the charters or organization certificates of the consolidating corporations in so far as they may be inconsistent therewith shall be inapplicable to said consolidated corporation." (General Statutes, 1930, sec. 3892, as amended by Public Acts of 1931, ch. 88.)

Increase or reduce capital stock, change of name, or other amendments to agreement; when may be made.

The consolidated corporation, subject to the approval of the

banking commission, may at any time in the future change its name, increase or reduce its capital stock, and make other amendments to the agreement provided such change or amendment is approved at a special meeting by two-thirds of the stockholders "and a certificate setting forth such change or amendments and stating that the same has been adopted by the stockholders shall be made by a majority of the directors, approved by the banking commission and filed in the office of the secretary of state." (General Statutes, 1930, sec. 3892, as amended by Public Acts of 1931, ch. 88.)

NOTE: - The 1931 amendment referred to under the five preceding headings is not yet obtainable; but, inasmuch as the bank commissioner of the State of Connecticut has advised that it is a purely clarifying measure, the provisions as amended probably do not differ substantially from the provisions as above digested.

Legal effect of merger or consolidation.

"Upon the completion of such consolidation as hereinbefore prescribed, the consolidating corporation shall become a corporation by the name so provided and the corporate existence of the consolidating corporations shall be continued by and in the consolidated corporation and the consolidated corporation shall possess all the rights, privileges, powers

(Connecticut - cont'd.)

and franchises of each of the consolidating corporations and the entire assets, business, goodwill and franchises of each of the consolidating corporations shall be vested in the consolidated corporation without any deed or transfer, provided the consolidating corporations may execute such deeds or instruments of conveyance as may be convenient to confirm the same, and the consolidated corporation shall assume and be liable for all debts, accounts, undertakings, contractual obligations and liabilities of every name and nature of the consolidating corporations and shall exercise and be subject to all the duties, relations, obligations, trusts and liabilities of each of the consolidating corporations, whether as debtor, depositary, registrar, transfer agent, executor, administrator, trustee or otherwise, and shall be liable to pay and discharge all such debts and liabilities to perform all such duties and to administer all such trusts in the same manner and to the same extent as if the consolidated corporation had itself incurred the obligation or liability or assumed the duty, relation or trust, and all rights of creditors and all liens upon the property of either of such consolidating corporations shall be preserved unimpaired and said consolidated corporation shall be entitled to receive, accept, collect, hold and enjoy any and all gifts, bequests, devises, conveyances, trusts and appointments in favor of or in the name of either of said consolidating corporations whether made or created to take effect prior to or after such consolidation, and the same shall inure to and vest in said consolidated corporation; and no suit, action or other proceeding pending at the time of such consolidation before any court or

(Connecticut - cont'd.)

tribunal in which either of said consolidating corporations is a party shall be abated or discontinued because of such consolidation but may be continued and prosecuted to final effect by or against the consolidated corporation. The consolidated corporation shall have the right to use the name of either of the consolidating corporations whenever it can do any act or discharge any duty or obligation or enforce any right under such name more conveniently or with greater advantage to itself or to any person to whom it holds any relation of trust or owes any duty under any contract or conveyance, and no other corporation shall take or use the name of either of said consolidating corporations. The consolidated corporation shall possess all the powers granted by the general statutes to banks and trust companies and shall be subject to all provisions of the general statutes relating to such banks and trust companies." (General Statutes, 1930, sec. 3893.)

Exchange of stock of consolidating corporations; stockholders dissenting to consolidation.

Provision is made for the exchange of stock of the consolidating corporations for stock of the consolidated corporation, and for the appraisal and payment of the value of stock held by stockholders who objected to the consolidation. (General Statutes, 1930, sec. 3894, as amended by Public Acts of 1931, ch. 88.)

Restrictions on branches.

The statute further provides that nothing herein shall be construed

(Connecticut - cont'd.)

as giving the consolidated corporation the right to maintain more than one banking house for the conduct of its business. (General Statutes, 1930, sec. 3895.)

Consolidation or merger of savings banks.

Any two or more savings banks located within the same town may merge or consolidate into a single savings bank. (General Statutes, 1930, sec. 4007.)

Procedure to effect consolidation.

The procedure prescribed to effect the consolidation of two or more savings banks is substantially similar to the procedure above described with reference to the consolidation of banks or trust companies, except that in the case of savings banks an appeal from the decision of the bank commissioner upon a protest against such consolidation is allowed to any judge of the Superior Court. (General Statutes, 1930, secs. 4008-4012; Banking Law Pamphlet, 1929, secs. 4008-4012, pp. 73 and 74.)

Legal effect of consolidation.

"Upon the completion of such consolidation, the several savings banks shall become a single savings bank by the name provided in such agreement, which may be a new name or the name of either of the consolidating banks; and said consolidated bank shall have all the powers and authority contained in either of the charters of the banks so consolidating and may proceed to enact such by-laws, rules and regulations for its management as were authorized at the organization of either of said banks.

(Connecticut - cont'd.)

"All liabilities of the respective consolidating banks for current expenses shall be adjusted and paid by them before such consolidation goes into effect; and certificates to that effect, signed by the treasurer of each of said banks, shall be filed with the consolidated bank.

"All the assets of each of said banks shall become the property of the consolidated bank as soon as the certificate of consolidation, approved by the bank commissioner, shall have been filed in the office of the secretary of the state, and thereupon no further business shall be transacted by either of such consolidating banks, except such as may be necessary for the completion of such consolidation; and the consolidated bank shall thereupon become liable for all the deposits and other obligations of each of said consolidating banks." (General Statutes, 1930, secs. 4013-4015; Banking Law Pamphlet, 1929, secs. 4013-4015, pp. 74 and 75.)

DELAWARE.

Consolidation or merger of banks and trust companies; approval of State Bank Commissioner necessary.

"It shall be unlawful for any bank or trust company doing business in this State to merge or consolidate with any other bank or trust company or to take over any substantial portion of the assets of and/or to assume the liabilities, in

(Delaware - cont'd.)

whole or in part, of any other bank or trust company (Whether said other bank or trust company is then doing business or has ceased to do business or has surrendered its charter or has dissolved) unless and until such action shall be approved by the State Bank Commissioner, and the said Commissioner is hereby authorized to require that he be furnished with such information as to the said assets and liabilities and as to the condition of the banks or trust companies concerned as he shall deem necessary or proper to determine whether to give or withhold his approval.

"It shall be the duty of the State Bank Commissioner to refuse his approval whenever in his opinion the transaction will weaken or tend to weaken any bank or trust company concerned.

"No title to any property shall pass where the transaction is in violation of the provisions of this Section." (Act approved April 25, 1931.)

DISTRICT OF COLUMBIA.

No provisions relating to consolidations, mergers, etc.

The laws of the District of Columbia do not contain any pro-

(District of Columbia - cont'd.)

visions with specific reference to the consolidation, merger, etc. of banks or trust companies.

FLORIDA.

Consolidation or transfer of assets.

Any bank which is winding up its business for the purpose of consolidating with some other bank, may transfer its resources and liabilities to the bank with which it is in process of consolidating, but no consolidation shall be made without the consent of the comptroller of the State of Florida, nor shall such consolidation operate to defeat the claim of any creditor or hinder any creditor from collection of his debt against such banks or either of them. (Act of June 7, 1913, sec. 12; Banking Law Pamphlet, 1930, p. 32.)

GEORGIA.

Definition of word "bank".

The word "bank" as used in the following provisions of the laws of Georgia includes banks, savings banks and trust companies. (Banking Law Pamphlet, with amendments to August 26, 1925, Art. I, sec. 1, p. 1.)

Merger or consolidation of banks.

Any two or more banks are authorized to consolidate with or merge into another bank. (Banking Law Pamphlet, with amendments to August 26, 1925, Article XIII, sec. 1, p. 49.)

Agreement to merge or consolidate; contents of.

In order to effect a merger or consolidation, the boards of

(Georgia - cont'd.)

directors of the banks involved may, under their corporate names and seals, enter into an agreement prescribing the terms and conditions of the merger or consolidation and the mode of carrying it into effect. Such agreement "shall be subject to the approval of the Superintendent of Banks", and it must specify the name of the proposed resulting corporation, must name the persons who will constitute the board of directors after the merger or consolidation has taken place and until a new board of directors "shall be elected by the stockholders, and shall provide for a meeting of the stockholders of the merged or consolidated banks within thirty (30) days after the merger or consolidation, to elect such board of directors, with such temporary provisions for conducting the affairs of the merged or consolidated banks meanwhile, as shall be agreed upon." (Banking Law Pamphlet, with amendments to August 26, 1925, Art. XIII, sec. 1, p. 50.)

Submission of agreement to stockholders; filing of certified copies of proceedings approving; effect of.

After the agreement has been approved by the Superintendent of Banks, it must be submitted to the stockholders of the banks involved at a special meeting called after ten days' written notice specifying the time, place and object of the meeting has been given to each stockholder. If it is approved by two-thirds of the stockholders of each bank, "the same shall be the agreement of such banks". A certified copy of such proceedings, signed under corporate seal by the chairman and secretary of each bank is evidence of the holding and action of such meetings. Such certified copies must also be filed in the office of the Superintendent of Banks, "and thereupon such banks shall be merged or consolidated as specified in such agree-

(Georgia - cont'd.)

ment, and the bank into which the other or others are merged, or the consolidated bank, as the case may be, shall thereafter have the new name specified in such agreement, and the provisions of such agreement shall be carried into effect as therein provided." (Banking Law Pamphlet, with amendments to August 26, 1925, Art. XIII, sec. 2, pp. 50 and 51.)

Charter, application for, issuance and recording of.

When the acts described above have been performed, the merged or consolidated bank must file in the office of the Secretary of State a formal application in duplicate accompanied by a fee of $25.00 in which it must state:

"(1) The names and locations of the banks which have been merged or consolidated, with the dates of their original charters and all amendments thereto, respectively.

"(2) The date of the consolidation agreement, and the dates of the approval thereof by the Superintendent of Banks and by the stockholders of the several contracting banks, respectively.

"(3) The name under which the consolidated bank proposes to do business.

"(4) The amount of capital stock of the consolidated bank.

"(5) The number of its Board of Directors."

Immediately upon filing the application, the Secretary of State must transmit one copy to the Superintendent of Banks, and when it has been approved by the latter and a certificate of such approval has been filed by him with the Secretary of State, the "Secretary of State shall issue to the consolidated bank a certificate under the seal of the State,

(Georgia - cont'd.)

certifying that the contracting banks have been merged or consolidated under the name adopted and with the capital stock in said application set forth, which certificate shall be the charter of the consolidated or merged bank; and the Secretary of State shall record the application, the certificate by the Superintendent of Banks approving the same, and his certificate, in the order named." (Banking Law Pamphlet, with amendments to August 26, 1925, Art. XIII, sec. 2-a, pp. 51 and 52.)

Published notice of merger or consolidation necessary.

Notice of the merger or consolidation must be published for a certain prescribed time and in a certain designated newspaper or newspapers. Such notice must give the name and location of the consolidated or merged bank and must state that such bank "has taken over the assets of the banks respectively, entering into the consolidation or merger agreement, and has assumed the liabilities of such banks, including the liability to depositors." (Banking Law Pamphlet, with amendments to August 26, 1925, Art. XIII, sec. 3, p. 52.)

Issuance of new stock for old.

Provision is also made for the issuance of new certificates of stock of the consolidated or merged bank in lieu of original certificates of stock of the merging or consolidating banks. (Banking Law Pamphlet, with amendments to August 26, 1925, Art. XIII, sec. 4, p. 52.)

Legal effect of merger or consolidation.

"Upon the merger or consolidation of any banks in the manner herein provided, all and singular, the rights, franchises, duties and

(Georgia - cont'd.)

liabilities, and the interests of the bank or banks so merged or consolidated, and all the assets of every kind and character, including the real and personal property and choses in action thereunto belonging, shall be deemed to be transferred to and vested in such bank into which the other or others have been merged or in the consolidated bank, without any deed, transfer or assignment, and said bank shall hold, enjoy and be subject to the same in the same manner and to the same extent as the merged or consolidated banks, respectively, had, held, owned, enjoyed, and was subject to the same.

"The rights of creditors of any bank that shall be so merged or consolidated shall not be impaired in any manner by any such merger or consolidation; nor shall any liability or obligation for the payment of any money due or to become due, or any claim or demand in any manner or for any cause existing against such bank, or against any stockholder thereof, be in any manner released or impaired; and all the rights, obligations and relations of all the parties, creditors, depositors, and others shall remain unimpaired by such merger or consolidation. But such bank into which the other or others shall be merged, or the consolidated bank, as the case may be, shall succeed to all obligations, trusts, and liabilities, and be held liable to pay and discharge all such debts and liabilities and to perform all such trusts in the same manner as though such bank into which the other or others shall have become merged, or the consolidated bank had itself incurred the obligation or liability; and the stockholders of the respective banks shall continue subject to all the

(Georgia - cont'd.)

liabilities, claims and demands, existing against them as such at or before such merger or consolidation; and no suit, action, or other proceeding then pending before any court or tribunal in which any bank that may be merged or consolidated is a party shall be deemed to have abated or been discontinued by reason of any such merger, but the same may be prosecuted to final judgment in the same manner as if said bank had not entered into said agreement, or the bank into which the others shall have been merged, or the consolidated bank, as the case may be, may be substituted in the place of any bank so merged or consolidated by order of the court in which such action, suit, or proceeding may pe pending. Such bank into which the other or others have been so merged, or the consolidated bank, shall be subject to be sued in any court having jurisdiction, upon any cause of action against any of the banks so merged or consolidated, in the same manner as if such cause of action had originated against such bank into which the other or others have been so merged or against such consolidated bank." (Banking Law Pamphlet, with amendments to August 26, 1925, Art. XIII, secs. 5 and 6, pp. 53 and 54.)

IDAHO.

Definition of word "bank".

The word "bank" as used in the banking laws of Idaho includes commercial banks, savings banks, and trust companies. (Idaho Banking Code, 1925, Art. 1, sec. 2, as amended, Laws of 1929, ch. 192, p. 353; Banking Law Pamphlet, 1925, sec. 2, pp. 5 and 6, as amended, Laws of 1929, ch. 192, p. 353.)

Consolidation or sale of business.

Any bank may sell its business "to any other bank, state or

(Idaho - cont'd.)

national, or may, for the purpose of consolidating with another bank, state or national bank, transfer its affairs, assets and liabilities to the bank with which it intends to consolidate, * * *." (Idaho Banking Code, 1925, Art. 1, sec. 48; Banking Law Pamphlet, 1925, sec. 48, p. 25.)

Consent of stockholders necessary; meeting; notice of.

No state bank, either as purchaser or seller, can enter into a sale, purchase or consolidation unless such action is consented to by two-thirds of the stockholders, Such consent, if acknowledged, may be given in writing by the stockholders, or by a vote at a special stockholders' meeting, if ten days advance written notice of such meeting has been given to each stockholder stating its time, place and purpose. (Idaho Banking Code, 1925, Art. 1, sec. 48; Banking Law Pamphlet, 1925, sec. 48, p. 25.)

Consent of Commissioner of Finance necessary; examination of banks involved; filing of certain documents.

No sale, purchase or consolidation can be made without the consent of the Commissioner of Finance, and before granting his consent he must examine each of the banks involved. He must also, before granting his consent, require each of the banks to file certified copies of all proceedings of their directors and stockholders relating to the transaction, showing a full compliance with the provisions herein digested, and also copies of any agreement or agreements which may have been entered into between the banks. (Idaho Banking Code, 1925, Art. 1, sec. 48; Banking Law Pamphlet, 1925, sec. 48, p. 25.)

(Idaho - cont'd.)

Consent of Comptroller of Currency, when necessary.

The consent of the Comptroller of the Currency to a consolidation, liquidation, or purchase must be furnished to the Commissioner of Finance if either bank concerned is a national bank. (Idaho Banking Code, 1925, Art. 1, sec. 48; Banking Law Pamphlet, 1925, sec. 48, p. 25.)

Rights of creditors not affected.

A sale or consolidation "shall in no wise impair, defeat or defraud any creditors of said bank or either of them." (Idaho Banking Code, 1925, Art. 1, sec. 48; Banking Law Pamphlet, 1925, sec. 48, p. 25.)

ILLINOIS.

Consolidation of banks.

"Whenever the board of directors, managers or trustees of any corporation having any banking powers * * * * may desire * * * to consolidate such corporation with any other corporation having banking powers * * * they may call a special meeting of the stockholders of such corporation for the purpose of submitting to a vote of such stockholders the question of such * * * consolidation with some other corporation * * * *." (Laws of 1929, sec. 12, p. 184.)

Special meeting, notice of.

A special meeting of the stockholders may be called by delivering personally, or by mailing thirty days before the time fixed for the meeting, a notice to each stockholder which must be signed by a majority of the directors, managers or trustees and state the time, place

(Illinois - cont'd.)

and object of such meeting. Notice of such meeting must also be published in a designated newspaper. (Laws of 1929, sec. 12, p. 184.)

Stockholders' approval of consolidation; certificate of, to be filed with Auditor of Public Accounts.

At a special meeting, or at any regular meeting, if two-thirds of the stockholders vote to approve the consolidation, a certificate of such approval, verified under corporate seal by the affidavit of the president or a vice president, must be filed immediately in the office of the Auditor of Public Accounts. (Laws of 1929, sec. 12, pp. 184 and 185.)

Approval of Auditor of Public Accounts; filing of certain papers with recorder of deeds.

If the auditor of Public Accounts gives his written approval to the consolidation such approval together with the certificate of the stockholders' approval, must be immediately filed for record in the office of the recorder of deeds of the county in which the principal business office of such corporation is located, and the consolidation "shall be and is hereby declared accomplished in accordance with the said vote of the stockholders." (Laws of 1929, sec. 12, p. 185.)

Conditions precedent to approval by Auditor of Public Accounts.

Before the Auditor can approve the consolidation, "he shall require to be filed with him a complete record of the proceedings of such consolidation, a list of stockholders, the agreement or articles of consolidation approved by the stockholders, which shall include the amount of capital and surplus of the consolidated corporation, the plan of business, name and time for which such consolidated corporation shall continue,

(Illinois - cont'd.)

which shall comply with the requirements of this Act as to application for and organization in the case of a new association, a detailed financial statement showing the assets and liabilities of such proposed consolidation and such other records as he may deem necessary, verified by the affidavit of one or more of the officers of each consolidating corporation, and shall satisfy himself that said records and list are true and complete and that said financial statement is true and that a sufficient amount is dedicated to the business of such proposed consolidation." The Auditor must also require each director of the proposed corporation to take and subscribe a certain prescribed oath. (Laws of 1929, sec. 13, pp. 186 and 187.)

Examination by Auditor.

The auditor is given authority to make an examination into the affairs of such corporation. (Laws of 1929, sec. 13, p. 187.)

Publication of change of organization.

After the filing of the above described certificate in the recorder's office, the consolidated corporation must publish the change of organization once each week, for three successive weeks, in a designated newspaper. (Laws of 1929, sec. 12, p. 185.)

Pending suits or rights of persons not affected by consolidation.

The consolidation of one corporation with another does not affect pending suits in which the consolidating banks are involved nor does it affect causes of action or the rights of persons in any particular. (Laws of 1929, sec. 12, p. 185.)

(Illinois - cont'd.)

Dissenting stockholders, rights of.

Detailed provision is made for the payment to any stockholder, who objects to the consolidation within a certain prescribed time, of the stock held by such stockholder. (Laws of 1929, sec. 12, pp. 185 and 186.)

Sale of assets.

With the approval of the Auditor of Public Accounts, which shall state that the proposed sale is in his opinion necessary for the protection of depositors and other creditors, any bank may by a vote of two-thirds of its directors and without a vote of its stockholders, sell all or any part of its assets to another corporation organized under the Laws of Illinois or the United States, provided that such other corporation assumes in writing all of the liabilities of the bank other than its liabilities to stockholders as such. Provision is also made for the payment to any stockholders objecting to such sale of the value of the stock held by such stockholders. (Laws of 1929, sec. 12, pp. 185-186.)

INDIANA.

Consolidation of State bank with national bank.

Any State bank "may be consolidated with any national banking association or associations, under the charter of such national banking association, or under a new charter issued to such consolidated association, upon such terms and conditions as may be lawfully agreed upon". (Act approved February 21, 1931, sec. 1.)

(Indiana - cont'd.)

Legal Effect of Consolidation.

"Whenever any bank shall have become, or shall have become consolidated with, a corporation for carrying on the business of banking under the laws of the United States, it shall notify the bank commissioner of this state of such fact, and shall file with him a copy of its authorization as a national banking association or a copy of the certificate of approval of consolidation, certified by the controller of the currency. It shall thereupon cease to be a corporation under the laws of this state, except that for the term of three years thereafter, its corporate existence shall be deemed to continue for the purpose of prosecuting or defending suits by or against it, and of enabling it to close its concerns, and to dispose of and convey its property. Such change from a state bank to or consolidation of a state bank with a national banking association shall not release any such bank from its obligations to pay and discharge all the liabilities created by law or incurred by it before becoming, or becoming consolidated with, a national banking association, or any tax imposed by the laws of this state up to the date of its becoming, or becoming consolidated with, such national banking association in proportion to the time which has elapsed since the next preceding payment and assessment therefor, or any assessment, penalty or forfeiture imposed or incurred under the laws of this state up to the date of its becoming, or becoming consolidated with, a national banking association.

(Indiana - cont'd.)

"At such time when the consolidation of a state bank with a national banking association under the charter of the latter company or such charter as may thereafter be issued, becomes effective, all the property of the state bank, including all its right, title and interest in and to all property of whatsoever kind, whether real, personal or mixed, and things in action, and every right, privilege, interest and asset of any conceivable value or benefit then existing, belonging or pertaining to it, or which would inure to it, shall immediately, by act of law and without any conveyance or transfer, and without any further act or deed, be vested in and become the property of the national banking association which shall have, hold and enjoy the same in its own right as fully and to the same extent as the same was possessed, held and enjoyed by the state bank; and the national banking association shall be deemed to be a continuation of the entity and of the identity of the state bank, and all the rights, obligations and relations of the state bank to or in respect to any person, estate, creditor, depositor, trustee or beneficiary of any trust, and in, or in respect to, any executorship or trusteeship or other trust or fiduciary function, or appointment thereto, shall remain unimpaired, and the national banking association as of the time of the taking effect of such change or consolidation shall succeed to all such rights, obligations, relations, appointments and trusts, and the duties and liabilities connected therewith, and shall execute and perform each and every such trustor relation in the same manner as if the national banking association had

(Indiana - cont'd.)

itself been appointed to and/ or assumed the trust or relation, including the obligations and liabilities connected therewith. If the state bank is acting as administrator, co-administrator, executor, co-executor, trustee or co-trustee of or in respect to any estate or trust being administered under the laws of this state, such relation, as well as any other or similar fiduciary relations, and all rights, privileges, duties, and obligations connected therewith shall remain unimpaired and shall continue into and in said national banking association from and as of the time of the taking effect of such consolidation, irrespective of the date when any such relation may have been created or established and irrespective of the date of any trust agreement relating thereto or the date of the death of any testator or decedent whose estate is being so administered. Nothing done in connection with the consolidation of a state bank with a national banking association shall, in respect to any such executorship, trusteeship or similar fiduciary relation, be deemed to be or to effect, under the laws of this state, a renunciation or revocation of any letters of administration or letters testamentary pertaining to such relation, nor a removal or resignation from any such executorship or trusteeship or other fiduciary relationship, nor shall the same be deemed to be of the same effect as if the executor or trustee or other fiduciary had died or otherwise become incompetent to act.

"All of the rights, powers, privileges, duties, obligations and liabilities conferred on or extended to banking institutions which

(Indiana - cont'd.)

are formed by the consolidation of a state bank with a national banking association, as hereinbefore provided, are hereby conferred upon and extended to state banks which are formed by the consolidation of two or more previously existing state banks". (Act approved February 21, 1931, sec. 2.)

Meaning of Terms.

The words "bank," "banks" or "state banks," as used in this act shall be held to include banks of discount and deposit, loan and trust and safe deposit companies, private banks, and savings banks, or any other corporations or institutions carrying on the banking business under authority of the laws of this state." (Act approved February 21, 1931, sec. 3.)

IOWA.

Consolidation or sale of assets of bank or trust company in receivership.

The laws of Iowa do not contain any provisions covering the consolidation, merger, etc., of solvent banks or trust companies. With reference to banks or trust companies in receivership, the laws provide that:

> "If a majority of the creditors holding direct unsecured obligations of such bank in excess of ten dollars each, and totaling in the aggregate amount seventy-five per cent of all direct unsecured obligations, shall agree in writing to a plan of

(Iowa - cont'd.)

disposition and distribution of assets through sale to another bank, reopening, reorganization or consolidation of the bank, the district court in which such receivership is pending, upon application of the superintendent of banking, may order a disposition and distribution conforming in general to the provisions of such plan." (Banking Laws, 1929, ch. 415, sec. 9239-al.)

Secured Creditors, certain rights, not affected.

"Nothing contained in the five preceding sections shall affect the rights of secured creditors in the security pledged, or to share in the capital stock assessment, nor affect the rights of depositors or creditors on bonds or other contracts with third parties."

NOTE: - Section 9239-al above quoted is one of the "five preceding sections" referred to herein. (Banking Laws, 1929, ch. 415, sec. 9239-a6)

Applicability of above provisions to trust companies.

The laws of this State make the provisions above quoted applicable "with equal force and effect to all trust companies organized or reorganized under this chapter". (Banking Laws, 1929, ch. 416, sec. 9304.)

KANSAS.

Consolidation of bank and trust company.

The laws of this State provide that "Any bank or trust company authorized to do business in the state of Kansas is hereby authorized and

(Kansas - cont'd.)

"empowered to consolidate with any other bank or trust company authorized to do business in the state." (Session Laws of Kansas, 1931, p. 148.)

Terms of consolidation; consent of bank commissioner necessary.

Such consolidation must be upon such terms as may lawfully be agreed upon by the two banks or trust companies, and must have the consent of the bank commissioner. (Session Laws of Kansas, 1931, p. 148.)

Location, consolidation conditional upon.

The consolidating banks or trust companies must have their banking houses in the same county in order to consolidate. (Session Laws of Kansas, 1931, p. 148.)

Legal effect of consolidation.

"In case of such consolidation, the consolidated bank and/ or trust company shall become, without deed or transfer of any kind, the owner of and entitled to all rights, franchises and interests, which shall be referred to in such agreement, of every bank and/ or trust company which shall be subject to the laws of the state of Kansas and which shall so consolidate, including every species of property and everything of value of every kind and description except real estate; and such consolidated corporation shall, without further appointment, act as trustee, executor, administrator or in any other fiduciary capacity in which any such bank or trust company subject to the laws of this state was acting at the time

(Kansas - cont'd.)

"of such consolidation." (Session Laws of Kansas, 1931, p. 148.)

"In case any bank or trust company shall be named as trustee or in any other fiduciary capacity in any trust deed or other writing, or shall be named as executor in any will, and shall afterwards consolidate with any other bank or trust company such consolidated company shall be entitled to be appointed or to act as such trustee, fiduciary, or executor, with the same effect as if such consolidated corporation had been specifically named in the trust deed, writing, or will creating such trust or fiduciary relationship." (Session Laws of Kansas 1931, p. 151.)

KENTUCKY.

Consolidation of two or more trust companies.

The laws of Kentucky do not appear to contain any provisions covering the consolidation or merger of banks; and it has been held that proceedings by the boards of directors of two banks were not sufficient to effect a consolidation. (La Rue v. Bank of Columbus, 165 Ky. 669, 178 S. W. 1033.) With reference to trust companies, however, the laws provide that "any two or more corporations organized under the laws of this State, for the purpose of conducting the business of trust companies, may consolidate their capital stock, assets and management into one organization." (Laws of Kentucky, 1912, ch. 41, sec. 1; Carroll's Ky. Stats., 1930,

(Kentucky - cont'd.)

sec. 603a-1; Banking Law Pamphlet, including 1926 legislation, sec. 603a-1, p. 32.)

Specific legal effect of such consolidation.

"The separate existence of each corporation shall continue and all duties, powers and discretions of the constituent companies as personal representative, trustee, assignee, guardian, agent, or otherwise conferred, shall be imposed upon and may be exercised by the consolidated corporation; and such duty, power or discretion, at the time of consolidation or thereafter imposed upon either of the constituent companies, may be performed

(Kentucky - cont'd.)

or exercised by the consolidated corporation in its own name or in the name of the constituent company upon which was imposed or conferred such duty, power or discretion; or by the constituent company upon which was imposed or conferred such duty, power or discretion; but in every case the consolidated corporation shall be liable for the proper performance of such duty and the proper exercise of such power or discretion."

The method and effect of such consolidation must be as provided in the provisions below digested, (Sections 555, 555a, 556, 557 and 558 of chapter 32, Carroll's 1930 Kentucky Statutes), "except that as above provided, the separate existence of the constituent corporations shall not cease, and the consolidated corporation and the constituent corporations shall continue to exist, the management of said consolidated corporation and each of said constituent corporations being in the directors and officers of the consolidated corporation." (Carroll's Ky. Stats., 1930, secs. 603a-1, 603a-2; Banking Law Pamphlet, including 1926 legislation, secs. 603a-1, a-2, pp. 32 and 33.)

Agreement of directors to consolidate.

A majority of the directors of each corporation proposing to consolidate, may enter into a signed agreement to consolidate. (Laws of Kentucky, 1902, ch. 58, sec. 2, p. 118; Carroll's Ky. Stats., 1930, sec.555.)

Submission of agreement to stockholders for approval, notice of.

Notice of intention to consolidate must be mailed to each stock-

(Kentucky - cont'd.)

holder at least twenty days prior to entering into the agreement and must be published at least two weeks in a designated newspaper. The written consent of two-thirds of the stockholders of each corporation "shall be necessary to the validity of such agreement." (Laws of Kentucky, 1902, ch. 58, sec. 2, p. 118; Carroll's Ky. Stats., 1930, sec. 555.)

Names and addresses of stockholders not necessary.

All charters or articles of incorporation "heretofore taken out" by two or more state companies consolidating "are hereby declared to be valid, regardless of whether the names and addresses of the stockholders in the consolidating companies be inserted in the articles of consolidation or not; and that all articles of consolidation heretofore taken out are hereby declared to be valid without having the names and addresses of the stockholders inserted therein; and said charters shall be as valid and legal as if each and every stockholder in the companies composing the consolidated company was set out in such articles of consolidation." (Laws of Kentucky, 1906, ch. 131, p. 458; Carroll's Ky. Stats., 1930, sec. 555.)

Additional provisions relating to the legal effect of a consolidation.

Except as provided in the provisions above referred to setting out the specific legal effect of a consolidation or trust companies (Sections 603a-1 and 603a-2 of Carroll's Kentucky Statutes), a consolidation of trust companies also has a further effect under another section of the Kentucky laws. This section provides that "When the agreement is signed, acknowledged and recorded in the same manner as articles of incorporation are required to be, the separate existence of the constitutent corporations

(Kentucky - cont'd.)

shall cease, and the consolidated corporations shall become a single corporation in accordance with the said agreement, and subject to all the provisions of this chapter and other laws related to it, and shall be vested with all the rights, privileges, franchises, exemptions, property, business, credits, assets and effects of the constituent corporations without deed or transfer, and shall be bound for all their contracts and liabilities; Provided, that no consolidated company formed under this chapter or the laws of this state shall be required to pay any organization tax on the amount of capital stock on which the organization tax has been paid by the constituent companies prior to the consolidation, and when a foreign corporation consolidates with one or more corporations in this state the organization tax as required by the laws of this state shall be paid on the amount of capital stock of such foreign corporation and the organization tax shall be paid on any increase of the capital stock of the consolidated corporation over the aggregate capital stock of the constituent corporations prior to consolidation." (Laws of Kentucky, 1916, ch. 46, p. 490; Carroll's Ky. Stats., 1930, sec. 556.)

Consolidated corporation subject to State Courts and general corporation laws.

The consolidated corporation becomes a corporation of Kentucky for all purposes and is subject to the jurisdiction of its courts and all its laws regulating corporations. (Carroll's Ky. Stats., 1930, sec. 555.)

Pending suits not affected by consolidation.

Any suit pending by or against any of the constituent corporations may be prosecuted to judgment as if no consolidation had taken place,

(Kentucky - cont'd.)

"or the new corporation may be substituted in its place." (Laws of Kentucky, 1893, ch. 171, p. 612; Carroll's Ky. Stats., 1930, sec. 557.)

Dissenting stockholders, rights of.

Provision is made for the payment within a certain time of the value of stock held by any stockholder who objected in writing to the consolidation and who demands such payment within twenty days after the consolidation agreement has been recorded. (Laws of Kentucky, 1893, ch. 171, p. 612; Carroll's Ky. Stats., 1930, sec. 558.)

LOUISIANA.

Sale of assets.

The laws of Louisiana do not contain any provisions specifically covering the consolidation or merger of banks and trust companies; but the laws do permit any State banking association, savings bank or trust company to sell its assets to any other bank after having obtained the consent of two-thirds of the stockholders of both the selling and purchasing banks. The consent must be either in writing and acknowledged by such stockholders and attached to the instrument of sale, or to a copy thereof, or by their vote at special meetings. The agreement for such sale shall contain provisions for the payment of liabilities of the selling bank and it may contain provisions for the transfer of all deposits to the purchasing bank, subject, however, to the unconditional right of every depositor of the selling bank to withdraw his deposit in full on demand after such transfer. (Act 193 of 1910, sec. 3; Banking Law Pamphlet, 1928, sec. 3, p. 50.)

MAINE.

Consolidation of savings banks or sale or lease of franchises, property, etc.

The laws of this state provide that savings banks "may exercise the powers and shall be governed by the rules and be subject to the duties, liabilities, and provisions in their charters, *** and in the general laws relating to corporations, unless otherwise specially provided". (R. S., 1930, ch. 57, sec. 13.)

The "general laws relating to corporations" provide that "No corporation shall sell, lease, consolidate or in any manner part with its franchises, or its entire property, or any of its property, corporate rights or privileges essential to the conduct of its corporate business and purposes, otherwise than in the ordinary and usual course of its business, except with the consent of its stockholders at an annual or special meeting, the call for which shall give notice of the proposed sale, lease or consolidation". (R. S., 1930, ch. 56, sec. 63, p. 877.)

Agreement to consolidate, contents of, acknowledgment.

Any two or more state corporations, or any state corporation or corporations and any corporation or corporations of any other state, "may consolidate into a single corporation which may be either one of said corporations, provided the same be a corporation originally organized under the laws of this state, or a new corporation under the laws of this state to be formed by means of such consolidation", by entering

(Maine - cont'd.)

into an agreement authorized by a majority of the directors of each of the corporations involved and signed by the proper officers, "and under the respective seals of said corporations, prescribing the terms and conditions of the consolidation" and the mode of carrying it into effect and whether the consolidated corporation will be one of the constituent corporations or a new one. The agreement must also state such other facts as are necessary to be set out in the certificate of organization of an organizing corporation and as are pertinent in the case of a consolidation, the manner of converting the capital stock of the constituent corporations into stock of the consolidated corporation, together with such other details as are deemed necessary to perfect the consolidation. The agreement must "be acknowledged by one of the executing officers of each of the consolidating corporations" before a person authorized to take acknowledgements of deeds "to be the respective act, deed and agreement of each of said corporations". (R. S., 1930, ch. 56, sec. 63, p. 877.)

Submission of agreement to stockholders; recordation and filing of; when deemed to be act of consolidation.

The consolidation agreement must be submitted at a special meeting to the stockholders of each corporation involved, and if adopted by a majority of such stockholders, that fact must be certified thereon by the clerk or secretary of each corporation, "and the agreement so signed, acknowledged, adopted and certified, after it has been examined by the Attorney General, and been by him

(Maine - cont'd.)

certified to be properly drawn and signed and to be conformable to the constitution and laws of this state, shall be recorded in the registry of deeds in the county where the said consolidated corporation is located, and within sixty days after the day of the meeting at which such consolidation agreement is adopted by the stockholders, a copy thereof certified by such register shall be filed in the office of the Secretary of State, who shall enter the date of filing thereon, and on the original agreement, certified as aforesaid, to be kept by the consolidated corporation, and shall record said copy. From the time of filing the copy of such agreement in the office of the Secretary of State, said agreement shall be taken and deemed to be the agreement and act of consolidation of the said corporations and the said original consolidation agreement or a certified copy thereof shall be evidence of the existence of such consolidated corporation and of the observance and performance of all acts and conditions necessary to have been observed and performed precedent to such consolidation". (R. S., 1930, ch. 56, sec. 63, p. 877.)

Legal effect of consolidation.

When the agreement is signed, acknowledged, adopted, recorded and filed, "the separate existence of all of the constituent corporations, or all of such constituent corporations except the one into which such constituent corporations shall have been consolidated, shall cease, and the constituent corporations, whether consolidated into a new corporation

(Maine - cont'd.)

or merged into one of such constituent corporations, as the case may be, shall become the consolidated corporation by the name provided in said agreement, possessing all the rights, privileges, powers, franchises and immunities as well of a public as of a private nature, and being subject to all the liabilities, restrictions and duties of each of such corporations so consolidated and all and singular the rights, privileges, powers, franchises and immunities of each of said corporations, and all property, real, personal and mixed, and all debts due to any of said constituent corporations on whatever account, and all other things in action of or belonging to each of said corporations, shall be vested in the consolidated corporations; and all property, rights, privileges, powers, franchises and immunities, and all and every other interest shall be thereafter as effectually the property of the consolidated corporation as they were of the several and respective constituent corporations, and the title to any real estate, whether by deed or otherwise, under the laws of this state, vested in any of such constituent corporations shall not revert or be in any way impaired by reason thereof; provided, that all rights of creditors and all liens upon the property of any of said constituent corporations shall be preserved unimpaired, limited to the property affected by such liens at the time of the consolidation, and all debts, liabilities and duties of the respective constituent corporations shall thenceforth attach to said consolidated corporation and may be enforced against

(Maine - cont'd.)

it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it". (R. S., 1930, ch. 56, sec. 63, p. 877.)

Procedure where location of consolidated corporation is different from that of constituent corporations.

"If the location of the consolidated corporation is not the same as that of the constituent corporations, then the clerk of the consolidated corporation shall within sixty days after such consolidation has become effective file a certificate of the consolidation, setting forth the names and locations of the consolidated and constituent corporations, in the registry of deeds of each county, other than that of the consolidated corporation, where the constituent corporations may be located." (R. S., 1930, ch. 56, sec. 63 pp 877-879.)

Dissenting stockholders.

The laws also contain detailed provisions under which stockholders in any of the constituent corporations who dissent or object to the consolidation, sale or lease, may obtain the value of the stock held by them. (R. S., 1930, ch. 56, secs. 63-74, pp. 877-881.)

MARYLAND.

Consolidation of banks and trust companies; transfer of resources and liabilities.

Any banking institution having capital stock incorporated under the laws of Maryland may consolidate with any other banking

(Maryland - cont'd.)

institution of the state having capital stock. The consolidation must be effected in the same manner provided for the consolidation of corporations under the general laws of the state, and the rights of any stockholder of any consolidating banking institution having capital stock who dissents from the plan of consolidation at the stockholders' meeting at which the said plan is submitted to the stockholders shall be the same as the rights of a stockholder of an ordinary business corporation.

No consolidation, however, can be made without the consent of the Banking Commissioner, and not then to defeat or defraud any of the creditors of any of the consolidating institutions. The laws also provide that a banking institution which is in good faith winding up its business for the purpose of consolidating with some other banking institution may transfer its resources and liabilities to the banking institution with which it is in process of consolidation. (Annotated Code of Maryland for 1924, Article 11, Section 59, as amended by laws of Maryland for 1931, Chapter 294, Page 761).

Provisions for the consolidation of corporations.

Since under the above statute the consolidation of banking institutions is regulated by the general law applicable to the consolidation of corporations, the substance of such provisions is set forth below.

Any two or more corporations having capital stock existing or formed under the laws of Maryland which have been or shall have been

(Maryland - cont'd.)

duly authorized by law to carry on in whole or in part any business of the same or a similar nature may consolidate, and by such consolidation form one new corporation. (Annotated Code of Maryland for 1924, Article 23, Section 33).

Proceedings for consolidation.

Such consolidations shall be made in the manner following:

There shall be an agreement of consolidation between the consolidating corporations giving: (a) the terms and conditions of the proposed consolidation; (b) the mode of carrying the same into effect; (c) the name of the new corporation; (d) the postoffice address of the place at which the principal office of the corporation in this State will be located as in the case of a certificate of incorporation and the name or names and postoffice address or addresses of the resident agent or agents who will be in charge thereof, as in the case of a certificate of incorporation; (e) the counties in this State in which any of the consolidating corporations own property, the title to which could be affected by the recording of an instrument among the land records, and if any of the consolidating corporations own such property in the City of Baltimore, the agreement of consolidation shall so state; (f) the number, names and addresses of the directors and the names of the officers, who shall act as such until their successors are duly chosen and qualified; (g) the amount of authorized capital stock of each consolidating corporation and the total amount of authorized capital

(Maryland - cont'd.)

stock of the new corporation and the number and par value of the shares; (h) the total amount of capital stock of the new corporation to be issued for stock of the consolidating corporations; (i) the restrictions, if any, imposed upon the transfer of the shares or of any of them; (j) if the capital stock is classified, the amount, par value, preferences, restrictions and qualifications of each class, specifying the amount of each class authorized and the amount of each class to be issued for stock of the consolidating corporations; (k) the manner of converting the capital stock of each of the consolidating corporations into stock of the new corporation; (l) all such other provisions and details which shall be deemed necessary to perfect the consolidation.

The agreement of consolidation must be first submitted to the boards of directors of the consolidating corporations, which must pass resolutions declaring that such consolidation is advisable and calling separate meetings of the stockholders of the respective corporations to take action thereon. Notice of the meetings of stockholders must be given in the manner provided by law and if the agreement of consolidation is approved by the affirmative vote of two-thirds of all shares (or if two or more classes of stock have been issued, two-thirds of each class) outstanding and entitled to vote of each consolidating corporation, the agreement must then be signed and acknowledged in the name and in behalf of the respective consolidating corporations by their respective president or vice-president and sealed with their respective corporate seals, attested by their

(Maryland - cont'd.)

respective secretaries or assistant secretaries.

The agreement thus executed must have attached to it the affidavits of the chairmen or secretaries of the respective stockholders' meetings, showing that the agreement was duly advised by the boards of directors and approved by the stockholders of their respective corporations. (Annotated Code of Maryland for 1924, Article 23, Section 33).

Legal effect of the consolidation.

When such agreement has been duly filed with the State Tax Commission and the proper fees paid all of the property and assets belonging to said consolidating corporations of whatever nature and description, and all the powers and rights and all debts and liabilities of the said consolidating corporations of whatever nature and description shall be devolved upon said new corporation, which shall be regarded as substituted by operation of law in the room and stead of said consolidating corporations. (Annotated Code of Maryland for 1924, Article 23, Section 34.)

Rights of dissenting stockholders.

Any stockholder of any corporation consolidating as aforesaid, who at such meeting voted against the agreement submitted, may within twenty days after the agreement of consolidation has been delivered to the State Tax Commission, but not afterwards, make upon the consolidated corporation a written demand for the payment of his stock

(Maryland - cont'd.)

and shall thereupon be entitled to receive the fair value thereof. If the stockholder and the corporation are unable to agree upon the fair value of the stock, or if having agreed, the corporation shall fail to tender the amount thereof, the dissenting stockholder may within thirty days after such written demand apply by petition to any court of equity, which must appoint three commissioners to determine the fair value of the stock without regard to depreciation which has occurred since the consolidation, and the award of said commissioners, or the majority of them, when confirmed by the court is final and conclusive on all parties except that the corporation and stockholder have the right of appeal to the court of appeals. (Annotated Code of Maryland for 1924, Article 23, Section 35).

Sale of all assets of a corporation.

Any corporation of the State of Maryland having capital stock may at any meeting duly called in accordance with law sell, lease, or exchange all of its property or assets as an entirety, including its good will and franchises to and with any corporation organized under the laws of Maryland, or of any other state which is duly authorized to acquire and hold such or similar property. An agreement containing the terms and conditions of such proposed sale, lease, or exchange must after approval by the board of directors be submitted for the approval of the stockholders of any corporation organized under the laws of the state, which shall be a party to such agreement at a duly called

(Maryland - cont'd.)

meeting, and if approved by the affirmative vote of two-thirds of all stock (or if two or more classes of stock have been issued of two-thirds of each class) outstanding and entitled to vote, such agreement shall be executed and in terms and conditions performed by the proper officers of the respective corporations. If any stockholder dissents at such meeting or votes against the agreement submitted he may within twenty days after such meeting, but not afterwards, require the payment to him by the corporation of the fair value of his stock, which, if not agreed upon, must be determined in a manner substantially similar to that provided in the case of consolidations. (Annotated Code of Maryland for 1924, Article 23, Section 36).

MASSACHUSETTS.

Consolidation or merger of trust companies.

The laws provide that "No trust company shall be merged in or consolidated with another trust company except with the written approval of the commissioner and under the provisions of sections forty-two and forty-six of chapter one hundred and fifty-six, which are hereby made applicable to the sale or exchange of all the property and assets, including the good will and corporate franchise, of a trust company." (General Laws, ch. 172, sec. 44, as amended by Acts of 1931, ch. 11.)

Section 42 of Chapter 156 above referred to provides that

(Massachusetts - cont'd.)

"Every corporation may, at a meeting duly called for the purpose, by vote of two-thirds of each class of stock outstanding and entitled to vote, or by a larger vote if the agreement of association or act of incorporation so requires, change its corporate name, the nature of its business, the classes of its capital stock subsequently to be issued and their preferences and voting power, or make any other lawful amendment or alteration in its agreement of association or articles or organization, or in the corresponding provisions of its act of incorporation, or authorize the sale, lease or exchange of all its property and assets, including its good will, upon such terms and conditions as it deems expedient." (General Laws, ch. 156, sec. 42.)

Section 46 of Chapter 156 provides for the appraisal and payment of the value of stock held by any stockholder who at the stockholders' meeting referred to in section 42 voted against a sale, lease, exchange of property and assets, or a change in the nature of the business of the corporation. (General Laws, ch. 156, sec. 46.)

Legal effect of consolidation or merger.

"The charter of a trust company the business of which shall, on or after July first, nineteen hundred and twenty-two, be consolidated or merged with, or absorbed by, another bank or trust company, or the affairs of which shall, on or after said date, have been liquidated, shall be void except for the purpose of discharging

(Massachusetts - cont'd.)

existing obligations and liabilities." (General Laws, ch. 172, sec. 44, as amended by Acts of 1931, ch. 11.)

Office of consolidating or merging company may be maintained as branch office.

"Any office of a trust company the business of which has been taken over under section forty-four by, or any office of a national bank purchased by or merged in, a trust company located in the same town, may be maintained as a branch office of such corporation, if in the opinion of the commissioner public convenience will be served thereby." (General Laws, ch. 172, sec. 46, as amended by Acts 1922, ch. 396; Trust Company Pamphlet, 1929, sec. 46, p. 24.)

Consolidation or merger of savings banks.

Any savings bank may, if authorized at a special meeting by two thirds of its corporators, be dissolved and liquidate its affairs, "provided, that the (bank) commissioner is satisfied that such savings bank has given at least thirty days' notice to each other savings bank, located within twenty-five miles, of its willingness to enter into negotiations with a view to consolidation or merger and that no consolidation or merger with any such savings bank can be arranged upon terms satisfactory to the commissioner; * * *. If, however, the commissioner is satisfied that a consolidation or merger of the savings bank proposing liquidation

(Massachusetts - cont'd.)

with another savings bank located within twenty-five miles can be effected on terms approved by him and if he finds that such consolidation or merger is in the interest of the depositors of the savings banks concerned, such consolidation or merger may be effected upon such terms and subject to the direction of the commissioner, provided that a vote authorizing the same is passed by at least two-thirds of the corporators of each of the savings banks aforesaid at meetings specially called to consider the subject". (Laws of 1930, ch. 329, p. 377.)

MICHIGAN.

Consolidation under so-called "Bank Act" of bank or trust company with State bank; procedure.

"A bank or trust company which is in good faith winding up its business for the purpose of consolidating with some other state bank may transfer its assets and liabilities to the bank with which it is in process

(Michigan - cont'd.)

of consolidation." Before such consolidation can become effective each bank or trust company concerned must file with the banking commissioner, with the secretary of state and in the office of the clerk of the county in which the bank or trust company is located, certified copies of all proceedings had by its directors and stockholders. The stockholders proceedings must state that stockholders owning at least two-thirds of the stock voted in the affirmative on the proposition of liquidation and consolidation and must also contain a copy of the agreement entered into between the consolidating institutions. Upon filing such stockholders proceedings, the banking commissioner must make an examination of each bank or trust company, and his consent to or rejection of such liquidation and consolidation shall be based thereon. No consolidation can be made without the consent of the banking commissioner, and not then to defeat or defraud any of the creditors of any of the consolidating institutions. (Public Acts, 1929, Act 66, sec. 57; Banking Law Pamphlet, 1929, sec. 66, p. 40.)

State bank - consolidation with, or purchase of assets of national bank; absorption of State bank by national bank.

A State bank is given authority to consolidate with or purchase the assets and assume the liabilities of any national bank. In case any State bank is to be absorbed by a national bank, the banking commissioner must require to be filed in his office, with the secretary of state and in the office of the clerk of the county in which the bank is located, certified copies of all proceedings had by the stockholders of each bank,

(Michigan - cont'd.)

which must state that stockholders owning at least two-thirds of the capital stock voted in favor of liquidation and consolidation. Such stockholders' proceedings shall also recite an exact copy of the agreement entered into between the banks. The banking commissioner must also require the national bank to furnish a certified copy of the consent of the comptroller of the currency to such consolidation, liquidation or purchase. In the instance of a State bank absorbing a national bank, the transaction shall not become effective until each bank files with the banking commissioner certified copies of all proceedings had by its stockholders, which proceedings shall set forth that stockholders owning at least two-thirds of the capital stock voted in the affirmative on the proposition of such consolidation or purchase. A copy of the agreement entered into between the stockholders of each bank shall be set forth at length in such stockholders' proceedings. In addition, the national bank is required to furnish a certified copy of the consent of the comptroller of the currency to such liquidation or consolidation under section 5220 of the Revised Statutes of the United States. It is also the duty of the banking commissioner to make an examination of each bank and no such consolidation shall be made without the consent of the commissioner, and not then to defeat or defraud any of the creditors of either of the banks parties to the consolidation. The expenses of the examinations must be paid by the banks but can not exceed ten dollars per day for each examiner and the actual expenses incurred while making the examinations. (Public Acts, 1929, Act 66, sec. 59; Banking Law Pamphlet, 1929, sec. 68, pp. 41 and 42.)

(Michigan - cont'd.)

Legal effect of consolidation under so-called "Bank Act" of State bank or trust company with State bank.

"In the event of any consolidation heretofore or hereafter effected in any manner prescribed by this (bank) act, the consolidated corporation, by whatever name it may assume or be known, shall be a continuation of the entity of each and all of the corporations so consolidated, and as such entity shall hold, exercise and perform all rights, powers, privileges, duties and obligations appertaining to any and all trust, representative or fiduciary relationships of whatsoever nature of each of the consolidating corporations at the time of such consideration, whether the appointment of such consolidating corporation in any such trust, representative or fiduciary capacity shall have been by any court or otherwise and shall hold, exercise and perform all rights, powers, privileges, duties and obligations appertaining to any and all trust, representative or fiduciary relationships whatsoever as to or for which either or any one of the corporations so consolidating may have been appointed, nominated or designated by any will or conveyance or otherwise, whether or not such will, conveyance or other act intended to create such trust, representative or fiduciary relationship shall have been executed or have come into or taken effect at the time of such consolidation; and further, in the event of any such consolidation heretofore or hereafter effected, the consolidated corporation shall succeed to and become the owner of all property, rights, powers, franchises, privileges and appointments, whether existing, contingent or future, corporeal,

(Michigan - cont'd.)

or incorporeal, tangible, or intangible, of every nature whatsoever of each of the consolidating corporations, and if any of the consolidating corporations shall be acting or shall have been nominated, appointed, delegated or designated by any court, person or otherwise irrevocably or contingently to act as trustee, attorney, agent, executor, administrator, receiver, assignee, guardian, or in any fiduciary or respresentative capacity or relationship, or in any other capacity or relationship whatsoever, the consolidated corporation shall succeed to all of the property, rights, powers, privileges, duties and obligations appertaining to each fiduciary, representative or other capacity or relationship, without further or additional appointment, confirmation or designation whatsoever, and said consolidated corporation shall file with each court or other public tribunal, agency or officer by which any of the consolidating corporations shall have been so appointed and designated, and in the file of each estate, suit or proceeding in which so then acting, a statement setting forth the fact of such consolidation, the name of each other corporation entering therein, the name of the consolidated corporation and its place of business, capital, and surplus; but nothing herein contained is intended or shall be construed to limit or restrict in any wise the powers and authority of any court of competent jurisdiction in respect of any matter arising by reason of any such condition." (Public Acts, 1929, Act 66, sec. 57; Banking Law Pamphlet, 1929, sec. 66, pp. 40 and 41.)

(Michigan - cont'd.)

Consolidation under so-called "Trust Company Act" of trust companies, or of State or national bank with trust company authorized to engage in banking business.

Any two or more trust companies, or a State or national bank and "a corporation organized or existing under this (trust company) act, and which has obtained the consent of the Commissioner of the banking department to engage in the banking business, may consolidate in pursuance of authority granted by the affirmative vote of the holders of at least two-thirds of the capital stock of such corporation, in accordance with either of the following methods:

(a) by the dissolution of each of the consolidating corporations and the conveyance of all of their assets and liabilities to a new corporation which must assume all of the liabilities, duties and obligations of each of the consolidating corporations. The capital and surplus of the new corporation shall be equivalent to the aggregate of the capitals and surplus of the consolidating corporations.

(b) by the acquisition by one corporation of all the assets and liabilities of one or more other corporations, and the dissolution of each of the other corporations. The acquiring corporation shall deliver to the dissolvent corporation or corporations such cash, stock, or property as may be provided in the agreement for consolidation, and shall assume all of the liabilities, duties and obligations of each of the

(Michigan - cont'd.)

dissolving corporations. Each dissolving corporation shall distribute pro rata to its stockholders any cash or property or stock received by it.

No such consolidation is valid unless and until it is approved by the banking commissioner and not then to defeat or defraud any creditors. Such consolidation does not become effective, until each of the consolidating corporations files with the banking commissioner, with the secretary of state, and in the office of the county clerk of the county in which the corporation is located, certified copies of all proceedings had by its directors and stockholders, and the stockholders' proceedings of each such corporation shall set forth that two-thirds of the stockholders voted for the consolidation. Such stockholders' proceedings shall also contain a copy of the agreement for consolidation entered into by the consolidating corporations.

If the consolidation is between a State or national bank and a trust company, the directors' and stockholders' proceedings shall set forth the proportion of the capital of the new or acquiring corporation which will be allocated to the banking business of such corporation. Such allocation is subject to the approval of the banking commissioner.

"For the purposes of this act the words 'consolidate', 'consolidation', 'consolidating', and 'consolidated' shall be construed to include in their meanings the meanings of

(Michigan - cont'd.)

the words 'merge', 'merger', 'merging' and 'merged', respectively." (Public Acts, 1929, Act 67, sec. 30; Banking Law Pamphlet, 1929, sec. 143, pp. 72 and 73.)

Legal effect of consolidation under so-called "Trust Company Act" of trust companies, or of State or national bank with trust company authorized to engage in banking business.

"In the event of any consolidation heretofore or hereafter effected in any manner prescribed by this (trust company) act, the consolidated corporation shall have, possess and be the owner of all property, rights, powers, franchises, privileges and appointments whether existing, contingent or future, corporeal or incorporeal, tangible or intangible, of every nature whatsoever of each of the consolidating corporations, and if any of the consolidating corporations shall be acting or shall have been nominated, appointed, delegated or designated by any court, person or otherwise irrevocably or contingently to act as trustee, attorney, agent, executor, administrator, receiver, assignee, guardian, or in any fiduciary or representative capacity or relationship, or in any other capacity or relationship whatsoever, the consolidated corporation shall have, possess and be vested with all of the property, rights, powers, privileges, duties and obligations appertaining to each such fiduciary, representative or other capacity or relationship, without further or additional appointment, obligation or designation whatsoever. In the event of any such consolidation heretofore or

(Michigan - cont'd.)

hereafter effected in any manner aforesaid, the consolidated corporation, by whatever name it may assume or be known, shall be a continuation of the entity of each and all of the corporations so consolidated, and as such entity shall hold, exercise and perform all rights, powers, privileges, duties and obligations appertaining to any and all trust, representative or fiduciary relationships of whatsoever nature of each of the consolidating corporations at the time of such consolidation, whether the appointment of such consolidating corporation in any such trust, representative or fiduciary capacity shall have been by any court or otherwise and shall hold, exercise and perform all rights, powers, privileges, duties and obligations appertaining to any and all trust, representative or fiduciary relationships whatsoever as to or for which either or any one of the corporations so consolidating may have been appointed, nominated or designated by any will, or conveyance or otherwise, whether or not such will, conveyance or other act intended to create such trust, representative or fiduciary relationship shall have been executed or have come into or taken effect at the time of such consolidation.

"Said consolidated corporation shall file with each court or other public tribunal, agency or officer by which any of the consolidating corporations shall have been so appointed and designated, and in the file of each estate, suit or proceeding in which so then acting, a statement setting forth the

(Michigan - cont'd.)

fact of such consolidation, the name of each other corporation entering therein, the name of the consolidated corporation and its place of business, capital and surplus; but nothing herein contained is intended or shall be construed to limit or restrict in any wise the powers and authority of any court of competent jurisdiction in respect of any matter arising by reason of such condition." (Public Acts, 1929, Act 67, Sec. 30; Banking Law Pamphlet, 1929, sec. 143, pp. 72 and 73.)

Purchase of assets by State bank or trust company of another bank or trust company.

If any State bank or trust company purchases the capital stock of another bank or a trust company for the purpose of retiring such stock and takes over all assets and assumes all liabilities, the banking commissioner must require the stockholders of the bank or trust company selling its business to authorize such sale by a vote of the stockholders owning at least two-thirds of the capital stock; and the commissioner

(Michigan - cont'd.)

may, in his discretion, require authorization of such purchase by the acquiring bank or trust company by a two-thirds vote of its directors or stockholders, and may in his discretion make an examintion of any of the institutions involved before consenting to the transaction. Certified copies of all stockholders and directors' proceedings must be filed with the banking commissioner, the secretary of state and in the office of the clerk of the county in which the institutions are located, and shall contain in detail the particulars relating to such sale and purchase, and a copy of any agreement entered into between the stockholders and directors of the institutions. No sale or purchase shall be made without the consent of the commissioner and not then to defeat or defraud any of the creditors of any of the institutions. The expenses of any examinations must be paid by the institutions and shall not exceed ten dollars per day for each examiner and the actual expenses incurred while making the examinations. (Public Acts, 1929, Act 66, sec. 58, and Act 67, sec. 31; Banking Law Pamphlet, 1929, sec. 67, p. 41 and sec. 144, p. 74.)

MINNESOTA.

Consolidation of banks and trust companies.

The laws of Minnesota authorize the consolidation of State banks or trust companies with other State banks or trust companies "operating in the same city or village" under such charter as the boards of directors of the consolidating corporations may determine. All consolidations must be made in the manner prescribed below and when completed, the consolidated corporation "shall be governed and conducted in all

(Minnesota - cont'd.)

other respects" by the statutes covering the operation of a corporation of the same class as the corporation whose charter was adopted by the consolidated corporation. (Laws of 1925, ch. 156, sec. 1, Act approved Apr. 8, 1925; Banking Law Pamphlet, 1929, sec. 1, p. 25.)

Agreement for consolidation, terms of; capital stock; name.

A consolidation agreement may be made by the boards of directors of the institutions involved and this agreement must prescribe the terms and conditions of and specify the parties to, the consolidation. The agreement must also prescribe the manner of carrying the consolidation into effect, the name of the consolidated corporation, which may be the name, in whole or in part, of any of the constituent corporations, and the authorized capital stock of the resulting institution, which can not exceed the aggregate authorized capital stock of all of the consolidating corporations; and the city or village in which the principal place of business will be carried on must be specified. The persons who will constitute the board of directors of the consolidated corporation must also be named, but the number and qualifications of such directors shall be in accordance with the statutes relating to the number and qualifications of directors of the class of corporation under whose charter the consolidation is made. (Laws of 1925, ch. 156, sec. 2, Act approved April 8, 1925; Banking Law Pamphlet, 1929, sec. 2, p. 25.)

Approval of superintendent of banks necessary.

The consolidation agreement and certified copies of the proceedings of the boards of directors authorizing the making of the agreement must be submitted to the superintendent of banks for his approval; and the agreement does not become effective until he has approved it.

(Minnesota - cont'd.)

After such documents are received, the superintendent within twenty days must take action on them "and he shall be entitled to such further information from the consolidated corporation as he may request or as he may obtain upon a hearing directed by him." (Laws of 1925, ch. 156, sec. 3, Act approved April 8, 1925; Banking Law Pamphlet, 1929, sec. 3, p. 25.)

The laws of Minnesota also provide that "With the written consent of the examiner, (superintendent of banks), it may effect a transfer of its assets and liabilities to another bank for the purpose of consolidating therewith, but the same shall be without prejudice to the creditors of either." (General Statutes, 1923, sec. 7692; Banking Law Pamphlet, 1929, p. 25.)

Submission to and approval by stockholders of agreement, certificate by superintendent of banks.

Either before or after the agreement has been approved by the superintendent of banks, it must be submitted to a special meeting of the stockholders of each corporation involved and it does not become binding upon the consolidated corporation until it has been approved "by a vote or ballot of the stockholders, holding at least a majority of the amount of stock of the respective corporations". Proof of the holding of such meetings and such action as was taken must be made to the superintendent. After the agreement has been approved by the stockholders and the superintendent, "the latter shall issue a certificate reciting that such corporations have complied with the provisions of this act and declaring the consolidation of such corporations; the name of the consolidated

(Minnesota - cont'd.)

corporation, the amount of capital stock thereof and the names of the first board of directors and the place of business of such consolidated corporation, which shall be within the city or village where any one of said constituent corporations shall have been previously authorized to have its place of business". (Laws of 1925, ch. 156, sec. 4, Act approved April 8, 1925; Banking Law Pamphlet, 1929, sec. 4. pp. 25 and 26.)

When incorporation complete and corporate existence begins.

When the superintendent of banks has issued the certificate above described and it has been filed for record in the office of the Secretary of State, and in the office of the Register of Deeds for the county in which the consolidated corporation will have its principal place of business, "such incorporation shall be deemed to be complete, and such consolidated corporation shall from the date of such certificate have such term of corporate existence as may be therein specified not exceeding the longest unexpired term of any constituent corporation." The certificate of the superintendent is prima facie evidence that all the provisions of the so-called consolidation act have been complied with and "shall be conclusive evidence of the existence of such consolidated corporation". (Laws of 1925, ch. 156, sec. 4, Act approved April 8, 1925; Banking Law Pamphlet, 1929, sec. 4, p. 26.)

Legal effect of consolidation.

"Upon the consolidation of any such corporation, with any one or more corporations, into a consolidated corporation, as herein provided, the corporate existence of each former corporation shall be merged

(Minnesota - cont'd.)

into that of the consolidated corporation, and all and signular its rights, privileges, and franchises, and its right, title and interest in and to all property of whatsoever kind, whether real, personal, or mixed, and all things in action, and every right, privilege interest or asset of conceivable value or benefit then existing which would inure to it under an unmerged or unconsolidated existence shall be deemed fully and finally transferred to and vested in the consolidated corporation without further act or deed and such last mentioned corporation shall have and hold the same in its own right as fully as the same was possessed and held by the former corporation from which it was, by operations of this act, transferred. Its rights, obligations, and relations to any person, creditor, depositor, trustee, or beneficiary of any Trust, shall remain unimpaired and the corporation into which it shall have been consolidated shall succeed to such relations, obligations, trusts, and liabilities and shall execute and perform all such trusts in the same manner as though it had itself assumed the relation or trust, or incurred the obligation or liability; and its liabilities and obligations to creditors existing for any cause whatsoever shall not be impaired by such consolidation, nor shall any obligation or liability of any stockholder in any corporation, which is party to such consolidation, be affected by any such consolidation, but such obligations and liabilities shall continue as fully and to the same extent as existed before such consolidation. The consolidated corporation shall become without further act or deed, the successor of the consolidating corporations in

(Minnesota - cont'd.)

any and all fiduciary capacities, in which each such consolidated corporations may be acting at the time of such consolidation, and shall be liable to all beneficiaries as fully as if such consolidating corporations had continued its separate corporate existence. If any consolidating corporation shall be nominated and appointed or shall have been nominated or appointed as executor, guardian, administrator, agent or trustee, or in any other trust relation or fiduciary capacities in any will, trust agreement, trust conveyance or any other conveyance, order or judgment of any Court, or any other instrument whatsoever prior to such consolidation (even though such will or other instrument shall not become operative or effective until after such consolidation shall have become effective) every such office, trust relationship, fiduciary capacity, and all of the rights, powers, privileges, duties, discretions and responsibilities so provided to devolve upon, vest in, or inure to the corporation so nominated or appointed, shall fully and in every respect devolve upon, vest in, and inure to, and be exercised by the consolidated corporation, whether there be one or more successive mergers or consolidations." (Laws of 1925, ch. 156, sec. 5, Act approved April 8, 1925; Banking Law Pamphlet, 1929, sec. 5, pp. 26 and 27.)

Consolidation does not affect pending judicial proceedings against consolidating corporations.

Any judicial proceeding in which any consolidating corporation is a party is not abated or discontinued because of the consolidation, but it may be prosecuted to final disposition, or the consolidated corporation

(Minnesota - cont'd.)

may be substituted as a party and judgment rendered for or against it. (Laws of 1925, ch. 156, sec. 6, Act approved April 8, 1925; Banking Law Pamphlet, 1929, sec. 6, p. 27.)

Rights of stockholders objecting to consolidation.

The so-called consolidation act also contains detailed provisions with reference to the rights of stockholders of any of the consolidating corporations in case they object to the consolidation. (Laws of 1925, ch. 156, sec. 7, Act approved April 8, 1925; Banking Law Pamphlet, 1929, sec. 7, p. 27.)

MISSISSIPPI.

No provisions covering consolidations, mergers, etc.

The laws of Mississippi do not contain any provisions specifically covering the consolidation, merger, etc. of State banks or trust companies.

MISSOURI.

Banks, Sale of business to, or consolidation or merger with, another bank or trust company.

"Any bank may sell the whole of its business, or the whole of the business of any of its departments, to any other bank or trust company, state or national, or may for the purpose of consolidating or merging with another bank or trust company, state or national, transfer its affairs, assets and liabilities to the bank or trust company with which it intends to consolidate or merge; * * *." (Laws of 1927, sec. 11. p. 232; Rev. Stats. of Mo. 1929, sec. 5379.)

(Missouri - cont'd.)

Consent of stockholders, when necessary.

Unless such sale, merger or consolidation is deemed by the commissioner of finance to be a public necessity or advantage, it can be entered into only after obtaining the consent of two-thirds of the stockholders. This consent may either be in writing, executed and acknowledged by such stockholders, or by a special meeting of the stockholders, prior notice of which, stating the time, place and object, must be given to each stockholder of record. (Laws of 1927, sec. 11, p. 232; Rev. Stats. of Mo., 1929, sec. 5379.)

Consent of Commissioner of Finance finally necessary.

"No such sale, purchase, merger or consolidation shall be made without the consent of the commissioner of finance", and he must, "before granting his consent, require each of the banks or trust companies to file certified copies of all proceedings of their directors' and stockholders' meetings relating to the transaction, showing a full compliance with the requirements of this section, and also copies of any agreement or agreements which may have been entered into between said banks or trust companies." (Laws of 1927, sec. 11, p. 232; Rev. Stats. of Mo., 1929, sec. 5379.)

Commissioner of finance may examine institutions involved.

The commissioner of finance, before granting his consent to such sale, purchase, merger or consolidation, may examine each of the banks or trust companies involved, the expenses of

(Missouri - cont'd.)

which must be paid by such banks or trust companies. (Laws of 1927, sec. 11, p. 232; Rev. Stats. of Mo. 1929, sec. 5379.)

Rights of creditors not affected.

It is further provided that "such sale, merger, or consolidation shall in no wise impair, defeat or defraud any creditor of said bank or trust company or either of them". (Laws of 1927, sec. 11, p. 232; Rev. Stats. of Mo. 1929, sec. 5379.)

Trust companies - merger or consolidation with each other.

The laws of Missouri also provide that any trust company organized under such laws may be merged in or consolidated with any other such trust company or companies to form a single corporation. (Laws of 1919, p. 160; Rev. Stats. of Mo., 1929, sec. 5470.)

(Missouri - cont'd.)

Agreement to merge or consolidate; authorization for; execution and acknowledgement.

Each trust company which is a party to a merger or consolidation, upon being first authorized by a majority of all the members of its board of directors, must enter into an agreement with the other trust companies which are parties to the merger or consolidation, providing for such merger or consolidation. The agreement must be in writing, and executed and acknowledged under the seals of the trust companies involved in such form as is required by law for the execution and acknowledgement of instruments conveying real estate. (Laws of 1919, p. 160; Rev. Stats. of Mo., 1929, sec. 5471.)

Merger agreement; terms, conditions and contents of.

The merger agreement must set out:

(1) The names of the merging trust companies;

(2) The terms and conditions of such merger, and the manner of carrying it into effect;

(3) The corporate name of the resulting trust company, which may be the name, in whole or in part, of any of the merging trust companies;

(4) The names of the persons who are to constitute the board of directors, provided that the number and qualifications of such directors shall be in accordance with the provisions of law relating to the number and qualifications of directors of trust companies;

(5) The agreement shall provide further that the directors named shall, after qualifying, divide themselves into certain classes, and that

(Missouri - cont'd.)

they may adopt new by-laws for the consolidated trust company. (Laws of 1919, p. 160; Rev. Stats. of Mo., 1929, sec. 5472.)

Consolidation agreement; terms and contents of.

The consolidation agreement must set forth:

(1) The terms and conditions of the consolidation and the method of carrying it into effect;

(2) The name of the resulting corporation, which may be the name, in whole or in part of any of the consolidating corporations;

(3) The name of the city or town and county in Missouri in which the consolidated corporation will be located;

(4) The amount of the capital stock of the corporation;

(5) The number of shares into which the stock has been divided and the par value thereof;

(6) That the shares have been subscribed by the persons named therein as the first board of directors as trustees for the stockholders of the consolidating companies, and that all of the capital stock has been paid-up either in lawful money of the United States, or by the capital stock, surplus and undivided profits of the consolidating companies, provided that such part of the capital as is paid for in the latter manner, shall be received only for the amount which may be approved by the bank commissioner;

(7) That the custody of all such cash and property has been placed in the care and control of the persons named as the board of directors;

(8) The number, names and addresses of the directors and that said directors shall, after qualifying, divide themselves into classes in

(Missouri - cont'd.)

accordance with the provisions of law and that they may adopt new by-laws for the consolidated company;

(9) The purposes for which the consolidated company is formed, which shall be limited to the purposes then prescribed by law for trust companies;

(10) The number of directors necessary to constitute a quorum;

(11) The duration of the company;

(12) Such other provisions as may be necessary fully to set out the rights of the consolidating companies, their stockholders and creditors and the plan of such consolidation. (Laws of 1919, p. 161; Rev. Stats. of Mo., 1929, sec. 5473.)

Consolidation or merger agreement and directors' proceedings as evidence.

A copy of the minutes of the proceedings of the board of directors authorizing the making of the consolidation or merger agreement and a copy of such agreement certified and verified by the secretaries of the trust companies involved "shall be presumptive evidence of the action of such respective boards". (Laws of 1919, p. 161; Rev. Stats. of Mo., 1929, sec. 5474.)

Consolidation or merger agreement and directors' proceedings must be submitted to and approved by bank commissioner.

A copy of the consolidation or merger agreement and certified and verified copies of the proceedings of the respective boards of directors must be submitted in duplicate to the bank commissioner for approval or disapproval. In case the bank commissioner disapproves the agreement, "the companies which are parties thereto may submit another plan for a merger or consolidation under the provisions of this chapter." (Laws of 1919, p. 161;

(Missouri - cont'd.)

Rev. Stats. of Mo., 1929, sec. 5475.)

Commissioner must certify finding within thirty days.

The approval or disapproval of the bank commissioner of the agreement must be certified by him in writing to each trust company which is a party to the merger or consolidation within thirty days after the agreement has been submitted to him. (Laws of 1919, p. 162; Rev. Stats. of Mo., 1929, sec. 5476.)

Agreement must be submitted to stockholders within sixty days after its approval.

In case the agreement is approved by the bank commissioner, it must, within sixty days after such approval, be submitted at a special meeting to the stockholders of each trust company. Notice of the time, place and object of this meeting must be given two weeks in advance to each stockholder and must also be likewise published once a week for at least two successive weeks in a newspaper in each of the counties in which any of the consolidating or merging trust companies has its place of business, and for the purpose of such notice the city of St. Louis is considered as a county. (Laws of 1919, p. 162; Rev. Stats. of Mo., 1929, sec. 5477.)

Agreement binding if two-thirds of stockholders of respective companies vote favorably.

If two-thirds of the stockholders of each of the consolidating or merging trust companies vote in favor of the agreement "then such agreement shall be valid and binding upon such trust companies". (Laws of 1919, p. 162; Rev. Stats. of Mo., 1929, sec. 5478.)

(Missouri - cont'd.)

When merger agreement becomes effective.

A copy of the minutes of the stockholders' meetings at which an agreement for a merger has been approved, with a copy of such agreement and the bank commissioner's approval thereof, all certified and verified by the secretaries of the respective stockholder's meetings, must be filed with the bank commissioner and with the secretary of each of the trust companies involved. An identical copy of such minutes, agreement and approval, together with an affidavit of the secretary of the resulting company showing the filing of such copies with the bank commissioner and the secretary of each of the merging companies, "shall be filed for record and recorded in the office of the recorder of deeds of each county wherein is located the place of business of each trust company which is party to such agreement, it being understood that the City of St. Louis shall be considered as a county in regard to the filing and recording of such copies". When such copies have been "filed for record in the office of the recorder of deeds, the agreement and merger shall become effective according to its terms." (Laws of 1919, p. 162; Rev. Stats. of Mo., 1929, sec. 5479.)

When consolidation agreement becomes effective.

A copy of the minutes of the stockholders meetings of the consolidating companies at which the consolidation agreement was approved, with a copy of the agreement and the bank commissioner's approval thereof, all certified and verified by the secretaries of such stockholders meetings, must be filed in the office of the bank commissioner and with the secretary of each of the consolidating trust companies. A like copy of such minutes, agreement and approval, with an affidavit of the secretary

(Missouri - con'td.)

of one of the consolidating companies showing the filing of such copies with the bank commissioner and the secretary of each of the consolidating companies, must also be filed and recorded in the office of the recorder of deeds in each county wherein is located the place of business of each of the consolidating companies. The city of St. Louis is considered as a county as far as the filing for record with the recorder of deeds of such copies is concerned. Upon the filing with the recorder of deeds of the agreement, with the approval of the bank commissioner, "and the proceedings above prescribed, the agreement for the consolidation of the trust companies, which are parties thereto, shall take effect according to its terms, and the consolidation shall thereupon be complete, provided the legal fees for the incorporation of such consolidated trust companies shall have been paid to the state bank commissioner, the same as if a new corporation were organized for the same amount of capital authorized for such consolidated company." (Laws of 1919, p. 163; Rev. Stats. of Mo., 1929, sec. 5480.)

New certificates of stock, when resulting company shall issue.

The resulting company may require the return of the original certificates of stock held by the stockholders in either the merging or consolidating companies, unless such certificates have been lost or destroyed, "and shall cancel said original certificates and issue in lieu thereof new certificate or certificates for such number of its own shares as such stockholders may be entitled to receive under the agreement providing for the merger or for the consolidation and according to the terms

(Missouri - cont'd.)

and conditions contained in the agreement for such merger or such consolidation;" but if the original certificates have been lost or destroyed, such loss or destruction must be proved by affidavit or otherwise to the satisfaction of the board of directors of the resulting company, before new certificates in lieu thereof can be issued. (Laws of 1919, p. 163; Rev. Stats. of Mo., 1929, sec. 5481.)

Stockholders dissenting to merger or consolidation; rights, privileges, etc.

There are also detailed provisions giving to stockholders who object to or do not vote for a merger or consolidation the right to receive a reasonable value for their stock, and prescribing the manner for determining the value of the stock, the time within which the dissenting stockholders must assert their rights, the procedure for doing so, etc. (Laws of 1919, pp. 164-166; Rev. Stats. of Mo., 1929, secs. 5482-5485.)

Legal effect of merger or consolidation.

(a) Corporate existence merged into new company - title to property, etc. - "The corporate existence of the merging company or companies shall be merged into that of the receiving trust company, or in the event of consolidation, the corporate existence of the consolidating companies shall be merged into that of the consolidated trust company; and all and singular the rights, privileges and franchises, and the rights, title and interest in and to all property of whatsoever kind, whether real, personal or mixed, and things in action, and every right, privilege, interest or asset of conceivable value or benefit then existing to which either of such companies so merging or consolidating shall be entitled at

(Missouri - cont'd.)

law or in equity, shall be fully and finally and without any right of reversion, transferred to and vested in the receiving trust company in case of merger, or in the consolidated trust company, in case of a consolidation, without further act or deed, and such receiving company or such consolidated company shall have and hold the same in its own corporate right as fully as the same was possessed and held by either of the merging or consolidating corporations from which such rights were, by operation of the provisions of this article, transferred." (Laws of 1919, p. 166; Rev. Stats. of Mo., 1929, sec. 5486.)

(b) Trust and fiduciary powers, passage of to new company. - "The receiving corporation under merger of (or) the new corporation under consolidation, shall become, without further act or deed, the successor of the merging or of the consolidating corporation, in any and all fiduciary capacities in which such merging or consolidating corporation may be acting at the time of such merger or consolidation, and shall be liable to all beneficiaries as fully as if such receiving or consolidating corporations had continued their separate corporate existence. All and singular the rights and privileges and the right, title and interest in and to all property of whatsoever kind, whether real, personal or mixed, and things in action, and every right, privilege, interest or asset of conceivable value or benefit then existing to which either of such companies so merging or consolidating shall be entitled at law or in equity, in any fiduciary capacity shall fully and finally, and without any right of reversion, be transferred to and vested in the receiving or consolidated

(Missouri - cont'd.)

corporation, without further act or deed; and such receiving or consolidated corporation shall have and hold the same as fully and in the same fiduciary capacity and for the same purposes, and with the same powers, duties, responsibilities and discretion, as the same were possessed and held by the merging or consolidating corporation from which they were, by operation of the provisions of this article, transferred.

"If any trust company which merges with or shall have merged with another, or if any trust company which consolidates with or shall have consolidated with another or other trust companies to form a consolidated trust company, shall be nominated and appointed or shall have been nominated or appointed as executor, guardian, curator, administrator, agent or trustee or in any other trust relation or fiduciary capacity in any will, trust agreement, trust conveyance or any other conveyance or instrument whatsoever prior to such merger or consolidation (even though such will, trust agreement, trust conveyance, or other conveyance or instrument shall not become operative or effective until after such merger or consolidation shall have become effective) every such office, trust relationship, fiduciary capacity and all of the rights, powers, privileges, duties, discretions and responsibilities, so provided to devolve upon, vest in, or inure to the company so nominated or appointed, shall fully and in every respect devolve upon, vest in and inure to and be exercised by the trust company into which such company so designated in such capacity shall be or shall have been merged, or shall devolve upon, vest in, inure to and be exercised by the consolidated trust company

(Missouri - cont'd.)

formed by any consolidation to which the trust company so designated shall have been a party, whether there be one or more successive mergers or consolidations." (Laws of 1919, pp. 166 and 167; Rev. Stats. of Mo., 1929, secs. 5487-5490.)

(c) Obligations of consolidating companies unaffected.- "The rights, obligations and relations of either of the merged companies or of the consolidating companies, in respect to any person, creditor, depositor, trustee or beneficiary of any trust shall remain unimpaired, and the receiving corporation or the consolidated corporation shall, when the merger or consolidation becomes effective, as in this chapter provided, succeed to all such relations, obligations, trusts, powers and liabilities and shall execute and perform all duties in relation thereto in the same manner as though it had itself assumed or been clothed with such relation, trust or power, or had itself incurred the obligation or liability; and the liabilities and obligations to creditors of either of the merged companies, or of either of the consolidating companies shall not be impaired by such merger or consolidation; nor shall any obligation or liability of any stockholder in any corporation which is a party to such merger or consolidation be affected by any such merger or consolidation, but such obligations and liabilities shall continue as fully and to the same extent as existed before such merger or consolidation." (Laws of 1919, p. 167; Rev. Stats. of Mo., 1929, sec. 5488.)

Merger or consolidation does not affect pending judicial proceedings against consolidating companies.

Any judicial proceeding in which any merging or consolidating

(Missouri - cont'd.)

company is a party is not affected because of the merger or consolidation, but it may be prosecuted to final disposition, or the resulting company may be substituted as a party and judgment rendered for or against it. (Laws of 1919, p. 167; Rev. Stats. of Mo., 1929, sec. 5489.)

MONTANA.

Definition of word "bank".

The word "bank" as used in the laws of Montana, applies to any incorporated bank, trust company or savings bank. (Laws of 1927, ch. 89, sec. 2, Act approved March 8, 1927; Banking Law Pamphlet, 1927, sec. 2, pp. 7 and 8.)

Consolidation of banks.

"Any two (2) or more banks may, with the approval of the Superintendent of Banks, consolidate into one (1) bank under the charter of either existing bank, on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each bank proposing to consolidate, and be ratified and confirmed by the vote of the shareholders of each such bank owning at least two-thirds of its capital stock outstanding, at a meeting to be held on the call of the directors, after sending notice to each shareholder of record by registered mail at least ten (10) days prior to said meeting; provided, that the stockholders may unanimously waive such notice and may consent to such meeting and consolidation in writing." (Laws of 1927, ch. 89, sec. 94, Act approved March 8, 1927; Banking Law Pamphlet, 1927, sec. 94, p. 56.)

(Montana - cont'd.)

Capital required of consolidated corporation.

The capital stock of the consolidated bank must be not less than that required under law for the organization of a bank of the class of the largest consolidating bank. (Laws of 1927, ch. 89, sec. 94, Act approved March 8, 1927; Banking Law Pamphlet, 1927, sec. 94, p. 56.)

Legal effect of consolidation.

"The assets and liabilities of the consolidated bank shall be reported by the surviving bank. All the rights, franchises, and interests of said bank so consolidated in and to every specie of property, real, personal and mixed and choses in action thereto belonging, shall be deemed to be transferred to and vested in such bank into which it is consolidating without other instrument of transfer, and said consolidated bank shall hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent as was held and enjoyed by the bank so consolidated therewith, provided, however, that merging bank shall transfer to the surviving bank all of its real property by good and sufficient deed of conveyance and for that and other purposes shall remain a body corporate for a period of at least three (3) years after merger and shall not then dissolve without the approval of the Superintendent of Banks." (Laws of 1927, ch. 89, sec. 94, Act approved March 8, 1927; Banking Law Pamphlet, 1927, sec. 94, p. 57.)

NEBRASKA.

Consolidation of banks - no provisions covering trust companies.

The laws of Nebraska do not contain any provisions covering the

(Nebraska - cont'd.)

consolidation or merger of trust companies; but, with reference to banks, the laws provide that "Any bank which is in good faith winding up its business for the purpose of consolidating with some other bank, may transfer its resources and liabilities to the bank with which it is in process of consolidation but no consolidation shall be made without the consent of the department of trade and commerce, nor shall such consolidation operate to defeat the claim of any creditor or hinder any creditor in the collection of his debt against such banks or either of them." (Comp. Stats. of Nebraska, 1929, sec. 8-160; Banking Law Pamphlet, 1929, sec. 8021, p. 20.)

NEVADA.

No provisions covering consolidation, merger, etc.

The laws of Nevada do not contain any provisions specifically covering the consolidation, merger, etc. of banks and trust companies.

NEW HAMPSHIRE.

Consolidation of mutual savings banks with trust or banking companies or with other savings banks.

The laws of New Hampshire do not contain any provisions covering the merger or consolidation of so-called trust or banking companies or savings banks with each other; but the laws do provide that "Any mutual savings bank incorporated under the laws of this state, or a majority of the members thereof, and any trust or banking company, or any other savings bank, incorporated under the laws of this state, or a majority of the members or the holders of a majority of the stock thereof, may

(New Hampshire - cont'd.)

apply by petition to the superior court in the county in which either of said petitioning corporations is located, or to any justice of said court in vacation, for a decree authorizing a union of said savings bank with said trust or banking company, or other savings bank, and a dissolution of said first named savings bank in the manner herein provided". (Laws of 1917, ch. 54, sec. 1; Public Laws, 1926, ch. 263, sec. 1; Banking Law Pamphlet, 1929, ch. 263, sec. 1, p. 30.)

Notice and hearing on petition; reference to bank commissioner by court.

When the petition for consolidation is filed, the court or justice "shall fix a time for hearing thereon, and after due notice by publication to all parties interested, and such other notice as the court may order, and hearing the court shall refer said petition to the bank commissioner". (Laws of 1917, ch. 54, sec. 2; Public Laws, 1926, ch. 263, sec. 2; Banking Law Pamphlet, 1929, ch. 263, sec. 2, p. 30.)

Hearing by bank commissioner; character of duties after.

The bank commissioner, after notice and hearing, must ascertain "whether the public convenience and advantage and the interest of said institutions, their members, stockholders and depositors, will be promoted by the proposed union." (Laws of 1917, ch. 54, sec. 3; Public Laws, 1926, ch. 263, sec. 3; Banking Law Pamphlet, 1929, ch. 263, sec. 3, p. 30.)

Appraisal of assets and determination of amount due depositors.

If the bank commissioner approves the petition, "he shall appraise the assets and ascertain the liabilities of said savings bank, and determine the net value thereof for the purpose of liquidation, the total number of depositors therein and the amount of their respective deposits,

(New Hampshire - cont'd.)

and, upon such appraisal and findings, determine the proportionate share of the net deposits due such depositors". The commissioner is authorized to employ expert or other assistance at the expense of the petitioners in making such appraisal. (Laws of 1917, ch. 54, secs. 3 and 4; Public Laws, 1926, ch. 263, secs. 4 and 5; Banking Law Pamphlet, 1929, ch. 263, secs. 4 and 5, p. 30.)

Report to court of findings and determinations.

The Commissioner must "forthwith make a report to the court of his findings and determinations, and of the expense of said hearings, appraisal and findings. Upon due notice to all parties of record the court shall thereupon enter a final decree." (Laws of 1917, ch. 54, sec. 5; Public Laws, 1926, ch. 263, sec. 6; Banking Law Pamphlet, 1929, ch. 263, sec. 6, p. 30.)

Decree of Court, extent of; depositor's option.

After receiving such report, if "it appears that the public convenience and advantage and the interest of said several parties will be promoted by the action sought by said petition the court shall by decree fix a date upon which the funds of the depositors in the savings bank to be liquidated shall cease to draw interest, and shall authorize the trustees or directors of said savings bank to sell and convey all of its assets to said trust or banking company or other savings bank at the value fixed by such appraisal, and to pay said depositors the several amounts found to be their due". Each depositor in the mutual savings bank is given the option to receive in cash from the sale of its assets the amount found to

(New Hampshire - cont'd.)

be due him or to accept a deposit in the consolidated institution for the same amount without loss of interest. (Laws of 1917, ch. 54, sec. 6; Public Laws, 1926, ch. 263, secs. 7 and 8; Banking Law Pamphlet, 1929, ch. 263, secs. 7 and 8, pp. 30 and 31.)

Unclaimed deposits and dividends.

The laws contain provisions prescribing the manner of disposing of unclaimed deposits and dividends in the consolidating mutual savings bank at the time of the consolidation. (Laws of 1917, ch. 54, sec. 7; Public Laws, 1926, ch. 263, secs. 9 and 10; Banking Law Pamphlet, 1929, ch. 263, secs. 9 and 10, p. 31.)

Other orders court may make.

"The court shall make all other and further orders and decrees in respect to the winding up of the affairs of said liquidated savings bank and its dissolution that may be necessary for the protection of all parties interested". (Laws of 1917, ch. 54, sec. 8; Public Laws, 1926, ch. 263, sec. 11; Banking Law Pamphlet, 1929, ch. 263, sec. 11, p. 31.)

NEW JERSEY.

Merger of State banks and/or trust companies.

The laws of New Jersey authorize State banks and trust companies having their main offices or places of business in the same municipality to merge into another State bank or trust company. (Laws of 1925, ch. 198, ch. 197 and ch. 203; Banking Law Pamphlet, 1930, sec. 11, p. 59, sec. 19, p. 119 and sec. 1, p. 155.)

Agreement for merger.

The boards of directors of such banks or trust companies may, by

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a vote of two-thirds of the entire membership of each board, make or authorize to be made between such banks or trust companies a written merger agreement in duplicate and under corporate seal. A sworn copy of the proceedings of the directors' meetings "shall be presumptive evidence of the holding and action of such meetings." (Laws of 1925, ch. 198, ch. 197 and ch. 203; Banking Law Pamphlet, 1930, sec. 12, p. 59, sec. 20, p. 119 and sec. 2, p. 155.)

What merger agreement must specify.

The merger agreement must name each bank or trust company to be merged and the bank or trust company which is to receive the merging institution or institutions, "and it shall prescribe terms and conditions of the merger and the mode of carrying it into effect." It may specify the name of the receiving corporation, which may be the name of any of the merging corporations; but, in the case of a merger of a bank into a trust company or a trust company into a bank, such name must comply "with the provision of the law under which said continuing corporation is organized." It may also name the persons who will constitute the board of directors of the receiving corporation; but the number and qualifications of such directors must be in accordance with the pertinent provisions of law covering the number and qualifications of directors of the kind of corporation into which the merging corporation or corporations are received; "or such agreement may provide for a meeting of the stockholders to elect a board of directors within sixty days after such merger becomes effective and may make provision for conducting the affairs of the corporation meanwhile." (Laws of 1925, ch. 198, ch. 197, and ch. 203; Banking

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Law Pamphlet, 1930, sec. 13, p. 60, sec. 21, p. 120 and sec. 3, pp. 155 and 156.)

Merger agreement must be submitted to commissioner of banking and insurance for approval.

The merger agreement and sworn copies of the proceedings of the boards of directors at which the making of the agreement was authorized must be submitted in duplicate to the commissioner of banking and insurance for his approval. (Laws of 1925, ch. 198, ch. 197, and ch. 203; Banking Law Pamphlet, 1930, sec. 14, p. 60, sec. 22, p. 120 and sec. 4, p. 156.)

After approval of commissioner, agreement must be submitted to stockholders.

Within sixty days after notice from the commissioner that the merger agreement has been approved, it must be submitted to a special meeting of the stockholders of the merging corporations, and, if it is approved by two-thirds of the stockholders of each corporation, it then becomes binding upon such corporation. A sworn copy of the proceedings of such meetings is presumptive evidence of the holding and action of such meetings. (Laws of 1925, ch. 198, ch. 197, and ch. 203; Banking Law Pamphlet, 1930, sec. 15, pp. 60-61, sec. 23, p. 121, and sec. 5, pp. 156-157.)

Filing and recording of approved agreement and copies of proceedings.

After the agreement has become binding upon the merging corporations, one copy with a copy of the written approval of the Commissioner of Banking and Insurance, and a sworn copy of the proceedings of the meetings at which the agreement was approved, must be filed in the office

(New Jersey - cont'd.)

of the Commissioner of banking and insurance. An identical copy of such agreement, approval and proceedings "shall be recorded in the office of the clerk of the county in which is located the place of business of the corporations so merged; such record being made in the book provided for the record of certificates of incorporation of corporations organized under the laws of this State." (Laws of 1925, ch. 198, ch. 197, and ch. 203; Banking Law Pamphlet, 1930, sec. 16, p. 61, sec. 24, p. 121 and sec. 6, p. 157.)

When merger becomes effective.

Upon filing and recording the merger agreement with copies of its approval by the commissioner of banking and insurance as above prescribed, "the merger agreement shall take effect according to its terms, and the merger shall thereupon take place as provided in the agreement." (Laws of 1925, ch. 198, ch. 197, and ch. 203; Banking Law Pamphlet, 1930, sec. 17, p. 62, sec. 25, p. 122 and sec. 7, pp. 157-158.)

Legal effect of merger.

Upon the merger of any corporation into another as above provided:

(1) "Its corporate existence shall be merged into that of such other corporation; and all and singular its rights, privileges and franchises, and its right, title and interest in and to all property whatsoever kind, whether real, personal or mixed, and things in action, and every right, privilege, interest or asset of conceivable value or benefit then existing which would inure to it under an unmerged existence, shall be deemed fully and finally, and without any right of reversion, transferred

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to and vested in the corporation into which it shall have merged, without further act or deed, and such last-mentioned corporation shall have and hold the same in its own right as fully as the same was possessed and held by the merged corporation from which it was, by operation of the provisions hereof, transferred."

(2) Its rights, obligations and relations to any person, creditor, depositor, trustee or beneficiary of any trust, remain unimpaired, and the receiving corporation succeeds to all such relations, obligations, trusts and liabilities, and shall execute and perform all such trusts, in the same manner as though it had itself assumed the relation or trust, or incurred the obligations or liability. Liabilities and obligations to creditors existing for any cause whatsoever shall not be impaired by such merger, nor "shall any obligation or liability of any stockholder in any corporation which is a party to such merger be affected by any such merger, but such obligations and liabilities shall continue as fully and to the same extent as existed before such merger."

(3) "A pending action or other judicial proceeding to which any corporation that shall be so merged is a party shall not be deemed to have abated or to have discontinued by reason of the merger, but may be prosecuted to final judgment, order or decree in the same manner as if the merger had not been made; or the corporation into which such other corporation shall have been merged may be substituted as a party to such action or proceeding, and any judgment, order or decree may be rendered for or against it that might have been rendered for or against such other corporation

(New Jersey - cont'd.)

if the merger had not occurred." (Laws of 1925, ch. 198, ch. 197, and ch. 203; Banking Law Pamphlet, 1930, sec. 18, pp. 62-63, sec. 26, pp. 122-123 and sec. 8, pp. 158-159.)

Maintenance of offices of merged corporations; capital required for each office, number further limited according to population.

The resulting corporation, "with the written approval of the Commissioner of Banking and Insurance, may continue to conduct business at the location or locations of the office or offices heretofore established by the merged corporations and under such office designation as the Commissioner of Banking and Insurance may approve"; but the paid-in capital of the resulting corporation must be, if it is a bank, at least fifty thousand dollars, and, if it is a trust company, at least one hundred thousand dollars, for each office thereafter to be maintained. Further limitations on the maintenance of such offices are that the resulting corporation can maintain but one office within the corporate limits of a municipality "where the population by the last decennial census is less than twenty-five thousand; not more than two offices where such population by said census is more than twenty-five thousand and not more than fifty thousand; not more than three offices where such population by said census is more than fifty thousand and not more than one hundred thousand and where such population is more than one hundred thousand only such number of offices as the Commissioner of Banking and Insurance may approve." In case of a merger of trust companies, it is provided further "that the commissioner of banking and insurance shall not approve the maintenance of more offices by the continuing corporation than the corpora-

(New Jersey - cont'd.)

tion into which the other corporation or corporations shall be merged was authorized to maintain prior to the date of the merger agreement, unless at the time of such approval national banking associations organized under the laws of the United States and located in New Jersey shall by an act of Congress be enabled to originally establish branch offices or agencies for the transaction of their business in this State." (Laws of 1925, ch. 198, as amended by Laws of 1927, ch. 21, ch. 197, and ch. 203, as amended by Laws of 1927, ch. 14; Banking Law Pamphlet, 1930, sec. 19, p. 63, sec. 27, p. 123 and sec. 9, p. 159.)

Issuance of new certificates of stock.

The new corporation may require the return of the original certificates by the stockholders in any of the merging corporations and may issue in lieu thereof new certificates. (Laws of 1925, ch. 198, ch. 197 and ch. 203; Banking Law Pamphlet, 1930, sec. 20, p. 64, sec. 28, p. 125 and sec. 10, p. 160.)

Dissenting stockholders, rights of.

There are also detailed provisions giving the right to stockholders of any of the merging corporations who did not vote for or object to the merger to demand payment for their shares of stock, and prescribing the procedure and conditions for securing such payment. (Laws of 1925, ch. 198, ch. 197 and ch. 203; Banking Law Pamphlet, 1930, sec. 21, p. 64, sec. 29, pp. 125-126 and sec. 11, p. 160.)

(New Jersey - cont'd.)

Consolidation of State bank or trust company with national bank; surrender of charter.

When two-thirds of the stockholders of any State bank or trust company give their written consent to consolidate with a national bank, and the directors of such bank or trust company file in the Department of Banking and Insurance a certificate under their hands that such consent has been given and that the directors intend to act in pursuance thereof, such bank or trust company "shall be deemed and taken to have surrendered its charter". (Laws of 1902, ch. 28 and Laws of 1920, ch. 300, as amended by Laws of 1928, ch. 208 and ch. 207; Banking Law Pamphlet, 1928, sec. 1, p. 47, and sec. 8, p. 98.)

Continuance of corporate existence for three years for certain purpose.

It is provided, however, that every such State bank or trust company "shall be continued a body corporate for the term of three years after the time of such surrender for the purpose of prosecuting and defending suits by or against it, and closing its concerns, but not for any other business or purposes whatsoever". The board of directors of the consolidated bank is to act as, and be taken to be, the board of directors of such bank or trust company while closing its concerns during such three year period. (Laws of 1902, ch. 28, and Laws of 1920, ch. 300, as amended by Laws of 1928, ch. 208 and ch. 207; Banking Law Pamphlet, 1928, sec. 1, p. 48, and sec. 8, p. 99.)

(New Jersey - cont'd.)

Legal effect of consolidation:

(a) of State with national bank.

"When the charter of such bank shall be surrendered to the State, as hereinabove provided, and any such bank shall have been organized as or consolidated with a banking association under the laws of the United States, or have become capable in law as a new or consolidated national bank to take and hold property, all the assets, real and personal, choses in action and all rights and privileges of every nature and description, of any such bank shall immediately, by act of law and without any conveyance or transfer, be vested in and become the property of the said association, formed or consolidated as aforesaid under the laws of the United States, to be held by said association or its stockholders in as ample and beneficial manner for all purposes as the same can, by virtue of the laws of the United States, be held and enjoyed; but nothing in this section shall be so construed as to impair the obligation existing in the first section of this act." (Laws of 1902, ch. 28, as amended by Laws of 1928, ch. 208; Banking Law Pamphlet, 1928, sec. 4, p. 50.)

(b) of trust company with national bank.

In this connection the laws provide " * * * that all rights, privileges, choses in action, property, real and personal, and all trust powers, duties, designations and appointments made or contained by or in any deed, will, instrument, order or decree,

(New Jersey - cont'd.)

executed or made before the filing of such certificate, shall vest in, devolve upon, and inure to the benefit of said new or consolidated national bank." (Laws of 1920, ch. 300, as amended by Laws of 1928, ch. 207; Banking Law Pamphlet, 1928, sec. 8, p. 99.)

Dissenting stockholders, rights of.

The laws also contain detailed provisions with reference to the rights of stockholders who dissent to the consolidation. (Laws of 1902, ch. 28, and Laws of 1920, ch. 300; Banking Law Pamphlet, 1928, secs. 2, and 3, pp. 48 and 49, and sec. 9, p. 99.)

Extent of act relating to consolidation of State bank with national bank.

"The authority conferred by this act may be exercised by the stockholders of any bank incorporated or organized by the authority of this state, notwithstanding said bank may have been converted into a national banking association under the laws of the United States prior to the passage of this supplement." (Laws of 1902, ch. 28; Banking Law Pamphlet, 1928, sec. 5, p. 50.)

Merger or consolidation of corporations "for the insurance or guaranty of title to lands" with trust companies.

The laws of New Jersey also contain detailed provisions providing for and regulating the merger or consolidation of corporations "for the insurance or guaranty of title to lands" with State trust companies which, in many respects, are substantially similar to the

(New Jersey - cont'd.)

provisions digested above. (Laws of 1923, ch. 97; Banking Law Pamphlet, 1930, secs. 1-6, pp. 146-150.)

NEW MEXICO.

Consolidation or merger of banks or trust companies.

The laws of New Mexico covering banks and trust companies do not contain provisions having specific reference to the merger, consolidation, etc., of such institutions; but these laws do provide that "Except as herein limited incorporated banks shall exercise and enjoy all the rights and privileges and be subject to all the liabilities and restrictions provided by law for corporations in general." (Laws of 1915, ch. 67, sec. 55; New Mexico Stats., Annot., 1929, sec. 13-156, p. 325; Banking Law Pamphlet, 1929, sec. 55, p. 20.) These so-called banking laws also provide that the word "bank", as used therein, includes commercial banks, savings banks and trust companies but does not include national banks. (Laws of 1915, ch. 67, sec. 2; New Mexico Stats., Annot., 1929, sec. 13-102, p. 316; Banking Law Pamphlet, 1929, sec. 2, p. 5.)

The law covering "corporations in general" contain elaborate consolidation or merger provisions, (Laws of 1905, ch. 79, secs. 109-115; New Mexico Stats., 1929, secs. 32-213 to 32-219 inclusive) and also provide that such provisions shall be held applicable to banks and trust companies. (Laws of 1905, ch. 79, sec. 131; New Mexico Stats., Annot., 1929, sec. 32-234). Such provisions are set forth below.

Authority for consolidation or merger.

"Any two or more corporations organized under any law or laws

(New Mexico - cont'd.)

of this state for the purpose of carrying on any kind of business of the same or a similar nature may merge or consolidate into a single corporation, which may be either one of said merging or consolidating corporations, or a new corporation to be formed by means of such merger and consolidation." (Laws of 1905, ch. 79, sec. 109; New Mexico Stats., Annot., 1929, sec. 32-213, p. 483.)

Directors' agreement to merge or consolidate; contents of.

The directors of the several corporations involved may under corporate seal enter into a "joint agreement" for the merger or consolidation of such corporations. The agreement must prescribe the terms and conditions of the merger or consolidation, the mode of carrying it into effect, the name of the resulting corporation with the number, names and residences of its first directors and officers, the number and value of the shares of capital stock, the manner of converting the stock of the constituent corporations into stock of the resulting corporation, and, if a new corporation is created, how and when the directors and officers will be chosen or appointed. The agreement may also contain such other provisions as the contracting directors may deem necessary to perfect such merger or consolidation. (Laws of 1905, ch. 79, sec. 110, subd. 1; New Mexico Stats., Annot., 1929, sec. 32-214, subd. 1, pp. 483 and 484.)

Submission of agreement to stockholders; approval of; effect of.

The agreement must be submitted to the stockholders of each of the corporations involved at a special meeting after twenty days' notice of the time, place and object of such meeting has been given to each stock-

(New Mexico - cont'd.)

holder. If two thirds of the stockholders of each corporation vote for the adoption of the agreement, that fact must be certified thereon by the secretary of each corporation under its corporate seal. The agreement so adopted and certified must be filed with the state corporation commission and then must "be deemed and taken to be the agreement and act of merger or consolidation of the said corporations." A copy of this agreement certified under seal by the corporation commission is "evidence of the existence of such new or consolidated corporation." (Laws of 1905, ch. 79, sec. 110, subd. 2; New Mexico Stats., Annot., 1929, sec. 32-214, subd. 2, p. 484.)

Legal effect of consolidation or merger.

"Upon making and perfecting the said agreement and act of merger or consolidation, and filing the same, in the office of the state corporation commission, the several corporations shall be one corporation, by the name provided in said agreement (in case a new corporation shall be created thereby), or by the name of the consolidated corporation into which said other contracting corporation or corporations, shall be so merged or consolidated, as the case may be, and possessing all the rights, privileges, powers and franchises, as well of a public as of a private nature, and being subject to all the restrictions, disabilities and duties of each of such corporations so merged or consolidated, except as altered by the provisions of this article." (Laws of 1905, ch. 79, sec. 111; New Mexico Stats., Annot., 1929, sec. 32-215, p. 484.)

"Upon the consummation of said act of merger or consolidation, all and singular, the rights, privileges, powers and franchises of each

(New Mexico - cont'd.)

of said corporations, and all property, real, personal and mixed, and all debts due on whatever account, as well for stock subscriptions as all other things in action or belonging to each of such corporations, shall be vested in the consolidated corporation; and all property, rights, privileges, powers and franchises, and all and every other interest shall be thereafter as effectually the property of the consolidated corporation as they were of the several and respective former corporations, and the title to any real estate, whether by deed or otherwise, under the laws of this state, vested in either of such corporations, shall not revert or be in any way impaired by reason of this article: Provided, that all rights of creditors and all liens upon the property of either of said former corporations shall be preserved unimpaired, and the respective former corporations may be deemed to continue in existence, in order to preserve the same; and all debts, liabilities and duties of either of said former corporations shall thenceforth attach to said consolidated corporation, and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it." (Laws of 1905, ch. 79, sec. 112; New Mexico Stats., Annot., 1929, sec. 32-216, p. 484.)

Dissenting stockholders, rights of.

Provision is made for the appraisal and payment of the value of stock held by any stockholder of any of the corporations involved who did not vote in favor of the merger or consolidation. (Laws of 1905, ch. 79, secs. 113 and 114; New Mexico Stats., Annot., 1929, secs. 32-217 and 32-218, pp. 484 and 485.)

(New Mexico - cont'd.)

State corporations authorized to merge with corporations of "other states and territories."

"Corporations organized under the laws of other states and territories may also be merged with corporations organized under the laws of this state, in accordance with the provisions of this article." (Laws of 1905, ch. 79, sec. 115; New Mexico Stats., Annot., 1929, sec. 32-219, p. 485.)

Consolidated corporation authorized to issue bonds and mortgage property.

The consolidated corporation is authorized to issue bonds or other obligations "to an amount sufficient with its capital stock to provide for all the payments it will be required to make or obligations it will be required to assume," in order to effect the merger or consolidation; and to secure the payment of such bonds or obligations it may mortgage its property. The consolidated corporation may also purchase and sell stocks of other corporations and may issue capital stock to the stockholders of the constituent corporations in exchange or payment for their original shares in the manner and on the terms specified in the agreement of merger or consolidation. (Laws of 1905, ch. 79, sec. 115; New Mexico Stats., Annot., 1929, sec. 32-219, p. 485.)

Sale or purchase of assets.

The laws also provide that "any corporation * * * shall have power to sell, convey and transfer or exchange all of its assets, property, rights, privileges, franchises (except its primary franchise), good will, easements, rights of way, and all other property and property rights it

(New Mexico - cont'd.)

may use or possess; Provided, however, that no corporation shall have the right to sell, transfer or exchange any contract, or property, or rights derived therefrom or thereunder, not assignable by its terms." (Laws of 1927, ch. 85, sec. 1; New Mexico Stats., Annot., 1929, sec. 32-1201, p. 514.)

Any corporation is also empowered "to purchase and acquire all of the assets, property, rights, privileges, franchises (except its primary franchise), good will, easements, rights of way, and all other property and property rights, of any other corporation * * * ". (Laws of 1927, ch. 85, sec. 2; New Mexico Stats., Annot., 1929, sec. 32-1202, p. 514.)

Consent of stockholders necessary.

The consent of two-thirds of the stockholders of the vendor corporation to "such sale or exchange" is required which shall be given at a special meeting called for that purpose, "or if the by-laws fail to provide for special meetings, then according to requirement for notice of annual meeting, which notice shall clearly state the time, place and purpose of such meeting". (Laws of 1927, ch. 85, sec. 3; New Mexico Stats., Annot., 1929, sec. 32-1203, p. 515.)

Dissenting stockholders of the vendor corporation may notify its secretary in writing of the fact of their objection to the proposed sale or exchange on or before the day of the meeting of the stockholders. Within ninety days after the sale or

(New Mexico - cont'd.)

exchange, the vendee corporation, upon demand of such dissenting stockholders and upon their surrender to the vendor corporation of their stock for cancellation, shall pay them the market value of their stock, which in no event can be less than the book value of such stock according to the last balance sheet of the selling corporation. Amounts so paid shall be deducted from the purchase price of the property in question. (Laws of 1927, ch. 85, sec. 3; New Mexico Stats., Annot., 1929, sec. 32-1203, p. 515.)

Limitations on actions to question legality of sale.

Suits to attack any sale or exchange must be brought within three months after the recording of the conveyance or other instrument evidencing such sale in the county wherein the property or any part of it sold or exchanged is located. (Laws of 1927, ch. 85, sec. 4; New Mexico Stats., Annot., 1929, sec. 32-1204, p. 515.)

NEW YORK.

Merger of banks and trust companies.

The laws of New York provide that "Any two or more corporations, other than savings banks, organized under any one article of this chapter (ch. 2 of the Consolidated Laws of 1914, ch. 369, as amended) or under the laws of this state for the purposesor any of them mentioned in any one article of

(New York - cont'd.)

this chapter, or for the purposes or any of them mentioned in both articles three (covering banks) and five (covering trust companies) of this chapter, are hereby authorized to merge one or more of such corporations into another of them as prescribed in succeeding sections of this article." (Banking Law, sec. 487, subd. 1.)

With particular reference to savings banks, the laws provide that any two of such banks "located in a city of the first class and in the same county or borough, or any two or more savings banks located elsewhere in the state and in the same or adjoining counties, are hereby authorized to merge as prescribed in succeeding sections of this article." (Banking Law, sec. 487, subd. 2.)

The laws also provide that "Any national banking association is hereby authorized to merge itself into a State bank or trust company located in the same county, city, town or village in the manner prescribed in succeeding sections of this article." (Banking Law, sec. 487, subd. 3.)

Agreement for merger.

The boards of directors of each of the corporations which are a party to the merger, by a vote of the majority, or, if the corporations are savings banks, by a vote of two-thirds of the entire membership of each board of trustees, may make or authorize to be made a written merger agreement in duplicate and under corporate seal. A sworn copy of the proceedings of such meetings, made by the respective secretaries, is presumptive evidence of the holding and action of such meetings. (Banking Law, sec. 488.)

(New York - cont'd.)

What agreement merger must specify.

The merger agreement must specify each corporation to be merged and the corporation which is to receive the merging corporation or corporations "and it shall prescribe the terms and conditions of the merger and the mode of carrying it into effect." It may provide the name of the receiving corporation, which may be the name of any of the merging corporations, and it may also name the persons who will constitute the board of directors or trustees of the receiving corporation; but the number and qualifications of such directors or trustees must be in accordance with the provisions of law relating to the number and qualifications of directors or trustees of the class of corporation into which the merging corporation or corporations are merged; "or, except in the case of savings banks, such agreement may provide for a meeting of the shareholders or stockholders to elect a board of directors within sixty days after such merger, and may make provision for conducting the affairs of the corporation meanwhile." In case of a merger agreement between trust companies, the agreement must provide that the directors named or elected, after qualifying, shall divide themselves into classes as provided by the pertinent provisions of the law covering trust companies, and that they may adopt new by-laws for the resulting corporation. (Banking Law, sec. 488.)

Agreement must be submitted to superintendent for approval.

The merger agreement and sworn copies of the proceedings of the boards of directors or trustees at which the making of the agreement was authorized, must be submitted in duplicate to the superintendent of banks

(New York - cont'd.)

for his approval. (Banking Law, sec. 489.)

Submission of approved agreement to stockholders necessary.

Except in the case of savings banks, the merger agreement must be submitted to a special meeting of the stockholders of the merging corporations within sixty days after notice of its approval by the superintendent of banks. If it is approved by two-thirds of the stockholders of each of the corporations, or in the case of "savings and loan associations by the affirmative vote of at least two-thirds of the members present in person or by proxy at such meetings," provided a copy of the merger agreement shall have accompanied the required notice by mail of such special meetings, it then becomes binding upon the corporations involved in the merger. (Banking Law, sec. 490.)

The merger agreement of savings banks, within sixty days after notice to such banks of its approval by the superintendent of banks, must be submitted to a special meeting of the board of trustees of each of the savings banks. A notice of at least fifteen days specifying the time, place and object of the meeting, and accompanied by a complete copy of the merger agreement, must be given by mail to each trustee. If the agreement is approved by a vote of three-fourths of all the members of each board of trustees, it then becomes binding upon such savings banks. (Banking Law, sec. 491.)

Filing of approved agreement and copies of proceedings.

After the agreement has become binding upon the merging corporations, one copy with a copy of the written approval of the superintendent and a sworn copy of the proceedings of the meetings at which the agreement was approved, made by the respective secretaries, must be filed in the

(New York - cont'd.)

office of the superintendent. Another like copy of such agreement, approval and proceedings must be filed in the office of the clerk of the county in which is located the principal place of business of the receiving corporation. (Banking Law, sec. 492.)

When merger takes effect.

Upon filing of the papers as above prescribed, "the merger agreement shall take effect according to its terms and the merger shall thereupon take place as provided in the agreement." (Banking Law, sec. 493.)

Legal effect of merger.

"Upon the merger of any corporation into another as provided in this article:

"1. Its corporate existence shall be merged into that of such other corporation; and all and singular its rights, privileges and franchises, and its right, title and interest in and to all property of whatsoever kind, whether real, personal or mixed, and things in action, and every right, privilege, interest or asset of conceivable value or benefit then existing which would inure to it under an unmerged existence, shall be deemed fully and finally, and without any right of reversion, transferred to and vested in the corporation into which it shall have been merged, without further act or deed, and such last-mentioned corporation shall have and hold the same in its own right as fully as the same was possessed and held by the merged corporation from which it was, by operation of the provisions of this article, transferred.

"2. Its rights, obligations and relations to any person, credi-

(New York - cont'd.)

tor, depositor, trustee or beneficiary of any trust, shall remain unimpaired, and the corporation into which it shall have been merged shall by such merger succeed to all such relations, obligations, trusts and liabilities, and shall execute and perform all such trusts, in the same manner as though it had itself assumed the relation or trust, or incurred the obligation or liability; and its liabilities and obligations to creditors existing for any cause whatsoever shall not be impaired by such merger; nor shall any obligation or liability of any stockholder or shareholder in any corporation which is a party to such merger be effected by any such merger, but such obligations and liabilities shall continue as fully and to the same extent as existed before such merger.

"3. A pending action or other judicial proceeding to which any corporation that shall be so merged is a party, shall not be deemed to have abated or to have discontinued by reason of the merger, but may be prosecuted to final judgment, order or decree in the same manner as if the merger had not been made; or the corporation into which such other corporation shall have been merged may be substituted as a party to such action or proceeding, and any judgment, order or decree may be rendered for or against it that might have been rendered for or against such other corporation if the merger had not occurred." (Banking Law, sec. 494.)

Issuance of new certificate of stock.

The receiving corporation may require the return of the original certificate of stock held by the stockholders in the merging corporations and may issue new certificates in lieu thereof. (Banking Law, sec. 495.)

(New York - cont'd.)

Dissenting stockholders, rights of.

The laws also contain provisions giving to stockholders of any of the merging corporations who did not vote in favor of the merger, the right to object thereto and demand payment for their shares; in the case of savings and loan association or credit unions, if such stockholders are borrowers, to demand liquidation of their obligations and cancellation of their shares. (Banking Law, sec. 496.)

Consolidation of State bank or trust company with national bank.

Whenever a State bank or trust company "shall have become consolidated" with a national bank it must notify the superintendent of banks of such fact "and shall file with him a copy of its authorization as a national banking association or a copy of the certificate of approval of consolidation, certified by the Comptroller of the Currency." (Banking Law, secs. 137 and 226.)

Legal effect of consolidation.

Upon doing the acts above described, such State bank or trust company "shall thereupon cease to be a corporation under the laws of this state, except that for the term of three years thereafter, its corporate existence shall be deemed to continue for the purpose of prosecuting or defending suits by or against it, and enabling it to close its concerns, and to dispose of and convey its property". Such consolidation does not release any such State bank or trust company from its obligations to pay and discharge all the liabilities created by law or incurred by it, or any tax imposed by the laws of this state in proportion to the time which has elapsed since the next preceding payment therefor, or any assessment,

(New York - cont'd.)

penalty or forfeiture imposed or incurred under the laws of this state, up to the date of its becoming consolidated with a national bank.

At the time when such consolidation becomes effective all the property of the State bank or trust company "including all its right, title and interest in and to all property of whatsoever kind, whether real, personal or mixed, and things in action, and every right, privilege, interest and asset of any conceivable value or benefit then existing, belonging or pertaining to it, or which would inure to it, shall immediately by act of law and without any conveyance or transfer, and without any further act or deed, be vested in and become the property of the national bank, which shall have, hold and enjoy the same in its own right as fully and to the same extent as the same was possessed, held and enjoyed" by the State bank or trust company. The national bank is a continuation of the entity and identity of the state bank or trust company and "all the rights, obligations and relations of the State bank or trust company to or in respect to any person, estate, creditor, depositor, trustee or beneficiary of any trust, and in, or in respect to, any executorship or trusteeship or other trust or fiduciary function, shall remain unimpaired, and the national bank as of the time of the taking effect of such * * * consolidation shall succeed to all such rights, obligations, relations and trusts, and the duties and liabilities connected therewith, and shall execute and perform each and every such trust or relation in the same manner as if the national bank had itself assumed the trust or relation including the obligations and liabilities connected therewith. If the State

(New York - cont'd.)

bank (or trust company) is acting as administrator, co-administrator, executor, co-executor, trustee or co-trustee, of or in respect to any estate or trust being administered under the laws of this state, such relation, as well as any other or similar fiduciary relations, and all rights, privileges, duties and obligations connected therewith shall remain unimpaired and shall continue into and in said national bank from and as of the time of the taking effect of such * * * consolidation, irrespective of the date when any such relation may have been created or established and irrespective of the date of any trust agreement relating thereto or the date of the death of any testator or decedent whose estate is being so administered." Nothing done in connection with the consolidation of a State bank or trust company with a national bank, "shall, in respect to any such executorship, trusteeship or similar fiduciary relation, be deemed to be or to effect, under the laws of this state, a renunciation or revocation of any letters of administration or letters testamentary pertaining to such relation, nor a removal or resignation from any such executorship or trusteeship or other fiduciary relationship, nor shall the same be deemed to be of the same effect as if the executor or trustee or other fiduciary had died or otherwise become incompetent to act". (Banking Law, secs. 137 and 226.)

Superintendent of banks must post names and locations of merging corporations, and dates of such merger.

The superintendent of banks is required to keep in his office a bulletin board accessible to the public upon which must be posted every Friday the names and locations of all corporations that have been merged

(New York - cont'd.)

under any of the provisions above digested and the dates of such merger. (Banking Law, sec. 82 (12.).)

NORTH CAROLINA.

Definition of the word "bank".

The term "bank" when used in the following provisions of the laws of North Carolina "shall be construed to mean any corporation, partnership, firm, or individual receiving, soliciting, or accepting money or its equivalent on deposit as a business; Provided, however, this definition shall not be construed to include building and loan associations, Morris Plan companies, industrial banks or trust companies not receiving money on deposit". (Cons. Stats. of N. C., sec. 216 (a); Banking Law Pamphlet, 1927, sec. 216 (a), p. 3.)

Consolidation or transfer of assets.

The laws of North Carolina provide that "A bank may consolidate with or transfer its assets and liabilities to another bank". (Cons. Stats. of N. C., sec. 217 (k); Banking Law Pamphlet, 1927, sec. 217 (k), p. 7.)

It is further provided that any bank or trust company incorporated under the laws of North Carolina may con-

(North Carolina - cont'd.)

solidate with any national bank under the charter of the latter or under a new charter issued to such consolidated bank upon such terms and conditions as may be lawfully agreed upon, provided the laws of North Carolina governing the consolidation of such banks shall be first complied with as to the consolidation of such bank or trust company. (Laws of 1929, ch. 148, p. 171.)

Proceedings authorizing consolidation or transfer of assets; agreement; filing of.

Before such consolidation or transfer of assets can become effective, each bank involved must file with the commissioner of banks certified copies of all proceedings of its board of directors and stockholders setting forth that two-thirds of the stockholders voted for the consolidation or transfer. The stockholders proceedings must also contain a complete copy of the agreement of consolidation

(North Carolina - cont'd.)

or transfer of assets which was entered into by the banks concerned. (Cons. Stats. of N. C., sec. 217 (k), as amended by Act of April 2, 1931; Banking Law Pamphlet, 1927, sec. 217 (k), p. 7, as amended by Act of April 2, 1931.)

Examination of banks involved; consent of commissioner of banks necessary to consolidation or transfer; notice of consolidation or transfer must be published.

When the stockholders' and directors' proceedings have been filed as above prescribed, the commissioner of banks must make an examination of each bank to determine whether the interest of the depositors, creditors, and stockholders of each bank are protected, and whether such consolidation or transfer is made for legitimate purposes. No consolidation or transfer can be made without the consent of the commissioner of banks and his consent or rejection must be based upon the examination above referred to. Expenses of such examination must be paid by the banks examined. Notice of the consolidation or transfer must be published for four weeks before or after the same is to become effective, at the discretion of the commissioner of banks, in a newspaper published in a city, town, or county in which each of the banks concerned is located. A certified copy of such published notice must be filed with the commissioner of banks. (Cons. Stats. of N. C., sec. 217 (k), as amended by Act of April 2, 1931; Banking Law Pamphlet, 1927, sec. 217 (k), p. 7, as amended by Act of April 2, 1931.)

Rights of creditors not impaired by consolidation or transfer; corporate existence continued for three years.

In case of either transfer or consolidation the rights of creditors

(North Carolina - cont'd.)

are preserved unimpaired, and the respective companies are continued in existence to preserve such rights for a period of three years. (Cons. Stats. of N. C., sec. 217 (k); Banking Law Pamphlet, 1927, sec. 217 (k), p. 7.)

Legal effect of consolidation.

In case of a consolidation, when the agreement for consolidation is made and a certified copy together with a certified copy of its approval by the commissioner of banks are filed with the Secretary of State, the consolidating banks "shall be held to be one company, possessed of the rights, privileges, powers, and franchises of the several companies, but subject to all the provisions of law under which it is created." Directors and other officers named in the agreement, may serve until the first annual meeting for election of officers and directors, the date for which must be named in the agreement. "On filing such agreement, all and singular, the property and rights of every kind of the several companies shall thereby be transferred and vested in such new company, and be as fully its property as they were of the companies parties to the

(North Carolina - cont'd.)

agreement." (Cons. Stats. of N. C., sec. 217 (1), as amended by Act of April 2, 1931; Banking Law Pamphlet, 1927, sec. 217 (1), p. 7, as amended by Act of April 2, 1931.)

A similar provision is made in the case of the consolidation of a State bank or trust company with a national bank under the charter of the latter or under a new charter; and it is expressly provided that the right of succession as trustee, executor or any other fiduciary capacity shall pass to the consolidated institution. (Laws of 1929, ch. 148, p. 171.)

NORTH DAKOTA.

Consolidation or merger of "banking associations".

The laws of North Dakota provide that any two or more State banking associations "may consolidate their capital, assets, and liabilities,

(North Dakota - cont'd.)

or one or more of such associations may be merged into another" in the manner set out below. (Supp. to 1913 Comp. Laws, sec. 5191c1; Banking Law Pamphlet, 1929, sec. 5191c1, p. 52.)

Meaning of terms.

"The term 'consolidation' as used herein shall mean the consolidation of the liabilities, assets and corporate existence of two or more associations into a single association, which shall issue its stock to stockholders in the consolidating associations in return for the assets of the consolidating associations.

"The term 'merger' as used herein shall mean the taking over, or the absorption of the assets of one association by another, and the assumption of the liabilities of the association, or associations, whose assets and liabilities are taken over.

"The term 'old association' where hereinafter used means the associations which are consolidating or merging into the other associations, and the term 'new association' means the association into which the other associations are being consolidated or merged." (Supp. to 1913 Comp. Laws, sec. 5191c2; Banking Law Pamphlet, 1929, sec. 5191c2, p. 52.)

Meeting to act upon consolidation or merger; notice of.

If two or more banking associations desire to consolidate or merge, the directors of each association "shall call a special meeting of the stockholders", the notice of which must state definitely the purpose for which it is called, to act upon the consolidation or merger, or the matters may be acted on at a regular stockholder's meeting. In the latter

(North Dakota - cont'd.)

event, notice that the consolidation or merger will be considered must be given to each stockholder at least ten days prior to the meeting. (Supp. to 1913 Comp. Laws, sec. 5191c3; Banking Law Pamphlet, 1929, sec. 5191c3, p. 52.)

Vote of stockholders.

The stockholders must put the question of the proposed consolidation or merger to a vote and the question so put "shall embody the proposed amount of capital stock of the consolidated or merged corporation"; but such amount may be varied by the State Examiner or court on passing on the consolidation or merger. "The proposal for consolidation or merger shall be deemed lost, unless two-thirds of all the stock shall vote in favor thereof." (Supp. to Comp. Laws of 1913, sec. 5191c4; Banking Law Pamphlet, 1929, sec. 5191c4, p. 52.)

Capital required of new association.

A consolidation can not be made unless the new association "have a capital of at least two-thirds of the aggregate capital of the old associations, but it may have a larger capital than that of the old associations." (Supp. to 1913 Comp. Laws, sec. 5191c5; Banking Law Pamphlet, 1929, sec. 5191c5, p. 52.)

Time of stockholders meeting.

The several stockholders meetings at which the consolidation or merger is acted upon must be held at such times that the result of all of them may be certified to the State Examiner within thirty days from the date of the holding of the first meeting. The result of each meeting,

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within ten days after it is held, must be certified to the State Examiner by the chairman and secretary of the meeting. (Supp. to 1913 Comp. Laws, sec. 5191c6; Banking Law Pamphlet, 1929, sec. 5191c6, p. 53.)

Examination of consolidating associations.

Upon receiving certificates showing favorable action by all of the consolidating associations, "the state Examiner shall cause a thorough examination of the condition of the said associations to be made with a view of determining whether their condition is such that the proposed consolidation or merger would result in a sound and efficient banking association adapted to the needs of the community in which it is proposed to operate." (Supp. to 1913 Comp. Laws, sec. 5191c7; Banking Law Pamphlet, 1929, sec. 5191c7, p. 52.)

Notice of findings; State Examiner may require changes in conditions.

Upon completing his examination, the State examiner must advise each of the associations if he finds that a consolidation or merger is desirable. If the conditions existing are not desirable for the consolidation or merger, the State Examiner shall indicate any changes therein necessary to correct the situation; and he may prescribe a time within which such changes may be made to warrant his approval. (Supp. to 1913 Comp. Laws, sec. 5191c8; Banking Law Pamphlet, 1929, sec. 5191c8, p. 53.)

Appeal may be taken from adverse decision of State Examiner.

If the State examiner reaches a decision adverse to the consolidation or merger, an informal appeal may be made to the Banking Board, "and the Board shall, as speedily as possible, set a time when it will hear any

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reasons that may be advanced why the findings of the State Examiner should be reversed; and upon such hearing, it shall make such order as seems proper in the premises." (Supp. to 1913 Comp. Laws, sec. 5191c8; Banking Law Pamphlet, 1929, sec. 5191c8, p. 53.)

Finding favorable to consolidation or merger, representative of participating associations must meet; schedule of assets; proportion of stock to be accredited to old stockholders.

If the State examiner, or the Banking Board on appeal, finds favorably with reference to the consolidation or merger, each of the participating associations, by its Board of Directors, must appoint one or more representatives to meet with the representatives of the other association. These representatives must determine and make a schedule of the assets of each of the participating associations and must also "schedule all the indebtedness of the old associations, and only such assets shall be retained by the old associations as the State Examiner shall deem not proper assets to be held by the new association". In case of a consolidation, the representatives must agree upon the proportion of the stock in the new association to be accredited to the stockholders of each of the old associations; "but the distribution of such stock among the stockholders of the several old associations shall be by the old associations as hereinafter provided for." (Supp. to 1913 Comp. Laws, sec. 5191c9; Banking Law Pamphlet, 1929, sec. 5191c9, p. 53.)

Schedules and agreement must be put in writing; State examiner may approve or disapprove; appeal from decision of.

The schedules and agreement above referred to must be put in writing and signed in duplicate by the representatives of the old associa-

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tions and are "binding upon them and non-revocable". If the associations cannot agree, no consolidation or merger shall take place. Upon "agreeing and signing the agreement as aforesaid, one of the duplicates shall be delivered to the State Examiner who may either approve or disapprove the same, or make suggestions for the modification thereof as a condition of approval, and he may fix a time within which the conditions shall be met, and likewise agreed to in writing are resubmitted to him. And in this case likewise the association may informally appeal from the decision of the State Examiner to the Banking Board." (Supp. to 1913 Comp. Laws, sec. 5191c10; Banking Law Pamphlet, 1929, sec. 5191c10, pp. 53 and 54.)

Approval of agreement; notice to participating associations.

If the State Examiner, or the Banking Board on appeal, approves the agreement or modified agreement, an endorsement to this effect must be made on the duplicate of the agreement held by the State Examiner, "and each of the associations shall be immediately notified of such approval." (Supp. to 1913 Comp. Laws, sec. 5191c11; Banking Law Pamphlet, 1929, sec. 5191c11, p. 54.)

After notice of approval, petition for decree of consolidation or merger must be filed with district court.

After notice of the above approval has been received by the participating associations, they must "file in the office of the clerk of the district court of the county in which at least one of the associations is doing business, a petition asking for a decree of consolidation or merger". Such petition must set out the "names and location of the new

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association, and shall recite briefly the taking of the several successive steps hereinbefore provided for and a statement of the amount of the assets and indebtedness of each of the old associations to be transferred to and assumed by the new association, the amount of the capital stock, and the amount thereof to be apportioned to the stockholders of each of the old associations and the names of the first board of directors of the new association." (Supp. to 1913 Comp. Laws, sec. 5191c12; Banking Law Pamphlet, 1929, sec. 5191c12, p. 54.)

Notice of filing of petition to be issued by clerk of court; publication of.

When such petition has been filed, the Clerk of the district court must issue a notice which must set out (1) that the petition has been filed in his office, (2) that the effect of the consolidation or merger will be to transfer the principal assets of the petitioning associations to the new association and to create in the latter association a liability to pay all of the debts of the petitioning associations and to establish a novation by the petitioning associations, creditors, and the new association, and (3) that a hearing in the office of the clerk on the petition will be held on a specified date. This notice must be signed by the clerk and attested by the seal of the court and must be published for a certain length of time "in some newspaper qualified to publish legal notices in the county in which such petition is filed." Proof of such publication must be filed with the clerk of the district court. (Supp. to 1913 Comp. Laws, sec. 5191c13; Banking Law Pamphlet, 1929, sec. 5191c13, p. 55.)

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Decree of court permitting consolidation or merger.

If no objection has been made to the petition within twenty days after its last publication, "the court shall at once upon the showing of the default, make its decree permitting the consolidation, or merger, as the case may be." (Supp. to 1913 Comp. Laws, sec. 5191c14; Banking Law Pamphlet, 1929, sec. 5191c14, p. 55.)

Opposition to petition; stay of proceedings, bond; decree.

Any opposition to the petition made by any creditor will be heard by the court and the only cause for denying the petition "shall be that the objecting creditor is in danger of being substantially damaged in his financial rights". If the creditor establishes this fact, the court may order the proceedings to be stayed; but if a bond of indemnity is given to the creditor to the effect that all of his legal claims will be paid by the new association when due "the proceedings shall be considered as though no opposition had been made thereto" and the court shall accordingly enter its decree permitting the consolidation or merger. (Supp. to 1913 Comp. Laws, sec. 5191c15; Banking Law Pamphlet, 1929, sec. 5191c15, p. 55.)

General effect of decree.

"The effect of a decree permitting consolidation, or merger, shall be to bar forever all objections thereto, and to establish a complete novation between the old associations, and creditors, and the new association to the end that from that time henceforth, the old associations are relieved of all liabilitiy to creditors, all such creditors having a valid and legal claim against the new association to the full extent that they had

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a claim against any of the old associations, and the new association is liable for all indebtedness of all the old associations to the same extent that they were liable, and all of the stockholders' liability, as stockholders, in the several old associations are merged into their stockholders' liability as stockholders in the new association." (Supp. to 1913 Comp. Laws, sec. 5191c16; Banking Law Pamphlet, 1929, sec. 5191c16, pp. 55 and 56.)

Conclusiveness of decree.

The decree of the district court is "final and conclusive, not subject to appeal, nor to motion to vacate or set aside, and not subject to be set aside or vacated on motion for a new trial." (Supp. to 1913 Comp. Laws, sec. 5191c17; Banking Law Pamphlet, 1929, sec. 5191c17, p. 56.)

Objections, who may make; dissenting stockholders, rights of.

No stockholder who voted, or refrained from voting, for a consolidation or merger, can object thereto; but any stockholder who voted against such consolidation or merger, at any time prior to the filing of the petition in court, may file objection and appear before the State examiner or Banking Board and show cause why the consolidation or merger should not be allowed, "but the determination of the State Examiner or the Banking Board shall be conclusive of his rights." No action or proceeding in court can be maintained by any person questioning the validity of the consolidation or merger, or to recover anything on account thereof, unless such action or proceeding was commenced prior to the time of entry of the decree of consolidation or merger. The court in which the petition for consolidation or merger is filed or the appropriate federal court has

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"exclusive jurisdiction of such action or proceedings." (Supp. to 1913 Comp. Laws, sec. 5191c18; Banking Law Pamphlet, 1929, sec. 5191c18, p. 56.)

Decree of merger or consolidation, when necessary to do further acts after; contents of decree of consolidation; filing of certified copy of decree; issuance of certificate of authority.

When a decree of merger has been entered, "no further act shall be necessary to be done, except to make the transfers of the assets from the old associations to the association into which they are merged;" but in case of a consolidation, the decree must specify the name and location, and the amount of capital stock of the new association with the proportions in which it is allotted to each of the old associations. The decree must also name the first board of directors, or in case of death or disability of any of such directors, "shall substitute another or others to be nominated by the petitioners."

"A certified copy of such decree" with a fee of five dollars must then be filed in the office of the Secretary of State, "and such new association shall thereupon become a banking association in all things the same as though originally organized under the Banking Laws and the Secretary of State shall thereupon issue to it a certificate of authority, as in the case of the incorporation of other banking associations, which certificate should be delivered to the State Examiner to be in turn delivered by him to the said new association upon its being made to appear to him that all the terms and conditions of the consolidation have been complied with." (Supp. to 1913 Comp. Laws, sec. 5191c19; Banking Law Pamphlet, 1929, sec. 5191c19, p. 57.)

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Election of officers.

As soon as the certificate of authority has been delivered to the directors they must meet and elect officers, and until such election the directors shall supervise and conduct the business of the new association. (Supp. to 1913 Comp. Laws, sec. 5191c20; Banking Law Pamphlet, 1929, sec. 5191c-20, p. 57.)

Consolidation or merger, operation of old corporations must cease; officers and directors to continue; when corporate existence extinguished.

When either a consolidation or merger has been consummated, "the old associations shall cease to operate as banking associations or to transact any business other than to administer any assets that under the terms of the consolidation or merger have not been transferred. They shall not elect any new officers or directors, but the directors and officers holding at the time of the consolidation or merger shall continue and the corporation itself shall remain in existence for a period of one (1) year during which time its remaining assets, if any must be disposed of, and the proceeds distributed among its stockholders, and at the end of one year from the filing of the decree of consolidation or merger, the said old associations shall cease to exist, unless upon good cause shown, and before the expiration of the said period of one (1) year any of said old associations shall obtain from the court an order extending the time of their existence, which order shall only be granted upon a showing of a substantial reason therefor." (Supp. to 1913 Comp. Laws, sec. 5191c21; Banking Law Pamphlet, 1929, sec. 5191c21, p. 57.)

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Statement as to new stock due to old stockholders; proportionment of.

When a consolidation has been completed, the board of directors of each of the old associations must furnish to the board of directors of the new association a statement of the amount of stock due to each of the stockholders of the old associations and the new association must then issue stock proportioned upon their former holdings to such stockholders. Provision is also made for the issuance of stock to stockholders where the amount to which they are entitled does not consist of even multiples of one hundred dollars. (Supp. to 1913 Comp. Laws, sec. 5191c22; Banking Law Pamphlet, 1929, sec. 5191c22, p. 57.)

Remedial purpose of above provisions; liberal construction required.

"The purpose of the Act is remedial, and it is intended to remedy a well understood condition existing in the banking business of the State of North Dakota, a part of which condition is the need of larger and stronger banking institutions, and the supplying of more efficient banking service, to various communities, and to the end that such conditions may be remedied to the utmost extent possible, this Act shall be in all things liberally construed, for the accomplishment of its ultimate purpose." (Supp. to 1913 Comp. Laws, sec. 5191c23; Banking Law Pamphlet, 1929, sec. 5191c23, p. 58.)

Additional authorization for consolidation or merger of banks.

Additional provisions covering the consolidation or merger of banks, which were enacted in 1927, provide that "any two or more banks" with the approval of the State Examiner, may consolidate or merge under the charter of either existing bank. The merger or consolidation may be

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on such terms as may be agreed upon by the majority of the board of directors of each bank, and must be "ratified and confirmed" at a special meeting by two-thirds of the stockholders of each bank. Notice of such meeting must be given to the stockholders "at least ten days prior to said meeting"; but the stockholders "may unanimously waive such notice and may consent to such meeting and consolidation or merger in writing." (S. L. 1927, ch. 93; Banking Law Pamphlet, 1929, p. 58.)

Capital stock required of consolidated institution.

The capital stock of the "consolidated bank shall not be less than that required under existing law for the organization of a bank of the class of the largest consolidating bank." (S. L. 1927, ch. 93; Banking Law Pamphlet, 1929, p. 58.)

Report of assets and liabilities.

"The assets and liabilities of the consolidated bank shall be reported by the surviving bank." (S. L. 1927, ch. 93; Banking Law Pamphlet, 1929, p. 58.)

Legal effect of consolidation or merger under chapter 93 of laws of 1927.

"All the rights, franchises, and interest of said bank so consolidated in and to every species of property, real, personal and mixed and choses in action thereto belonging, shall be deemed to be transferred to and vested in such bank into which it is consolidated without other instrument of transfer, and the said consolidated bank shall hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent as was held and enjoyed by the bank so consolidated therewith, provided, however, that the merging bank shall

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transfer to the surviving bank all of its real property by good and sufficient deed of conveyance and for that and other purposes shall remain a body corporate for a period of at least three years after merger and shall not then dissolve without the approval of the State Examiner."
(S. L. 1927, ch. 93; Banking Law Pamphlet, 1929, p. 58.)

Additional provisions with reference to legal effect of consolidation or merger of "corporations, including banks and trust companies."

Additional legislation enacted in 1927 provides further with reference to the legal effect of a consolidation or merger that "Whenever any two or more corporations, including banks and trust companies, organized under the Laws of this State have heretofore consolidated, merged or otherwise transferred, or shall hereafter consolidate, merge or otherwise transfer, its business to another corporation, including bank or trust company, organized, or to be organized, under the laws of this State, the consolidated or new corporation, by whatever name it may assume, or be known, shall, unless otherwise provided in the agreement or order of merger or consolidation, be a continuation of the entities of each and all of the corporations, including banks and trust companies, so consolidated, merged or otherwise transferred to such consolidated or new corporation for all purposes whatsoever, and all of the rights, franchises and interests of said corporations, including banks and trust companies, so consolidated, merged or transferred in and to every species of property, real, personal and mixed and choses in action thereto belonging shall be deemed to be so transferred to and vested in the corporation which acquires the same on such consolidation, merger or other transfer without any assignment, deed

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or other transfer, and such corporation shall hold and enjoy the same and all rights of property, franchises and interests in the same manner and to the same extent as was held and enjoyed by the corporation, or corporations, including banks and trust companies, so consolidated, merged or otherwise transferred, including the holding and performing by any bank or trust company of any and all trusts and fiduciary relations whatsoever as to or for which either or any of the banks or trust companies so consolidating, merging or otherwise transferring may have been, or may be appointed, nominated or designated by any will, agreement, conveyance, or otherwise, whether or not such trust or fiduciary relation shall have come into being, or shall have taken effect at the time of such consolidation, merger or other transfer." (S. L. 1927, ch. 108; Banking Law Pamphlet, 1929, pp. 58 and 59.)

OHIO.

Definition of word "bank".

The term "bank" when used in the following provisions of the laws of Ohio includes commercial banks, savings banks and trust companies. (General Code, sec. 710-2; Banking Law Pamphlet, 1928, sec. 710-2, p. 5.)

Consolidation or transfer of assets.

The laws of Ohio provide that "A bank may consolidate with or transfer its assets and liabilities to another bank". (General Code, sec. 710-86; Banking Law Pamphlet, 1928, sec. 710-86, p. 33.)

Proceedings authorizing consolidation or transfer of assets; agreement; filing of.

Before a consolidation or transfer of assets can become effective,

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each corporation concerned must file with the superintendent of banks, "certified copies of all proceedings had by its directors and stockholders which such stockholders' proceedings shall set forth that holders of at least two-thirds of the stock, voted in the affirmative on the proposition of consolidation or transfer." The stockholders' proceedings must also contain a complete copy of the agreement for consolidation or transfer of assets which was entered into by the corporations involved. (General Code, sec. 710-86; Banking Law Pamphlet, 1928, sec. 710-86, p. 33.)

Consent of commissioner of banks necessary to consolidation or transfer; appeal from adverse decision of; examination of corporations involved; publication of notice of consolidation or transfer.

When the stockholders' and directors' proceedings have been filed as above prescribed, the superintendent of banks must make an examination of each corporation "to determine whether the interests of the depositors and creditors and stockholders of each bank are protected and that such consolidation or transfer is made for legitimate purposes." No consolidation or transfer can be made without the consent of the superintendent of banks and his consent or rejection must be based upon the examination above referred to. If he refuses to give his consent, an appeal may be taken in the manner as is provided in the case of a refusal by the superintendent to certify that a new bank may commence business. Expenses of such examination must be paid by the corporations examined, and notice of the consolidation or merger "shall be published for four weeks, before or after the same is to become effective, at the discretion of the superintendent of banks, in a newspaper published in a city, village or county, in which each of such banks is located, and a certified copy thereof shall

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be filed with the superintendent of banks." (General Code, sec. 710-86; Banking Law Pamphlet, 1928, sec. 710-86, p. 33.)

Rights of creditors.

"In case of either transfer or consolidation, the rights of creditors shall be preserved unimpaired and the respective companies deemed to be in existence, to preserve such rights." (General Code, sec. 710-87; Banking Law Pamphlet, 1928, sec. 710-87, p. 33.)

Legal effect of consolidation.

"In case of consolidation, when the agreement of consolidation is made and a duly certified copy thereof is filed in the office of the secretary of state, together with a certified copy of the approval of the superintendent of banks to such consolidation, the banks, parties thereto, shall be held to be one company possessed of the rights, privileges, powers and franchises of the several companies, but subject to all provisions of law relating to the different departments of its business. The directors and other officers named in the agreement of consolidation shall serve until the first annual election, the date for which shall be named in the agreement. On filing such agreement all and singular the property and rights of every kind of the several companies, including the exclusive right in and to the corporate name of each of the banks parties to such agreement shall thereby be transferred to and vested in such new company, and be as fully its property as they were of the companies parties to such agreement. The secretary of state shall not file or record any articles of incorporation of any company organized to do the business of a bank, a building and loan association, or a mortgage or investment company, within the county within which said consolidated bank is situated, if such name,

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or the distinguishing part thereof, is that of any bank party to such agreement, or so similar thereto as to be likely to mislead the public, unless the written consent of the consolidated bank, signed by its president and secretary, be filed with such articles." (General Code, sec. 710-88; Banking Law Pamphlet, 1928, sec. 710-88, pp. 33, and 34.)

OKLAHOMA.

No provisions covering consolidation, merger, etc.

The laws of Oklahoma do not contain any provisions having specific reference to the consolidation, merger, etc., of banks and trust companies.

OREGON.

Consolidation of bank or trust company: transfer of assets and liabilities including trusts and fiduciary business.

The laws of Oregon provide that if two-thirds of its stockholders vote to do so, "any bank or trust company may consolidate with any other bank or trust company doing business under the laws of this state or under the laws of the United States". The written consent of the superintendent of banks is also necessary to such consolidation and it must be "upon such terms and conditions as he shall require and not otherwise". Any such bank or trust company

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may transfer its assets and liabilities, including its trusts and fiduciary business, to the proposed successor corporation; but if any trust or fiduciary business is transferred, the latter corporation must have at the time of the transfer authority from the superintendent of banks to do a trust business. When the superintendent is satisfied that the consolidation "has been completed and is effective he shall furnish the successor corporation a certificate bearing the seal of the state banking department to the effect that such consolidation has taken place and is effective". Provision is made for the recordation of this certificate and it "shall be prima facie evidence that such consolidation has been made and is effective". (Oregon Code, 1930, sec. 22-1703, as amended by General Laws, 1931, ch. 278, sec. 25, p. 466.)

The Oregon laws also provide that any bank or trust company in the process of voluntary liquidation may sell or transfer its deposit liabilities or its trust and fiduciary business to some other bank or trust company by a resolution of its board of directors authorizing such sale or transfer, and surrender its certificate of authority to the superintendent of banks; but no such sale or transfer can be made without first having obtained the written approval and consent of the superintendent of banks, and then only upon such terms and conditions as he shall require. The purchasing corporation to which any trust or fiduciary business is transferred must have at the time of such transfer authority from the superintendent of banks

(Oregon - cont'd.)

to do a trust business. When the superintendent is satisfied that the sale or transfer has been completed and is effective, "he shall furnish the purchasing corporation with a certificate bearing the seal of the state banking department to the effect that such sale or transfer has taken place and is effective". Provision is made for the recordation of this certificate and it "shall be prima facie evidence that such sale or transfer has been made and is effective". (Oregon Code, 1930, sec. 22-1702, as amended by General Laws, 1931, ch. 278, sec. 24, p. 465.)

Legal effect of sale of assets or consolidation.

If any bank or trust company sells all or any of its assets to another bank or trust company which takes over and assumes its deposit liabilities, "such corporation may not thereafter engage in the banking or trust business and shall amend its articles of incorporation by eliminating therefrom the power to engage in a banking and/or trust business or shall be and is dissolved, except for the purpose of winding up its affairs, and shall not thereafter be reinstated and shall surrender its charter. If any bank or trust company shall consolidate with another bank or trust company one of the corporations shall be dissolved, except for the purpose of winding up its affairs, and shall not thereafter be reinstated and shall surrender its charter." (General Laws of 1925, ch. 207, sec. 178, as amended by General Laws of 1929, ch. 380, sec. 40(b), p. 483.)

PENNSYLVANIA.

Merger of State banks and trust companies.

The general corporation laws of Pennsylvania provide that any State corporation may

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"merge its corporate rights, franchises, powers, and privileges with and into those of any other corporation or corporations transacting the same or a similar line of business, so that by virtue of this act such corporations may consolidate, and so that all the property, rights, franchises, and privileges then by law vested in either of such corporations, so merged, shall be transferred to and vested in the corporation into which such merger shall be made." (Act of May 3, 1909, P. L. 408, sec. 1; Banking Laws, 1930, sec. 496, p. 269.)

Procedure for merger; agreement of directors, conditions and contents of; approval of stockholders necessary to make effective.

The directors of each corporation are required to enter into a joint agreement, under the corporate seal of each corporation, for the merger and consolidation of such corporations. The agreement must prescribe the terms and conditions of the merger or consolidation, the mode of carrying it into effect, the name of the new corporation, the number, names and residences of its directors and other officers, who shall be the first directors and officers, the number and amount or par value of shares of the capital stock, and the manner of converting the capital stock of each of such corporations into the stock of the new corporation. The agreement must also set out how and when directors and officers shall be chosen, with such other details as shall be deemed necessary to perfect the consolidation and merger; but the agreement does not become effective unless it is approved by the stockholders of such corporations, in the manner hereinafter set forth. (Act of May 3, 1909, P. L. 408, sec. 2; Banking Laws, 1930, sec. 497, pp. 269 and 270.)

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Submission of agreement to stockholders; when deemed to be act of consolidation.

The agreement must be submitted at a special, or any annual, meeting of the stockholders of each of the corporations involved, and advance notice of the time, place and object of such meeting must be given in certain designated newspapers. If a majority of the entire stock of each corporation votes in favor of the agreement, merger and consolidation, then that fact must be certified under corporate seal by the secretary of each corporation. These certificates, together with the agreement, or a copy thereof, must be filed in the office of the Secretary of the Commonwealth, who shall forthwith present the same to the Governor for his approval. When approved by the Governor such agreement "shall be deemed and taken to be the act of consolidation of said corporation." (Act of May 3, 1909, P. L. 408, sec. 2; Banking Laws, 1930, sec. 498, p. 270.)

Certified copy of agreement and secretary's certificate as evidence of merger.

A certified copy of the certificate of the secretary of each of the consolidating corporations that the directors' agreement, merger and consolidation has been approved as aforesaid, and the agreement itself, or a copy thereof, filed in the office of the Secretary of the State, is evidence of the lawful holding and action of such stockholders' meetings, and of the merger and consolidation of the corporations. (Act of May 3, 1909, P. L. 408, sec. 4; Banking Laws, 1930, sec. 500, p. 272.)

Legal effect of merger; issue of "new letters patent"; payment of bonus.

Upon the filing of the papers as above described "and upon the

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issuing of new letters patent thereon by the Governor, the said merger shall be deemed to have taken place, and the said corporations to be one corporation under the name adopted in and by said agreement, possessing all the rights, privileges, and franchises theretofore vested in each of them, and all the estate and property, real and personal, and rights of action of each of said corporations, shall be deemed and taken to be transferred to and vested in the said new corporation without any further act or deed: Provided, That all rights of creditors and all liens upon the property of each of said corporations shall continue unimpaired, limited in lien to the property affected by such liens at the time of the creation of the same, and the respective constituent corporations may be deemed to be in existence to preserve the same; and all debts not of record, duties, and liabilities of each of said constituent corporations shall thenceforth attach to the said new corporation, and may be enforced against it to the same extent and by the same process as if said debts, duties, and liabilities had been contracted by it." Such merger is not complete, however, and no business of any kind may be transacted until the consolidated corporation has obtained from the Governor new letters patent and has paid to the State Treasurer a certain prescribed bonus upon its capital stock, in excess of the amount of the capital stock of the consolidating corporations. New letters patent can not be issued until each of the consolidating corporations has filed with the Secretary of the Commonwealth a certificate from the Department of Revenue, setting forth that all reports required by the Department of Revenue have been duly filed, and that all State taxes due have been paid, up to and including

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the date of the proposed merger. (Act of May 3, 1909, P. L. 408, sec. 3, as amended by Act of April 29, 1915, P. L. 205; Banking Laws, 1930, sec. 499, pp. 271 and 272.)

Dissenting stockholders; rights of.

The laws of Pennsylvania also contain detailed provisions granting to stockholders in any of the consolidating corporations, who have voted against the consolidation and who "shall be dissatisfied with or object to such consolidation", the right within a certain prescribed time and upon compliance with a certain prescribed procedure, to be paid for the stock held by them. (Act of May 3, 1909, P. L. 408, sec. 5; Banking Laws, 1930, sec. 501, p. 273.)

Trust estate and property specifically transferred to and vested in consolidated corporation; obligations, duties and liabilities assumed; substitution of trustees.

Whenever a State bank exercising trust powers, or a trust company, merges or consolidates with another such bank or trust company "all the estate and property, real and personal, held by either of such merging corporations in any trust or fiduciary capacity shall be deemed and taken to be transferred to and vested in the consolidated corporation without any further act or deed or any order or decree of any court or other tribunal, and the consolidated corporation shall have and hold the same as fully as the same was possessed and held by the constituent corporations from which it was, by operation of the provisions of this act, transferred; and said consolidated corporation shall succeed to all the relations, obligations, and liabilities, and shall execute and perform all

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the trusts and duties devolving upon it in the same manner as though it had itself assumed the relation or trust". (Act of May 9, 1923, P. L. 174, sec. 1; Banking Laws, 1930, sec. 502, p. 274.) If within thirty days after notice to any person or corporation interested in any trust involved in the consolidation, such person or corporation files a written objection with the consolidated corporation and applies to the court having jurisdiction of the trust estate for the appointment of a substituted trustee or other fiduciary, such court may appoint another trustee or fiduciary and may "order said consolidated corporation forthwith to file an account of such trust estate and to pay over and transfer the assets

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and property thereof to the substituted trustee or fiduciary so appointed." (Act of May 9, 1923, P. L. 174, sec. 1; Banking Laws, 1930, sec. 503, p. 275.)

Succession of consolidated corporation to appointments of consolidating corporations.

In all cases where a State bank or trust company or a national bank located in Pennsylvania "has been heretofore, or shall hereafter be, named or appointed executor, guardian, trustee, or to any other fiduciary capacity, by or in any will, deed or other instrument, such nomination or appointment shall not be deemed to have lapsed by reason of the merger or consolidation of such company with another trust company or banking company, incorporated under any general or special law of this Commonwealth, or under any law of the United States, and located in this Commonwealth, where such merged or consolidated company is possessed of fiduciary powers, but such merged or consolidated company shall be entitled to act in the same fiduciary capacity under such instrument as the constituent company could have acted if no such merger or consolidation had been effected." (Act of April 26, 1929, P. L. 839, No. 365; Banking Laws, 1930, sec. 505, p. 276.)

Validation of exercise of fiduciary powers by consolidated corporation.

Wherever a State trust company or banking company, possessed of trust powers, or a national banking company located in Pennsylvania, formed by a merger or consolidation of two or more trust companies, or State banks or national banks, or both, "has heretofore been granted letters testamentary, or has heretofore assumed any fiduciary relationship, and

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has heretofore performed any acts pursuant thereto, under the terms of any instrument naming or appointing one of such constituent companies to any fiduciary capacity, such grant of letters, and all relationships of any fiduciary nature heretofore assumed, and all acts heretofore performed pursuant thereto by such merged or consolidated company, shall be taken to be as valid and effectual for all purposes as if such letters had been granted to, and such relationships had been assumed and acts performed by, the constituent company." (Act of April 26, 1929, P. L. 839, No. 366; Banking Laws, 1930, sec. 504, p. 275.)

Merger of national bank with State bank or trust company; definition of term "State bank".

The laws of Pennsylvania provide that the term "State Bank" as

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used in the following provisions, "shall mean a bank, trust company, or bank and trust company, organized under the laws of this Commonwealth." (Act of April 16, 1929, P. L. 522, sec. 1; Banking Laws, 1930, sec. 506, p. 277.)

Authority for merger of national bank with State bank or trust company.

Any national bank located in the State of Pennsylvania "may be merged and consolidated with any state bank, under the charter of such state bank, on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of the national banking association and of the state bank to be merged and consolidated". (Act of April 16, 1929, P. L. 522, sec. 2; Banking Laws, 1930, sec. 507, p. 278.)

Confirmation of agreement by stockholders; notice of meeting.

Before the directors' agreement for merger and consolidation becomes effective, it must be ratified and confirmed by two-thirds of the stockholders of each of the merging corporations at a meeting called by the directors, after publishing notice of the time, place and object of the meeting for two weeks in certain designated newspapers. A copy of such notice must also be sent to each shareholder at least two weeks prior to the day fixed for such meeting. Where notice of such meeting is waived in writing by all of the stockholders, the advertisements and personal notices above provided for are not required. (Act of April 16, 1929, P. L. 522, sec. 3; Banking Laws, 1930, sec. 508, p. 278.)

Capital stock of resulting corporation.

"The capital stock of the merged and consolidated state bank

(Pennsylvania - cont'd.)

shall not be less than that required for such institutions under the laws of the Commonwealth." (Act of April 16, 1929, P. L. 522, sec. 4; Banking Laws, 1930, sec. 509, p. 279.)

Compliance with laws of United States; approval of merger agreement by Secretary of Banking.

The merger and consolidation must not be in contravention of the laws of the United States and does not become effective until the national bank has fully complied with the laws of the United States relating to the merger of national banks with State banks or providing for their liquidation or the shares thereof, "nor until the agreement entered into by the boards of directors of the institutions so merging and consolidating and ratified by the shareholders as before provided has been submitted to and approved by the Secretary of Banking". (Act of April 16, 1929, P. L. 522, sec. 5; Banking Laws, 1930, sec. 510, p. 279.)

Dissenting shareholders, rights of.

After the completion of the merger, any shareholder of the merging corporations "who has not voted for such merger and consolidation" may give notice within a certain prescribed time that he dissents from the merger and is then entitled to receive the value of the shares held by him. Detailed provision is also made for the appraisal, payment and disposition of the shares held by such dissenting stockholder. (Act of April 16, 1929, P. L. 522, sec. 6; Banking Laws, 1930, secs. 511 and 512, pp. 279 and 280.)

Legal effect of merger.

"All the rights, franchises, and interests of such national banking association, so merged and consolidated with a state bank, in and

(Pennsylvania - cont'd.)

to every species of property, real, personal and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such state bank into which it was merged and consolidated, without any deed or other transfer; and the said merged and consolidated state bank shall hold and enjoy the same, and all rights or property, franchises and interests, including the right of succession as trustee, executor or in any tother fiduciary capacity, if qualified by its charter under the laws of this Commonwealth, in the same manner and to the same extent as was held and enjoyed by such national banking association". (Act of April 16, 1929, P.L. 522, sec. 7; Banking Laws, 1930, sec. 513, p. 280.)

Sale, assignment, etc., of franchises and property by one trust company to another.

The laws of this State also contain what is known as the "Short Merger Act". This act makes it lawful, among other things, for one trust company to sell, assign, dispose of and convey its franchises and property to another trust company, the pertinent provisions providing as follows:

> "Any corporation created under the provisions of this act (the creation of banks not being provided for thereunder), and any corporation of the classes named in the second section hereof, (trust companies, i. e., title insurance companies which have accepted the provisions of subsequent supplementary acts giving them trust powers), that is now in existence by virtue of any law of this Commonwealth, may reduce its capital stock or alter and change the par value of the shares thereof,

(Pennsylvania - cont'd.)

by a vote of the stockholders taken in the manner and under the regulations prescribed in the eighteenth, nineteenth, twentieth, twenty-first and twenty-second sections of this act; and it shall be lawful for any corporation in the same manner to sell, assign, dispose of and convey to any corporation created under or accepting the provisions of this act, its franchises, and all its property, real, personal and mixed, and thereafter such corporation shall cease to exist, and the said property and franchises not inconsistent with this act, shall thereafter be vested in the corporation so purchasing as aforesaid: * * *" (Act of April 29, 1874, P.L. 73, sec. 23, as amended by Act of April 17, 1876, P. L. 30, sec. 5, and Act of June 2, 1915, P.L. 724, No. 333; Banking Laws, 1930, sec. 272, p. 153.)

RHODE ISLAND.

Sale, lease or exchange of assets; no provisions covering consolidation or merger.

The laws of Rhode Island do not contain any provisions having specific reference to the consolidation or merger of banks or trust companies. The laws do provide that "Every bank, savings bank, and trust company * * * shall have all the powers, rights, and privileges, and be subject to all the duties, restrictions and liabilities, set forth in chapter two hundred and forty-eight so far only as is not repugnant to or inconsistent with the provisions of this title." (General Laws of 1923, ch. 271, sec. 1.); and chapter 248, (Section 55), as amended by P.L. 1927, ch. 1008, empowers a corporation to sell, lease or exchange all or substantially all of its assets and property, including good will "upon such terms and conditions as

(Rhode Island - cont'd.)

it deems expedient" if the holders of two-thirds of each class of its capital stock outstanding vote therefor, unless a higher proportion of affirmative votes is required by the articles of association. Section 56 of the same chapter outlines the procedure as to dissenting stockholders in such a case.

SOUTH CAROLINA.

Consolidation of State banks and trust companies with national banks and other State banks and trust companies.

With specific reference to banks and trust companies, the State of South Carolina, in an act approved April 7, 1930, provides that any State bank or trust company "may be merged or consolidated with any national banking association or associations under the charter of such national banking association or under a new charter issued as may be lawfully agreed upon," or such bank or trust company "may be merged with or consolidated"

(South Carolina - cont'd.)

with any other State bank or trust company, "provided that the laws of South Carolina governing the consolidation of State banks and trust companies shall first be complied with as to the consolidation of such banks or trust companies." (Act approved April 7, 1930, sec. 1.) The laws further provide that "All acts or parts of acts in conflict with this act are hereby repealed." (Act approved April 7, 1930, sec. 2.)

General legal effect of consolidation of banks and trust companies under provisions of act approved April 7, 1930.

When a consolidation under the provisions of the act approved April 7, 1930, "shall have been effected and approved as provided by law, all the right, franchises and interests of such bank or trust company so consolidated with the national banking association or national banking associations, or state bank or trust company, in and to every species of property, real, personal, and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such national banking association, or in such state bank or trust company into which it is consolidated, without any deed or other transfer, and the said consolidated national banking association or consolidated state bank or trust company shall hold and enjoy the same and all rights of property, franchises, and interests, or in any other fiduciary capacity in the same manner, and to the same extent, as was held and enjoyed by such bank or trust company so consolidated. In case of such consolidation the rights of creditors of such bank or trust company shall be preserved unimpaired and all lawful debts and liabilities of such bank or trust company shall be deemed to have been assumed by such consolidated national banking

(South Carolina - cont'd.)

association and such consolidated state bank or trust company." (Act approved April 7, 1930, sec. 1.)

Legal effect of merger or consolidation of trust companies on trust powers and property.

"When any trust company organized under the laws of this State shall have been appointed executor of the last will of any deceased person, or administrator, with or without the will annexed, of the estate of any deceased person, or as guardian, trustee, receiver, assignee, or in any other fiduciary capacity, if such trust company has heretofore merged or consolidated with or shall hereafter merge or consolidate with any other trust company organized under the laws of this State, then, at the option of said first-mentioned company and upon the filing by it with the court having jurisdiction of the estate being administered, of a certificate of such merger or consolidation, together with a statement that such other trust company is to thereafter administer the estate held by it and an acceptance by said latter trust company of the trust to be administered, such certificate, statement and acceptance to be executed by the president or vice-president of said respective companies and to have affixed thereto the corporate seals of said respective companies, attested by the secretary thereof, and further upon the approval of said court, all the rights, privileges, title and interest in and to all property of whatever kind, whether real, personal or mixed, and things in action, belonging to said trust estate, and every right, privilege or asset of conceivable value or benefit then existing which would inure to said estate under and unmerged or unconsolidated existence of said first mentioned company, shall be fully and finally and without right or reversion trans-

(South Carolina - cont'd.)

ferred to and vested in the corporation into which it shall have been merged or with which it shall have been consolidated, without further act or deed, and such last-mentioned corporation shall have and hold the same in its own right as fully as the same was possessed and held by the corporation from which it was, by operation of the provisions of this section, transferred, and said corporation shall succeed to all the relations, obligations and liabilities, and shall execute and perform all the trusts and obligations devolving upon it, in the same manner as though it had itself assumed the relation or trust." (Code of 1922, ch. XI, sec. 10(6); Banking Law Pamphlet, 1928, sec. 10(6), p. 118.)

Certain provisions of act covering consolidation of corporations in general also apparently applicable.

Other than the provisions set forth above, the laws of South Carolina contain no further provisions specifically covering the merger of consolidation of banks and trust companies. These laws, however, contain rather elaborate provisions covering the consolidation of corporations in general (Act approved April 14, 1925); and because the above digested provisions of the act approved April 7, 1930, require consolidating banks and trust companies to comply with the "laws of South Carolina governing the consolidation of State banks and trust companies", and, particularly, because none of the provisions above digested prescribes the machinery for effecting a consolidation or covers the matter of a consolidation in as elaborate a manner as the act approved April 14, 1925, it would seem that the provisions of the latter act are the "laws of South Carolina" referred to in the act approved April 7, 1930, and that, therefore, such

(South Carolina - cont'd.)

provisions are also applicable, wherever they may be made so, to the consolidation of banks and trust companies.

The act approved April 14, 1925, except in some few irrelevant cases, specifically authorizes any two or more corporations to "consolidate into a single corporation which may be either one of said consolidated corporations or a new corporation." (Section 1.) This provision and other provisions prescribing in detail the procedure for effecting a consolidation and defining the powers, duties, rights and liabilities of the consolidated corporation are digested below.

Agreement for consolidation of corporations in general.

All or a majority of the directors of the corporations desiring to consolidate "may enter into an agreement signed by them under the corporate seals of the respective corporations, prescribing the terms and conditions of consolidation, the mode of carrying the same into effect and the manner and basis of converting the shares of each of the old corporations into the new corporation, with such other details and provisions as are deemed necessary or desirable." (Act approved April 14, 1925, No. 169, sec. 1.)

Agreement must be submitted to stockholders; notice of meeting; approval or rejection of agreement; certification of agreement to Secretary of State; recording of; charter fees.

The consolidation agreement must be submitted to a special meeting of the stockholders of each of the corporations involved, and advance notice of the time, place and object of such meeting must be given by publication at least once a week for four consecutive weeks in one or

(South Carolina - cont'd.)

more newspapers published in the county in which each corporation either has its principal office or conducts its business. A copy of such notice must also be mailed to each stockholder at least twenty days prior to the meeting. At such meeting, if a majority of the stockholders of each corporation vote to adopt the agreement, that fact must be certified under corporate seal on the agreement by the secretary of each corporation. Such certified agreement must then be signed under corporate seal by the president or vice-president and secretary or assistant secretary of each of the corporations and acknowledged under oath by such president or vice-president" to be the act, deed, and agreement of each of said corporations, respectively, and the agreement so certified and acknowledged shall be filed in the office of the Secretary of State and shall thereupon be taken and deemed to be the agreement and act of consolidation of the said corporations". A copy of the agreement and act of consolidation, certified by the Secretary of State under the seal of his office, must also be recorded with the Clerk of the Court of the county in which the principal office of the consolidated corporation is or is to be established, and with the Clerks of the Courts of the counties where the original charters of the consolidating corporations have been recorded. If any of the corporations have been created by a special act of the General Assembly the agreement must be recorded in the county where such corporation had its principal office. Such record, or a certified copy thereof is "evidence of the existence of the corporation created by the said agreement and of the observance and performance of all antecedent acts and conditions necessary to the creation thereof: Provided, That the Secretary of State shall collect charter fees as now fixed by law for granting new charters on their having the total

(South Carolina - cont'd.)

capital stock of the consolidated corporation". (Act approved April 14, 1925, No. 169, sec. 1.)

Legal effect of consolidation under provisions of act approved April 14, 1925.

When the agreement is signed, acknowledged, filed and recorded, "the separate existence of the constituent corporations shall cease, and the consolidating corporations shall become a single corporation in accordance with the said agreement, possessing all the rights, privileges, powers and franchises, as well of a public as of a private nature, and being subject to all the restrictions, disabilities and duties of each of such corporations so consolidated, and all and single, the rights, privileges, powers and franchises of each of said corporations: Provided, however, where there is a right enjoyed by one corporation and a restriction as to the same matter enjoined on the other or either of the others, the latter shall prevail; and all property, real, personal and mixed, and all debts due on whatever act, and all other things, action or belonging to each of such corporations shall be vested in the consolidated corporation; and all property, rights, privileges, powers and franchises, and all and every other interest shall be thereafter as effectually the property of the consolidated corporation as they were of the several and respective former corporations, and the title to any real estate, whether by deed or otherwise, under the laws of this State, vested in either of such corporations, shall not revert or be in any way impaired by reason of this Act; provided, that all rights of creditors and all liens upon the property of either of said former corporations shall be preserved unimpaired, limited in lien to the property affected by such liens at the time of the consolidation, and all debts, liabilities and duties of the respective former corporations shall thenceforth

(South Carolina - cont'd.)

attach to said consolidated corporation, and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it." (Act approved April 14, 1925, No. 169, sec. 2.)

Dissenting stockholders, rights of.

If any stockholder in the consolidating corporation, entitled to vote, votes against the consolidation, or if any stockholder not entitled to vote, at or prior to the taking of the vote, objects thereto in writing, and, within twenty days after the consolidation agreement has been filed and recorded, demands payment of the stock held by him, the consolidated corporation "shall within thirty days thereafter pay to him the value of the stock at the time of the consolidation". Detailed provision is made for

(South Carolina - cont'd.)

the appointment of appraisers to appraise the value of the stock in case of disagreement as to its value. Stockholders who do not vote against or object to the consolidation as set forth above, cease to be stockholders in the constituent corporations and are deemed to have assented to the consolidation. (Act approved April 14, 1925, No. 169, sec. 3.)

Actions pending.

"Any action or proceeding pending by or against either of the corporations consolidated may be prosecuted to judgment, as if such consolidation had not taken place or the new corporation may be substituted in its place." (Act approved April 14, 1925, No. 169, sec. 4.)

Certain liabilities and rights not affected by consolidation.

The liability of corporations, "or of the stockholders or officers thereof, or the rights or remedies of the creditors thereof or of persons doing or transacting business therewith, shall not in any way be impaired or diminished by the consolidation of two or more such corporations under the provisions thereof." (Act approved April 14, 1925, No. 169, sec. 5.)

Bond and stock issues by consolidated corporations.

When two or more corporations are consolidated, the consolidated corporation, subject to State laws, may issue bonds or other obligations with or without coupons or interest certificates attached, to an amount sufficient with its capital stock to provide for all the payments it will be required to make or obligations it will be required to assume, in order to effect such consolidation. To secure the payment of such bonds and obligations it may mortgage the corporate franchise, rights, privileges and property. The consolidated corporation may also issue capital stock

(South Carolina - cont'd.)

to such amount as may be necessary, to the stockholders of such consolidated corporation in exchange or payment in whole or in part for the original shares in the manner and on the terms specified in the agreement of consolidation. (Act approved April 14, 1925, No. 169, sec. 6.)

Matters prohibited by certain sections of laws not validated.

"No consolidation or merger under the terms of this Act shall render valid any matter or thing declared unlawful under any provisions of Article XIV, Section 3530-3554, Volume 3, Code of Laws of South Carolina, 1922, relating to Trusts, Pools and Monopolies, or any amendment thereof now effective or hereafter adopted, and no consolidation or merger under the provisions of this Act shall be deemed to be lawfully accomplished if in contravention of any provision of Article XIV, Sections 3530-3554, Vol. 3, Code of Laws of South Carolina, 1922, relating to Trusts, Pools and Monopolies, or any amendment thereof now effective or hereafter adopted, every provision of which shall remain in full force and effect after the passage of this Act and shall in no respect be impaired thereby". (Act approved April 14, 1925, No. 169, sec. 6a.)

SOUTH DAKOTA.

Consolidation of banks.

The laws of South Dakota provide that a State bank "which is in good faith liquidating its business, may for such purpose consolidate with some other bank in the same city or town by transferring its resources and liabilities to such bank with which it is in process of consolidation, but no consolidation shall be made without due notice in writing of such

(South Dakota - cont'd.)

intention, to the superintendent of banks, and not then until a thorough examination has been made by him and his consent in writing obtained; provided, that in no case may any bank consolidate for the purpose of defrauding or delaying any of its creditors." (Laws of 1909, ch. 222, art. 2, sec. 24, as amended by Laws of 1915, ch. 102, art. 2, sec. 27; South Dakota Rev. Code of 1919, sec. 8974; Banking Law Pamphlet, 1927, sec. 8974, p. 24.)

Consolidation of trust companies.

Any trust company "which is in good faith liquidating its business for the purpose of consolidating with some other like corporation may transfer its assets and liabilities to the corporation with which it is in the process of consolidation; but no such consolidation of corporations shall be made without the consent of the superintendent of banks, and not then to delay or defraud any of the creditors of either corporation." (Laws of 1911, ch. 255; South Dakota Rev. Code of 1919, sec. 9061; Banking Law Pamphlet, 1927, sec. 9061, p. 70.)

TENNESSEE.

Definition of word "bank".

The laws of Tennessee provide that the word "bank" as used in the following provisions, "shall signify, mean, cover and include every trust company, loan company, mortgage security company, safe deposit company, receiving money on deposit, and every individual, firm, corporation, association or company doing a banking, loan or discount business and receiving money on deposit and performing functions of a bank."

(Tennessee - cont'd.)

(Public Acts of 1913, ch. 20, sec. 44; Banking Law Pamphlet, with amendments to and including 1925, sec. 44, p. 28.)

Consolidation or merger of banks.

No State bank "shall have authority or power to * * * consolidate or merge with any other bank, except in pursuance of the provisions of this (1913 bank) act; * * *." (Public Acts of 1913, ch. 20, sec. 23; Banking Law Pamphlet, with amendments to and including 1923, sec. 23, p. 21.)

Procedure to merge or consolidate; application, examination, issuance of certificate by superintendent of banks, filing of.

A written application setting out all of the facts of the merger or consolidation must be filed with the superintendent of banks by the bank desiring to merge or consolidate "and before such * * * merger or consolidation becomes effective, the Superintendent of Banks must examine into the proceedings to * * * the consolidation or merger, and must issue his certificate in triplicate certifying that the * * * consolidation or merger has been in pursuance of the requirements of law." One of the certificates must be kept on file in the office of the Superintendent, one must be filed for record in the office of the Register of Deeds, of the County in which is located the bank's principal place of business, and one must be filed with the bank. The superintendent "shall issue his certificate, if the requirements of the law have been complied with * * * for such consolidation or merger, but shall refuse to issue his certificate unless the requirements of the law have been complied with; provided, however, that the capital stock of no bank shall be decreased below the minimum amount required by law for the incorporation of banks in this State." (Public Acts of 1913, ch. 20, sec. 23; Banking Law Pamphlet, with

(Tennessee - cont'd.)

with amendments to and including 1923, sec. 23, p. 21.)

TEXAS.

Purchase of assets of another bank.

The laws of Texas do not contain any provisions having specific reference to the consolidation or merger of banks or trust companies; but they do provide that "Any State bank or bank and trust company which purchases the assets of any other bank shall, before the purchase of the assets of such other bank, increase its capital to such an amount that the same will have the ratio to the total deposits of the bank, the assets of which it has purchased, as defined and required in Article 506". (Acts of 1909, 2nd C. S.; Banking Law Pamphlet, 1929, Art. 513, p. 44.)

UTAH.

Consolidation of banks.

The laws of this state specifically covering banks and trust companies do not contain any provisions expressly authorizing the consolidation, merger, etc., of such institutions; but these laws do provide that "corporations to conduct commercial or savings banks or banks having departments for both such classes of business may be formed under the provisions of chapter 1, of title 19, Compiled Laws of Utah, 1917 (Sections 860-899), respecting corporations for pecuniary profit, and all the rights, privileges, and powers, and all the duties and obligations, of such corporations and the officers and stockholders thereof shall be as provided in said chapter, except as in this chapter otherwise provided; * * *." (Comp. Laws of Utah, 1917, Title 19, ch. 6, as amended, sec.

(Utah - cont'd.)

979; Banking Law Pamphlet, 1927, sec. 979, p. 6.) "This chapter" does not provide "otherwise", so it would seem that "commercial or savings banks or banks having departments for both such classes of business" may consolidate under the following provisions.

Consolidation of corporations.

State corporations "of the same kind, engaged in the same general business, in the same vicinity, * * * may consolidate * * *." (Laws of 1921, ch. 22, p. 76.)

Stockholders must agree.

The consolidation may be "upon such terms and conditions conformable to the law as shall be agreed upon" by a majority of the stockholders of each corporation at a special meeting after notice stating the time, place and object of such meeting has been published at least thirty days prior thereto in a newspaper in the county in which each corporation has its principal place of business. (Laws of 1921, ch. 22, p. 76.)

Consummation of consolidation.

The "consolidation may be effected either by joining two or more corporations together or by formation of a new corporation under the laws of this State for the purpose of buying in and taking over and operating the properties, rights and franchises of the corporation desiring to consolidate." And if by purchase, such purchase may be made at a private sale or any public judicial sale, "or in the enforcement of mortgages or liens". If the sale is a so-called private one, it must be approved by at least a majority of the stockholders of the selling companies, unless the

(Utah - cont'd.)

articles of association provide how and by whose authority it shall be made. In the latter event, the sale must be in accordance with such provision. If the consolidation is effected by forming a new corporation to purchase, the articles of association of the new corporation must contain, in addition to the regular contents, a provision that the corporation is formed for the purpose of purchasing in and taking over the properties, rights, privileges, and franchises of such corporations so desiring to consolidate. Such articles of association must be filed in the office of the Secretary of State, and upon his filing of the articles and issuing a certificate of incorporation to the corporation, "the association shall without further act be deemed and held to have been duly formed and created a corporation with all the powers specified," that are not inconsistent with the state constitution or laws. If the consolidation is effected by joining two or more companies together, "such consolidation shall be evidenced by a certificate under the corporate seals of the respective corporations, signed by the president and secretary of each, briefly reciting the act or acts sought to be accomplished, and describing in a general way, the property sought to be consolidated, together with the name of the corporation thus formed by amalgamation or consolidation, with such other provisions as the law may require to be inserted in the original articles of incorporation, and such others being conformable to law, as may be deemed necessary to perfect such consolidation". This certificate must be filed and recorded in the same manner as original articles of incorporation, and a copy, certified by the county clerk, must be filed with the secretary of state, "whose

(Utah - cont'd.)

certificate shall constitute such consolidated corporations, a new corporation". Any consolidated corporation has the right to work, operate, and maintain the properties acquired, and all the rights, privileges, franchises and powers named in the new articles of incorporation, including those formerly enjoyed by the original corporations. (Laws of 1921, ch. 22, pp. 76-77.)

Legal effect of consolidation.

"Upon the consummation of such consolidation, all the rights, privileges, and franchises of each of said consolidating corporations, and all the property, real and personal, and all subscriptions and debts due on whatever account, shall be deemed to be transferred to and vested in such new corporation without further act or deed; and such consolidation shall not relieve the consolidating corporations, or either of them, or the stockholders, from any liabilities, nor shall it extinguish or limit any franchise or right; but all debts, liabilities, and duties of either of said corporations shall henceforth attach to such new corporation, and be enforcible against it to the same extent as if incurred or contracted by it." (Comp. Laws of Utah, 1917, Title 19, Ch. 6, Sec. 889.)

VERMONT.

Sale, lease or exchange of assets.

The banking laws of this State do not contain any provisions specifically covering the consolidation or merger of banks; but such laws do provide that "A savings bank or trust company shall not make a sale,

(Vermont - cont'd.)

lease or exchange of all of its assets pursuant to the provisions of section four thousand nine hundred and twenty-six, except with the consent of the bank commissioner given on petition and after hearing. Such notice of the hearing shall be given as the commissioner directs". (General Laws, 1917, ch. 225, sec. 5351; Banking Law Pamphlet, 1918, sec. 5351, p. 5.)

Section 4926 above referred to provides that "A corporation having a capital stock and able to meet its liabilities then matured may, subject to the rights of creditors, sell, lease or exchange all its assets, including its franchises, to any other corporation authorized to do business under the laws of this state and to acquire such assets, for cash, stock of other corporations or other property. Such sale, lease or exchange shall first be authorized by such vote of the stockholders of both corporations as is provided in their articles of association, or, if provision is not so made therein, then by the vote, at meetings called upon twenty days' notice for such purpose, of the holders of two-thirds of the outstanding stock, of both corporations, or, if the stock is divided into classes, then by the vote of the holders of two-thirds of each class of outstanding stock entitled to vote, or, if the purchasing corporation is organizing and issuing stock for the property to be acquired, then by the vote, at a meeting called upon twenty days' notice for such purpose, of all the incorporators of such corporation. If stock of another corporation is received in full or part payment, all of such stock must be disposed of within two years from the time it was acquired. Failure to make such disposition shall be cause for the dissolution of the corporation, under the provisions of

(Vermont - cont'd.)

section four thousand nine hundred and forty-four. A corporation having a capital stock and unable to meet its liabilities then matured may, subject to the rights of creditors, so sell, lease or exchange all its assets, including its franchises, by the vote of the holders, at a meeting called upon twenty days' notice for such purpose, of the holders of a majority of the stock represented at such meeting and entitled to vote." (General Laws, 1917, Ch. 210, sec. 4926, as amended by Public Acts, 1919, No. 125.)

VIRGINIA.

Merger or consolidation of banks.

Any State bank is authorized to merge or consolidate with another State bank, or national bank doing business in Virginia, "upon compliance with the provisions of sections thirty-eight hundred and twenty-one, and thirty-eight hundred and twenty-two of the Code of Virginia relating to mergers or consolidations of corporations, except that such mergers or consolidations of banks shall be ratified and confirmed by an affirmative vote of the shareholders of each of such banks owning at least two-thirds of its capital stock outstanding and having voting power. The provisions of sections thirty-eight hundred and twenty-three, thirty-eight hundred and twenty-five, and thirty-eight hundred and twenty-six of the Code of Virginia shall apply to such merged or consolidated corporation, except as otherwise provided in this act; * * *." (Va. Code of 1930, sec. 4149 (10), p. 1047.)

Legal effect of merger or consolidation.

"In the event of any such merger or consolidation, the merged or consolidated corporation (whether it be one of said merging or consolidating banks, or a new bank, State or national, formed by means of such merger or consolidation) shall succeed to, and be vested with, without further act or deed, all offices of trust or of a fiduciary nature with which any one or more of the banks, parties to such consolidation or merger, were vested immediately prior to the time at which such consolidation or

(Virginia - cont'd.)

merger became effective." (Va. Code of 1930, Sec. 4149(10), p. 1047)

The sections of the laws of Virginia referred to in the provision first above quoted, which banks proposing to merge or consolidate must comply with, are digested under the following captions.

When merger or consolidation may be effected.

Any State corporation "may merge or consolidate into a single corporation with any other corporation organized for the purpose of carrying, on the same or a similar business" under any State or Federal law "which said consolidated corporation shall upon the payment of a proper charter fee, thereby become a domestic corporation of this State and be subject to its laws, and to the jurisdiction of its courts, and may be either one of said merging or consolidating corporations, or a new corporation to be formed by means of such merger or consolidation, and by virtue of this charter, and the proceedings had pursuant thereto, such corporation shall be consolidated and merged, so that all property, rights, franchises, and privileges by law vested in such corporations so merged or consolidated shall be transferred to and vested in the corporation into which such consolidation or merger shall be made." (Va. Code of 1930, sec. 3821, p. 840.)

Agreement of directors to merge or consolidate.

The board of directors of each of the corporations proposing to merge or consolidate may under corporate seal enter into a joint agreement for the merger or consolidation of such corporation. The agreement must prescribe the terms and conditions of the merger or consolidation, the mode of carrying it into effect, the name of the resulting corporation,

(Virginia - cont'd.)

the number, names and residences of its board of directors and principal officers, the aggregate amount and rate of interest of any of its bonds, the number and par value of its shares of stock, the manner of converting the stock of its constituents into new stock, and, if a new corporation is created, how and when the directors and principal officers to succeed those named in the agreement are to be chosen or appointed. The agreement may also contain such other provisions as the contracting board of directors deem necessary or convenient to perfect the merger or consolidation. (Va. Code of 1930, sec. 3822 (a), p. 941.)

Submission of agreement to stockholders and State corporation commission for approval.

The agreement must be submitted at a special meeting to the stockholders of each of the corporations involved. Notice of the time, place and object of such meeting must be given by publication at least six times a week for two successive weeks in a certain designated newspaper, and by mailing a copy of such notice at least ten days prior to such meeting to each stockholder. If a majority of the votes cast at each of these meetings be in favor of the agreement, consolidation and merger, then that fact must be certified by the president or one of the vice-presidents of the corporation, and attested by each secretary under corporate seal. Such certificates, acknowledged by the president or vice-president signing them and by the respective secretaries, must be presented to the State corporation commission, which must ascertain and declare whether the corporations, by complying with the legal requirements, have entitled themselves to the merger or consolidation. (Va. Code of 1930, sec. 3822(b), p. 941.)

(Virginia - cont'd.)

Certificate of merger or consolidation, issuance of by State corporation commission; filing and recordation of; effect of.

If the corporation commission issues a certificate of merger or consolidation, it and the agreement must be certified by the commission to the Secretary of State and recorded in the same manner as an original certificate of incorporation or articles of association. When so filed for recordation, "the said merger or consolidation shall be complete and the merged or consolidated corporation may proceed to carry out the details of said merger and consolidation according to the terms of the agreement and to transact and carry on the business for which it was formed; * * *." (Va. Code of 1930, sec. 3822(b), p. 941.)

Dissenting stockholders, rights of.

Detailed provision is made for the appraisal and payment of the value of stock held by any stockholder who did not vote for the merger or consolidation and who dissents to such merger or consolidation within a certain prescribed time. (Va. Code of 1930, sec. 3822, pp. 941-943.)

Effect of merger or consolidation under general corporation law; rights of former corporations vest in new corporation; rights and liabilities assumed.

"Upon the perfecting, as aforesaid of the said merger or consolidation, the several corporations parties thereto shall be deemed and taken as one corporation, upon the terms and conditions and subject to the restrictions set forth in said agreement, and all and singular the rights, privileges, and franchises of each of said corporations, parties to the same, except as restricted by law, and all property, real and personal, and all debts due on whatever account, as well of stock subscriptions as

(Virginia - cont'd.)

other things in action, belonging to each of such corporations, shall be taken and deemed as transferred to and vested in such new corporation without further act or deed; and all property, all rights of way, and all and every other interest shall be as effectually the property of the new corporation as they were of the former corporations parties to the said agreement; and the title to real estate, either by deed or otherwise, under the laws of this State vested in either corporation, shall not be deemed to revert or be in any way impaired by reason of this chapter; but, the rights of creditors and all liens upon the property of either of said corporations shall be preserved unimpaired; and the respective corporations shall be deemed to continue in existence to preserve the same; and all debts, liabilities, and duties of either of said companies shall thenceforth attach to said new corporation and be enforced against it to the same extent as if the said debts, liabilities, and duties had been incurred or contracted by it." (Va. Code of 1930, sec. 3823, p. 944.)

Suits against new corporation; effect of merger or consolidation on pending suits.

Suits can be maintained against the new corporation in any of the courts of Virginia in the same manner as against any other corporation, and suits pending by or against any of the constituent corporations can be prosecuted as if a consolidation had not taken place or the new corporation may be substituted as a party. (Va. Code of 1930, secs. 3825 and 3826, p. 944.)

WASHINGTON.

Transfer of assets for purpose of consolidation.

The laws of Washington provide that "a bank or trust company may

(Washington - cont'd.)

for the purpose of consolidation or voluntary liquidation transfer its assets and liabilities to another bank or trust company, by a vote, or with the written consent of the stockholders of record owning two-thirds of its capital stock, but only with the written consent of the supervisor of banking and upon such terms and conditions as he may prescribe." (Laws of 1923, p. 312, sec. 12; Rem. 1927 Sup., sec. 3282; Banking Law Pamphlet, 1929, sec. 97, p. 45.)

Certificate of authority and corporate existence, termination of.

When a bank or trust company has transferred all of its assets and liabilities, or has been liquidated or is no longer engaged in business as a bank or trust company, "the supervisor of banking shall terminate its certificate of authority, which shall not thereafter be revived or renewed." When any such corporation has had its certificate of authority revoked, "it shall forthwith collect and distribute its remaining assets, and when that is done the supervisor of banking shall certify the fact to the secretary of state, whereupon the corporation shall cease to exist and the secretary of state shall note that fact upon his records." (Laws of 1923, p. 312, sec. 12; Rem. 1927, Sup., sec. 3282; Banking Law Pamphlet, 1929, sec. 97, p. 45.)

Report required showing entire net income; taxation of consolidated corporation.

Every bank or corporation which acquires by merger or by consolidation, the major portion of the assets or franchises of another bank or corporation in this state, or which merges or consolidates with another bank or corporation, must in its annual report show its own and the consolidated

(Washington - cont'd.)

entire net income of all such banks or corporations for the preceding fiscal or calendar year to the extent that all such income has not been used or included in measuring a tax under this act. In any event, it is liable for and must pay all taxes that would have been due and payable by the bank or corporation whose assets or franchises were acquired or which was merged or consolidated, had it continued in business. (Laws of 1929, ch. 151, sec. 20; Banking Law Pamphlet, 1929, sec. 20, p. 135.)

WEST VIRGINIA.

Consolidation or sale of assets.

Any banking institution may at any time with the consent in writing of the Commissioner of Banking take over the business and assets and assume the liabilities of another banking institution, all of the terms or conditions of any such purchase or consolidation to be first approved by the Commissioner of Banking. (Code of West Virginia for 1931, Chapter 31, Article 8, Section 29.)

Legal effect of consolidation or sale.

Upon the completion of any such purchase or consolidation and by operation of law the purchasing or consolidated banking institution shall be substituted in the room and stead of each of the participating institutions in all fiduciary relationships, and all and singular the titles, properties, offices, appointments, rights, powers, duties, obligations, and liabilities of each participating institution as trustee, executor, administrator, guardian, depository, registrar, transfer agent, or other fiduciary shall be vested in and devolve upon the purchasing or

(West Virginia - cont'd.)

consolidating institution, and such purchasing or consolidating institution shall be entitled to take, receive, accept, hold, administer, and discharge any and all grants, gifts, bequests, devises, and conveyances, trusts, and appointments made by deed, will, agreement, order of court, or otherwise in the future or in the name of any such participating institution, whether made, executed, or entered into before or after such purchase or consolidation, and whether to vest or become effective before or after such purchase or consolidation as fully and to the same effect as if the purchase or consolidated institution had been named in such deed, will, agreement, order, or other instrument instead of another participating institution. (Code of West Virginia for 1931, Chapter 31, Article 8, Section 29).

No corporation except consolidating or purchasing corporation may use the name of participating corporation.

After a purchase or consolidation no other corporation shall be allowed to take or use the name of any institution participating in such purchase or consolidation. (Code of West Virginia for 1931, Chapter 31, Article 8, Section 29).

General laws relating to consolidation of corporations.

A note by the Committee of the Legislature appointed to consider the report of the revisers who prepared the draft for the Code of 1931 indicates that the above quoted provisions of law are supplementary to the general provisions of law relating to the consolidation of corporations. Under these general provisions of law any two or more corporations organized or existing under the laws of West Virginia for the purpose of carrying on any kind of business may consolidate or merge into a single corporation,

(West Virginia - cont'd.)

which may be any one of such constituent corporations or a new corporation to be formed by such consolidation or merger, as shall be specified in the agreement mentioned below.

Proceedings for consolidation.

The directors or a majority of them of such corporation as desire to consolidate or merge must enter into an agreement signed by them and under the corporate seals of the separate corporation, prescribing the terms and conditions of consolidation or merger, the mode of carrying same into effect, and stating such other facts required or permitted by law to be set out in an agreement of incorporation as can be stated in the case of a consolidation or merger, stated in such altered form as the circumstances of the case may require, as well as the manner of converting the shares of the constituent corporations into shares of the consolidated corporation, with such other details as are deemed necessary.

Such agreement shall be submitted to the stockholders of each constituent corporation at a meeting thereof called separately for the purpose of taking same into consideration. Due notice of the time, place, and object of said meeting must be given by publication at least once a week for four successive weeks in one or more newspapers published in the county wherein each such corporation has its principal office or conducts its business, and a copy of such notice shall be mailed to the last known post-office address of each stockholder or such corporation at least twenty days prior to the date of meeting.

At such meeting the said agreement must be considered and a vote by ballot in person or by proxy taken for the adoption or rejection thereof,

(West Virginia - cont'd.)

each share entitling the holder thereof to one vote. If the votes of stockholders of each of such corporations representing two-thirds of the total number of shares of its capital stock shall be for the adoption of such agreement, then that fact must be certified on such agreement by the secretary of each such corporation under the seal thereof, and the agreement so adopted and certified shall be signed by the president and secretary of each of such corporations under the corporate seals thereof and acknowledged by the president of each such corporation, and the agreement must be filed in the office of the secretary of the state and recorded as provided by law. When such agreement has been so filed and recorded such record is evidence of the agreement and act of consolidation or merger of such corporation and the observance of all acts and conditions to have been observed and performed precedent to such consolidation or merger. (Code of West Virginia for 1931, Chapter 31, Article 1, Section 63.)

Sale of entire assets and franchises.

Every corporation organized and existing under the laws of West Virginia may at any meeting of its board of directors sell, lease, or exchange all of its property and assets, including its good will and its corporate franchises, upon such terms and conditions and for such consideration as its board of directors shall deem expedient and for the best interest of the corporation when and as authorized by the affirmative vote of sixty per cent of the stock issued and outstanding having voting power given at a stockholders' meeting duly called for that purpose, or when authorized by the written consent of the holders of sixty per cent of the voting stock issued and outstanding, unless the certificate of incorpora-

(West Virginia - cont'd.)

tion requires the vote or written consent of the holders of a larger proportion of the stock issued and outstanding. (Code of West Virginia for 1931, Chapter 31, Article 1, Section 64).

(West Virginia - cont'd.)

Consolidated or purchasing corporation may use name of participating corporations.

The purchasing or consolidated corporation is given the right to use the name of any of the participating corporations but no other corporation can take or use the name of any of such participating corporations. (Laws of 1929, ch. 23, sec. 31.)

WISCONSIN.

Consolidation of banks.

The laws of Wisconsin provide that "A bank, which is in good faith winding up its business, for the purpose of consolidating with some other bank, may transfer its resources and liabilities to the bank with which it is in process of consolidation; but no consolidation shall be made without the consent of the commissioner of banking, and not then to defeat or defraud any of the creditors in the collection of their debts against such banks, or either of them." (Wisc. Stats., sec. 221, 23.)

The laws further provide that, with the approval of the commissioner of banking, any two or more banks located in the same county, city, town or village may consolidate under the charter of any of the consolidating banks. (Wisc. Stats., sec. 221. 25 (1).)

Terms of consolidation; agreement of directors; ratification by stockholders.

The consolidation may be on such terms and conditions as may be agreed upon by a majority of the board of directors of each consolidating bank and must be "ratified and confirmed" by two-thirds of the outstanding stock of each bank at a meeting called by the directors, after sending notice

(Wisconsin - cont'd.)

of the time, place and object of the meeting to each shareholder by registered mail at least thirty days prior to the meeting. (Wisc. Stats., sec. 221.25(1).)

Capital stock required of consolidated bank.

The capital stock of the consolidated bank "shall not be less than that required under existing law for the organization of a state bank in the place in which it is located; * * *." (Wisc. Stats., sec. 221.25 (1).)

Dissenting stockholder, rights of.

Within twenty days after the commissioner of banking has approved the consolidation, any stockholder of the consolidating banks who has not voted for the consolidation may give notice to the directors of the consolidated bank that he dissents from the consolidation whereupon he becomes entitled to receive the value of the shares held by him. Provision is made for an appraisal of such shares and for a reappraisal in case the value first appraised is not satisfactory. (Wisc. Stats., sec. 221.25(1).)

Liquidation not essential; report of assets and liabilities of consolidating banks.

"The bank or banks consolidating with another bank under the provisions of the preceding subsection (Sec. 221.25(1).) shall not be required to go into liquidation but their assets and liabilities shall be reported by the bank with which they have consolidated; * * *." (Wisc. Stats., sec. 221.25(2).)

(Wisconsin - cont'd.)

Legal effect of consolidation of banks.

"All the rights, franchises and interests of said banks so consolidated in and to every species of property, personal and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such bank into which it is consolidated without any deed or other transfer, and the said consolidated bank shall hold and enjoy the same and all rights of property, franchises and interests in the same manner and to the same extent as was held and enjoyed by the bank or banks so consolidated therewith." (Wisc. Stats. sec., 221.25(2).)

Consolidation of trust companies.

Any State trust company "may consolidate with any other similar corporation in the same county, city, town or village in the manner provided for the consolidation of banks under section 221.25; * * *." (Wisc. Stats., sec. 223.11.)

Legal effect of consolidation of trust companies.

"In the event of such consolidation the consolidated corporation, by whatever name it may assume or be known, shall be a continuation of the entity of each and all of the corporations so consolidated for all purposes whatsoever, including holding and performing any and all trusts and fiduciary relations of whatsoever nature of which the corporations so consolidating, or either or any of them, was fiduciary at the time of such consolidation, and also including its appointment in any fiduciary capacity by any court or otherwise, and the holding, accepting and performing of any and all trusts and fiduciary relations whatsoever as to or for which either or any one of the corporations so consolidating may have been appointed, nominated or designated by any will or conveyance or otherwise, whether or

(Wisconsin - cont'd.)

not such trust or fiduciary relation shall have come into being or taken effect at the time of such consolidation." (Wisc. Stats., sec. 223.11.)

WYOMING.

Definition of "State bank".

"Every bank, banker or corporation in this state doing a banking business under the provisions of this Act, shall be known as a state bank; and any and all reference herein made in this Act to state banks shall apply to every individual, firm or corporation doing a banking business under the provisions of this Act". (Laws of 1925, ch. 157, sec. 5, as amended by Laws of 1929, ch. 54, sec. 1.)

Definition of "bank" or "banking business".

"Any person, firm or corporation (except national banks) having a place of business within this state where credits are opened by the deposit or collection of money or currency or negotiable paper subject to be paid or remitted upon draft, receipt, check, or order, shall be regarded as a bank or banker, and as doing a banking business under the provisions of this Act." (Laws of 1925, ch. 157, sec. 10; Banking Law Pamphlet, with 1927 amendments, sec. 10, p. 13.)

The laws also provide "that the term 'trust company' may be used by a person, firm or corporation when the business transacted is in no sense a banking business". (Laws of 1925, ch. 157, sec. 11; Banking Law Pamphlet, with 1927 amendments, sec. 11, p. 13.)

Transfer of assets and liabilities for purpose of consolidation.

"A state bank which is in good faith winding up its business for

(Wyoming - cont'd.)

the purpose of consolidating with some other bank may transfer its assets and liabilities to the bank with which it is in process of consolidation, upon receiving written consent of the State Examiner, and not otherwise." (Laws of 1925, ch. 157, sec. 109; Banking Law Pamphlet, with 1927 amendments, sec. 108, p. 59.)