

- (b) Deputies
- (c) Deputies acting in place of commissioner ...
- (d) Clerks examiners and other employees
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- (f) Prohibitions on commissioner deputies and employees
- Section 6 Transfer of powers etc to commissioner of banking
- Section 7 Books etc to remain in custody of commissioner
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- Section 9 Expenses of the department
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- Section 10 Seal of department
- Section 11 Copies of documents
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Section 33	Execution of deeds and other documents
Section 34	Compromises
Section 35	Suits
Section 36	Judgments not to be liens executions to be restrained
Section 37	Enforcement of individual liability of stock- holders
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Section 39	Notice to bailors and lessees of safes etc ...
Section 40	Trust funds and property in hands of corpo- ration or person
	(a) Commissioner to take possession
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Section 41	Notice to depositors and other creditors
Section 42	Proof of claims of creditors in general
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Section 46 Distribution

Section 47 Conclusiveness of confirmation and distribution

Section 48 Hearing and decision of matters in contro-
versy

Section 49 Expenses to be paid out of fund

Section 50 Stockholders choosing trustees to complete liq-
uidation

Section 51 Unconstitutionality of part of act not to af-
fect remainder

Section 52 Repealer

1 Section 1 *Be it enacted by the Senate and House of Repre-*
 2 *sentatives of the Commonwealth of Pennsylvania in General Assembly*
 3 *met and it is hereby enacted by the authority of the same That*
 4 *this act shall be known and may be cited as the*
 5 *Banking Department Act of one thousand nine hundred and*
 6 *nineteen*

7 Section 2 Except as otherwise expressly indicated the
 8 following words wherever used in this act shall be taken
 9 and constructed to have the following meanings

10 The word "person" means individuals partnerships and
 11 unincorporated associations

12 The word "court" means the court of common pleas
 13 of the county where the banking house or other place of
 14 business of the corporation or person in question is
 15 located

16 The word "prothonotary" means the prothonotary of such
 17 court

18 Section 3 (a) Whenever under any of the provisions

1 of this act advertisement is required to be made in a
2 newspaper such advertisement shall unless otherwise provided
3 be made in a newspaper of general circulation in the
4 county published in the city borough or township where
5 the banking house or other place of business of the cor-
6 poration or person in question is located If there be no
7 newspaper published in such city borough or township
8 then the advertisement shall be made in a newspaper of
9 general circulation in the county published at the county
10 seat or if none be there published in the newspaper
11 published nearest to said city borough or township within
12 the county If there be no newspaper published in the
13 county then the advertisement shall be made in the
14 newspaper published nearest to such city borough or
15 township in an adjoining county

16 (b) Except as otherwise expressly provided all written
17 or printed notices required by this act shall be served
18 either in the manner now or hereafter provided by law
19 for the service of writs of summons save that service
20 need not be made by the sheriff or by mailing such
21 notice by registered mail return receipt requested to any
22 person required to be notified at his last known place
23 of business or residence and to any corporation at its
24 principal office or if a foreign corporation at the office
25 of its duly authorized agent

26 (c) Whenever under any of the provision of this act
27 certificates or other documents are required to be filed or
28 recorded in the office of the prothonotary of any court
29 of common pleas or in the office of any public official

1 other than the commissioner of banking such prothonotary
2 or other official shall be entitled to receive therefor the
3 same fees as are provided by law for similar services

4 Section 4 There shall continue to be a separate and
5 distinct department known as the banking department
6 charged with the supervision of all the corporations and
7 persons hereinafter described and with the duty of taking
8 care that the laws of this Commonwealth in relation thereto
9 shall be faithfully executed and that the greatest safety
10 to depositors therein or therewith and to other interested
11 persons shall be afforded

12 The said supervision duties and powers shall extend
13 and apply to the following corporations now or hereafter
14 incorporated under the laws of this state or under the
15 laws of any other state and authorized to transact busi-
16 ness in this state namely all such corporations having
17 power to receive and receiving money on deposit or for
18 safe-keeping otherwise than as bailee including all banks
19 banking companies co-operative banking associations trust safe-
20 deposit real estate mortgage title insurance guarantee surety
21 and indemnity companies savings institutions savings banks
22 and provident institutions The said supervision duties and
23 powers shall also extend and apply to mutual savings
24 funds building and loan associations bond and investment
25 companies and corporations doing a safe-deposit business only

26 The said supervision duties and powers shall also ex-
27 tend and apply to all such individuals partnerships and
28 unincorporated associations as are or shall be by law
29 made subject to the supervision of said department and

1 to any individuals or associations of individuals doing the
2 business of building and loan associations or a business
3 in the nature thereof whether under the guise of a deed
4 of trust or otherwise

5 It shall not be lawful for any foreign corporation
6 to receive any deposit or deposits or transact any bank-
7 ing business whatsoever in this commonwealth until it shall
8 have first filed in the office of the commissioner of bank-
9 ing a certified copy of the statement required by law
10 to be filed in the office of the secretary of the com-
11 monwealth

12 Section 5 (a) The chief officer of the banking de-
13 partment shall continue to be known as the commissioner
14 of banking He shall be appointed by the governor by
15 and with the advice and consent of the senate and shall
16 hold his office for the term of four years and until
17 his successor is duly qualified Within fifteen days from
18 the time of notice of his appointment he shall take and
19 subscribe the oath of office prescribed by the constitution
20 and file the same in the office of the secretary of the
21 commonwealth and shall also give to the commonwealth
22 a bond in the penalty of fifty thousand dollars with
23 two or more individual sureties or a corporate surety to
24 be approved by the governor conditioned for the faithful
25 performance of all his duties He shall receive an annual
26 salary of eight thousand dollars

27 (b) The commissioner of banking shall appoint a first
28 deputy whose salary shall be five thousand dollars per
29 annum and may appoint a second and third deputy whose

1 salaries shall be respectively four thousand and three thou-
2 sand dollars per annum. The duties of all such deputies
3 shall be such as may be assigned to them by the com-
4 missioner and each of them shall take and file
5 the oath of office as herein prescribed for the commis-
6 sioner of banking and shall whenever required by the
7 commissioner give bond in such amount and with such
8 surety as may be prescribed by the commissioner condi-
9 tioned for the faithful performance of the duties of such
10 deputy.

11 (c) Whenever the commissioner of banking by reason
12 of absence or incapacity is unable to perform the duties
13 of his office or if a vacancy in the office of commis-
14 sioner of banking occurs the duties of the commissioner
15 shall be performed by the deputy next in authority until
16 such disability is removed or the vacancy filled.

17 Any deputy before entering upon the performance of
18 such duties shall give to the Commonwealth a bond in
19 the penalty of fifty thousand dollars with two or more
20 individual sureties or a corporate surety to be approved
21 by the governor conditioned for the faithful performance of
22 such duties while he is acting as commissioner.

23 (d) The commissioner of banking with the approval
24 of the governor shall employ from time to time such
25 clerks, examiners, special agents and other employes as he
26 may need to discharge in a proper manner the duties
27 imposed upon him by law. They shall perform such duties
28 as the commissioner shall assign to them and their com-

1 pension shall be fixed by him with the approval of the
2 governor each of such employes shall take subscribe and
3 file the oath of office as herein prescribed for the com-
4 missioner and deputy commissioners bonds shall be given
5 to the commonwealth by such of said employees in such
6 amounts and with such surety as may be determined by
7 the commissioner conditioned for the faithful performance of
8 their duties

9 (e) The cost of all bonds required by this section
10 to be given by the commissioner the deputy commissioners
11 or any of the clerks examiners or other employees of
12 the banking department shall constitute expenses of the
13 department and shall be paid as hereinafter provided for
14 such expenses

15 (f) Neither the commissioner of banking nor any of
16 his deputies clerks examiners or other employees shall be
17 interested as officer director trustee manager or stockholder
18 in any corporation subject to the supervision of the bank-
19 ing department nor interested in any way in the busi-
20 ness of any person subject to such supervision

21 No deputy commissioner or examiner shall be appointed
22 special deputy to assist in the liquidation of any cor-
23 poration or person whose books papers and affairs he
24 shall have examined within one year previous to the tak-
25 ing of possession by the commissioner of banking under
26 the provisions of Section twenty-one of this act

27 No examiner shall receive a loan nor shall the com-
28 missioner of banking or any of his deputies clerks exam-
29 iners or other employees receive a gift directly or indi-

1 rectly of any sum of money or other valuable thing
2 from any corporation or person to whom this act applies
3 or from any director officer or employee thereof and a
4 violation of this prohibition shall constitute ground for the
5 removal of such commissioner deputy clerk examiner or
6 other employee

7 Section 6 All powers rights privileges and duties here-
8 tofore by any law of this commonwealth conferred or im-
9 posed upon the auditor general or the secretary of the
10 commonwealth in relation to any of the corporations or
11 persons who under the provisions of this act are subject
12 to the supervision of the banking department are hereby
13 transferred to and conferred and imposed upon the com-
14 missioner of banking so far as the same relate to the
15 supervision of such corporations and persons for the pur-
16 poses of this act

17 Section 7 All books paper records and securities which
18 were formerly in the office of the superintendent of bank-
19 ing and in the office of the auditor general relating to
20 the business of corporations and persons subject to the
21 supervision of the commissioner of banking and which were
22 delivered and transferred to the commissioner of banking
23 shall be and remain in his charge and custody

24 Section 8 There shall be assigned to the commissioner
25 of banking by the commissioners of public grounds and
26 buildings a suitable room or rooms at the capital of the
27 state for conducting the business of the banking depart-
28 ment and the commissioner of banking shall from time to
29 time with the approval of the commissioners aforesaid pro-

1 cure the necessary furniture and other proper conveniences
2 for the transacting of the said business the expenses of
3 which shall be paid on the certificate of the commissioner
4 of banking and the warrant of the auditor general out
5 of funds appropriated to the commissioners of public
6 grounds and buildings

7 Section 9 (a) The expenses of the banking department
8 shall until the first day of June one thousand nine hun-
9 dred and nineteen be paid by the state on requisition
10 of the commissioner of banking and warrant of the auditor
11 general out of funds appropriated therefor

12 From and after the date of the approval of this
13 act all moneys derived by the banking department from
14 fees assessments charges penalties and otherwise shall be
15 paid by the commissioner of banking into the state treas-
16 ury for safe keeping and shall by the state treasurer
17 be placed in a separate fund to be available for the
18 use of the banking department upon requisition of the
19 commissioner of banking All such moneys so paid into
20 the state treasury are hereby specifically appropriated to
21 the banking department for the purpose of paying the
22 salaries of the commissioner the deputy commissioners the
23 examiners and the other employees of the department and
24 the expenses of the department including the rental of
25 such rooms or quarters as the commissioner of banking
26 may deem necessary outside of the capital

27 The auditor general shall upon requisition of the com-
28 missioner of banking from time to time draw warrants
29 upon the state treasurer for the amounts specified in such

1 requisitions not exceeding however the amount in such fund
2 at the time of the making of any such requisitions

3 (b) All the expenses incurred in and about the con-
4 duct of the business of the banking department including
5 the cost of the regular examinations of corporations and
6 persons under the supervision of the department the com-
7 pensation of the commissioner deputy commissioners exam-
8 iners and other employees of the department but excluding
9 the furniture and conveniences mentioned in Section eight
10 of this act together with all other general or overhead
11 expenses of the department shall be charged to and paid
12 by the corporations and persons subject to the supervision
13 of the department in such proportions at such times and
14 in such manner as the commissioner of banking shall by
15 general rule or regulation annually prescribe.

16 The expenses incurred in connection with any special
17 examination or investigation of any corporation or person
18 including a proportionate part of the salary of any ex-
19 aminer or other employee of the department engaged in
20 such examination or investigation shall be charged to and
21 paid by such corporation or person

22 On failure or refusal of any such corporation or per-
23 son after thirty days' written notice to pay any sum law-
24 fully assessed or charged against it or him by the com-
25 missioner under the provisions of this clause the commis-
26 sioner may at his option bring an action at law to
27 recover the same or may take possession of the business

1 and property of such corporation or person as provided
2 in Section twenty-one of this act

3 Section 10 The seal now in use by the Commissioner
4 of Banking shall continue to be the seal of the office
5 of the Commissioner of Banking and may be renewed when
6 necessary A description of the seal with the impression
7 thereof and a certificate of approval of the Governor shall
8 remain on file in the office of the Secretary of the Com-
9 monwealth

10 Section 11 (a) Copies of all books accounts reports
11 and other papers or documents filed in the office of the
12 banking department certified under the hand and seal of
13 the commissioner of banking shall be admitted to be read
14 in evidence in all courts of law and elsewhere in this
15 commonwealth in all cases where the originals would be
16 admitted in evidence Provided That in any proceeding the
17 court having jurisdiction may on cause shown require the
18 production of the originals

19 (b) For every copy of any paper filed in the bank-
20 ing department and for the certification thereof except when
21 such copy or certification is made for the benefit of a
22 corporation or person subject to the supervision of the
23 department under the provisions of this act the commis-
24 sioner may charge such fees as he may by general rule
25 or regulation prescribe

26 (c) In any proceeding under the provisions of this act
27 a copy duly certified by the commissioner of a duly in-
28 stituted examination of the corporation or person involved

1 in such proceeding shall be prima facie evidence of the
2 facts therein stated

3 Section 12 Neither the commission of banking nor any
4 deputy examiner or employee of the banking department
5 shall directly or indirectly wilfully exhibit publish divulge
6 or make known to any person or persons any record re-
7 port statement letter or other matter fact or thing con-
8 tained in said department or ascertained from any of the
9 same or from any examination made under the provisions
10 of this act excepting in such manner as is expressly au-
11 thorized by this act and excepting when the production
12 of such information in a proceeding in any court is
13 duly required by subpoena issued by special order of the
14 court or other legal process and any violation of the
15 provisions of this section shall be a misdemeanor upon
16 conviction whereof the person so offending shall be sen-
17 tenced to pay a fine not exceeding one thousand dollars
18 and shall be dismissed from his employment in said de-
19 partment Provided however That the commissioner of banking
20 on the written request or consent of any corporation au-
21 thorized by resolution of its board of directors or on the
22 written request or consent of any person under the super-
23 vision of the banking department may discuss with an
24 advisory committee selected by the commissioner such matters
25 relating to the financial condition of such corporation or
26 person as the commissioner may deem pertinent to the
27 rehabilitation thereof And provided further That the com-
28 missioner may on like request or consent furnish to the
29 Federal Reserve Board or to the Federal Reserve Bank

1 of the district in which the banking house or other place
2 of business of any corporation is located copies of any
3 reports or parts thereof or any information in his pos-
4 session relating to such corporation for the use of said
5 board or bank

6 Section 13 Every corporation and person included within
7 the supervision of the banking department as set forth in
8 Section four of this act together with all the property
9 assets and resources of such corporation or person shall
10 be subject to inspection and examination by the commis-
11 sioner of banking or his deputies or any qualified ex-
12 aminer of the said department when such examiner is
13 authorized in writing under the official seal of the de-
14 partment by the commissioner or a deputy commissioner to
15 make such examination and inspection

16 Section 14 (a) It shall be the duty of the commis-
17 sioner of banking at least twice in each year to ex-
18 amine or cause to be examined the books papers and
19 affairs of each and every state bank trust company and
20 private banker subject to supervision by the banking de-
21 partment and at least once in each year the books papers
22 and affairs of each and every other corporation and person
23 subject to such supervision. The commissioner may also at
24 any time make such special investigations or examinations
25 as in his opinion the exigencies of any case may require
26 Whenever he shall deem it necessary or proper he shall
27 assign a qualified examiner or examiners to make any
28 such examination or investigation which examiner or ex-
29 aminers shall have power to make a thorough examina-

1 tion into all the business and affairs of the corporation
2 or person in all departments and of all property assets
3 and resources wherever situated and in so doing to ex-
4 amine under oath or otherwise any of the officers agents
5 or employees of a corporation or unincorporated association
6 any member agent or employee of a partnership any in-
7 dividual or private banker any agent or employee of an
8 individual or private banker or any corporation or person
9 in possession of any assets of the corporation or person
10 under examination The examiner or examiners shall make
11 a full and detailed report of the condition of the cor-
12 poration or person under examination or such special report
13 as may be directed by the commissioner

14 (b) The commissioner and his deputies and any quali-
15 fied examiner appointed by the commissioner are hereby
16 authorized and empowered to administer oaths or affirma-
17 tions to any of the individuals enumerated in clause (a)
18 of this section and any wilful false swearing in any
19 inquiry thereunder shall be perjury and subject upon con-
20 viction thereof to the same punishment as is or may be
21 provided by law for the punishment of perjury Upon fail-
22 ure of any of the individuals aforesaid to make answer
23 to any such inquiry the attorney general upon the re-
24 quest of the commissioner of banking shall make informa-
25 tion thereof to the court whereupon said court after hear-
26 ing shall make such order as occasion requires

27 Section 15 (a) Every corporation and person subject to
28 the supervision of the banking department except building

1 and loan associations doing business exclusively within this
2 state shall make and render to the commissioner of bank-
3 ing not less than two nor more than five reports of
4 its or his condition during each year. The number, form
5 and manner of such reports shall be prescribed by the
6 commissioner by general rule or regulation. Every such re-
7 port shall be verified by the oath or affirmation of the
8 president, cashier, treasurer or other managing officer in the
9 case of a corporation or association, by a member of the
10 firm in the case of a partnership, and by an individual
11 banker in person. It shall be attested as correct by the
12 signatures of at least three of the directors, trustees or
13 other managers of a corporation or association, and by the
14 signatures of all the members of a partnership.

15 Each such report shall exhibit in detail and under
16 appropriate heads the resources and liabilities of the cor-
17 poration or person at the close of business on any past
18 day specified by the commissioner and shall be transmitted
19 to him within five days or such further time as he
20 may in his discretion allow after the receipt of a re-
21 quest or requisition therefor from him.

22 Abstract summaries of two of said reports designated
23 by the commissioner in each year, except the reports of
24 building and loan associations doing business exclusively
25 within this state, shall forthwith be published by the corporation
26 or person in a newspaper, and proof of such publication, verified
27 by affidavit, shall be furnished to the commissioner of banking.

28 Building and loan associations doing business exclusively
29 within this state shall in the manner hereinbefore provided

1 make and render one report during each year No ab-
2 stract summaries of such reports need be published

3 The commissioner shall also have power to call for a
4 special report from any corporation or person under the
5 supervision of the banking department including building and
6 loan associations whenever in his judgment the same may
7 be necessary to a full and complete knowledge of its or his condition

8 The reports and publications provided for in this clause
9 shall be in lieu of all reports and of all publications
10 for similar purposes heretofore required by law to be made

11 (b) Any corporation or person failing to make and
12 transmit any report to publish any report required by
13 this act to be published or to furnish any proof of
14 publication required by clause (a) of this section shall
15 be subject at the discretion of the commissioner of bank-
16 ing to a penalty of not more than one hundred dollars
17 payable to the commissioner of banking for each day after
18 the time or any extension thereof fixed for filing such
19 report making such publication or furnishing such proof

20 In case of failure or refusal to pay such penalty the
21 commissioner of banking may maintain an action at law
22 to recover the same

23 Section 16 The commissioner of banking shall make
24 an annual report to the governor setting forth

25 One A summary of the state and condition of every
26 corporation and person from whom reports have been re-
27 ceived during the preceding year with such other infor-
28 mation in relation to said corporations and persons as
29 in his judgment may be useful

1 Two A statement of the corporations and persons under
2 the supervision of the banking department whose business
3 has been closed or taken in possession by the commis-
4 sioner during the preceding year with such information relat-
5 ing thereto as he may deem useful

6 Three Suggestions of amendments to the laws relating
7 to corporations and persons under the supervision of the
8 banking department by which the condition of such cor-
9 porations and persons may be improved

10 Four The names and compensation of the deputies ex-
11 aminers clerks and other employees of the banking depart-
12 ment during the preceding year the whole amount of the
13 receipts and expenditures of the department during such
14 year and the method and basis of assessing such expen-
15 ditures adopted by the commissioner under the provisions of this act

16 Section 17 When any corporation under the supervision
17 of the banking department (a) has not been paid in the capital
18 as required by law (b) has not in any manner exercised
19 the powers conferred upon it by its letters patent within
20 two years after the issuance thereof or (c) has failed to
21 exercise its corporate privileges for two years after having
22 been liquidated such corporation shall be returned by the
23 commissioner of banking to the attorney general who shall
24 proceed by quo warranto against such corporation to the
25 end that may be ousted from its charter rights and its
26 corporate privileges be declared null and void

27 Section 18 Whenever it shall appear to the commissioner
28 of banking from any report of condition of any corpora-
29 tion subject to the supervision of the banking department

1 or from any examination made by him of the condition
2 of the affairs of such corporation that such corporation
3 has committed any violation of its charter he shall by
4 an order under his hand and seal of office direct the
5 discontinuance of such illegal practice and direct strict con-
6 formity with the provisions of the charter and whenever
7 any such corporation shall refuse or neglect to comply
8 with any such order the commissioner shall communicate
9 the facts to the attorney general who shall thereupon
10 institute such proceedings as the nature of the case may
11 require for appropriate relief or correction or may proceed
12 by quo warranto for forfeiture of the charter

13 The court before which such proceedings shall be in-
14 stituted shall have power to grant such orders and in
15 its discretion from time to time modify or revoke the
16 same and to grant such relief and render such judg-
17 ment as the facts or evidence in the case and the
18 situation of the parties and the interests involved shall
19 require or if it shall appear to the said court that
20 the interests of the public so require shall decree a
21 dissolution of such corporation and a distribution of its effects

22 Section 19 Whenever it shall become the right or
23 duty of the attorney general to proceed against any cor-
24 poration or person under the supervision of the banking
25 department pursuant to the provisions of this act he may
26 in his discretion proceed either in the court of common
27 pleas of Dauphin County or in the court of common
28 pleas of the county where the banking house or other

1 place of business of such corporation or person is located
2 Section 20 Whenever it shall appear to the commissioner
3 of banking that any corporation or person under the su-
4 pervision of the banking department has violated any pro-
5 vision of this act or any law regulating the business
6 of such corporation or person or is conducting business
7 in an unauthorized or unsafe manner or that any such
8 corporation has an impairment of capital the commissioner
9 may issue an order under his hand and seal of office
10 directing such corporation or person to discontinue such
11 violation of law or such unauthorized or unsafe practices
12 or directing such corporation to make good any impair-
13 ment or deficiency of capital as the case may be with-
14 in a time to be fixed by the commissioner

15 Section 21 (a) The commissioner of banking may forth-
16 with take possession of the business and property of any
17 corporation or person subject to the supervision of the
18 banking department whenever it shall appear to him that
19 such corporation or person

20 One Has violated any law regulating its or his busi-
21 ness and has persisted in such violation in disregard of
22 an order duly made by the commissioner

23 Two Is conducting business in an unauthorized or un-
24 safe manner and has persisted therein in disregard of
25 an order duly made by the commissioner

26 Three Is in an unsafe or unsound condition to con-
27 tinue business

28 Four Cannot with safety or expediency continue business

29 Five Has an impairment of capital which has not

1 been restored or made good within the time fixed by
2 order of the commissioner

3 Six Has suspended payment of obligations

4 Seven Has neglected or refused to comply with the
5 terms of any duly issued order of the commissioner

6 Eight Has refused upon proper demand to submit the
7 records and affairs of the business to the commissioner
8 a deputy commissioner or any duly authorized examiner
9 or agent of the banking department

10 Nine Has refused to be examined upon oath or af-
11 firmation regarding such affairs or

12 Ten Has failed or refused after thirty days' notice
13 to pay any assessment or charge as provided in this act

14 (b) Upon written complaint signed by any one claim-
15 ing to have been aggrieved through any of the first six
16 causes mentioned in clause (a) of this section and
17 stating the true residence or place of business of the
18 signer it shall be the duty of the commissioner forth-
19 with to cause to be made such special examination or
20 investigation of or to call for such special report from
21 the corporation or person in question as may be neces-
22 sary for the purpose of informing himself whether the
23 case is one requiring action by him under the provisions
24 of this act

25 Anyone without cause maliciously invoking the action of
26 the commissioner under this clause shall be liable to the
27 corporation or person in question in damages in a sum
28 equal to double the injury actually sustained by such
29 corporation or person

1 Section 22 When the commissioner shall, have duly
2 taken possession of the business and property of a cor-
3 poration or person as provided in Section 21 of this
4 act he shall forthwith make under his hand and official
5 seal a certificate setting forth that he has so taken
6 possession and shall file such certificate in his office and cause a
7 certified copy thereof to be filed in the office of the prothonotary
8 who shall index the same in the judgment index under the name
9 of the corporation or person as defendant and the name of the
10 commissioner of banking as plaintiff

11 From and after the filing of such certified copy in
12 the office of the prothonotary the commissioner shall su-
13 persede any receiver previously appointed by any court for
14 or any assignee or trustee for creditors appointed by
15 such corporation or person

16 Such superseded receiver assignee or trustee shall forth-
17 with file his account in the court having jurisdiction
18 thereof and pay over and deliver to the commissioner
19 of banking all moneys securities assets and property of
20 such corporation or person in his custody possession or
21 control said court shall allow credit for expenses and
22 for the disbursements properly incurred or made prior to
23 the taking of possession by the commissioner of banking
24 and shall allow proper compensation to said receiver as-
25 signee or trustee and his counsel which when determined
26 shall be paid out of the funds of said corporation or
27 person in the hands of the commissioner of banking

28 Section 23 Whenever the commissioner of banking takes
29 possession of the property and business of any corpora-

1 tion or person such corporation or person may at any
2 time within ten days apply to the court for an order
3 requiring the commissioner to show cause why he should
4 not be enjoined from continuing such possession. The com-
5 missioner may be served personally wherever found within
6 the state by leaving a copy with the deputy in charge
7 of his office or by serving the special deputy appointed
8 by him in such proceeding. At the hearing a copy cer-
9 tified by the commissioner of any report of a duly insti-
10 tuted examination of such corporation or person shall be
11 prima facie evidence of the facts therein stated and if
12 from such report or reports or other evidence there shall
13 appear to be just cause for the taking and continuing
14 of possession by the commissioner he shall not be en-
15 joined unless such report or reports or other evidence
16 shall be overcome by proper proof produced by such cor-
17 poration or person in which event the court shall direct
18 the commissioner to refrain from further proceedings and
19 to surrender such possession.

20 Section 24 The commissioner may by the certificate
21 of taking possession provided for in Section 22 of this
22 Act or by a subsequent certificate in like manner made
23 and filed appoint one or more special deputies as agent
24 or agents to assist him in continuing or liquidating the
25 business and affairs of any corporation or person in his
26 possession. He may from time to time delegate to such
27 special deputy or deputies such duties connected with such
28 continuation or liquidation as he may deem proper. He may em-
29 ploy such expert assistants and may retain such of the officers and

1 employees of such corporation or person as he may deem
2 necessary in the continuation of the business or the liq-
3 uidation and distribution of the assets He shall require
4 such security as he may deem proper from his agents
5 and assistants appointed pursuant to the provisions of this
6 section

7 Section 25 When the commissioner shall have taken
8 possession of the property and business of any such cor-
9 poration or person he shall forthwith give notice in writ-
10 ing of such fact to all corporations and persons holding
11 any assets thereof No one having such notice or actual
12 knowledge that the commissioner has so taken possession
13 shall have a lien or charge against any of the assets
14 of such corporation or person for any payment advance
15 or clearance thereafter made or liability thereafter incurred

16 Section 26 After the commissioner has taken possession
17 as aforesaid he shall make or cause to be made a
18 complete inventory of the assets of such corporation or
19 person which inventory shall be verified by oath or
20 affirmation and certified by an executive officer in the
21 case of a corporation or association by a member of the
22 firm in the case of a partnership and by an individual
23 banker in person The commissioner shall forthwith file
24 such inventory in his office

25 Section 27 The commissioner is authorized upon taking
26 possession of the property and business of such corpora-
27 tion or person to continue or suspend the business for
28 such period as he may deem necessary to enable him
29 to determine whether to liquidate the affairs of usch cor-

1 poration or person and during such period to take such
2 action as in his judgment is necessary to conserve the
3 assets and business

4 Section 28 The commissioner may upon conditions ap-
5 proved by him surrender possession for the purpose of per-
6 mitting such corporation or person to resume business to
7 sell or convey its or his property and franchises or to
8 merge or consolidate its or his business with that of
9 another corporation or person in accordance with the laws
10 of this commonwealth but he shall not authorize any
11 decrease of capital stock by a corporation except upon
12 compliance with the laws relating to the decrease of the
13 capital stock of such corporations

14 Whenever the commissioner shall surrender possession
15 under the provisions of this section he shall forthwith
16 issue an order under his official seal authorizing such cor-
17 poration or person to resume business to sell or convey
18 its or his property and franchises or to merge or con-
19 solidate as aforesaid and shall file said order in his
20 office and cause a certified copy thereof to be filed in
21 the office of the prothonotary who shall thereupon cause
22 the entries upon the judgment index made pursuant to
23 section twenty-two of this act to be canceled

24 Section 29 Except as herein otherwise provided the
25 commissioner shall when he has taken possession of the
26 business and property of a corporation or person have
27 all the rights powers and duties of a receiver appointed
28 by any court of equity in this commonwealth and he
29 shall be vested in his official capacity with all the

1 property of such corporation or person including debts due
2 liens or securities therefor and rights of action or re-
3 demption

4 He shall be the representative of the creditors of the
5 corporation or person and entitled as such to have vacated and
6 set aside for the benefit of the creditors any judgment
7 execution attachment sequestration payment pledge assignment
8 transfer conveyance or incumbrance which could have been
9 avoided by the creditors or any of them or by which
10 it is attempted to give any creditor unlawful preference
11 over another

12 He may with leave of court obtained on petition
13 after notice to all creditors of whom he has knowledge
14 surrender to the corporation or person any assets includ-
15 ing choses in action whether the subject of pending pro-
16 ceedings or not which are burdensome and of no advan-
17 tage to creditors

18 Section 30 The court having jurisdiction shall have
19 power to make and enforce any and all orders neces-
20 sary and appropriate to enable the commissioner of bank-
21 ing to discharge his duties in connection with the busi-
22 ness property and affairs of any corporation or person
23 taken into possession by the commissioner under the pro-
24 visions of this act

25 Section 31 When the commissioner of banking shall
26 have duly taken possession of the business and property
27 of a corporation or person as provided in Section twenty-
28 one of this act he shall hold such possession until the

1 affairs of such corporation or person have been liquidated
2 by him unless

3 I He shall have been directed by order of court to
4 surrender such possession pursuant to the provisions of
5 Section twenty-three of this act

6 II He shall have permitted a resumption of business
7 or a sale or conveyance of property and franchises or a
8 merger or consolidation pursuant to the provision of Sec-
9 tion twenty-eight of this act

10 III The stockholders of such corporation after payment
11 of all creditors in full shall have elected a trustee or
12 trustees to continue the liquidation of such corporation or
13 the court shall have appointed such trustee or trustees pur-
14 suant to the provisions of Section fifty of this act and such
15 trustee or trustees shall have duly qualified to take possession
16 of the remaining assets of such corporation or

17 IV. The depositors and other creditors of such person
18 and the expenses of such liquidation shall have been paid
19 in full

20 Section 32 (a) When the commissioner of banking has
21 taken possession of the business and property of a cor-
22 poration or person he shall if there be any real prop-
23 erty file in the office of the recorder of deeds in each
24 county of this state or with the proper official in any
25 other state or country where any of such real property
26 shall be situated a certified copy of the certificate re-
27 quired by Section twenty-two of this act which copy shall
28 be recorded in the deed book and indexed in the

1 grantor's index in the name of such corporation or per-
2 son and in the grantee's index in the name of the
3 commissioner of banking and shall also be registered
4 with the proper authorities empowered to keep a register
5 of real estate if any there be And when the commis-
6 sioner has surrendered possession of the business and
7 property of a corporation or person he shall in the
8 same manner file a certified copy of the order provided
9 for by Section twenty-eight of this act which shall be
10 in like manner recorded shall be indexed in the name
11 of the commissioner of banking as grantor and in the
12 name of such corporation or person as grantee and shall
13 also be registered as aforesaid

14 (b) The commissioner may sell at public sale any or
15 all of the real and personal property of such corporation
16 or person without any order of court He may with leave
17 of court sell either real or personal property at private
18 sale at least ten days' notice of any petition for leave
19 to sell at private sale shall be given to all stockholders
20 of such corporation or to such person and to all creditors
21 known to the commissioner and such notice shall also be
22 advertised at least once in a newspaper in the county
23 where the banking house or other place of business is
24 located and when the land is situated in a different
25 county at least once in a newspaper published in the latter county

26 (c) When any real property of such corporation or
27 person is situated in a county other than that where
28 the banking house or other place of business is located
29 a petition for leave to sell such property at private sale

1 shall be filed in the court having jurisdiction of the
2 liquidation proceedings which court if satisfied of the pro-
3 priety of such sale shall make an order or decree auth-
4 orizing the commissioner to sell such real property or so
5 much thereof as the court may designate Thereupon it
6 shall be the duty of the court of common pleas of the
7 county wherein the real property so designated is situated
8 on petition of the commissioner to make an order for
9 the sale of said property or so much thereof as the
10 court having jurisdiction of the liquidation proceedings shall
11 have designated and the commissioner shall in all cases
12 make a return of the sale to the court of the county
13 in which the real property is situated If the same be
14 approved by said court it shall be confirmed and a cer-
15 tified copy of the return and of the decree of confirma-
16 tion shall be filed in the court having jurisdiction of the
17 liquidation proceedings

18 (d) Listed securities may be sold on the stock ex-
19 change with leave of court obtained on petition of the
20 commissioner at such time or times and in such manner
21 as may be determined by the court No notice to credi-
22 tors of such petition shall be necessary unless required
23 by the court

24 (e) When any real property of such corporation or
25 person is subject to liens which under the laws of this
26 commonwealth would be discharged by a judicial sale the
27 same shall not be affected by a sale by the commis-
28 sioner unless such sale be made pursuant to an order
29 of court directing that liens be discharged thereby and

1 after notice to all creditors having or claiming liens and
2 in such event the proceeds of the sale shall take the
3 place of the property sold and be distributed to the
4 parties entitled thereto

5 If such real property is situated in a county
6 other than that where the banking house or other place
7 of business is located a petition for leave to sell dis-
8 charged of liens shall be filed in the court having juris-
9 diction of the liquidation proceedings which court if satis-
10 fied of the propriety of such sale shall make an order
11 or decree authorizing the same and thereupon it shall be
12 the duty of the court of common pleas of the county
13 where such property is situated to make an order for
14 the sale thereof discharged of liens Return of such sale
15 shall be made to the latter court If the sale be ap-
16 proved by that court it shall be confirmed and a cer-
17 tified copy of the return and of the decree of confirma-
18 tion shall be filed in the court having jurisdiction of the
19 liquidation proceedings which court shall also make distri-
20 bution of the proceeds of such sale to the parties en-
21 titled thereto

22 Section 33 The commissioner may execute, acknowledge
23 and deliver any and all deeds assignments bills of sale
24 releases extensions satisfactions and other instruments neces-
25 sary and proper to effectuate any sale lease or transfer
26 of real or personal property or to carry into effect any
27 power conferred or duty imposed upon him by this act
28 or by order of court Any instrument executed pursuant
29 to the authority hereby given shall be as valid and ef-

1 fectual for all purposes as though the same had been
2 executed by the officers of such corporation by authority
3 of its board of directors or by such person individually

4 Section 34 The commissioner may with leave of court
5 compound or compromise any debt or claim due to the
6 corporation or person and discontinue any action or other
7 proceeding pending therefor if done in good faith and
8 after proper inquiry and upon payment of the amount
9 due may require all mortgages conditional contracts pledges
10 and liens of or upon any real or personal property of
11 such corporation or person to be satisfied cancelled or as-
12 signed to him as he may deem best or he may sell
13 the property subject thereto

14 Section 35 For the purpose of executing any of the
15 powers and performing any of the duties hereby conferred
16 and imposed upon him the commissioner may in the name
17 of the corporation or person prosecute and defend any
18 and all actions and proceedings at law in equity or
19 otherwise pending at the time when the commissioner takes
20 possession of the business and property of such corpora-
21 tion or person

22 He may by bill of discovery or other legal or equit-
23 able proceeding obtain information of and sue for and
24 recover any assets debts or damages which such corpora-
25 tion or person might sue for and recover or which any
26 of the creditors might make available for the payment
27 of their claims

28 He may at any time while he is in possession of

1 the property and business of a corporation institute and
2 maintain against the directors trustees managers or officers
3 any action or proceeding which is vested in such corpora-
4 tion or in the stockholders or creditors thereof

5 He shall be liable to suit in his representative capa-
6 city by any person seeking to recover specific property
7 if such property could have been recovered as against the
8 creditors of the corporation or person levying an execu-
9 tion thereon

10 Section 36 A lien shall not attach to any of the
11 property or assets of the corporation or person by rea-
12 son of the entry of any judgment against such corpora-
13 tion or person after the commissioner has taken posses-
14 sion of its or his property and business and filed a
15 certificate as required by Section twenty-two of this act
16 and so long as such possession continues

17 During such time no execution or attachment shall is-
18 sue against such corporation or person nor shall any
19 pending execution or attachment be proceeded with except
20 by special leave of the court

21 Section 37 Whenever the stockholders of a corporation
22 whereof the commissioner shall have taken possession are
23 liable in double the amount of the value of the stock
24 held by them and the commissioner has determined from
25 his examination of the affairs of the corporation that the
26 reasonable value of its assets is not sufficient to pay
27 its creditors in full he may enforce the individual liabil-
28 ity of such stockholders to such extent as may be nec-
29 essary

1 If he determines to enforce such liability he shall
2 make demand in writing upon such stockholders by caus-
3 ing the same to be mailed by registered mail to the
4 respective stockholders at their last known places of ad-
5 dress as the same appear on the stock ledger of the
6 corporation or at their last known addresses if no
7 addresses appear in such ledger Such demand shall state
8 the total amount assessed by the commissioner against
9 the stockholders and the pro rata share assessed against
10 the particular stockholder addressed and the total sum to
11 be paid by such stockholder The demand shall also fix
12 a date not less than thirty days after the date of
13 such demand on which the stockholders shall be required
14 to pay such assessment to the commissioner

15 If any stockholder shall fail or refuse to pay such assessment
16 within such time the commissioner shall have a cause
17 of action either at law or in equity against such stock-
18 holder either severally or jointly with other stockholders
19 for the amount of such assessment together with inter-
20 est from the date when the same was due and pay-
21 able In any such action the written statement of the
22 commissioner under his hand and seal of office reciting
23 his determination to enforce the individual liability or any
24 part thereof of such stockholders and setting forth the
25 value of the assets of the corporation and its liabili-
26 ties as determined by him after examination and investi-
27 gation shall be prima facie evidence of such facts as
28 therein stated

29 Section 38 When the commissioner of banking has

1 determined to liquidate the affairs of any such corpora-
2 tion or person he shall forthwith cause an inventory and
3 appraisement of the assets of such corporation or person
4 under oath or affirmation, to be made in duplicates by
5 two disinterested appraisers chosen by him and shall file
6 such inventories and appraisements accompanied in each in-
7 stance by a complete statement certified by him of the
8 liabilities of such corporation or person so far as he
9 has been able to ascertain the same one in his office
10 and the other in the office of the prothonotary

11 Section 39 After taking possession as aforesaid the
12 commissioner may give written notice to anyone claiming
13 or appearing on the books of the corporation or person
14 to be owner of any personal property left in the pos-
15 session of such corporation or person as bailee or de-
16 positary for hire or the lessee of any safe vault or
17 box notifying such bailor or lessee to remove all such
18 personal property within a period of not less than sixty
19 days

20 At the expiration of such period if such property
21 has not been removed the commissioner may proceed as
22 the corporation or person might have proceeded as pro-
23 vided in the contract of bailment or lease or at his
24 option may cause any such safe vault or box to be
25 opened in his presence or the presence of his special
26 deputy and of a notary public not an officer or employeé
27 of the corporation or person or of the banking depart-
28 ment and the contents if any of such safe vault or
29 box to be sealed and marked by such notary with the

1 name and address of the bailor or lessee in whose
2 name such safe vault or box stands upon the books of
3 of the corporation or person and a list of the property
4 therein to be attached thereto Such package so sealed
5 and addressed shall be removed by the commissioner to
6 his office and there preserved until delivered to the
7 owner or otherwise disposed of in accordance with law

8 After the service or mailing of the notice as afore-
9 said the contract of bailment or leasing if any shall
10 cease and determine upon the date for removal fixed by
11 said notice and the amount of unearned rent or charges
12 if any paid by the bailor or lessee shall become a
13 debt of the corporation or person All contracts of
14 bailment or lease such as aforesaid made after the date
15 of the approval of this act shall be subject to the
16 provisions of this section

17 Section 40 (a) Whenever the commissioner of banking
18 takes possession of the business and property of a cor-
19 poration or person in accordance with the provisions of
20 this act he shall also take possession of all funds prop-
21 erty and investments held by such corporation or person
22 in any fiduciary capacity but shall keep the same sep-
23 arate and apart from the assets thereof

24 (b) Upon determining to liquidate the affairs of such
25 corporation or person the commissioner shall forthwith give
26 written notice to all parties interested in any such
27 funds property or investments held in a fiduciary capacity
28 so far as such notice is practicable requiring them within

1 thirty days to apply to the proper court or official for
2 the appointment of substituted fiduciaries to take the
3 place of such corporation or person. On the failure or
4 neglect of the parties so notified to make such appli-
5 cation within the time designated or in case the parties
6 in interest cannot be notified the commissioner shall him-
7 self apply for such appointment of substituted fiduciaries

8 (c) In any instance where there shall be no dispute
9 as to the amount or identity of such funds property or
10 investments and all parties in interest are sui juris and
11 so request in writing the commissioner may without the
12 filing of an account transfer pay over and deliver to
13 such substituted fiduciary all funds property and invest-
14 ments of the particular trust taking from such parties
15 and such substituted fiduciary a receipt and release in
16 full which shall discharge the commissioner and such cor-
17 poration or person from any further liability in the
18 premises

19 (d) In any instance where there shall be a dispute
20 as to the identity of alleged trust funds property or in-
21 vestments either because the same have become or are alleged
22 to have become mingled with other funds property or in-
23 vestments or otherwise the court having jurisdiction of the
24 liquidation proceedings shall have exclusive jurisdiction to
25 determine such dispute

26 (e) In all other instances the commissioner shall with
27 the least possible delay prepare and file in the courts
28 having jurisdiction thereof the accounts of such corporation
29 or person in such fiduciary capacities and shall transfer

1 pay over and deliver the balances determined upon such
2 accounts to be due in accordance with the orders and
3 decrees of such courts

4 (f) If any instance where it shall be ascertained by
5 any such court that there is a deficiency in any such
6 trust funds property or investments for which such corporation
7 or person is liable or that such corporation or person is
8 liable to surcharge in respect thereof the amount thereof
9 shall constitute an unpreferred claim against the general
10 funds in the hands of the commissioner and the order
11 or decree of such court shall be conclusive subject to
12 appeal as to the amount of such claim Should the exist-
13 ence or amount of any deficiency or surcharge or the
14 liability of the corporation or person therefor be un-
15 determined at the time of any distribution of such gen-
16 eral funds it shall be the duty of the court ordering
17 such distribution to set apart and withhold from such dis-
18 tribution a sufficient amount to pay the proportionate di-
19 vidend upon such undetermined claim until the same shall
20 have been finally adjudicated

21 Section 41 When the commissioner shall have determined
22 to liquidate the affairs of such corporation or person he
23 shall forthwith give written or printed notice to all de-
24 positors to produce to him their deposit or pass books
25 for settlement stating in such notice the amount which
26 the books of the corporation or person show to be due
27 to each depositor subject to outstanding checks and notify-
28 ing such depositors that unless a settlement of the de-
29 posit or pass books shall show a different amount to be

1 due or unless a depositor shall within four months from
2 the date of such notice make proof in the manner here-
3 inafter set forth that the amount due to him differs
4 from the amount as shown by the books of the cor-
5 poration or person the amount last mentioned will be
6 conclusive as to the amount of the claim of such de-
7 positor subject as aforesaid to any outstanding checks

8 The commissioner shall at the same time give written
9 or printed notice to all creditors other than depositors so
10 far as known to him to make proof of their claims in
11 the manner hereinafter set forth within four months from
12 the date of such notice or be debarred from coming in
13 upon the fund

14 He shall also advertise such notices to depositors and
15 other creditors in a newspaper once a week for four
16 successive weeks

17 Section 42 No claim other than the claim of a de-
18 positor shall be allowed unless the claimant or someone
19 for him if he cannot do so shall furnish to the com-
20 missioner of banking a statement of his claim together
21 with a copy of any book entries pertaining thereto or
22 any note or other writing evidencing the same verified by
23 an affidavit in substantially the following form

24 "I (name of claimant) do solemnly swear (or affirm)
25 that the above is a true statement of my claim against
26 (name of corporation or person) that there are no credits
27 or allowances against the same except as therein set forth
28 that I have not directly or indirectly made or entered
29 into any bargain arrangement or agreement express or im-

1 plied to take or receive directly or indirectly any money
2 property or consideration whatever to or for myself or to
3 or for any other person firm or corporation whatever other
4 than my dividend as a creditor and that there is no
5 collateral security for said indebtedness or any part thereof
6 held by me or by anyone else other than as above set
7 forth"

8 In case the claimant shall be a partnership or cor-
9 poration such affidavit shall be made by a member of
10 the partnership or by the treasurer or assistant treasurer
11 of the corporation claimant and the form thereof shall be
12 modified accordingly

13 The provisions of this section shall not apply to the
14 claims of cestuis que trust or others to or against trust
15 funds or property in the custody possession or control of
16 a corporation or person possession of whose business and
17 property is taken by the commissioner of banking under
18 the provisions of this act

19 Section 43 When proofs of claims by depositors are
20 necessary under the provisions of Section forty-one of this
21 act the same shall be in such form as the commissioner
22 shall prescribe and shall on request of any such depositor
23 be prepared by the special deputy in charge of the affairs
24 of the corporation or person in question and the affi-
25 davits thereto shall be taken by him without charge

26 Section 44 If such claim and affidavit when required
27 are in proper form and if the amount claimed by a
28 depositor or other creditor agrees with the amount shown

1 by the books of the corporation or person or if upon
2 consultation with the claimant and such corporation or per-
3 son the amount is ascertained to the satisfaction of the
4 commissioner of banking the claim shall be allowed if
5 presented within the time limited by the notice as afore-
6 said unless objected to in the manner hereinafter provided

7 Section 45 At the expiration of the time fixed by
8 the notice and advertisement for the presentation of claims
9 prescribed in Section forty-one of this act the commis-
10 sioner may file a partial or final account consisting of
11 a statement of receipts and expenditures together with a
12 list of the claims which have been allowed and separately
13 a list of the claims which have been objected to or
14 are disputed showing as to all claimants the names ad-
15 dresses and amounts

16 If no account is filed within a year from the time
17 when the commissioner takes possession any party interested
18 may petition the court for an order on the commissioner
19 requiring the filing of an account

20 Any account filed by the commissioner shall be duly
21 verified by him under oath or affirmation Upon the filing
22 thereof he shall give written or printed notice to all the
23 depositors and other creditors known to him of such fil-
24 ing and that unless objections shall be filed within thirty
25 day from the date thereof the same will be confirmed
26 absolutely He shall also at the same time advertise such
27 notice in one newspaper and the legal journal if any
28 designated by the court for the publication of legal notices once
29 a week for four successive weeks

1 During such period of thirty days any depositor other
2 creditor stockholder or anyone having any interest may file
3 in the court objections in writing to said account or to
4 the allowance of any of said claims a copy of which
5 objections shall forthwith be served upon the claimant whose
6 claim is objected to or his counsel and upon the com-
7 missioner of banking or his counsel or the special deputy
8 appointed by him in such proceeding

9 Section 46 If at the expiration of said period of
10 thirty days from the filing of the account no objections
11 shall have been filed thereto the same shall be confirmed
12 absolutely and the commissioner shall prepare and file a
13 schedule of distribution in accordance with the priorities
14 fixed by law Said schedule shall be subject to the ap-
15 proval of the court and in accordance therewith when so
16 approved a partial or final dividend as the case may
17 be shall be declared and paid by the commissioner In
18 case there shall be any disputed claim or any claim to
19 which objections shall have been duly filed the dividend
20 shall be calculated as if all claims were valid and ap-
21 proved and after deducting and setting apart such portion
22 of the dividend as represents claims which are disputed
23 or objected to the balance shall be distributed among the
24 other claims If all or any of the claims disputed or
25 objected to shall thereafter be determined to be valid they
26 shall then receive their portions of such dividend If all
27 or any of such claims shall be determined to be invalid
28 the portions of such dividend set apart to them shall
29 be distributed to the valid claims

1 Section 47 The confirmation of a partial account and
2 distribution thereunder as aforesaid shall be conclusive only
3 as to the fund distributed and shall not prevent the
4 proof and allowance out of the fund involved in any
5 subsequent account of claims not presented in time for
6 allowance out of such previous fund

7 Section 48 If there shall be claims disputed or ob-
8 jected to or if there shall be objections to the account
9 the court shall itself without delay hear and decide the
10 matters in controversy The court shall fix a time and
11 place for the hearing of which three weeks' written notice
12 shall be given to the commissioner of banking and to the
13 corporation or person and to all such proceedings the allowance of
14 all depositors and other creditors whose claims shall have been filed
15 as aforesaid Said notice shall also set forth that all parties whose
16 claims are disputed or objected to must appear at said
17 time and place and prove their claims or be debarred
18 from coming in upon the fund for distribution

19 Section 49 All assessments charges and penalties due
20 to the banking department by such corporation or person
21 all expenses of the taking and maintaining possession of the
22 business and property or the continuing of the business
23 by the commissioner of banking and all expenses of liqui-
24 dation under the provisions of this act shall first be
25 payable out of the funds of such corporaion or person
26 including the compensation of special deputies assistants and
27 others employed by the commissioner to assist him in
28 such expenses to be subject to the approval of the court

29 Section 50 If after the filing and confirmation of the

1 final account of the commissioner and the payment of all
2 creditors in full and the return to stockholders who have
3 paid to the commissioner the amounts demanded pursuant
4 to Section thirty-seven of this act of their pro rata
5 shares of any such amounts not necessary to pay creditors
6 in full there shall remain a balance in the hands of
7 the commissioner he shall call a meeting of stockholders
8 by serving written or printed notice upon them at least
9 thirty days before the day fixed for the meeting

10 At such meeting the stockholders shall elect by ballot
11 a trustee or trustees for the purpose of completing the
12 liquidation A majority of the stock present in person or
13 by proxy shall be necessary to elect Should the stock-
14 holders fail or refuse to elect the commissioner or any
15 stockholder may petition the court for the appointment of
16 such a trustee or trustees who when appointed shall give
17 bond to the commonwealth in such amount with such
18 surety and on such conditions as the court may direct

19 When such trustee or trustees have been duly elected
20 or appointed as aforesaid the commissioner shall then
21 transfer convey and deliver to such trustee or trustees
22 all the assets of the corporation then remaining in his
23 hands He shall thereupon be discharged from all further
24 liability to such corporation and its creditors and shall
25 file a certified copy of the proceedings of said stockhold-
26 ers' meeting in his office and cause a certified copy
27 thereof to be filed in the office of the prothonotary No
28 powers subject to the supervision of the banking depart-

1 ment shall thereafter be exercised by such corporation ex-
2 cept by permission of the commissioner and after compli-
3 .ance by such corporation with all the requirements of law
4 as to a new corporation desiring to exercise such powers

5 Section 51 If any section clause sentence or paragraph
6 or other part of this act shall for any reason be ad-
7 judged by any court of competent jurisdiction to be in-
8 valid such judgment shall not affect impair or invalidate
9 the remainedr of the act but shall be confined in its
10 operation to the part thereof directly involved in the con-
11 troversy in which such judgment shall be rendered

12 Section 52 The following acts and parts of acts of
13 assembly are hereby repealed

14 An act entitled "An Act to create a banking de-
15 partment" approved June eighth one thousand eight hun-
16 dred and ninety-one Pamphlet Laws two hundred and sev-
17 enteen

18 An act entitled "An act \creating a banking depart-
19 ment defining its purposes and authority designating what
20 corporations shall be subject to supervision and examination
21 by the commissioner of said department creating the office
22 of commissioner of banking defining his powers and auth-
23 ority prescribing his duties and fixing his salary providing
24 for the appointment of a deputy commissioner defining his
25 duties and fixing his salary authorizing the appointment of
26 clerks assistants examiners and other employes of said de-
27 partment providing for the registration of foreign corpora-

1 tions receiving deposits or transacting any banking business
2 within this commonwealth and providing for their super-
3 vision and examination imposing the payment of certain
4 annual taxes or sums of money upon all corporations
5 (except building and loan associations doing business ex-
6 clusively within this State) subject to supervision and ex-
7 amination for the payment of the expenses therefor and
8 providing for the collection thereof empowering the admin-
9 istration of oaths in connection with the business of the
10 department and providing for the punishment of any false
11 swearing providing for the making of reports by corpora-
12 tions subject to supervision and examination and the pub-
13 lication thereof and providing proceedings against such cor-
14 porations for failure to make reports providing for pro-
15 ceedings against such corporations when the capital has
16 been reduced by impairment or otherwise or when such
17 corporations are doing business contrary to law or in an
18 unsafe or unauthorized manner or when any such corpora-
19 tion is insolvent providing for proceedings against corpora-
20 tions subject to supervision and examination but without
21 capital stock when the same are doing business contrary
22 to law or in an unsafe or unauthorized manner provid-
23 ing for the appointment of receivers both temporary and
24 permanent when necessary for corporations subject to super-
25 vision and examination and providing for the punishment
26 of certain breaches of duty by the commissioner deputy
27 commissioner or any employe of said department and also

1 repealing an act entitled 'An act creating a banking de-
2 partment' approved June eighth one thousand eight hundred
3 and ninety-one and also repealing all other laws inconsis-
4 tent with this act" approved February eleventh one thou-
5 sand eight hundrd and ninety-five Pamphlet Laws four

6 An act entitled "An act to amend section five of
7 an act creating a banking department defining its purposes
8 and authority designating what corporations shall be sub-
9 ject to supervision and examination by the commissioner
10 of said department creating the office of commissioner of
11 banking defining his powers and authority prescribing his
12 duties and fixing his salary providing for the appointment
13 of a deputy commissioner defining his duties and fixing
14 his salary authorizing the appointment of clerks assistants
15 examiners and other employes of said department providing
16 for the registration of foreign corporations receiving de-
17 posits or transacting any banking business within this
18 commonwealth and providing for their supervision and ex-
19 amination imposing the payment of certain annual taxes
20 or sums of money upon all corporations (except building
21 and loan associations doing business exclusively within this
22 State) subject to supervision and examination for the pay-
23 ment of the expenses therefor and providing for the col-
24 lection thereof empowering the administration of oaths in
25 connection with the business of the department and pro-
26 viding for the publishment of any false swearing providing
27 for the making of reports by corporations subject to su-
28 pervision and examination and the publication thereof and
29 providing proceedings against such corporations for failure

1 to make reports providing for proceedings against such cor-
2 porations when the capital has been reduced by impairment
3 or otherwise or when such corporations are doing business
4 contrary to law or in an unsafe or unauthorized manner
5 or when any such corporation is insolvent providing for
6 proceedings against corporations subject to supervision and
7 examination but without capital stock when the same are
8 doing business contrary to law or in an unsafe or un-
9 authorized manner providing for the appointment of receivers
10 both temporary and permanent when necessary for corpora-
11 tions subject to supervision and examination and providing
12 for the punishment of certain breaches of duty by the
13 commissioner deputy commissioner or any employe of said
14 department and also repealing an act entitled 'An act
15 creating a banking department' approved June eighth one
16 thousand eight hundred and ninety-one and also repealing
17 all other laws inconsistent with this act approved February
18 eleventh Anno Domini one thousand eight hundred and
19 ninety-five by providing that building and loan associations
20 doing business exclusively within this State shall make but
21 one report annually which report need not be published"
22 approved June twenty-four one thousand eight hundred and
23 ninety-five (Pamphlet Laws two hundred and thirty-three)

24 An act entitled "An act to amend fourth section of
25 an act entitled 'An act creating a banking department de-
26 fining its purposes and authority designating what corpora-
27 tions shall be subject to supervision and examination by
28 the commissioner of said department creating the office of

1 commissioner of banking defining his powers and authority
2 prescribing his duties and fixing his salary providing for
3 the appointment of a deputy commissioner defining his
4 duties and fixing his salary authorizing the appointment
5 of clerks assistant examiners and other employees of said
6 department providing for the registration of foreign cor-
7 porations receiving deposits or transacting any banking busi-
8 ness within this commonwealth and providing for their super-
9 vision and examination imposing the payment of certain
10 annual taxes or sums of money upon all corporations
11 (except building and loan associations doing business ex-
12 clusively within this State) subject to supervision and ex-
13 amination for the payment of the expenses therefor and
14 providing for the collection thereof empowering the admini-
15 stration of oaths in connection with the business of the
16 department and providing for the publishment of any false
17 swearing providing for the making of reports by corpora-
18 tions subject to supervision and examination and the pub-
19 lication thereof and providing for proceedings against such
20 corporations for failure to make reports providing for proceedings
21 against such corporations when the capital has been reduced by
22 impairment or otherwise or when such corporations are doing
23 business contrary to law or in an unsafe or unauthorized
24 manner or when any such corporation is insolvent pro-
25 viding for proceedings against corporations subject to super-
26 vision and examination but without capital stock when the
27 same are doing business contrary to law or in an un-
28 safe or unauthorized manner providing for the appointment
29 of receivers both temporary and permanent when necessary

1 for corporations subject to supervision and examination and
2 providing for the punishment of certain breaches of duty
3 by the commissioner deputy commissioner or any employe
4 of said department and also repealing an act entitled
5 "An act creating a bankin department" approved June
6 eighth one thousand eight hundred and ninety-one and also
7 repealing all other laws inconsistent with this act" ap-
8 proved May twenty-nine one thousand nine hundred and one
9 (Pamphlet Laws three hundred and forty-five)

10 An act entitled "An act to authorize the employment
11 upon a permanent pay-roll of certain employes in the
12 various department of the State government" approved
13 April eighth one thousand nine hundred and three (Pam-
14 phlet Laws one hundred and fifty-nine) so far as the
15 same relates to the banking department

16 An act entitled "An Act authorizing the commissioner
17 oof banking to appoint five additional examiners and pro-
18 viding for their compensation and expenses" approved March
19 seventh one thousand nine hundred and five (Pamphlet
20 Laws thirty-three)

21 An act entitled "An Act fixing the salary of the
22 deputy commissioner of banking" approved March thirty-first
23 one thousand nine hundred and five (Pamphlet Laws
24 eighty-eight)

25 An act entitled "An Act authorizing the attorney gen-
26 eral whenever it shall become his duty to proceed
27 against any corporation under the supervision of the
28 commissioner of banking to do so either in the court
29 of common pleas of Dauphin County or in the court

1 oof common pleas of the county where such corporation
2 may be located" approved April twenty-second one thou-
3 sand nine hundred and five (Pamphlet Laws two hundred
4 and eighty-three)

5 An act entitled "An Act authorizing the commissioner
6 of banking to appoint additional bank examiners two
7 stenographers and one messenger and fixing the compensa-
8 tion of the same" approved June first one thousand nine
9 hundred and seven (Pamphlet Laws three hundred and
10 eighty-five)

11 An act entitled "An Act to provide that corporations
12 of this commonwealth having the right to receive deposits
13 of money and to do a banking business which have not
14 commenced business within two years from the date of
15 their letters patent or which have failed to exercise their
16 corporate privileges for two years after having been liq-
17 uidated shall be proceeded against by quo warranto by
18 the attorney general at the instance of the banking com-
19 missioner to have their charter rights declared null and
20 void" approved April twenty-third one thousand nine hun-
21 dred and nine (Pamphlet Laws one hundred and forty-
22 three)

23 An act entitled "An Act to provide that when a
24 receiver of a corporation is appointed in any court on
25 motion of the attorney general at the instance of either
26 the commissioner of banking or the insurance commissioner
27 such receiver shall supersede any receiver previously ap-
28 pointed by decree of any court and shall supersede any
29 assignee or trustee previously appointed by such corpora-

1 tion and requiring such superseded receiver assignee or
2 trustee to pay over and deliver to the receiver appointed
3 on motion of the attorney general the money assets and
4 property of such corporation in his or their possession
5 and to file his or their account in the proper court
6 and providing for the appointment of auditors of the
7 accounts of receivers appointed on the motion of the at-
8 torney general and defining their duties" approved April
9 twenty-third one thousand nine hundred and nine (Pam-
10 phlet Laws one hundred and sixty-seven) so far as the
11 same relates to receivers appointed at the instance of
12 the commissioner of banking

13 An act entitled "An Act fixing the salary of the
14 messenger in the banking department" approved May thir-
15 teenth one thousand nine hundred and nine (Pamphlet
16 Laws five hundred and thirty-six)

17 An act entitled "An Act to authorize the appoint-
18 ment of a chief clerk in the banking department and
19 fixing his compensation" approved May thirteenth one
20 thousand nine hundred and nine (Pamphlet Laws five hun-
21 dred and thirty-seven).

22 An act entitled "An Act authorizing the commissioner
23 of banking to appoint one additional clerk and one addi-
24 tional stenographer and fixing the compensation of each"
25 approved May twenty-third one thousand nine hundred and
26 thirteen (Pamphlet Laws three hundred and thirty-four)

27 An act entitled "An Act to provide for the dis-
28 charge of the duties of any department of the state
29 government when by absence or incapacity the head of

1 such department is unable to discharge such duties or
2 during a vacancy in the office of the head of any
3 such department" approved March twenty-two one thousand
4 nine hundred and seventeen (Pamphlet Laws eleven) so
5 far as the same relates to the banking department

6 An act entitled "An Act fixing the compensation of
7 employees in the department of banking and providing for
8 the appointment of an additional clerk" approved April
9 twenty-sixth one thousand nine hundred and seventeen (Pam-
10 phlet Laws one hundred and one)

11 An act entitled "An Act relating to the salaries and
12 expenses of the examiners in the department of banking"
13 approved May twenty-ninth one thousand nine hundred and
14 seventeen (Pamphlet Laws three hundred and eleven)

15 All other acts of assembly or parts thereof that are
16 in any way in conflict or inconsistent with this act
17 or any part thereof are hereby repealed