

515748
City Loan Fund
P. Bartlett
CONSTITUTION AND BY-LAWS,

OF THE

City Loan Fund Association,

OFFICE, No. 8 CITY BLOCK,

A. T. SANBORN, SECRETARY.

LAWRENCE:
COURIER JOB PRINTING ESTABLISHMENT,
1855.

CONSTITUTION

AND

BY LAWS,

OF THE

CITY

Loan Fund Association.

A. T. SANDBORN, SECRETARY.

LAWRENCE:
COURIER OFFICE.
1855.

OFFICERS.

PRESIDENT.

WM. M. KIMBALL.

VICE PRESIDENTS.

GEO. W. GARLAND, M. D.,

C. C. CLOSSON.

SECRETARY.

ASA T. SANDBORN.

DIRECTORS.

Nathan Wells,
John Beetle,
D. S. Swan,
Walker Flanders,
Artemas Parker, Jr.,
Amasa Bryant,

Geo. D. Cabot,
James W. Bailey,
Wm. Potter,
E. B. Currier,
Geo. W. Hills,
R. M. Bailey.

ATTORNEY.

N. G. WHITE.

SURVEYOR.

WALKER FLANDERS.

Articles of Association.

PREAMBLE.

WE, the undersigned, having associated and formed a Company for the purpose of accumulating a fund for the purchase of real estate, making improvements thereon, removing incumbrances therefrom, for making loans, and for the further purpose of accumulating a fund to be returned to members, who do not obtain advances, when the funds of the Association shall amount to five hundred dollars per share, do severally agree that the following Articles shall govern us and determine our rights, duties, and privileges, as members of such Association.

ARTICLE I.—NAME.

This Association shall be called "THE CITY LOAN FUND ASSOCIATION," and shall hold a meeting monthly on the first Wednesday of every month. during its continuance, at such places as the Association shall agree upon by a vote of its members, fifteen of whom shall constitute a quorum for the transaction of business. Special meetings may be held at any time, when called by the President, on the application of any twelve members in writing—three days' notice thereof being given in the manner prescribed in Article XXVI.

The meetings shall be held at 8 o'clock P. M., during all months of the year.

ARTICLE II.—MEMBERS.

All persons who shall pay the entrance fee, and hold one or more shares, and sign the articles, shall be members of this Association.

ARTICLE III.—OFFICERS.

The Officers of this Association shall consist of a President, two Vice-Presidents, 12 Directors, a Secretary, Attorney, and Surveyor. The President, Vice-Presidents and Directors shall be elected annually after the first year, on the first Wednesday of September by the members of the Association, by ballot, and

no person shall hold any office after the first election who has not been a member of this Association for four months previous to his election. The President and Vice-Presidents shall be members of the Board of Directors.

ARTICLE IV.—BOARD OF DIRECTORS.

The Board of Directors shall have the general supervision, direction and management of the affairs of the Association.— They shall select some Bank doing business in the City of Lawrence, for the deposit of all moneys received by the Association. They shall also provide a suitable Seal for the Association, the Secretary of which shall have the custody thereof. They shall judge of the sufficiency of the value of all property offered as security to the Association. No money shall be withdrawn from the Bank when deposited, unless by a vote of the Board, and upon a check drawn by the President, endorsed by one of the Vice-Presidents, to the order of the person to whom it is to be paid, and countersigned by the Secretary; in case of the absence of the President, either of the Vice-Presidents may draw a check to be endorsed by the other Vice President, to the order of the person to whom it is to be paid, and countersigned by the Secretary; and in case of the absence of the Secretary, the Chairman of the Board of Directors shall countersign all checks.

At their first meeting, the Directors may elect the Secretary, Attorney and Surveyor, each of whom shall hold their office permanently, unless removed, as hereinafter provided.

They shall elect from their number, before any certificates of shares are issued, three Trustees of this Association, in whom, as such Trustees, shall be vested all property, bonds, mortgages, and other legal instruments belonging to this Association, in such form as the Attorney shall approve of. All legal documents which are required to be recorded shall be forthwith recorded, under the Attorney's direction, in the proper office, after which they, together with all other documents of this Association shall be placed in the custody of the Trustees, in a suitable box, the key of which shall be kept by the President, and the box shall be deposited in the Bank where the money is deposited, and shall not be withdrawn, except by the order of the Association or Board of Directors, to be certified by the presiding officer and Secretary. They shall conduct all legal proceedings which may be necessary to preserve the rights of the Association, under the direction of the Association or Directors. They shall not assign, transfer, cancel, deliver up, or acknowledge satisfaction of any bond, mortgage, or legal instrument belonging to the Association, unless directed so to do by vote of the Association, or Board of Directors, and the form thereof approved by the At-

torney. On the removal or resignation of a Trustee, he shall execute to his co-Trustees, or to his successor, such assignment of his interest as Trustee as the Attorney shall deem necessary. Any Trustee may be removed or suspended in the same manner as an officer of the Association.

It shall be the duty of the Board of Directors, as soon as practicable after the first regular meeting, and after every other regular meeting during the continuance of the Association, and until the shares are all subscribed for, to ascertain and determine what entrance fee upon each share should be paid at the next regular meeting of the Association, by persons who may then be desirous of becoming members or subscribing for additional shares, in order to place such new members or subscribers for additional shares upon the same footing as to shares subscribed for, as those holding the shares originally subscribed for. And notice of the same shall, without delay, be placed in a conspicuous place in the office of the Secretary.

ARTICLE V.—FINANCE COMMITTEE.

Three of the Directors in rotation shall constitute the Finance Committee, and they shall be so arranged by the President that one shall go off from the committee quarterly. They shall audit the accounts of the officers and all bills against the Association, and shall at all times have access to the books belonging to the Association, and report quarterly. All bills, when for expenses authorized by the Association or Board of Directors, which shall be certified by the Finance Committee to be correct, shall be paid without further action.

They may from time to time, pay to the Secretary a sufficient sum of money to meet the current expenses of the Association.

ARTICLE VI.—PRESIDENT AND VICE-PRESIDENTS.

The President shall preside at all meetings of the Association, and of the Board of Directors. He shall not use the Seal of the Association, or receive, dispose of, change the place of deposit of any money or other property of the Association; or borrow money, or contract debts in the name of the Association, without being authorized so to do by the Board of Directors.— When the President shall be absent, either of the Vice-Presidents, and in the absence of these three, the Chairman of the Board of Directors, shall perform all the duties of the President. In the absence of the four officers above named, a President *pro tem.* may be chosen from and by the members at any meeting of the Association.

ARTICLE VII.—THE SECRETARY, AND HIS DUTY.

The Secretary shall attend all meetings of the Association, regular or special, with the books and papers of the Association necessary for the transaction of the business of such meetings, and shall also attend, with all proper books and papers, the regular and special meetings of the Board of Directors. He shall keep correct minutes of the proceedings at all such meetings.— He shall keep the books of account of the Association, in which shall be entered all accounts between the Association and the members and otherwise; also books for the subscription for shares. He shall also keep a proper book for the register of the names, occupation, and residence, or place of business of the members, and also any other book or books which the President may find necessary for the business of the Association. He may employ an assistant, who shall be compensated out of the Secretary's salary, and for whose fidelity and conduct the Secretary shall be responsible. He or his assistant shall attend at the regular place of business of the Association daily, except Sundays and holidays. He shall, under the direction of the President, serve all notices, and under the like direction conduct the correspondence of the Association. He shall, without delay, deposit in the Bank to be selected by the Board of Directors, to the credit of the Association, all moneys from time to time received by him for the Association, and until the same shall be so deposited, he shall be personally responsible for the safety thereof. He shall, for his services, receive such compensation as shall from time to time be fixed by the Board of Directors, and shall execute a bond, with one or more sufficient sureties, (to be approved by the Board of Directors,) for the faithful discharge of his duties, and further conditioned that he will fully indemnify and save harmless the Association from and against any loss of moneys by him received for the Association, until the same shall be deposited in the Bank selected by the Directors, to the credit of the Association. All books kept by the Secretary shall at all reasonable times be open to the inspection of any member. All communications intended for the Association or Board of Directors, shall be addressed to the President, and left with the Secretary. In case of the Secretary's absence at a meeting, the President may appoint a Secretary, *pro tem*.

ARTICLE VIII.—SURVEYOR, AND HIS DUTIES.

It shall be the duty of the Surveyor of this Association, to personally examine all property offered as security for advances to be made by the Association, immediately upon the purchaser furnishing him with the location and description of his property.

He shall thereupon, and without delay, report to the Board of Directors, a full and minute description of such premises as he has examined, together with the value thereof, and his opinion thereon, which statement and opinion shall be in writing, and shall be filed with the papers connected with such property.— The Board of Directors, if they are satisfied with such statement, and the value of the premises, shall proceed to pass the same, and shall notify the Attorney that they are satisfied with the security offered. He shall receive such compensation, and in such manner, as the Board of Directors may deem proper.— The Surveyor may appoint an Assistant Surveyor, to be paid out of the compensation of the Surveyor, for whose acts the Surveyor shall be personally responsible. The compensation of the Surveyor shall be secured, when practicable, in the same manner as is that of the Attorney.

ARTICLE IX.—ATTORNEY AND COUNSELLOR, AND HIS DUTIES.

It shall be the duty of the Attorney and Counsellor of the Association, to peruse and examine all title deeds, and make the necessary searches for ascertaining the title to all property offered as security to the Association. He shall prepare all bonds, mortgages, and all other writings to be taken or given by this Association, in the course of its business. He shall also transact all other law business of this Association whenever necessary, for which he shall receive such compensation as is proper. His charges for fees and disbursements, in making searches, recording and proving papers, and preparing mortgages, and all other written instruments, examining papers, titles, and other matters, shall be borne by the party dealing with the Association in reference to such matters, and in default shall form a charge against the said party on the books of the Association.— In all disputes as to the amount of his charges, the same shall be determined by the Board of Directors.

ARTICLE X.—MONTHLY DUES AND FINES FOR NON-PAYMENT.

Every member of this Association shall, during the week next preceding every regular meeting, pay two dollars as monthly dues for each share held by him, and for any neglect in so doing, shall be fined for every non-payment on each share as follows: for the first month, ten cents; second month, twenty-five cents; third month, thirty-seven cents; fourth month, fifty cents; and every succeeding month, one dollar. All shares, on which no payment has been made for six months, shall be forfeited. All payments by a member shall be applied to the oldest charge against him on the books. No payment of monthly dues or fines shall be received from any member except for the whole amount

of such dues and fines due by such member at the time of tendering such payment, except allowed by the Board of Directors. Members paying their dues three months or more in advance, shall be entitled to interest at the rate of 6 per cent., per annum.

ARTICLE XI.—ENTRANCE FEE.

Every member of this Association shall pay an entrance fee of one dollar per share, until the conclusion of the second regular meeting of the Association, after which time new members shall pay such increased entrance fee and the monthly dues from the commencement of the Association, as the Board of Directors shall judge to be sufficient to place the new members upon the same footing as the original shares. All shares on which an entrance fee only has been paid shall become forfeited in two months after they shall have been subscribed for. The arrears for new shares shall be paid in full, or in such instalments, and under such penalties as the Board of Directors shall determine.

ARTICLE XII.—REMOVAL OF OFFICERS.

Any Trustee, Officer, or Attorney of this Association may be removed in the manner hereinafter provided, for misconduct, neglect of duty, or any other sufficient cause. All charges against any Trustee or Officer shall be made in writing, signed by the member making such charge, and shall be filed with the President and Secretary, who shall lay the same before the Board of Directors at their next meeting, and shall give personal notice to the person against whom the charges are preferred. The Board may suspend, if they deem it necessary, such person, while said charge is pending. No Officer shall vote upon any proceeding by the Board, upon any charge against himself, or preside at the Board during the investigation thereof. The Directors may dismiss such charge as showing no ground of complaint. Should the Board of Directors, after the investigation of any charge preferred, recommend the removal of the person against whom said charge is preferred, he may be so removed by a majority of the votes of the members present, which shall be by ballot. The decision of the meeting shall be final. If the Directors, upon the investigation of any such charge, shall find that the same was frivolous, malicious, or without probable cause, such finding shall be entered in the minutes, and they may direct the Secretary to strike from the list of members the name of the member making such charge, and the same shall be done accordingly. All dues paid into the Association by such member upon shares not redeemed, shall be returned to him by the Board of Directors, without interest. His said shares shall

be cancelled, and he shall ever after be incapable of becoming a member of the Association. Upon the removal of any Director, Officer, or Attorney, another shall be elected in his place, to fill the vacancy, at the same meeting; such election to be conducted in the same manner as regular elections. Should the member preferring such malicious or frivolous charge be a Director, Officer, or Attorney, instead of striking his name from the list of members, the Board of Directors shall report the facts, with their opinion thereon, to the next regular meeting, and such Director, Officer, or Attorney may be removed by a vote of the meeting, in the same manner as above provided in relation to the removal upon charges preferred. If removed his name shall be stricken from the list of members, in the same manner as above provided.

ARTICLE XIII.—FINES OF OFFICERS.

Should any Officer having the custody of books and papers, which should be present at any meeting of the Association, or Board of Directors, fail to bring or send the same at the opening of such meeting, he shall be fined one dollar.

ARTICLE XIV.—BIDDING FOR LOANS.

Whenever the funds of the Association shall amount to the sum of five hundred dollars, (one share,) the same shall be put up to competition among the members by the President, at a regular meeting of the Association, and the member bidding the greatest discount for the same shall be entitled to it, for the purpose of building or purchasing freehold or leasehold premises, or removing incumbrances therefrom, which he shall mortgage to the Association for the payment of his subscriptions, interest, fines, &c. In case a member is desirous of procuring more than one share, he shall have the privilege (after having offered the highest discount on one,) of receiving fourteen more shares, at the same amount of discount out of the next moneys to be received, provided he subscribes and pays the back dues of such additional shares as have not already been subscribed and paid for. But no member shall purchase more than fifteen shares.—The purchaser of any shares shall pay an interest, from the time of purchase, of six per cent. payable monthly, as a redemption fee; and in case the member so purchasing shall fail to comply with the terms of purchase, he shall be charged with the interest for the time the Association may be deprived of the same through his neglect. Members purchasing may subscribe for a fractional part of a share, not less than one-half. The member so purchasing, shall, within one week after becoming the purchaser of such share or shares, tender to the Secretary, to be submitted

for the approval of the proper officers, a written statement of the location, description, and value of the property which he proposes as security for the money to be advanced by the Association. If the Officers are satisfied with the sufficiency of the value of the security thus offered, the Association shall advance the amount to the member, when the Attorney of the Association shall be satisfied with the title thereto, and upon the execution of proper instruments. In case the member should build, the money shall be advanced in sums necessary for the prosecution of the building until its completion, the Association executing an agreement to that effect at its own expense. In such case, the members shall produce a written certificate from the builder engaged in the erection of the building, certified by the Surveyor of the Association, of the sum necessary for such purpose. But no money shall be advanced for the purpose of building until the first story of the premises shall have been erected, unless the Board of Directors are satisfied that it is safe and proper so to do, and a bond and mortgage, under the direction of the Attorney, shall have been executed and delivered by the member to the Association.

ARTICLE XV.—MORTGAGED PREMISES TO BE KEPT INSURED AND FREE FROM TAXES, ETC.

All property mortgaged to this Association shall be kept fully insured against fire in some good office, to be approved of by the Board of Directors, and the policy to be assigned to the Association, except when such assignment shall be impracticable, and the Directors deem the security sufficient without it; the premiums to be paid by the Association and charged to the member mortgaging the same, who shall repay the amount of such premium at the time his next subscription to the Association falls due. He shall also keep the property free and clear from all arrears of ground-rent, taxes, water-rent, and assessments. In case default be made in payment, the Secretary shall pay the same immediately out of the funds of the Association, and charge the same to the member, who shall be fined, at the discretion of the Board of Directors, in any amount not exceeding one dollar for each default, and the mortgaged premises shall be subject to all such charges and fines.

ARTICLE XVI.—SUBSCRIPTION OF MORTGAGOR.

Whenever any mortgagor to this Association shall sell the mortgaged premises, the purchaser thereof, if not already a member, may become so on being elected and paying an entrance fee of two dollars per share, and assuming all the stipulations, agreements, and conditions of the original mortgagor, by a proper instru-

ment drawn by the Attorney of the Association, to be executed at the expense of the purchaser, in which case the original mortgagor shall receive a discharge (at his expense) from all personal liability on account of such mortgage.

ARTICLE XVII.—CHANGE OF MORTGAGED PREMISES FOR OTHERS.

In case any mortgagor to this Association shall wish to change the mortgage from the original mortgaged premises, he may do so upon giving security of sufficient value, to be approved by the proper officers, and paying a transfer fee of one dollar per share, and he shall receive a discharge of all papers connected with the original mortgage.

ARTICLE XVIII.—REDEMPTION OF MORTGAGED PREMISES.

When any mortgagor to this Association shall desire to redeem his premises from the mortgages upon it, he shall give seven days notice to the Secretary before the next meeting of the Board of Directors. The Secretary shall lay the matter before them, and they shall decide the amount to be paid by the mortgagor. In case this sum is agreed to by the mortgagor, he shall pay the said amount and receive a discharge and release of the mortgaged premises, and all the papers and documents connected therewith.

ARTICLE XIX.—TRANSFER OF SHARES.

Any member being clear on the books of the Association may transfer his or her share or shares to any person who is or shall become a member, as provided in Article Second, and pay a transfer fee of one dollar per share. In such case the transferee shall be entitled to all the privileges of the original holder.

ARTICLE XX.—WITHDRAWAL OF SHARES.

In case any member, by reason of sickness, or through misfortune, is unable to continue the payment of his or her subscription to the Association, he or she may give notice to the Secretary of an intention to withdraw from the Association; and in case the Board of Directors are satisfied as to the grounds of withdrawal, the monthly dues paid by the party into the Association shall be returned. Any person wishing to withdraw for the above reasons or otherwise, and who shall have been a member of the Association two years, and be clear of the books, shall receive an interest of four per cent., and any member of more than three years' standing, shall be entitled to an interest of five per cent. on the amount of funds paid by such member or members into the funds of the Association.

ARTICLE XXI.—LOANS.

No money shall at any time be borrowed for the use or in the name of the Association, or any debt contracted except for the ordinary expense of the Association, except when specially authorized by a unanimous vote of the members present at any regular meeting.

ARTICLE XXII.—APPLICATION OF INSURANCE MONEY.

In case of the loss or damage by fire of any building mortgaged to this Association and insured, the amount of such insurance shall be received by the Directors of the Association, and advanced to the member for the purpose of rebuilding the same, in the same manner as if it were a new loan. And if the amount so received shall exceed the cost of rebuilding the premises in as good a manner as they were originally, then the balance shall be handed over to the member, or be taken by the Association on account of his subscription, &c., at his option.

ARTICLE XXIII.—INVESTMENT OF SURPLUS FUNDS.

All funds of the Association beyond what shall be required for advances to members, shall be invested upon bond and mortgage, as shall be recommended and approved by the Board of Directors.

ARTICLE XXIV.—GENERAL FUND.

All fines, monthly dues, fees, bonds, premiums and interest, received by the Association shall be considered as assets thereof, and be applied to the general fund; and all moneys received by the Association shall be bankable.

ARTICLE XXV.—ANNUAL REPORT OF THE CONDITION OF THE ASSOCIATION.

At the meeting held for the annual election for officers, and before such election takes place, the Finance Committee having, within one month previous thereto, examined all the books, vouchers, papers, and accounts of each and all the officers of this Association, shall make a report of the condition and correctness thereof, together with a full statement of all receipts and payments of the past year, and showing the number of shares purchased and unpurchased, the name of members, and the number of shares held by each, the names of mortgagors, and a brief description of the mortgaged premises, and such further particulars as shall, in their judgment, be important.

ARTICLE XXVI.—NOTICES.

Every member of the Association shall cause his name, occupation, and a place where he may desire notices to be addressed

to him, to be entered in the book to be kept for that purpose by the Secretary. All notices required to be served upon any member, except such as are intended to be the foundation for forfeitures, shall be given by the Secretary in person or by depositing the same in the Post Office, properly addressed to such member at the place so designated by him. It shall not be necessary to serve notice of any meeting or proceeding of the Association upon any member whose name is not so registered, with a place designated for the service of papers. The certificate of the Secretary shall be conclusive evidence of such service, and the time when made. In computing the time for the service of all notices upon members, the day upon which such notices are placed in the Post Office shall be excluded, and the day upon which the meeting or proceeding of which the notice is intended to be given shall be held or take place, shall be included. No objection shall be made by any member residing out of the City of Lawrence, that the time prescribed by these Articles for any notice, is so short to enable him to avail himself of it. The proceedings of this Article shall also apply to executors, administrators, and persons acting under any general authority as proxies of members.

ARTICLE XXVII.—VOTES.

On all votes taken at any meeting of this Association, each member shall be entitled to one vote, who shall not be in arrears two months; and that in all elections or ballots, the roll of members shall be called, and that the Secretary ascertain whether members voting are in arrears. All candidates for election to office must be nominated one regular meeting previous to election. On all questions, votes, and ballotings, the same shall be decided by the votes represented at the meeting, and, unless otherwise herein provided, a majority of the votes present at a meeting shall determine the question, vote, or ballot. Members may vote by written proxy, to be filed, with the Secretary at or before such election. Members who have redeemed shares shall not be entitled to vote on any matter, except the election of officers.

ARTICLE XXVIII.—WHEN OFFICES ARE VACANT.

Upon the removal of any of the Officers mentioned in Article III, to a distance of thirty miles from the city, or upon the death, resignation, or removal from office of any Officer, or upon his ceasing to be the holder of a share entitled to vote, his office shall be deemed vacant, and another shall be elected in his stead at a regular meeting.

ARTICLE XXIX.—MEANING OF PRONOUNS.

In all cases in these Rules where the pronoun "he" or "him" is used, it shall be understood to mean a like pronoun in any other gender or number.

ARTICLE XXX.—EFFECTS OF ENTRIES MADE BY SECRETARY.

The entries made by the Secretary in the books under his charge in all matters relating to his office, shall be *prima facie* evidence of all the matters so entrusted in all questions, suits, controversies, and disputes between this Association, the Officers, Directors, or members thereof, and any other officer or member. Any member feeling aggrieved by any entry made in respect to him, may appeal to the Association at a regular meeting, and the decision made thereon shall be final and conclusive. Before the adjournment of each meeting, the Secretary shall read the minutes thereof, which shall be corrected and ordered for engrossment. At the next meeting the minutes shall be read from the engrossment, and if no further corrections are made, shall be final.

ARTICLE XXXI.—TERMINATION OF THE ASSOCIATION.

Whenever it shall appear by the books of the Association that there is sufficient money on hand and due the Association to pay on each share which has not been redeemed by the Association, to the holder thereof, the sum of five hundred dollars over and above all debts and liabilities of the Association, all arrears of monthly dues, fines, and otherwise, shall become payable at once. The Board of Directors shall then pay, satisfy, and discharge, first, all debts and liabilities of the Association, and then pay over to the owner of each unredeemed share an equal dividend of all sums on hand, and which shall afterwards be received until the whole shall be divided; and from the time of the commencement of the payment of such dividends, no further monthly dues or premiums shall be payable, except that all arrears shall be fully paid up, and the Trustees shall deliver to each mortgagor, who has complied with the conditions of his mortgage, a discharge and satisfaction thereof, and all papers connected therewith. After the performance of the foregoing duties, this Association shall cease to exist, and it shall not be sooner dissolved, nor shall this article be altered, amended, or repealed, without the unanimous consent of all the voting shares belonging to this Association.

ARTICLE XXXII.—RULES OF ORDER.

The members of this Association, at any regular meeting,

may adopt such Rules of Order for the government of the meetings as shall be necessary, and alter, amend, or suspend the same from time to time, provided that the same shall not conflict with these Articles.

ARTICLE XXXIII.—AMENDMENTS, ETC., TO THESE ARTICLES, HOW MADE.

None of these Articles shall be altered, amended, suspended, or repealed, nor shall any additions be made thereto, unless a proposition in writing therefor be offered at a regular meeting, and laid upon the table until the next regular meeting, when, if upon calling the yeas and nays, it shall appear that two-thirds of the votes of the members present are in favor of the proposition, the same shall be adopted and form a part of these Articles. The yeas and nays so taken shall be entered upon the minutes, provided that nothing herein contained shall authorize any amendment to Article XXXI, except as provided in said Article.

ARTICLE XXXIV.—SHARES AND PAR VALUE.

The par value of the shares in this Association shall be five hundred dollars per share, and the Association shall not issue more than fifteen hundred shares.

RULES OF ORDER.

1. Precisely at the time appointed for holding the meeting, the President shall take the chair and call the meeting to order.
2. The order of business shall be as follows: Calling the roll of officers; reading and approving of minutes of the last meeting; reports of committees; unfinished business; bidding for the purchase of loans; new business; review of the minutes; adjournment.
3. During the continuance of a meeting the members shall be seated, and shall refrain from all loud conversations, or other disturbances of the proceedings.
4. Biddings for purchase shall be conducted in this form by the presiding officer: We will now receive offers for the purchasing of not more than ten shares of stock. What is the highest amount offered for the purchase of a share? The biddings shall be oral, and may be made by or on behalf of any shareholder. When an offer shall be made, and no other be made within a reasonable time, the presiding officer shall announce the bidder's name. Should two or more claim to be the bidder, and it shall appear that the claimants bid the highest sum, the biddings shall re-open to receive further offers.
5. When the yeas and nays are called, the Secretary shall proceed with the roll, first calling the member's name, and if he be absent calling the proxy.
6. The usual legislative rules of order shall govern the meetings, unless otherwise herein provided, to be determined by the presiding officer, subject to reversal or appeal.
7. Members violating any of these rules, may be fined a sum not exceeding one dollar for each offence, in the discretion of the meeting.
8. These Rules may be suspended at any meeting by a two-thirds vote.
9. These Rules may be altered or amended at any regular meeting by a two-thirds vote, upon one month's notice, in writing, being given of such proposed alteration or amendment.

LOAN FUND ASSOCIATION.

The great demand for information respecting building Loan Fund Associations, urges the propriety on the part of those acquainted with their operations, of bringing before the public, such explanations illustrating their practical workings, as may bring home to the view of the uninitiated, their utility, and also the great benefits which may be derived thereby.

There have always been persons in every community, who from a want of means to give the first impulse to prosperity, and on account of the rents they were obliged to pay, were destined to drudgery and poverty without even the hope of eventual success. To remedy this blighting evil, experience has taught us, is impossible under the old arrangement of things, and if a way is at last happily devised whereby we may help to overcome it, we may well give it our earnest attention, and feel indeed that a blessing is within our grasp.

Temperance, perseverance, frugality, have all been urged as sure guides to success; but with what hope could the man of small means, lay by two or three dollars per month, when by this plan it would take twelve or fifteen years before he could purchase a home worth four or five hundred dollars. Only. Retrenchment, economy, industry, perseverance, and a host of other virtues, have been suggested, and finally resulted in "deferred hopes" and many long years of toil, with little or no advancement towards the great object in view—a home. Philanthropy has at length thrown within his reach the means of providing a home for himself and family, by the simple method of converting rent into Capital, as we will endeavor to show.

These associations contain two distinct classes of members: the lenders and borrowers; the one class deposit their monthly dues as they would their earnings in a Savings Bank, for the profits, and from the funds created by the deposits of all the members, the other or second class borrow sufficient sums to buy or build houses, &c., which is paid by monthly dues and interest, and from the peculiar and successful operations of the Society, both classes are benefited. The member redeeming shares, pays the interest monthly, he is constantly decreasing the amount of his principal by the payment of his dues.—It will be seen that the interest, added to the dues of all the members, is thus compounded every month. Nor is this the only profit made in the operations of the society. The leading profit of all, and in which is the grand secret of the great success of these institutions, is in the redemption of shares. For example,—an association is organized with a limited number of shares, the ultimatum of which is fixed at \$500, payable in monthly installments of two dollars; a subscriber for five shares wishes to hire \$1000, he sells his shares to the association for \$200, each, which gives him the amount he desires; thus

it will be seen, that he makes a discount of \$300, per share, and the association have made a clear profit of \$1500, in the operation. Without further investigation, it might appear that the member so disposing of his shares is making a large sacrifice, *but let us look farther.* The monthly dues on five shares are \$10 which added to the interest on the amount loaned \$5, making \$15. In twelve months he will pay into the association \$180, and in seven years, the outside term, when we may safely calculate that the association will have made up its fund, he will have paid \$1260. Now supposing the individual instead of obtaining money of the association, hires it of a capitalist at 6 per cent., the interest for one year is \$60, for seven years it is \$420, which added to the principal amounts to \$1420. The borrower of the association then has realized a clear profit of \$160, aside from the more important consideration, that he may be enabled with his \$1000, to build or buy a homestead, which will save to him the amount he is now paying this landlord for rent—in many cases more than sufficient to pay his monthly dues. Now if we think but for a moment, the realization of the enormous profit accruing to the association, must be apparent to every candid and thinking mind; in this the lender is not the only gainer, for greater the profits, larger the discounts, and the more rapid must be the termination of the society. A few questions of considerable importance will naturally arise in the minds of individuals about joining an association; the first one is, can the association fall through? That it will be seen, is *impossible.* As to the safety of the investments, the Funds of the Association are loaned on approved Real Estate, under the immediate direction of the Board of Directors, and the safeguards of a full examination, on the part of the Surveyor, as to the adequacy of the land and building as a means of security, and on the part of the Attorney of the Association, as to the validity of the title and its freedom from incumbrances—thus adopting and pursuing the same plan of operation which has been pursued by the most approved and successful Savings Banks. The working of these institutions, embrace too wide a margin for a more lengthy detail in an article like this; but we would urge upon all who have not given the subject attention, the importance of at least testing its utility by investigation.

The advantage of these Associations and the evidence of their practical workings may be seen in many portions of our young and growing city, in Dwelling Houses that have been built by the aid of loans from the "Lawrence Loan Fund Association" within the past 18 months—many of the buildings have been erected by parties who could not have obtained the necessary aid from any other source.

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