

By - Laws  
OF THE  
Farmington  
Building and Loan  
Association

.. OF ..

FARMINGTON, N. H.



MEETINGS  
THIRD TUESDAY OF EACH MONTH

# BY - LAWS

## ARTICLE I.

Section 1. Members of the association shall be residents of the United States. (Minors can hold stock in the name of a Trustee).

Sec. 2. Each shareholder on becoming a member of the association shall be charged 50c as an entrance fee and for each share of stock owned or held by him shall pay the sum of \$1.00 per month to the Secretary of the Association on the first seven business days after the first day of every month; and such payment shall continue in each series until the stock of that series shall be worth \$200.00 per share.

Sec. 3. Any member who neglects to pay the monthly dues on their stock shall be subject to a fine of two cents per month on each dollar in arrears. Providing that this does not warrant the imposition of a fine upon fines.

Sec. 4. If any member is in arrears in his payments for six months, and also has not a loan with the Association, the Board of Directors may declare his stock forfeited; and he shall thereupon be entitled to receive all money paid in by him on said stock, less fines and his proportion of losses.

Sec. 5. Shareholders wishing to withdraw from this Association shall be entitled to do so upon giving one month's notice to the Board of Directors, through the Secretary, at its stated monthly meeting, and shall thereupon be entitled to receive out of the first unappropriated money in the treasury all money paid in on said stock, and after the first year one-half of the credited profits less fines and proportion of losses. Providing that not more than one half of the funds in the treasury shall be subject at any one time to the demands of withdrawing members.

Sec. 6. Shareholders shall be entitled to a pass book which shall be marked with their name and address, also numbered and designating the number of shares owned, the number of series, and the date of its issue, in which all payments of dues, interest, premiums and fines shall be entered; and no money shall be received without the pass book.

Sec. 7. All persons who have been shareholders more than one month, and who are not in arrears more than one month, shall be entitled to one vote, irrespective of the number of shares held, but they shall not vote by proxy.

Sec. 8. Any person may become a shareholder of this Association by taking one or more shares of its stock; but not more than fifty shares shall be issued to any one person. And the Board of Directors may vote at their discretion the issue of a new series of stock of such number of shares as they may direct.

## ARTICLE II.

Section 1. The officers of this Association shall consist of a President, Vice President, Secretary and Treasurer and eighteen Directors. All officers must be holders of five shares of stock and shall hold their office until their successors are elected and qualified.

Sec. 2. The shareholders at the annual meeting of the Association on the third Tuesday in January shall elect their Directors by ballot.

Sec. 3. It shall be the duty of the Board of Directors, immediately after their election, to meet and organize by electing a President, Vice President, Secretary and Treasurer from their own number, by ballot.

Sec. 4. The Board of Directors shall have power to fill any vacancy in the Board that shall arise from any cause.

### ARTICLE III.

Section 1. The President shall preside at all meetings, and in the absence of the President and Vice President the meeting shall appoint a President pro tempore. The President shall sign all orders upon the Treasurer, and any other papers requiring his signature. He shall be custodian of the bonds of other officers, and perform all other duties appertaining to his office. In the absence of the President, the Vice President shall perform all of his duties.

Sec. 2. The Board of Directors shall hold a stated meeting once a month, on the third Tuesday of each month for the purpose of loaning money and to attend generally to the business concerns of the Association. They shall have full power to make and use a common seal, and the same to alter at their discretion. These meetings shall always be open to the shareholders. A majority of the Board shall constitute a quorum. Special meetings may be called by the President whenever he deems it necessary; and they shall be called whenever it is requested by five directors.

Sec. 3. The Secretary shall keep correct records of all meetings of the Association and of the Board of Directors. He shall receive all moneys paid the Association and pay the same to the Treasurer; he shall keep a true account of all payments and receipts of the Association; he shall draw and sign all orders on the treasurer; he shall have the custody of all securities of the Association except the bonds of the officers thereof, and dispose of same in the manner designated by the Board of Directors; he shall prepare the annual statement for the Directors in January of each year, and he shall keep insured all interests of the Association in any property liable to loss by fire; he shall report to the Board of Directors all bills against the Association at the next meeting after receiving the same, and shall make a minute of the same in his records; he shall notify verbally, or by mail, the Directors of all special meetings of the Board; he shall give notice to the shareholders of the annual and special meetings of the Association, by publishing the same one or more times in a newspaper printed in Farmington, the first publication thereof to be not less than one week previous to such meeting; he shall perform such other duties and re-



ceive such compensation as the Board of Directors may determine; he shall furnish satisfactory security to the Board of Directors for the faithful performance of his duties. Upon the expiration of his term of office, or in the event of his death, or his resignation or removal from office, he or his legal representatives shall deliver to his successor all books, moneys, papers and other property of the Association. In the absence of the secretary from any meeting, the President shall appoint a secretary pro tem.

Sec. 4. The Treasurer shall receive from the Secretary all money paid into the Association, and deposit the same in his name as Treasurer of the Association in such bank as the Board of Directors may designate; he shall pay out money only upon orders signed by the President and Secretary; he shall keep a true account of all moneys received and paid, and make a written statement of the same at each monthly meeting; he shall furnish security satisfactory to the Board for the faithful performance of his duties, and receive such compensation as they may determine. Upon the expiration of his term of office, or in the event of his death, or his resignation or removal

from office, he or his legal representatives shall deliver to his successor all moneys, papers and other property of the association.

Sec. 5. The Board of Directors shall elect a Conveyancer and Solicitor, who shall continue in office until his successor is chosen. His duties shall be to examine the title papers, and prepare all bonds, mortgages and other writings of a legal nature to be given to the Association as security for Loans made; he shall be paid by the party seeking to obtain the loan, and all disputes to his charges shall be settled by the Board of Directors, whose decisions shall be final; he shall attend to all meetings of the Board of Directors whenever required by the Board; he shall advise the Association on all matters in which legal advice may be desirable and act as Attorney for the Association in all suits by or against it.

Sec. 6. At the stated meeting of the Board of Directors in June the President shall appoint three Directors to audit the books of the Treasurer and secretary, and declare the value of the stock for the preceding six months.

Sec. 7. At the stated meeting of the Board of Directors in December of each year, the President shall appoint three shareholders to audit and examine the books of the Treasurer and Secretary and assess the value of the stock, and report in writing at the annual meeting of the stockholders in January.

Sec. 8. At the discretion of the Directors they may appoint a finance committee to examine security offered for loans.

Sec. 9. If any member of the Board of Directors shall fail to attend five consecutive meetings of the Board, the Board may declare his seat vacant, and proceed to fill the vacancy for the unexpired term.

#### ARTICLE IV.

Section 1. The annual meeting of the shareholders shall be held on the third Tuesday in January of each year, at which time the election of Directors to serve for the ensuing term shall be held. The election shall be by ballot, and a plurality of votes shall be sufficient to elect. Each shareholder shall have but one vote. The polls shall be open at 8 o'clock p. m. Ten shareholders shall constitute a quorum.

Sec. 2. Special meetings of the shareholders shall be called by the President, whenever requested in writing by at least ten shareholders.

#### ARTICLE V.

Section 1. Each shareholder, for every share of stock owned or held by him shall be entitled to a loan of \$200.00 from the Association. Whenever the funds in the treasury shall warrant it, the money shall be offered at public auction, at the regular monthly meeting of the Board of Directors, and be disposed of to the highest bidder. All bids shall be for one share, with the privilege of taking twenty-five shares; provided, that no loan shall be made under par. The borrower shall thereupon be charged with and pay interest on the par value of each share, at the rate of one-half of one per cent per month, or such pro-rata part thereof as the Directors may determine, and interest shall be charged only on the amount of money held in the treasury subject to his order. If any dispute shall arise in the bidding for or selling of money, the decision of a majority of the Board of Directors shall be final.

Sec. 2. Whenever a shareholder shall have bidden successfully for a loan, he shall permit the premium he bid to be deducted from the amount to be received by him, and also all arrearages and fines due on the borrowed stock. Before he shall be entitled to receive the same he shall secure the payment thereof to the Association by a bond or mortgage secured on real estate, stock of this association, or other security, satisfactory to the Board of Directors; and also by policies of fire insurance on all property taken as security; and also for every loan of \$200.00, shall transfer one share of stock to the Association as a further security for the loan and in payment of same. In case of failure to give satisfactory security within two months, the interest shall be charged to such purchaser, together with all costs and expenses attending the examination of titles and searches, and the money shall revert to the Association.

#### ARTICLE VI.

Section 1. After four years from the date of issue of any series, if the Board of Directors deem it expedient to reduce the number of unpledged shares in said series, they shall cause a notice to be sent to the holders of

said shares stating the number required for reducing the series, and offering the total profits on them if voluntarily withdrawn; and such shareholders so withdrawing shall be paid off in the order of their application until the requisite number of shares have been retired. If said series is not sufficiently reduced in two months from the date of such notice, the Board of Directors may, at any meeting thereafter, enforce the withdrawal of the requisite number by lot, and in such manner as they may determine to be equitable and just.

Sec. 2. For all shares withdrawn or retired by the provisions of this article the holder thereof may be supplied with a like number of shares in the then issuing series; and no fine shall be required on the first payment of dues thereon.

#### ARTICLE VII.

Section 1. Whenever it shall be ascertained that the value of each share of stock in any one series is \$200, a division shall take place, and the holder of each share shall receive the sum of \$200; or if he has a loan of that series, shall be entitled to receive a return of his securities with the same fully satisfied and discharged.



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ARTICLE VIII.

Section 1. These By-laws may be amended or altered by a vote of a majority of the stockholders present at the annual meeting, or at a special meeting called for that purpose; provided, that the proposed amendment shall have been submitted to the shareholders or directors in writing, at a meeting held at least one month previous to action on same; and due notice of the proposed amendment shall have been published in one or more newspapers printed at Farmington.