

CONSTITUTION

OF THE

New York Clearing House

ASSOCIATION,

WITH AMENDMENTS,

JANUARY 1st, 1881.

New York:

ARTHUR & BONNELL, STATIONERS,

NO. 57 LIBERTY STREET,

1881.

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ARTHUR & BONNELL, STATIONERS,

NO. 37 LIBERTY STREET.

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CONSTITUTION.

SEC. 1. The name of this Association shall be "THE NEW YORK CLEARING HOUSE ASSOCIATION."

SEC. 2. The objects of the Association shall be the effecting at one place of the daily exchanges between the several Associated Banks, and the payment at the same place of the balances resulting from such exchanges. But the Association shall be in nowise responsible in regard to such exchanges, nor in regard to the balances resulting therefrom, except so far as such balances shall be actually paid into the hands of the Manager. The responsibility of the Association is strictly limited to the faithful distribution by the Manager among the creditor Banks, for the time being, of the sums actually received by him ; and should any loss occur whilst the said balances are in the custody of the Manager, they shall be borne and paid by the Associated Banks in the same proportion as the other expenses of the Clearing House, as hereinafter provided for.

SEC. 3. The Association at present consists of the following members :

Bank of New York,	Mercantile Bank,
Manhattan Company,	Pacific Bank,
Merchants' Bank,	Bank of the Republic,
Mechanics' Bank,	Chatham Bank,
Union Bank,	People's Bank,
Bank of America,	Bank of North America,
Phenix Bank,	Hanover Bank,
City Bank,	Irving Bank,
North River Bank,	Metropolitan Bank,
Tradesmen's Bank,	Citizens' Bank,
Fulton Bank,	Knickerbocker Bank,
Chemical Bank,	Grocers' Bank,
Merchants' Exchange Bank,	Empire City Bank,
National Bank,	Nassau Bank,
Butchers and Drovers' Bank,	East River Bank,
Mechanics and Traders' Bank,	Market Bank,
Greenwich Bank,	St. Nicholas Bank,
Leather Manufacturers' Bank,	Shoe and Leather Bank,
Seventh Ward Bank,	Corn Exchange Bank,
Bank of the State of New York,	Central Bank,
American Exchange Bank,	Continental Bank,
Mechanics' Banking Association,	Bank of the Commonwealth,
Bank of Commerce,	Oriental Bank,
Bowery Bank,	Marine Bank,
Broadway Bank,	Atlantic Bank,
Ocean Bank,	

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

SEC. 5. A general meeting of the Association

shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock, P.M. At every annual meeting a Chairman shall be elected, by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem.* shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

SEC. 6. Special meetings shall be called by the Clearing House Committee whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House ; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of business thereat ; to appoint a Manager annually, and such clerks as may be necessary ; to establish rules and

regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association ; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

SEC. 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House, so far as relates to the manner in which it shall be transacted ; and the clerks of the establishment, as well as the settling clerks and porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

SEC. 11. The Clearing House Committee shall

have power to remove the Manager or any of the clerks whenever, in the opinion of the Committee, the interest of the Association shall require.

SEC. 12. The hour for making Exchanges at the Clearing House shall be 10 o'clock, A. M., precisely. *Between the hours of 12½ and 1½ o'clock, P. M., the debtor Banks shall pay to the Manager at the Clearing House the balances against them, either in actual coin, United States legal tender notes, or in the certificates hereinafter mentioned, except fractional amounts. At 1½ o'clock, P. M., or as soon thereafter as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due to them, provided all the balances due from the debtor Banks shall have been paid. The Association, by a vote of three fourths of those present, at a meeting called for that purpose, may change the hour for making the exchanges and the settlement of balances.*

SEC. 13. Should any one of the Associated Banks fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several Banks exchanging at that establishment with the defaulting Bank, in proportion to their respective balances

against that Bank, resulting from the exchanges of the day ; and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts so furnished the Clearing House on account of the defaulting Bank will, of course, constitute claims on the part of the several responding Banks against that Bank ; but, as before stated, the Association shall in no wise be responsible therefor.

SEC. 14. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the Banks who are parties to them, and not through the Clearing House, the Association being in no way responsible in respect to them.

SEC. 15. Reclamations for errors and deficiencies in specie or United States legal tender notes received at the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established upon that subject by the Clearing House Committee, shall be made by *one o'clock, P. M., on the following day*, by the receiving Bank directly against the Bank whose mark the sealed bag or package bears. *Notice of such error shall be sent to the Bank immediately upon discovery*, the Association not being responsible for the contents of such sealed bags or packages.

*All checks, drafts, notes, or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the Bank from whom they were received, *and the said Bank shall immediately refund to the Bank returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes, or other items so returned to it, in specie or legal tender notes. But checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the Bank returning it, be returned through the exchanges the following morning, not exceeding \$5,000 in amount to any one Bank.*

SEC. 16. *Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—*

- 1st. Loans and Discounts.*
- 2d. Specie.*
- 3d. Legal Tender Notes.*
- 4th. Circulation.*
- 5th. Deposits.*

SEC. 17. The Associated Banks *may* from time to time appoint one of their own number, or the Assistant Treasurer of the United States at New York, to be a depositary to receive, in special trust, such coin, or United States legal tender notes, as any of the Associated Banks may choose to send to it for safe

* Amendment passed May 23, 1866.

keeping. The Depositary shall issue certificates in exchange for such coin or *United States legal tender notes*, in proper form, and for convenient amounts. Such certificates shall be negotiable only among the Associated Banks, and shall be received by them in payment of balances at the Clearing House. Such special deposits of coin or *United States legal tender notes* are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depositary subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

SEC. 18. New members may be admitted into the Association at any meeting thereof. Such new members shall signify their assent to this Constitution in the same manner as the original members, and shall pay an admission fee *according to their respective capitals, as follows*:

<i>Banks whose capital does not exceed \$500,000 shall pay</i>					\$1,000
<i>Exceeding \$500,000, and not exceeding \$1,000,000</i>					2,000
"	1,000,000,	"	"	2,000,000	3,000
"	2,000,000,	"	"	3,000,000	4,000
"	3,000,000,	"	"	5,000,000	5,000
"	5,000,000,	"	7,500

Any Bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. *Provided, however, that it shall be competent, by a vote of three fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.*

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof.

SEC. 21. A Standing Committee of five Officers of Banks shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the

Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee.

SEC. 23. The expenses of the Clearing House, not including the expense of printing for the several Banks (which last mentioned expense shall be apportioned equally), shall be borne and paid as follows : **Each Bank shall be assessed Two Hundred Dollars, and the balance necessary after that amount, pro rata, according to the average amount which they shall have sent to the Clearing House for the preceding year.*

SEC. 24. At every annual meeting a Standing Committee of five Bank Officers shall be appointed,

* Amendment 23, adopted Oct. 29, 1875.

to be called the Committee of Arbitration, whose duty it shall be to hear and determine all disputes that may be submitted to them by both parties thereto ; any member of the Association being one. Such Committee shall record a brief abstract of each case referred to them, together with their decision therein, in a book to be provided for that purpose, which book shall be kept at the Clearing House, open to the inspection of all members of the Association. The first Committee shall be appointed immediately upon the adoption of this amendment, and shall serve until the next annual meeting.

SEC. 25. Whenever exchanges shall have been made at the Clearing House, by previous arrangement between members of the Association through one of their own number and Banks in the city and vicinity who are not members, the receiving Bank at the Clearing House shall in no case discontinue the arrangement without giving previous notice—which notice shall not take effect until the exchanges of the morning following the receipt of such notice shall have been completed.

SEC. 26. This Constitution, when agreed to by the Association at any general meeting thereof by a majority of votes, shall be submitted to the respective Boards of Directors of the several Banks herein

named as members of the Association for their adoption. When adopted by a majority of the whole number of Banks it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer of the Bank to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such Banks as shall not adopt this Constitution within two months from the time it is agreed to in general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association; provided the Constitution shall then be in operation.

SEC. 27. Amendments of this Constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof; notice of the proposed amendments having been given at a previous meeting.

RESOLUTION—*Passed June 23d, 1857.*

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without

reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the Chairman of the Association.

RESOLUTION—*Passed October 2d, 1860.*

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depository, shall be subject to a fine of \$100 (one hundred dollars.)

RESOLUTION—*Passed February 13th, 1865.*

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption; nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

AMENDMENT—*Adopted April 26th, 1865.*

Whenever any member of the Association shall send through the Clearing House the exchanges of

any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

RESOLUTION—*Passed May 23d, 1866.*

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

RESOLUTIONS—*Adopted September 22d, 1871.*

1st. There shall be chosen yearly at the annual election a committee of five members, to be called "The Nominating Committee," whose duty it shall be to present to the Association at each annual election names of candidates for Chairman and Secretary of the Association, and for members of the three

committees on the following basis: The Chairman and Secretary shall be eligible for two successive years; and after an interval of one year, shall be again eligible in like manner.

2d. There shall be selected every year two at least new members on each of the committees (having still three old members), and those who have been longest on the committee shall go off first. If all have been on the same length of time, then two shall go off by lot; and after an interval of one year, such members shall be deemed again eligible.

A PLAN FOR THE CLEARING OF GOLD CHECKS.

Adopted February 14th, 1872.

1st. The New York Clearing House Association, or any members thereof, may unite for the purpose of clearing checks payable in gold.

2d. The hour for making the exchanges shall be at 10 o'clock A.M.

3d. The debtor Banks shall pay to the Manager of the Clearing House, before 12½ o'clock P. M., the balances against them, either in coin or in United States gold certificates.

4th. At 12½ o'clock P. M., or as soon thereafter on the same day as the amounts can be made up and

proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due them, provided all the balances due from the debtor Banks shall have been paid.

5th. All rules and regulations contained in the Constitution or By-Laws of the New York Clearing House Association, or amendments of or additions thereto, in relation to checks, drafts, or other items in the exchanges, as not good, or mis-sent, or any rules and regulations now applicable to the daily exchanges of currency checks, except such as may conflict with the foregoing sections, shall also apply to the exchanges of checks payable in gold.

6th. The adoption of this system shall not prohibit any Bank from presenting gold checks for payment to the Banks on which they may be drawn during the usual banking hours, nor shall such presentation reflect unfavorably on the Bank so presenting.

7th. Any additional expenses incurred by reason of such exchanges, shall be borne and paid, *pro rata*, by the several Banks so exchanging, according to their respective capitals, as now provided by the Constitution of the New York Clearing House Association.

8th. The adoption of the above plan shall be signified by the signature of the proper officers of the

Banks agreeing to the same to a copy hereof, to be kept by the Chairman of the Clearing House Association; and no Bank whose signature is affixed thereto shall be at liberty to discontinue making the exchanges as hereinbefore provided, except on at least twenty-four hours' notice to the Manager of the Clearing House, who shall immediately inform the exchanging Banks of the fact.

RESOLUTION—*Passed April 8th, 1872.*

Resolved, That the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any Bank member of the Association, to make an immediate examination of the Bank in question, and, should there appear to be complicity on the part of the Bank or its officials, to suspend said Bank from the Clearing House until action of the Association shall be taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

"If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same."

RESOLUTION—*Passed April 26th, 1882.*

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admissions, instead of calling a meeting of the Association for that purpose.

CONSTITUTION.

SEC. 1. The name of this Association shall be "THE NEW YORK CLEARING HOUSE ASSOCIATION."

SEC. 2. The objects of the Association shall be the effecting at one place of the daily exchanges between the several Associated Banks, and the payment at the same place of the balances resulting from such exchanges. But the Association shall be in no wise responsible in regard to such exchanges, nor in regard to the balances resulting therefrom, except so far as such balances shall be actually paid into the hands of the Manager. The responsibility of the Association is strictly limited to the faithful distribution by the Manager among the creditor Banks, for the time being, of the sums actually received by him: and should any loss occur whilst the said balances are in the custody of the Manager, they shall be borne and paid by the Associated Banks in the same proportion as the other expenses of the Clearing House, as hereinafter provided for.

Responsibility
for loss in bal-
ances.

SEC. 3. The Association at present consists of the following members:

Bank of New York,	Mercantile Bank,
Manhattan Company,	Pacific Bank,
Merchants' Bank,	Bank of the Republic,
Mechanics' Bank,	Chatham Bank,
Union Bank,	People's Bank,
Bank of America,	Bank of North America,
Phoenix Bank,	Hanover Bank,
City Bank,	Irving Bank,
North River Bank,	Metropolitan Bank,
Tradesmen's Bank,	Citizens' Bank,
Fulton Bank,	Knickerbocker Bank,
Chemical Bank,	Grocers' Bank,
Merchants' Exchange Bank,	Empire City Bank,
National Bank,	Nassau Bank,
Butchers' and Drovers' Bank,	East River Bank,
Mechanics' and Traders' Bank,	Market Bank,
Greenwich Bank,	St. Nicholas Bank,
Leather Manufacturers' Bank,	Shoe and Leather Bank,
Seventh Ward Bank,	Corn Exchange Bank,
Bank of the State of New York,	Central Bank,
American Exchange Bank,	Continental Bank,
Mechanics' Banking Assoc'n,	Bank of the Commonwealth,
Bank of Commerce,	Oriental Bank,
Bowery Bank,	Marine Bank,
Broadway Bank,	Atlantic Bank.
Ocean Bank,	

Original mem-
bers, Oct.
1853.

Each member entitled to one vote.

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

Annual Meeting.

Election of Officers.

(See Resolution passed June 23d, 1857 p. 10.)

Special Meetings.

SEC. 5. A general meeting of the Association shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock, P. M. At every annual meeting a ~~Chairman~~ ^{PRESIDENT} shall be elected, by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem*, shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

SEC. 6. Special meetings shall be called by the Clearing House Committee, whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

Quorum.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

Clearing House Committee.

Powers and Duties.

(See Sec. 11, p. 5, Sec. 21, p. 8, Resolution Apl. 8, '72, p. 11, Resolution Apl. 26, '82, p. 12, Resolution Oct. 14, '90, p. 12.)

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of business thereat; to appoint a Manager annually, and such clerks as may be necessary; to establish rules and regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

AMENDMENT—Passed June 4th, 1884.

Add to Section 8, as follows: "The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association, to

examine any bank member of the Association, and to require from any member securities of such an amount and character, as said Committee may deem sufficient for the protection of the balances resulting from the exchanges of the Clearing House."

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

SEC. 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House, so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the settling clerks and porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

SEC. 11. The Clearing House Committee shall have power to remove the Manager or any of the clerks, whenever, in the opinion of the Committee the interest of the Association shall require.

SEC. 12. The hour for making Exchanges at the Clearing House shall be 10 o'clock, A. M., precisely. *Between the hours of 12½ and 1½ o'clock, P. M.*, the debtor Banks shall pay to the Manager at the Clearing House the balances against them, either in actual coin, *United States Legal tender notes*, or in the certificates hereinafter mentioned, except fractional amounts. At 1½ o'clock, P. M., or as soon thereafter as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due to them, provided all the balances due from the debtor Banks shall have been paid. *The Association, by a vote of three-fourths of those present, at a meeting called for that purpose, may change the hour for making the exchanges and the settlement of balances.*

SEC. 13. Should any one of the Associated Banks fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by

Manager and clerks shall give bonds.

Managers' duties.

Power to remove.

Exchanges and Balances.

Requisitions in case of failure to pay balances.

the several Banks exchanging at that establishment with the defaulting Bank, in proportion to their respective balances against that Bank, resulting from the exchanges of the day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts so furnished the Clearing House on account of the defaulting Bank will, of course, constitute claims on the part of the several responding Banks against that Bank; but, as before stated, the Association shall in no wise be responsible therefor.

Errors in exchanges.

SEC. 14. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the Banks who are parties to them, and not through the Clearing House, the Association being in no way responsible in respect to them.

Reclamation for errors in money.

SEC. 15. Reclamations for errors and deficiencies in specie or United States legal tender notes received at the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established upon that subject by the Clearing House Committee, shall be made by one o'clock P. M., on the following day, by the receiving Bank directly against the Bank whose mark the sealed bag or package bears. Notice of such error shall be sent to the Bank immediately upon discovery, the Association not being responsible for the contents of such sealed bags or packages.

Mis-sent and not good checks.

All checks, drafts, notes, or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the Bank from whom they were received, *and the said Bank shall immediately refund to the Bank returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes, or other items so returned to it, in specie or legal tender notes. But, checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the Bank returning it, be returned through the exchanges the following morning not exceeding \$5,000 in amount to any one Bank.

Checks, Drafts, etc. returned for informality.

*Amendment passed May 23, 1866.

AMENDMENT--Passed June 4th, 1884.

Add to section 15 as follows: "In case of the refusal or inability of any bank to promptly refund to the bank presenting such checks, drafts or other items, returned as not good, the bank holding them may report to the Manager the amount of the same. And it shall be the Manager's duty, with the approval of the Clearing House Committee, to take from the settling sheet of both banks the amount of such checks, drafts or other items so reported, and to readjust the Clearing House statement and declare the correct balance in conformity with the change so made, provided that such report shall be given to the Manager before one o'clock of the same day."

Action in case of refusal to refund money for not good checks, etc.

SEC. 16. Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—

Weekly Statement.

- 1st. Loans and Discounts.
- 2d. Specie.
- 3d. Legal Tender Notes.
- 4th. Circulation.
- 5th. Deposits.

SEC. 17. The Associated Banks may from time to time appoint one of their own number, or the Assistant Treasurer of the United States at New York, to be a depository to receive, in special trust, such coin, or United States legal tender notes, as any of the Associated Banks may choose to send to it for safe keeping. The Depository shall issue certificates in exchange for such coin or United States legal tender notes, in proper form, and for convenient amounts. Such certificates shall be negotiable only among the Associated Banks, and shall be received by them in payment of balances at the Clearing House. Such special deposits of coin or United States legal tender notes are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depository subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

Depository for Associated Banks.

(See Resolution passed Oct. 2, '60, page 10.)

SEC. 18. New members may be admitted into the Association at any meeting thereof. Such new members shall signify their assent to this Constitution in the same

Initiation Fee

manner as the original members, and shall pay an admission fee according to their respective capitals. as follows:

AMENDMENT—Adopted October 3d, 1893.

Banks whose capital does not exceed \$5,000,000 shall pay.....	\$5,000
" " " exceeds \$5,000,000 " "	\$7,500

Any bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

Three-fourths vote necessary to admit.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. *Provided, however, that it shall be competent, by a vote of three-fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.*

Committee on Admissions.
(See Resolution passed Apl. 26, 1882 p. 12.)

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

Expulsion.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof.

Conference Committee.

SEC. 21. A Standing Committee of five Officers of Banks, shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration.

Power to suspend.

Withdrawal from Association.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee.

SEC. 23. The expenses of the Clearing House, not including the expense of printing for the several Banks (which last mentioned expense shall be apportioned equally), shall be borne and paid as follows: **Each Bank shall be assessed Two Hundred Dollars, and the balance necessary after that amount, pro rata, according to the average amount which they shall have sent to the Clearing House for the preceding year.*

Expenses.
How apportioned.

SEC. 24. At every annual meeting a Standing Committee of five Bank Officers shall be appointed, to be called the Committee of Arbitration, whose duty it shall be to hear and determine all disputes that may be submitted to them by both parties thereto; any member of the Association being one. Such Committee shall record a brief abstract of each case referred to them, together with their decision therein, in a book to be provided for that purpose, which book shall be kept at the Clearing House, open to the inspection of all members of the Association. The first Committee shall be appointed immediately upon the adoption of this amendment, and shall serve until the next annual meeting.

Committee of Arbitration.

SEC. 25. Whenever exchanges shall have been made at the Clearing House, by previous arrangement between members of the Association through one of their own number and Banks in the city and vicinity who are not members, the receiving Bank at the Clearing House shall in no case discontinue the arrangement without giving previous notice—which notice shall not take effect until the exchanges of the morning following the receipt of such notice shall have been completed.

Clearing House non-Members.
(See Resolutions &c. Feb. 13, 1865 p. 1
Apl. 26, 1865, p. 11, May 23, 1890 p. 12.)

SEC. 26. This Constitution, when agreed to by the Association at any general meeting thereof by a majority of votes, shall be submitted to the respective Boards of Directors of the several Banks herein named as members of the Association for their adoption. When adopted by a majority of the whole number of Banks it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer of the Bank to two copies hereof, one to be kept by the **PRESIDENT** of the

Adoption of Constitution

*Amendment adopted Oct. 29, 1875.

Copy of Resolution to be filed.

Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such Banks as shall not adopt this Constitution within two months from the time it is agreed to in general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association; provided the Constitution shall then be in operation.

Amendments

SEC. 27. Amendments of this Constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof; notice of the proposed amendments having been given at a previous meeting.

RESOLUTION—Adopted June 23d, 1857.

Fine for Absence from meetings. (See Sec. 5.)

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the ~~PRESIDENT~~ Chairman of the Association.

RESOLUTION—Adopted October 2d, 1860.

Penalty for payment of Depositary Certificates to parties not members. (See Sec. 17.)

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depositary, shall be subject to a fine of \$100 (one hundred dollars.)

RESOLUTION—Adopted February 13th, 1865.

Clearing for non-members (See Sec. 25, p. 9. Amendments Apl. 26 '65, p. 11, May 23, '66, p. 11, Oct. 14, '90, p. 12.)

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

AMENDMENT—Adopted April 26th, 1865.

Whenever any member of the Association shall send through the Clearing House the exchanges of any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

Clearing for non-members (See Sec. 25, p. 9. Resolutions etc. passed Feb. 13, '65, p. 10, May 23, '66, p. 11, Oct. 14, '90, p. 12.)

RESOLUTION—Adopted May 23d, 1866.

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

Clearing for non-members (See Sec. 25, p. 9. Resolution etc. passed Feb'y 13, '65, p. 10, Apl. 26, '65, p. 11, Oct. 14, '90, p. 12.)

RESOLUTIONS—Adopted September 22d, 1871.

1st. There shall be chosen yearly at the annual election a committee of five members, to be called "The Nominating Committee," whose duty it shall be to present to the Association at each annual election names of candidates for ~~PRESIDENT~~ and Secretary of the Association, and for members of the three committees on the following basis: The ~~PRESIDENT~~ and Secretary shall be eligible for two successive years; and after an interval of one year, shall be again eligible in like manner.

Nominating Committee.

Shall nominate officers and committees.

2d. There shall be selected every year, two, at least, new members on each of the committees (having still three old members), and those who have been longest on the committee shall go off first. If all have been on the same length of time, then two shall go off by lot; and after an interval of one year, such members shall be deemed again eligible.

Composition of Committees (See Amendment Oct. 2, 1888, p. 12.)

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RESOLUTION—Adopted April 8th, 1872.

Resolved, That the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any Bank member of the Association, to

Action in event of withdrawal of legal tenders from use.

make an immediate examination of the Bank in question, and, should there appear to be complicity on the part of the Bank or its officials, to suspend said Bank from the Clearing House until action of the Association shall be taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

Power to fill
vacancies in
Committees.

If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same.

RESOLUTION—*Adopted April 26th, 1882.*

Applications
referred di-
rectly to Com-
mittee on ad-
missions.
(See Sec. 19,
p. 8.)

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admissions, instead of calling a meeting of the Association for that purpose.

AMENDMENT—*Adopted October 2d, 1888.*

Chairman ex-
officio mem-
ber of Com-
mittees.

The ~~Chairman~~ ^{PRESIDENT} of the Association shall be ex-officio member of all Committees, except the Committee on Nominations.

RESOLUTION—*Adopted Oct. 14, 1890.*

Clearing for
non-members.
Obligations.
(See Sec 25, p.
9, Resolutions
etc. passed
Feb'y 13, '65,
p. 10, Apl. 26,
'65, p. 11, May
23, '66, p. 11.)

Resolved, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained, and the banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such banks or parties members of the Association.

AMENDMENT—*Adopted December 8th, 1892.*

President of
the Associa-
tion.

Wherever the words "Chairman of the Association" occur, substitute in place thereof, "President of the Association."

MEMBERS OF THE ASSOCIATION.

NOVEMBER 1, 1892.

No.	No.
1. Bank of New York, N. B. A.,	45. Corn Exchange Bank,
2. Manhattan Company,	47. Continental National Bank,
3. Merchants' National Bank,	49. Oriental Bank,
4. Mechanics' National Bank,	53. Importers' & Traders' Nat'l Bank,
6. Bank of America,	54. National Park Bank,
7. Phenix National Bank,	59. East River National Bank,
8. National City Bank,	61. Fourth National Bank,
10. Tradesmen's Nat'l Bank,	62. Central National Bank,
12. Chemical Nat'l Bank,	63. Second National Bank,
13. Merchants' Ex. Nat'l Bank,	64. Ninth National Bank,
14. Gallatin National Bank,	65. First National Bank,
15. Nat'l Butch's & Drov's B'k,	66. Third National Bank,
16. Mech's & Trad's Bank,	67. N. Y. Nat'l Exchange Bank,
17. Greenwich Bank,	70. Bowery Bank,
18. Leather Manuf. Nat'l Bank,	71. N. Y. County Nat'l Bank,
19. Seventh Nat'l Bank,	72. German-American Bank,
20. Bank of the State of N. Y.,	74. Chase National Bank,
21. American Exchange Nat'l Bank,	75. Assis't Treas. U. S. at N. Y.
23. Nat'l Bank of Commerce,	76. Fifth Avenue Bank,
25. National Broadway Bank,	77. German Exchange Bank,
27. Mercantile National Bank,	78. Germania Bank,
28. Pacific Bank,	79. United States National Bank,
29. Nat'l B'k of the Republic,	80. Lincoln National Bank,
30. Chatham National Bank,	81. Garfield National Bank,
31. People's Bank,	82. Fifth National Bank,
32. Nat'l B'k of North America,	83. Bank of the Metropolis,
33. Hanover National Bank,	84. West Side Bank,
34. Irving National Bank,	85. Seaboard National Bank,
36. National Citizen's Bank,	86. Sixth National Bank,
40. Nassau Bank,	87. Western National Bank,
42. Market and Fulton National Bank,	88. First National Bank, B'klyn,
43. St. Nicholas Bank of N. Y.,	89. Southern National Bank,
44. Nat'l Shoe & Leather Bank,	

A PLAN FOR THE CLEARING OF GOLD CHECKS.

Adopted February 14th, 1872.

1st. The New York Clearing House Association or any members thereof, may unite for the purpose of clearing checks payable in gold.

2d. The hour for making the exchanges shall be at 10 o'clock A. M.

3d. The debtor Banks shall pay to the Manager of the Clearing House, before 12½ o'clock P. M., the balances against them, either in coin or in United States gold certificates.

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was discon-
tinued after
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Jan'y 1, 1879.

make an immediate examination of the Bank in question, and, should there appear to be complicity on the part of the bank or its officials, to suspend said Bank from the clearing House until action of the Association shall be taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same.

RESOLUTION—*Adopted April 26th, 1882.*

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admissions, instead of calling a meeting of the Association for that purpose.

AMENDMENT—*Adopted October 2d, 1888.*

The ~~Chairman~~^{PRESIDENT} of the Association shall be ex-officio member of all Committees, except the Committee on Nominations.

RESOLUTION—*Adopted Oct. 14, 1890.*

Resolved, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained, and the banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such banks or parties members of the Association.

AMENDMENT—*Adopted December 8th, 1892.*

MEMBERS OF THE ASSOCIATION.

NOVEMBER 1, 1892.

No.	No.
1. Bank of New York, N. B. A.,	45. Corn Exchange Bank,
2. Manhattan Company,	47. Continental National Bank,
3. Merchants' National Bank,	49. Oriental Bank,
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6. Bank of America,	54. National Park Bank,
7. Phenix National Bank,	59. East River National Bank,
8. National City Bank,	61. Fourth National Bank,
10. Tradesmen's Nat'l Bank,	62. Central National Bank,
12. Chemical Nat'l Bank,	63. Second National Bank,
13. Merchants' Ex. Nat'l Bank,	64. Ninth National Bank,
14. Gallatin National Bank,	65. First National Bank,
15. Nat'l Butch's & Drov's B'k,	66. Third National Bank,
16. Mech's & Trad's Bank,	67. N. Y. Nat'l Exchange Bank,
17. Greenwich Bank,	70. Bowery Bank,
18. Leather Manuf. Nat'l Bank,	71. N. Y. County Nat'l Bank,
19. Seventh Nat'l Bank,	72. German-American Bank,
20. Bank of the State of N. Y.,	74. Chase National Bank,
21. American Exchange Nat'l Bank,	75. Assis't Treas. U. S. at N. Y.
23. Nat'l Bank of Commerce,	76. Fifth Avenue Bank,
25. National Broadway Bank,	77. German Exchange Bank,
27. Mercantile National Bank,	78. Germania Bank,
28. Pacific Bank,	79. United States National Bank,
29. Nat'l B'k of the Republic,	80. Lincoln National Bank,
30. Chatham National Bank,	81. Garfield National Bank,
31. People's Bank,	82. Fifth National Bank,
32. Nat'l B'k of North America,	83. Bank of the Metropolis,
33. Hanover National Bank,	84. West Side Bank,
34. Irving National Bank,	85. Seaboard National Bank,
36. National Citizen's Bank,	86. Sixth National Bank,
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A PLAN FOR THE CLEARING OF GOLD CHECKS.

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2d. The hour for making the exchanges shall be at 10 o'clock A. M.

3d. The debtor Banks shall pay to the Manager of the Clearing House, before 12½ o'clock P. M., the balances against them, either in coin or in United States gold certificates.

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4th. At 12½ o'clock P. M., or as soon thereafter on the same day as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due them, provided all the balances due from the debtor Banks shall have been paid.

5th. All rules and regulations contained in the Constitution or By-Laws of the New York Clearing House Association, or amendments of or additions thereto, in relation to checks, drafts, or other items in the exchanges, as not good, or mis-sent, or any rules and regulations now applicable to the daily exchanges of currency checks, except such as may conflict with the foregoing sections, shall also apply to the exchanges of checks payable in gold.

6th. The adoption of this system shall not prohibit any Bank from presenting gold checks for payment to the Banks on which they may be drawn during the usual banking hours, nor shall such presentation reflect unfavorably on the Bank so presenting.

7th. Any additional expenses incurred by reason of such exchanges, shall be borne and paid, *pro rata*, by the several Banks so exchanging, according to their respective capitals, as now provided by the Constitution of the New York Clearing House Association.

8th. The adoption of the above plan shall be signified by the signature of the proper officers of the Banks agreeing to the same to a copy hereof, to be kept by the ~~President~~ ^{Manager} of the Clearing House Association; and no Bank whose signature is affixed thereto shall be at liberty to discontinue making the exchanges as hereinbefore provided, except on at least twenty-four hours' notice to the Manager of the Clearing House, who shall immediately inform the exchanging Banks of the fact.

RULES OF THE CLEARING HOUSE ASSOCIATION.

1st.—RETURN OF CHECKS, DRAFTS, &c., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE O'CLOCK, of the same day.

2d.—RECLAMATION FOR ERRORS of any kind, in packages of LEGAL TENDER NOTES from the Clearing House, in settlement of Balances, should be made before ONE O'CLOCK, on the following day.

3d.—IN NO CASE SHOULD CHECKS, DRAFTS, &c., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Bank.

4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.

5th.—PACKAGES CONTAINING LEGAL TENDER NOTES, to be used in payment of Balances at the Clearing House, should be made up in even amounts of 1, 2, 3, 4, 5, 10, and \$20,000 each and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Bank, the amount and date.

6th.—DEBIT BANKS should avoid as much as possible, postponing the payments of balances to a late hour, as it sometimes causes serious delay in making up and paying the Creditor Banks, at the Clearing House.

SCALE OF FINES.

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock, A. M., will be allowed for a Proof.

For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerks' statement (i. e., in the amount brought) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - 3 00
- 2d.—Errors in making the Debit (i. e., amount received) entries—each - - - - 2 00
- 3d.—Errors in the Tickets reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - 2 00
- 4th.—Errors in footing the amount received - - - 1 00
- 5th.—Disorderly conduct of Clerk or Delivery Clerk, at the Clearing House; or disregard of the Manager's instructions—each offence - - 2 00
- 6th.—Clerk or Delivery Clerk failing to attend punctually, with statements and tickets complete, at the morning exchanges—each - - - - 2 00
- 7th.—Debtor Banks, failing to appear to pay their balances before 1:30 P. M. - - - - 3 00
- 8th.—Errors in delivery or receipt of exchanges—each 1 00

Extract from the Constitution of the Clearing House:

SECTION 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the Clerks of the establishment, as well as the Settling Clerks and Porters of the several associated Banks, while at the Clearing House shall be under his direction.

HOLIDAY LAWS.

AN ACT

TO FURTHER AMEND CHAPTER TWENTY-SEVEN OF THE LAWS OF EIGHTEEN HUNDRED AND SEVENTY-FIVE, ENTITLED AS AMENDED BY CHAPTER THIRTY OF THE LAWS OF EIGHTEEN HUNDRED AND EIGHTY-ONE, "AN ACT TO DESIGNATE THE HOLIDAYS TO BE OBSERVED IN THE ACCEPTANCE AND PAYMENTS OF BILLS OF EXCHANGE, BANK CHECKS AND PROMISSORY NOTES, AND RELATING TO THE CLOSING OF PUBLIC OFFICES.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Passed May 6, 1887; three-fifths being present.

SECTION 1. Section one of chapter twenty-seven of the laws of eighteen hundred and seventy-five, entitled, as amended by chapter thirty of the laws of eighteen hundred and eighty-one, "An act to designate the holidays to be observed in the acceptance and payment of bills of exchange, bank checks and promissory notes, and relating to the closing of public offices," is hereby further amended so as to read as follows:

§ 1. The following days and half-days, namely: The first day of January, commonly called New Year's day; the twenty-second of February, known as Washington's Birthday; the thirtieth day of May, known as Decoration Day; the fourth day of July, called Independence Day; the first Monday of September, to be known hereafter as Labor Day; the twenty-fifth day of December, known as Christmas Day; any general election day in this State; every Saturday from twelve o'clock at noon until twelve o'clock at midnight, which is hereby designated a half-

and any day appointed or recommended by the Governor of this State, or the President of the United States, as a day of Thanksgiving, or fasting and prayer, or other religious observance, shall, for all purposes whatever as regards the presenting for payment or acceptance, and of the protesting and giving notice of the dishonor of bills of exchange, bank checks and promissory notes, made after the passage of this act, be treated and considered as the first day of the week commonly called Sunday, and as such public holidays or half-holidays; and all such bills, checks and notes otherwise presentable for acceptance or payment on any of the said days shall be deemed to be payable and be presentable for acceptance or payment on the secular or business day next succeeding such holiday; but in the case of a half-holiday shall be presentable for acceptance or payment at or before twelve o'clock noon of that day. Provided, however, that for the purpose of protesting, or otherwise holding liable any party to any bill of exchange, check, or promissory note, and which shall not have been paid before twelve o'clock at noon on any Saturday, a demand of acceptance or payment thereof may be made, and notice of protest or dishonor thereof may be given on the next succeeding secular or business day. And provided, further, that when any person shall receive for collection any check bill of exchange or promissory note, due and presentable for acceptance or payment on any Saturday, such person shall not be deemed guilty of any neglect or omission of duty, nor incur any liability in not presenting for payment or acceptance, or collection such check, bill of exchange, or promissory note on that day. And provided, further, that in construing this section every Saturday, unless a whole holiday as aforesaid, shall until twelve o'clock noon, be deemed a secular or business day. And the days and half-days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or Counties of this State. On all other days, or half-days, except Sundays, such offices shall be kept open for the transaction of business.

SECTION II. Section two of said act is hereby amended so as to read as follows :

§ 2. Whenever the first day of January, the twenty-second day of February, the thirtieth day of May, the fourth day of July or the twenty-fifth day of December shall fall upon Sunday, the next Monday following shall be deemed a public holiday for all or any of the purposes aforesaid; provided, however, that in such cases all bills of exchange, checks and promissory notes made after the passage of this act which would otherwise be presentable for acceptance or payment on said Monday shall be deemed to be presentable for acceptance or payment on the secular or business day next succeeding such holiday.

SECTION III. This act shall take effect on the tenth day after its passage as certified by the Secretary of State.

ANALYSIS

OF THE SATURDAY HALF-HOLIDAY BILL AS PASSED BY THE LEGISLATURE.

Taking effect May 16th, 1887.

By the Bill as passed all commercial paper otherwise due on any of the whole holidays is payable the succeeding secular or business day. Saturday up to 12 M. is deemed a secular or business day.

Therefore paper due on a whole holiday which falls on Friday is payable Saturday by 12 M. Paper due on holidays falling on Mondays, Tuesdays, Wednesdays and Thursdays is payable on the succeeding secular or business day.

Paper due on a Saturday which is a whole holiday is payable the following Monday. If that be a holiday it is payable on Tuesday.

Paper due on a half-holiday Saturday is due by 12 M. but may be demanded for protest and notice of dishonor or protest given the next secular or business day. There is nothing, however, in the Act to prevent demand and protest of any paper before 12 M. on a half-holiday Saturday, and this may be done whenever it may be deemed expedient.

If a whole holiday fall on a Sunday, the next Monday is a holiday, and paper falling due on such a Monday is payable the succeeding secular or business day.

As to paper falling due on an ordinary Sunday, no provision is made and very properly.

Such paper is governed by the common law, and where the last day of grace falls on a Sunday it is due on Saturday by 12 M.

If that Sunday be also a holiday the law is not changed. The Act, it will be seen, does not apply to paper due on a Sunday, but to paper due on a Monday where Sunday is the holiday.

Consequently it is plain that whether Sunday be a holiday or not, paper due on that day is payable on the preceding Saturday by 12 M.

If Saturday be a whole holiday, however, it is due on the preceding secular or business day.

As to paper not entitled to days of grace when by the terms thereof it is due on Sunday, it is payable by the existing law on the Monday following.

If Monday be a holiday, it is payable the succeeding day.

Where paper presentable for payment or acceptance on a Saturday is received for collection, the banks are not guilty of neglect or omission of duty and incur no liability in not presenting such paper for payment or acceptance or collecting it on that day.

NOTE.—The Act applies only to commercial paper made on or after May 16, 1887. As to all paper made prior to May 16, 1887, the present law applies.

NEW YORK, May 9, 1887.

A. R. DYETT,

*Counsel of the New York Clearing House
Association.*

CHAP. 461.

AN ACT TO FIX THE TIME OF PAYMENT OF CERTAIN COMMERCIAL PAPER.

Passed May 25, 1887; three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

SECTION 1. All bills of exchange and promissory notes made after the passage of this act, except those payable at sight, or on demand, which shall be otherwise payable on any half-holiday Saturday, shall be deemed to be and shall

the next succeeding secular or business day.
bills of exchange, checks and promissory notes
after the passage of this act, which by the terms
thereof shall be payable on the first day of the week com-
monly called Sunday, shall be deemed to be and shall be
payable on the next succeeding secular or business day.

§ 3. This act shall take effect immediately.

SUPPLEMENT TO ANALYSIS

OF

THE SATURDAY HALF-HOLIDAY BILL.

Since I prepared my analysis of May 9, 1887, a bill has been passed by the Legislature, taking effect immediately, whereby :

1. Commercial paper otherwise due on a Half-Holiday Saturday, *except* paper payable *at sight* or on *demand*, is payable the next succeeding secular or business day.

2. All commercial paper, whether entitled to days of grace or not otherwise due on an *ordinary Sunday*, is payable the next succeeding secular or business day.

NEW YORK, May 25, 1887.

A. R. DYETT,

*Counsel for the N. Y. Clearing House
Association.*

NOTE.—This new Act applies only to paper made *after* May 25, 1887.

CONSTITUTION
OF THE
New York Clearing House
ASSOCIATION,
WITH AMENDMENTS.

ALSO CLEARING HOUSE RULES, SCALE OF FINES AND HOLIDAY
LAWS OF NEW YORK STATE.

JANUARY, 1895.

CONSTITUTION

OF THE

New York Clearing House

ASSOCIATION,

WITH AMENDMENTS.

ALSO CLEARING HOUSE RULES, SCALE OF FINES AND HOLIDAY
LAWS OF NEW YORK STATE.

JANUARY, 1895.

CONSTITUTION.

SEC. 1. The name of this Association shall be "THE Name.
NEW YORK CLEARING HOUSE ASSOCIATION."

SEC. 2. The objects of the Association shall be the Objects.
effecting at one place of the daily exchanges between the
several Associated Banks, and the payment at the same
place of the balances resulting from such exchanges. But
the Association shall be in no wise responsible in regard to
such exchanges, nor in regard to the balances resulting
therefrom, except so far as such balances shall be actually
paid into the hands of the Manager. The responsibility of
the Association is strictly limited to the faithful distribu- Responsibility
tion by the Manager among the creditor Banks, for the for loss in bal-
time being, of the sums actually received by him; and ances.
should any loss occur whilst the said balances are in the
custody of the Manager, they shall be borne and paid by
the Associated Banks in the same proportion as the other
expenses of the Clearing House, as hereinafter provided for.

SEC. 3. The Association at present consists of the fol-
lowing members :

Bank of New York,	Mercantile Bank,
Manhattan Company,	Pacific Bank,
Merchants' Bank,	Bank of the Republic,
Mechanics' Bank,	Chatham Bank,
Union Bank,	People's Bank,
Bank of America,	Bank of North America,
Phenix Bank,	Hanover Bank,
City Bank,	Irving Bank,
North River Bank,	Metropolitan Bank,
Tradesmen's Bank,	Citizens' Bank,
Fulton Bank,	Knickerbocker Bank,
Chemical Bank,	Grocers' Bank,
Merchants' Exchange Bank,	Empire City Bank,
National Bank,	Nassau Bank,
Butchers' and Drovers' Bank,	East River Bank,
Mechanics' and Traders' Bank,	Market Bank,
Greenwich Bank,	St. Nicholas Bank,
Leather Manufacturers' Bank,	Shoe and Leather Bank,
Seventh Ward Bank,	Corn Exchange Bank,
Bank of the State of New York,	Central Bank,
American Exchange Bank,	Continental Bank,
Mechanics' Banking Association,	Bank of the Commonwealth,
Bank of Commerce,	Oriental Bank,
Bowery Bank,	Marine Bank,
Broadway Bank,	Atlantic Bank,
Ocean Bank,	

Original mem-
bers, Oct.
1853.

Each member
entitled to one
vote.

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

Annual Meet-
ing.

Election of
Officers.

(See Resolu-
tion passed
June 23d, 1857
p. 10.)

SEC. 5. A general meeting of the Association shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock, P. M. At every annual meeting a President shall be elected by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem.* shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

Special Meet-
ings.

SEC. 6. Special meetings shall be called by the Clearing House Committee, whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

Quorum.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

Clearing
House Com-
mittee.

Powers and
Duties.

(See Sec. 11, p.
5, Sec. 21, p.
8, Resolution
Apl. 8, '72, p.
11, Resolution
Apl. 20, '82, p.
12, Resolution
Oct. 14, '90, p.
12.)

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of business thereat; to appoint a Manager annually, and such clerks as may be necessary; to establish rules and regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

AMENDMENT—Passed June 4th, 1894.

Add to Section 8, as follows: "The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association, to

examine any bank member of the Association, and to require from any member securities of such an amount and character, as said Committee may deem sufficient for the protection of the balances resulting from the exchanges of the Clearing House."

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

Manager and
clerks shall
give bonds.

SEC. 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House, so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the settling clerks and porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

Managers'
duties.

SEC. 11. The Clearing House Committee shall have power to remove the Manager or any of the clerks, whenever, in the opinion of the Committee the interest of the Association shall require.

Power to
remove.

SEC. 12. The hour for making Exchanges at the Clearing House shall be 10 o'clock, A. M., precisely. Between the hours of 12½ and 1½ o'clock, P. M., the debtor Banks shall pay to the Manager at the Clearing House the balances against them, either in actual coin, United States Legal tender notes, or in the certificates hereinafter mentioned, except fractional amounts. At 1½ o'clock, P. M., or as soon thereafter as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due to them, provided all the balances due from the debtor Banks shall have been paid. The Association, by a vote of three-fourths of those present, at a meeting called for that purpose, may change the hour for making the exchanges and the settlement of balances.

Exchanges
and Balances.

SEC. 13. Should any one of the Associated Banks fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by

Requisitions
in case of fail-
ure to pay bal-
ances.

the several Banks exchanging at that establishment with the defaulting Bank, in proportion to their respective balances against that Bank, resulting from the exchanges of the day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts so furnished the Clearing House on account of the defaulting Bank will, of course, constitute claims on the part of the several responding Banks against that Bank; but, as before stated, the Association shall in no wise be responsible therefor.

Errors in exchanges.

SEC. 14. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the Banks who are parties to them, and not through the Clearing House, the Association being in no way responsible in respect to them.

Reclamation for errors in money.

SEC. 15. Reclamations for errors and deficiencies in specie or United States legal tender notes, received at the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established upon that subject by the Clearing House Committee, shall be made by *one o'clock P. M., on the following day*, by the receiving Bank directly against the Bank whose mark the sealed bag or package bears. *Notice of such error shall be sent to the Bank immediately upon discovery*, the Association not being responsible for the contents of such sealed bags or packages.

Mis-sent and not good checks.

All checks, drafts, notes, or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the Bank from whom they were received, and the said Bank shall immediately refund to the Bank returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes, or other items so returned to it, in specie or legal tender notes. But, checks, drafts, notes, or other items to be

Checks, Drafts, etc., returned for informality.

returned for endorsement or informality may, after being certified by the Bank returning it, be returned through the exchanges the following morning not exceeding \$5,000 in amount to any one bank.

*Amendment Adopted May 23, 1866.

AMENDMENT—Adopted June 4th, 1884.

Add to section 15 as follows: "In case of the refusal or inability of any bank to promptly refund to the bank presenting such checks, drafts or other items, returned as not good, the bank holding them may report to the Manager the amount of the same. And it shall be the Manager's duty, with the approval of the Clearing House Committee, to take from the settling sheet of both banks the amount of such checks, drafts or other items so reported, and to readjust the Clearing House statement and declare the correct balance in conformity with the change so made, provided that such report shall be given to the Manager before one o'clock of the same day."

Action in case of refusal to refund money for not good checks, etc.

SEC. 16. Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—

Weekly Statement.

- 1st. Loans and Discounts.
- 2d. Specie.
- 3d. Legal Tender Notes.
- 4th. Circulation.
- 5th. Deposits.

SEC. 17. The Associated Banks may, from time to time, appoint one of their own number, or the Assistant Treasurer of the United States at New York, to be a depositary to receive, in special trust, such coin, or United States legal tender notes, as any of the Associated Banks may choose to send to it for safe keeping. The Depositary shall issue certificates in exchange for such coin or United States legal tender notes, in proper form, and for convenient amounts. Such certificates shall be negotiable only among the Associated Banks, and shall be received by them in payment of balances at the Clearing House. Such special deposits of coin or United States legal tender notes are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depositary subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

Depositary for Associated Banks.

(See Resolution passed Oct. 2, '60, page 10.)

SEC. 18. New members may be admitted into the Association at any meeting thereof. Such new members shall signify their assent to this Constitution in the same manner

Initiation Fee

as the original members, and shall pay an admission fee according to their respective capitals, as follows :

*Banks whose capital does not exceed \$5,000,000 shall pay.....\$5,000
 " " " exceeds \$5,000,000 " "\$7,500

Any Bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

Three-fourths
vote necessary
to admit.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. Provided, however, that it shall be competent, by a vote of three-fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.

Committee on
Admissions.
(See Reso-
lution passed
Apl. 26, 1882,
p. 12.)

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

Expulsion.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof.

Conference
Committee.

SEC. 21. A Standing Committee of five Officers of Banks, shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration.

Power to sus-
pend.

Withdrawal
from Associa-
tion.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee.

* Amendment Adopted October 3d, 1893.

SEC. 23. The expenses of the Clearing House, not in-
 cluding the expense of printing for the several Banks
 (which last mentioned expense shall be apportioned
 equally), shall be born and paid as follows : "Each Bank
 shall be assessed Two Hundred Dollars, and the balance
 necessary after that amount, pro rata, according to the
 average amount which they shall have sent to the Clearing
 House for the preceding year.

Expenses.
How appor-
tioned.

SEC. 24. At every annual meeting a Standing Commit-
 tee of five Bank Officers shall be appointed, to be called
 the Committee of Arbitration, whose duty it shall be to
 hear and determine all disputes that may be submitted to
 them by both parties thereto; any member of the Associa-
 tion being one. Such Committee shall record a brief ab-
 stract of each case referred to them, together with their de-
 cision therein, in a book to be provided for that purpose,
 which book shall be kept at the Clearing House, open to the
 inspection of all members of the Association. The first
 Committee shall be appointed immediately upon the adop-
 tion of this amendment, and shall serve until the next an-
 nual meeting.

Committee
of Arbitration

SEC. 25. Whenever exchanges shall have been made at
 the Clearing House, by previous arrangement between
 members of the Association through one of their own
 number and Banks in the city and vicinity who are not
 members, the receiving Bank at the Clearing House shall
 in no case discontinue the arrangement without giving
 previous notice—which notice shall not take effect until
 the exchanges of the morning following the receipt of
 such notice shall have been completed.

Clearing for
non-members.
(See Resolu-
tions &c. Feb'y
13, 1865, p. 10,
Apl. 26, 1865,
p. 11, May 23,
'66, p. 11, Oct.
14, 1890, p.
12.)

SEC. 26. This Constitution, when agreed to by the As-
 sociation at any general meeting thereof by a majority of
 votes, shall be submitted to the respective Boards of Direc-
 tors of the several Banks herein named as members of the
 Association for their adoption. When adopted by a ma-
 jority of the whole number of Banks it shall be deemed
 and taken to be in full force and operation. Adoption
 shall be signified by the signature of the proper officer of
 the Bank to two copies hereof, one to be kept by the Pres-
 Chairman,

Adoption of
Constitution.

* Amendment Adopted Oct. 29, 1875.

Copy of Resolution to be filed.

ident of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such Banks as shall not adopt this Constitution within two months from the time it is agreed to in general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association; provided the Constitution shall then be in operation.

Amendments. SEC. 27. Amendments of this Constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof; notice of the proposed amendments having been given at a previous meeting.

RESOLUTION—*Adopted June 23d, 1857.*

Fine for Absence from meetings.
(See Sec. 5.)

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the President of the Association.

RESOLUTION—*Adopted October 2d, 1860.*

Penalty for payment of Depositary Certificates to parties not members. (See Sec. 17.)

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depositary, shall be subject to a fine of \$100 (one hundred dollars.)

RESOLUTION—*Adopted February 13th, 1865.*

Clearing for non-members.
(See Sec. 25, p. 9. Amendments Apl. 20, '65, p. 11, May 23, '66, p. 11, Oct. 14, '90, p. 12.)

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

AMENDMENT—*Adopted April 26th, 1865.*

Whenever any member of the Association shall send through the Clearing House the exchanges of any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

RESOLUTION—*Adopted May 23d, 1866.*

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

RESOLUTIONS—*Adopted September 22d, 1871.*

1st. There shall be chosen yearly at the annual election a committee of five members, to be called "The Nominating Committee," whose duty it shall be to present to the Association at each annual election names of candidates for President and Secretary of the Association, and for members of the three committees on the following basis: The President and Secretary shall be eligible for two successive years; and after an interval of one year, shall be again eligible in like manner.

2d. There shall be selected every year, two, at least, new members on each of the committees (having still three old members), and those who have been longest on the committee shall go off first. If all have been on the same length of time, then two shall go off by lot; and after an interval of one year, such members shall be deemed again eligible.

RESOLUTION—*Adopted April 8th, 1872.*

Resolved, That the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any Bank member of the Association, to

Clearing for non-members.
(See Sec. 25, p. 9. Resolutions etc. passed Feb. 13, '65, p. 10, May 23, '66, p. 11, Oct. 14, '90 p. 12.)

Clearing for non-members.
(See Sec. 25, p. 9. Resolution, etc., passed Feb'y 13, '65, p. 10, Apl. 26, '65, p. 11, Oct. 14, '90, p. 12.)

Nominating Committee.

Shall nominate officers and committees.

Composition of Committees
(See Amendment Oct. 2, 1888, p. 12.)

Action in event of withdrawal of legal tenders from use.

make an immediate examination of the Bank in question, and, should there appear to be complicity on the part of the Bank or its officials, to suspend said Bank from the Clearing House until action of the Association shall be taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

Power to fill vacancies in Committees. If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same.

RESOLUTION—*Adopted April 26th, 1882.*

Applications referred directly to Committee on admissions. (See Sec. 19, p. 8.) *Resolved*, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admissions, instead of calling a meeting of the Association for that purpose.

AMENDMENT—*Adopted October 2d, 1888.*

President ex-officio member of Committees. The President of the Association shall be ex-officio member of all Committees, except the Committee on Nominations.

RESOLUTION—*Adopted Oct. 14, 1890.*

Clearing for non-members. Obligations. (See Sec. 25, p. 9, Resolutions etc., passed Feb'y 13, '65, p. 10, Apl. 26, '65, p. 11, May 23, '66, p. 11.) *Resolved*, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained, and the banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such banks or parties members of the Association.

AMENDMENT—*Adopted December 8th, 1892.*

President of the Association. Wherever the words "Chairman of the Association" occur, substitute in place thereof, "President of the Association."

MEMBERS OF THE ASSOCIATION.
JANUARY 1, 1895.

No.		No.	
1.	Bank of New York, N. B. A.,	47.	Continental National Bank,
2.	Bank of the Manhattan Co.,	49.	Oriental Bank,
3.	Merchants' National Bank,	53.	Importers' & Traders' Nat'l Bank,
4.	Mechanics' National Bank,	54.	National Park Bank,
6.	Bank of America,	59.	East River National Bank,
7.	Phoenix National Bank,	61.	Fourth National Bank,
8.	National City Bank,	62.	Central National Bank,
10.	Tradesmen's National Bank	63.	Second National Bank,
12.	Chemical National Bank,	64.	Ninth National Bank,
13.	Merchants' Exchange Nat'l Bank,	65.	First National Bank,
14.	Gallatin National Bank,	66.	Third National Bank,
15.	Nat'l Butchers' & Drovers' B'k.	67.	N. Y. Nat'l Exchange Bank,
16.	Mechanics' & Traders' Bank,	70.	Bowery Bank,
17.	Greenwich Bank,	71.	N. Y. County National Bank,
18.	Leather Manufacturers' Nat'l B'k.	72.	German-American Bank,
19.	Seventh National Bank,	74.	Chase National Bank,
20.	Bank of the State of N. Y.	75.	Assis't Treas. U. S. at N. Y.
21.	American Exchange Nat'l Bank,	76.	Fifth Avenue Bank,
23.	National Bank of Commerce,	77.	German Exchange Bank,
25.	National Broadway Bank,	78.	Germania Bank,
27.	Mercantile National Bank,	79.	United States National,
28.	Pacific Bank,	80.	Lincoln National Bank,
29.	National Bank of the Republic,	81.	Garfield National Bank,
30.	Chatham National Bank,	82.	Fifth National Bank,
31.	People's Bank,	83.	Bank of the Metropolis,
32.	National Bank of North America,	84.	West Side Bank,
33.	Hanover National Bank,	85.	Seaboard National Bank,
34.	Irving National Bank,	86.	Sixth National Bank,
36.	National Citizen's Bank,	87.	Western National Bank,
40.	Nassau Bank,	88.	First National Bank, Brooklyn,
42.	Market and Fulton National B'k,	89.	Southern National Bank,
44.	National Shoe & Leather Bank,	90.	National Union Bank,
45.	Corn Exchange Bank,	91.	Liberty National Bank,

A PLAN FOR THE CLEARING OF GOLD CHECKS.

Adopted February 14th, 1872.

1st. The New York Clearing House Association or any members thereof, may unite for the purpose of clearing checks payable in gold. Gold Clearing was discontinued after the resumption of Specie Payments, Jan'y 1, 1879.

2d. The hour for making the exchanges shall be at 10 o'clock A. M.

3d. The debtor Banks shall pay to the Manager of the Clearing House, before 12½ o'clock P. M., the balances against them, either in coin or in United States gold certificates.

4th. At 12½ o'clock P. M., or as soon thereafter on the same day as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due them, provided all the balances due from the debtor Banks shall have been paid.

5th. All rules and regulations contained in the Constitution or By-Laws of the New York Clearing House Association, or amendments of or additions thereto, in relation to checks, drafts, or other items in the exchanges, as not good, or mis-sent, or any rules and regulations now applicable to the daily exchanges of currency checks, except such as may conflict with the foregoing sections, shall also apply to the exchanges of checks payable in gold.

6th. The adoption of this system shall not prohibit any Bank from presenting gold checks for payment to the Banks on which they may be drawn during the usual banking hours, nor shall such presentation reflect unfavorably on the Bank so presenting.

7th. Any additional expenses incurred by reason of such exchanges, shall be borne and paid, *pro rata*, by the several Banks so exchanging, according to their respective capitals, as now provided by the Constitution of the New York Clearing House Association.

8th. The adoption of the above plan shall be signified by the signature of the proper officers of the Banks agreeing to the same to a copy hereof, to be kept by the President of the Clearing House Association; and no Bank whose signature is affixed thereto shall be at liberty to discontinue making the exchanges as hereinbefore provided, except on at least twenty-four hours' notice to the Manager of the Clearing House, who shall immediately inform the exchanging Banks of the fact.

RULES OF THE CLEARING HOUSE ASSOCIATION.

- 1st.—RETURN OF CHECKS, DRAFTS, &c., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE o'clock, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of LEGAL TENDER NOTES from the Clearing House, in settlement of Balances, should be made before ONE o'clock, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, &c., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Bank.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING LEGAL TENDER NOTES, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Bank, the amount and date.
- 6th.—DEBIT BANKS should avoid as much as possible, postponing the payments of balances to a late hour, as it sometimes causes serious delay in making up and paying the Creditor Banks, at the Clearing House.

SCALE OF FINES.

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock, A. M., will be allowed for a Proof.

For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerks' statement (i.e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - 3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - - - - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - 2 00
- 4th.—**Errors in footing** the amount received - 1 00
- 5th.—**Disorderly conduct** of Clerk or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Clerk or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - 2 00
- 7th.—Debtor Banks, **failing to appear to pay** their balances before 1:30 P. M. - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - 1 00

Extract from the Constitution of the Clearing House:

SECTION 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the Settling Clerks and Porters of the several Associated Banks, while at the Clearing House shall be under his direction.

HOLIDAY LAWS.

AN ACT.

Amended by Act passed May 11th, 1895.

TO FURTHER AMEND CHAPTER TWENTY-SEVEN OF THE LAWS OF EIGHTEEN HUNDRED AND SEVENTY-FIVE, ENTITLED AS AMENDED BY CHAPTER THIRTY OF THE LAWS OF EIGHTEEN HUNDRED AND EIGHTY-ONE, "AN ACT TO DESIGNATE THE HOLIDAYS TO BE OBSERVED IN THE ACCEPTANCE AND PAYMENTS OF BILLS OF EXCHANGE, BANK CHECKS AND PROMISSORY NOTES, AND RELATING TO THE CLOSING OF PUBLIC OFFICES.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Passed May 6, 1887; three-fifths being present.

SECTION 1. Section one of chapter twenty-seven of the laws of eighteen hundred and seventy-five, entitled, as amended by chapter thirty of the laws of eighteen hundred and eighty-one, "An act to designate the holidays to be observed in the acceptance and payment of bills of exchange, bank checks and promissory notes, and relating to the closing of public offices," is hereby further amended so as to read as follows:

§ 1. The following days and half-days, namely: The first day of January, commonly called New Year's day; ~~the twelfth day of February, known as Lincoln's Birthday,~~ the twenty-second of February, known as Washington's Birthday; the thirtieth day of May, known as Decoration Day; the fourth day of July, called Independence Day; the first Monday of September, to be known hereafter as Labor Day; the twenty-fifth day of December, known as Christmas Day; any general election day in this State; every Saturday from twelve o'clock at noon until twelve o'clock at midnight, which is hereby designated a half-holiday; and any day appointed or recommended by the

Governor of this State, or the President of the United States, as a day of Thanksgiving, or fasting and prayer, or other religious observance, shall, for all purposes whatever as regards the presenting for payment or acceptance, and of the protesting and giving notice of the dishonor of bills of exchange, bank checks and promissory notes, made after the passage of this act, be treated and considered as the first day of the week commonly called Sunday, and as such public holidays or half-holidays; and all such bills, checks and notes otherwise presentable for acceptance or payment on any of the said days shall be deemed to be payable and be presentable for acceptance or payment on the secular or business day next succeeding such holiday; but in the case of a half-holiday shall be presentable for acceptance or payment at or before twelve o'clock noon of that day. Provided, however, that for the purpose of protesting, or otherwise holding liable any party to any bill of exchange, check, or promissory note, and which shall not have been paid before twelve o'clock at noon on any Saturday, a demand of acceptance or payment thereof may be made, and notice of protest or dishonor thereof may be given on the next succeeding secular or business day. And provided, further, that when any person shall receive for collection any check, bill of exchange or promissory note, due and presentable for acceptance or payment on any Saturday, such person shall not be deemed guilty of any neglect or omission of duty, nor incur any liability in not presenting for payment or acceptance, or collection such check, bill of exchange, or promissory note on that day. And provided, further, that in construing this section every Saturday, unless a whole holiday as aforesaid, shall until twelve o'clock noon, be deemed a secular or business day. And the days and half-days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or Counties of this State. On all other days, or half-days, except Sundays, such offices shall be kept open for the transaction of business.

SECTION II. Section two of said act is hereby amended so as to read as follows:

§ 2. Whenever the first day of January, the twenty-second day of February, the thirtieth day of May, the fourth day of July or the twenty-fifth day of December shall fall upon Sunday, the next Monday following shall be deemed a public holiday for all or any of the purposes aforesaid; provided, however, that in such cases all bills of exchange, checks and promissory notes made after the passage of this act which would otherwise be presentable for acceptance or payment on said Monday shall be deemed to be presentable for acceptance or payment on the secular or business day next succeeding such holiday.

SECTION III. This act shall take effect on the tenth day after its passage as certified by the Secretary of State.

ANALYSIS OF THE SATURDAY HALF-HOLIDAY BILL AS PASSED BY THE LEGISLATURE.

Taking effect May 16th, 1887.

By the Bill as passed all commercial paper otherwise due on any of the whole holidays is payable the succeeding secular or business day. Saturday up to 12 M. is deemed a secular or business day.

Therefore paper due on a whole holiday which falls on Friday is payable Saturday by 12 M. Paper due on holidays falling on Mondays, Tuesdays, Wednesdays and Thursdays is payable on the succeeding secular or business day.

Paper due on a Saturday which is a whole holiday is payable the following Monday. If that be a holiday it is payable on Tuesday.

Paper due on a half-holiday Saturday is due by 12 M., but may be demanded for protest and notice of dishonor or protest given the next secular or business day. There is nothing, however, in the Act to prevent demand and protest of any paper before 12 M. on a half-holiday Saturday, and this may be done whenever it may be deemed expedient.

If a whole holiday fall on a Sunday, the next Monday is a holiday, and paper falling due on such a Monday is payable the succeeding secular or business day.

As to paper falling due on an ordinary Sunday, no provision is made and very properly.

Such paper is governed by the common law, and where the last day of grace falls on a Sunday it is due on Saturday by 12 M.

If that Sunday be also a holiday the law is not changed. The Act, it will be seen, does not apply to paper due on a Sunday, but to paper due on a Monday where Sunday is the holiday.

Consequently it is plain that whether Sunday be a holiday or not, paper due on that day is payable on the preceding Saturday by 12 M.

If Saturday be a whole holiday, however, it is due on the preceding secular or business day.

As to paper not entitled to days of grace when by the terms thereof it is due on Sunday, it is payable by the existing law on the Monday following.

If Monday be a holiday, it is payable the succeeding day.

Where paper presentable for payment or acceptance on a Saturday is received for collection, the banks are not guilty of neglect or omission of duty and incur no liability in not presenting such paper for payment or acceptance or collecting it on that day.

NOTE.—The Act applies only to commercial paper made *on or after* May 16, 1887. As to all paper made *prior* to May 16, 1887, the present law applies.

NEW YORK, May 9, 1887.

A. R. DYETT,

*Counsel of the New York Clearing House
Association.*

CHAP. 461.

AN ACT TO FIX THE TIME OF PAYMENT OF CERTAIN COMMERCIAL PAPER.

Passed May 25, 1887; three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

SECTION 1. All bills of exchange and promissory notes made after the passage of this act, except those payable at sight, or on demand, which shall be otherwise payable on any half-holiday Saturday, shall be deemed to be and shall be payable on the next succeeding secular or business day.

§ 2. All bills of exchange, checks and promissory notes made after the passage of this act, which by the terms thereof shall be payable on the first day of the week commonly called Sunday, shall be deemed to be and shall be payable on the next succeeding secular or business day.

§ 3. This act shall take effect immediately.

SUPPLEMENT TO ANALYSIS.

OF

THE SATURDAY HALF-HOLIDAY BILL.

Since I prepared my analysis of May 9, 1887, a bill has been passed by the Legislature, taking effect immediately, whereby:

1. Commercial paper otherwise due on a Half-Holiday Saturday, *except* paper payable *at sight* or *on demand*, is payable the next succeeding secular or business day.

2. All commercial paper, whether entitled to days of grace or not otherwise due on an *ordinary Sunday*, is payable the next succeeding secular or business day.

NEW YORK, May 25, 1887.

A. R. DYETT,

*Counsel for the N. Y. Clearing House
Association.*

NOTE.—This new Act applies only to paper made *after* May 25, 1887.

CONSTITUTION
OF THE
New York Clearing House
ASSOCIATION,
WITH AMENDMENTS.

ALSO CLEARING HOUSE RULES, SCALE OF FINES AND HOLIDAY
LAWS OF NEW YORK STATE.

NOVEMBER, 1898.

CONSTITUTION

OF THE

New York Clearing House

ASSOCIATION,

WITH AMENDMENTS.

ARTHUR. MOUNTAIN & CO.,

26 CECIL ST., N. Y.

ALSO CLEARING HOUSE RULES, SCALE OF FINES AND HOLIDAY
LAWS OF NEW YORK STATE.

NOVEMBER, 1898.

CONTENTS.

SECTION.	PAGE.
1. Name of Association	5
2. Objects.....	5
3. List of Original Members, October, 1853....	5
4. Representation at Meetings.....	6
5. Time of Annual Meeting—Election of President and Secretary.....	6
6. Special Meetings	6
7. Quorum.....	6
Resolution, June 23, 1857—Fine for Absence from Meetings.....	6
8. Clearing House Committee—Powers and Duties.. Amendment, June 4, 1884—Power to Examine Banks	7
9. Bonds of Manager and Clerks.....	7
10. Powers and Duties of Manager.....	7
11. Power to Remove Manager and Clerks	8
12. Hours for Making Exchanges and Settling Balances.	8
Amendment providing for Banks' Receipt on Items in Exchanges.....	8
13. Requisitions in case of Failure to Pay Balances..	8
14. Errors in Exchanges and Claims arising from Return of Checks, How Adjusted	9
15. Reclamation for Errors in Money in Balances....	9
Return of Not-good and Mis-sent Checks.....	9
Amendment providing for action in case of Refusal to Refund for Not-good Checks, etc....	10
Resolution governing Qualified Endorsements....	10
16. Weekly Statement.....	10
17. Depositary for Associated Banks.....	10
Resolution, October 3, 1893, authorizing Clearing House Committee to Store Gold.....	11
Resolution of December 22, 1893, providing for any Loss in Gold Depositary.....	11

SECTION.

PAGE.

Resolution, October 2, 1860—Penalty for Payment of Certificates to Parties not Members.....	11
18. New Members, When and How Admitted—Fee..	12
19. Committee on Admissions.....	12
Resolution of April 26, 1882, providing for Reference of Applications for Admission.....	12
20. Expulsion	12
21. Conference Committee	13
22. Withdrawal from Association.....	13
23. Expenses of Clearing House, How Apportioned..	13
24. Committee of Arbitration	13
25. Clearing for Non-members.....	14
Clearing for Non-members—Amendments and Resolutions following on pages.....	14 and 15
26. Adoption of Constitution.....	15
27. Amendments to Constitution, How made.....	16
Nominating Committee—Resolution of September 22, 1871.....	16
Eligibility of President and Secretary—Composition of Committees.....	16
Resolution of April 8, 1872—Action in event of Withdrawal of Legal Tenders from Use	16
Amendment, April 25, 1876—Power to Fill Vacancies in Committees	17
Amendment, October 2, 1888—President <i>ex-officio</i> Member of all Committees, except Nominating Committee.....	17
Amendment, December 8, 1892, Designating the "President of the Association".....	17
List of Members, November 1, 1898.....	17
Rules of the Association in regard to Exchanges and Balances	18
Scale of Fines in force at Clearing House.....	19
Legal Holidays, New York State.....	20

CONSTITUTION.

SEC. 1. The name of this Association shall be "THE NEW YORK CLEARING HOUSE ASSOCIATION." Name.

SEC. 2. The objects of the Association shall be the effecting at one place of the daily exchanges between the several Associated Banks, and the payment at the same place of the balances resulting from such exchanges. But the Association shall be in no wise responsible in regard to such exchanges, nor in regard to the balances resulting therefrom, except so far as such balances shall be actually paid into the hands of the Manager. The responsibility of the Association is strictly limited to the faithful distribution by the Manager among the creditor Banks, for the time being, of the sums actually received by him; and should any loss occur whilst the said balances are in the custody of the Manager, they shall be borne and paid by the Associated Banks in the same proportion as the other expenses of the Clearing House, as hereinafter provided for. Objects.

SEC. 3. The Association at present consists of the following members :

Bank of New York,	Mercantile Bank,	Original members, October, 1853.
Manhattan Company,	Pacific Bank,	
Merchants' Bank,	Bank of the Republic,	
Mechanics' Bank,	Chatham Bank,	
Union Bank,	People's Bank,	
Bank of America,	Bank of North America,	
Phoenix Bank,	Hanover Bank,	
City Bank,	Irving Bank,	
North River Bank,	Metropolitan Bank,	
Tradesmen's Bank,	Citizens' Bank,	
Fulton Bank,	Knickerbocker Bank,	
Chemical Bank,	Grocers' Bank,	
Merchants' Exchange Bank,	Empire City Bank,	
National Bank,	Nassau Bank,	
Butchers' and Drovers' Bank,	East River Bank,	
Mechanics' and Traders' Bank,	Market Bank,	
Greenwich Bank,	St. Nicholas Bank,	
Leather Manufacturers' Bank,	Shoe and Leather Bank,	
Seventh Ward Bank,	Corn Exchange Bank,	
Bank of the State of New York,	Central Bank,	
American Exchange Bank,	Continental Bank,	
Mechanics' Banking Association,	Bank of the Commonwealth,	
Bank of Commerce,	Oriental Bank,	
Bowery Bank,	Marine Bank,	
Broadway Bank,	Atlantic Bank,	
Ocean Bank,		

Responsibility for
loss in balances.

How borne.

MEETINGS.

Each member entitled to one vote.

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

Annual Meeting.

SEC. 5. A general meeting of the Association shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock P. M. At every annual meeting a President shall be elected by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem.* shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

Election of Officers.

Special Meetings.

SEC. 6. Special meetings shall be called by the Clearing House Committee, whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

Quorum.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

RESOLUTION—*Adopted June 23d, 1857.*

Fine for Absence from meetings.

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the President of the Association.

CLEARING HOUSE COMMITTEE.

Powers and duties.

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of

business thereat; to appoint a Manager annually, and such clerks as may be necessary; to establish rules and regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

AMENDMENT—*Adopted June 4th, 1884.*

Add to Section 8, as follows: "The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association, to examine any bank member of the Association, and to require from any member securities of such an amount and character as said Committee may deem sufficient for the protection of the balances resulting from the exchanges of the Clearing House."

Power to examine Banks.

FOR AMENDMENT—*Adopted March 13th, 1899, Sec. 8.*

MANAGER AND CLERKS.

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

Manager and clerks shall give bonds.

SEC. 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House, so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the settling clerks and porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

Managers' duties.

Power to remove.

SEC. 11. The Clearing House Committee shall have power to remove the Manager or any of the clerks, whenever, in the opinion of the Committee, the interest of the Association shall require.

EXCHANGES AND BALANCES.

Hours for making exchanges and settlement of balances.

SEC. 12. The hour for making Exchanges at the Clearing House shall be 10 o'clock, A. M., precisely. Between the hours of 12½ and 1½ o'clock, P. M., the debtor Banks shall pay to the Manager at the Clearing House the balances against them, either in actual coin, United States Legal tender notes, or in the certificates hereinafter mentioned, except fractional amounts. At 1½ o'clock, P. M., or as soon thereafter as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due to them, provided all the balances due from the debtor Banks shall have been paid. The Association, by a vote of three-fourths of those present, at a meeting called for that purpose, may change the hour for making the exchanges and the settlement of balances.

AMENDMENT—Adopted October 6th, 1896.

Banks' receipt on items in Exchanges.

Resolved: That on and after the sixth day of October, 1896, all checks, drafts, notes, bills of exchange and other items sent through the exchanges by members of this Association, shall bear stamped or written receipt, in the following form:

Received Payment
Through New York Clearing House,
(date)
Name of Bank (and No. if desired.)

Requisitions in case of failure to pay balances.

SEC. 13. Should any one of the Associated Banks fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several Banks exchanging at that establishment with

the defaulting Bank, in proportion to their respective balances against that Bank, resulting from the exchanges of the day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts so furnished the Clearing House on account of the defaulting Bank will, of course, constitute claims on the part of the several responding Banks against that Bank; but, as before stated, the Association shall in no wise be responsible therefor.

SEC. 14. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the Banks who are parties to them, and not through the Clearing House, the Association being in no way responsible in respect to them.

Errors in exchanges.

SEC. 15. Reclamations for errors and deficiencies in specie or United States legal tender notes, received at the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established upon that subject by the Clearing House Committee, shall be made by *one o'clock P. M., on the following day*, by the receiving Bank directly against the Bank whose mark the sealed bag or package bears. *Notice of such error shall be sent to the Bank immediately upon discovery*, the Association not being responsible for the contents of such sealed bags or packages.

Reclamation for errors in money.

All checks, drafts, notes, or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the Bank from whom they were received, *and the said Bank shall immediately refund to the Bank returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes, or other items so returned to it, in specie or legal tender notes. But, checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the Bank returning it, be returned through the exchanges the following morning not exceeding \$5,000 in amount to any one bank.

Mis-sent and not good checks.

Checks, Drafts, etc., returned for informality.

* Amendment Adopted May 23, 1866.

Action in case of refusal to refund money for not good checks, etc.

Add to section 15 as follows: "In case of the refusal or inability of any bank to promptly refund to the Bank presenting such checks, drafts or other items, returned as not good, the Bank holding them may report to the Manager the amount of the same. And it shall be the Manager's duty, with the approval of the Clearing House Committee, to take from the settling sheet of both Banks the amount of such checks, drafts or other items so reported, and to readjust the Clearing House statement and declare the correct balance in conformity with the change so made, provided that such report shall be given to the Manager before one o'clock of the same day.

Endorsements "for collection, etc."

RESOLUTION—*Adopted June 4th, 1896.*
Resolved, That on and after the 1st day of July, 1896, members of this Association shall not send through the exchanges any checks, sight drafts, notes, bills of exchange or other items having thereon any qualified or restrictive endorsement, such as "for collection" or "for account of," unless all endorsements thereon are guaranteed by the Bank, member of the Association, sending such checks, drafts, notes, bills of exchange or other items.

Any such items sent in violation of the above requirements shall be returned directly to the member from whom they were received, and shall in all respects be subject to the regulations contained in Section 15 of the Constitution of the New York Clearing House Association.

Weekly Statement

SEC. 16. Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—

- 1st. *Loans and Discounts.*
- 2d. *Specie.*
- 3d. *Legal Tender Notes.*
- 4th. *Circulation.*
- 5th. *Deposits.*

DEPOSITARY FOR ASSOCIATED BANKS.

Certificates may be issued upon deposit of coin or legal tenders.

SEC. 17. The Associated Banks may, from time to time, appoint one of their own number, or the Assistant Treasurer of the United States at New York, to be a depositary

to receive, in special trust, such coin, or United States legal tender notes, as any of the Associated Banks may choose to send to it for safe keeping. The Depositary shall issue certificates in exchange for such coin or United States legal tender notes, in proper form, and for convenient amounts. Such certificates shall be negotiable only among the Associated Banks, and shall be received by them in payment of balances at the Clearing House. Such special deposits of coin or United States legal tender notes are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depositary subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

RESOLUTION—*Adopted, October 3d, 1893.*

Resolved, That the Clearing House Committee are hereby authorized to make such arrangements and provisions as may be necessary, to receive and store gold coin and issue Clearing House Certificates for the same, under such rules and regulations as may be prescribed by said Committee.

Clearing House Committee may Store Gold.

RESOLUTION—*Adopted, December 22d, 1893.*

Resolved, That any loss arising from the receipt and storage of gold coin, and the issue of certificates therefor, under the authority given the Clearing House Committee October 3d, 1893, shall be borne by the Banks comprising the New York Clearing House Association, pro rata of Capital and Surplus; and this Resolution shall be ratified by the Boards of the respective Banks, members of the Association, and a certified copy of such consent delivered to the Chairman of the Clearing House Committee.

Provision for Any Loss.

RESOLUTION—*Adopted, October 2d, 1860.*

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depositary, shall be subject to a fine of \$100 (one hundred dollars).

Penalty for payment of Depositary Certificates to parties not members.

NEW MEMBERS.

Initiation Fee.

SEC. 18. New members may be admitted into the Association at any meeting thereof. Such new members shall signify their assent to this Constitution in the same manner as the original members, and shall pay an admission fee according to their respective capitals, as follows :

*Banks whose capital does not exceed \$5,000,000 shall pay.....\$5,000
 " " " exceeds \$5,000,000 " "\$7,500

Any Bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

Three-fourths
vote of those
present necessary
to admit.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. Provided, however, that it shall be competent, by a vote of three-fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.

COMMITTEE ON ADMISSIONS.

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

RESOLUTION—Adopted April 26th, 1882.

Applications re-
ferred directly to
Committee on Ad-
missions.

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admissions, instead of calling a meeting of the Association for that purpose.

Expulsion.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof.

* Amendment Adopted October 3d, 1893.

CONFERENCE COMMITTEE.

SEC. 21. A Standing Committee of five Officers of Banks, shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration. Power to suspend.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee. Withdrawal from Association.

EXPENSES.

SEC. 23. The expenses of the Clearing House, not including the expense of printing for the several Banks (which last mentioned expense shall be apportioned equally), shall be borne and paid as follows : *Each Bank shall be assessed Two Hundred Dollars, and the balance necessary after that amount, pro rata, according to the average amount which they shall have sent to the Clearing House for the preceding year. How apportioned.

COMMITTEE OF ARBITRATION.

SEC. 24. At every annual meeting a Standing Committee of five Bank Officers shall be appointed, to be called the Committee of Arbitration, whose duty it shall be to hear and determine all disputes that may be submitted to them by both parties thereto; any member of the Association being one. Such Committee shall record a brief Duties.

*Amendment adopted October 29th, 1875.

abstract of each case referred to them, together with their decision thereon, in a book to be provided for that purpose, which book shall be kept at the Clearing House, open to the inspection of all members of the Association. The first Committee shall be appointed immediately upon the adoption of this amendment, and shall serve until the next annual meeting.

CLEARING FOR NON-MEMBERS.

SEC. 25. Whenever exchanges shall have been made at the Clearing House, by previous arrangement between members of the Association through one of their own number and Banks in the city and vicinity who are not members, the receiving Bank at the Clearing House shall in no case discontinue the arrangement without giving previous notice—which notice shall not take effect until the exchanges of the morning following the receipt of such notice shall have been completed.

RESOLUTION—*Adopted February 13th, 1865.*

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

AMENDMENT—*Adopted April 26th, 1865.*

Whenever any member of the Association shall send through the Clearing House the exchanges of any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

When notice to discontinue takes effect.

Notices to be issued by members.

See Resolution of Oct. 14th, 1890.

Liabilities.

RESOLUTION—*Adopted May 23d, 1866.*

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

AMENDMENT—*Adopted October 14th, 1890.*

Resolved, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained and the Banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such Banks or parties members of the Association.

AMENDMENT—*Adopted December 21st, 1896.*

Resolved, that the amendment to the Constitution adopted October 14th, 1890, assessing Banks and others not members of this Association and clearing through members, \$200 annually, be amended by increasing such amount to \$500 annually; this amendment to take effect on and after January 1st, 1897.

ADOPTION OF CONSTITUTION.

SEC. 26. This Constitution, when agreed to by the Association at any general meeting thereof by a majority of votes, shall be submitted to the respective Boards of Directors of the several Banks herein named as members of the Association for their adoption. When adopted by a majority of the whole number of Banks it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer of the Bank to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be

Liabilities.

Consent to clear necessary.

Fees. (See Amendment Dec. 21st, 1896).

Non-Members' Fees.

Copy of Resolutions to be filed.

deposited with the Secretary. Such Banks as shall not adopt this Constitution within two months from the time it is agreed to in general meaning, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association; provided the Constitution shall then be in operation.

Amendments.

SEC. 27. Amendments of this Constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof; notice of the proposed amendments having been given at a previous meeting.

NOMINATING COMMITTEE.

RESOLUTIONS—*Adopted September 22d, 1871.*

Shall nominate officers and committees.

1st. There shall be chosen yearly at the annual election a committee of five members, to be called "The Nominating Committee," whose duty it shall be to present to the Association at each annual election names of candidates for President and Secretary of the Association, and for members of the three committees on the following basis: The President and Secretary shall be eligible for two successive years; and after an interval of one year, shall be again eligible in like manner.

Eligibility of President and Secretary.

Composition of Committees.

2d. There shall be selected every year, two, at least, new members on each of the committees (having still three old members), and those who have been longest on the committee shall go off first. If all have been on the same length of time, then two shall go off by lot; and after an interval of one year, such members shall be deemed again eligible.

RESOLUTION—*Adopted April 8th, 1872.*

Action in event of withdrawal of legal tenders from use.

Resolved, That the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any Bank member of the Association, to make an immediate examination of the Bank in question, and, should there appear to be complicity on the part of the Bank or its officials, to suspend said Bank from the Clearing House until action of the Association shall be taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same.

Power to fill vacancies in Committees.

AMENDMENT—*Adopted October 2d, 1888.*

The President of the Association shall be ex-officio member of all Committees, except the Committee on Nominations.

President ex-officio member of Committees.

AMENDMENT—*Adopted December 8th, 1892.*

Wherever the words "Chairman of the Association" occur, substitute in place thereof, "President of the Association."

President of the Association.

MEMBERS OF THE ASSOCIATION.

NOVEMBER 1st, 1898.

No.	No.
1. Bank of New York, N. B. A.,	47. Continental National Bank,
2. Bank of the Manhattan Co.,	49. Oriental Bank,
3. Merchants' National Bank,	53. Importers' & Traders' Nat'l B'k,
4. Mechanics' National Bank,	54. National Park Bank,
6. Bank of America,	59. East River National Bank,
7. Phenix National Bank,	61. Fourth National Bank,
8. National City Bank,	62. Central National Bank,
12. Chemical National Bank,	63. Second National Bank,
13. Merchants' Exchange Nat'l Bank,	64. Ninth National Bank,
14. Gallatin National Bank,	65. First National Bank,
15. Nat'l Butchers' & Drovers' B'k,	67. N. Y. Nat'l Exchange Bank,
16. Mechanics' & Traders' Bank,	70. Bowery Bank,
17. Greenwich Bank,	71. N. Y. County National Bank,
18. Leather Manufacturers' Nat'l B'k,	72. German-American Bank,
19. Seventh National Bank,	74. Chase National Bank,
20. Bank of the State of N. Y.	75. Assis't Treas. U. S. at N. Y.
21. American Exchange Nat'l Bank,	76. Fifth Avenue Bank,
23. National Bank of Commerce,	77. German Exchange Bank,
25. National Broadway Bank,	78. Germania Bank,
27. Mercantile National Bank,	80. Lincoln National Bank,
28. Pacific Bank,	81. Garfield National Bank,
29. National Bank of the Republic,	82. Fifth National Bank,
30. Chatham National Bank,	83. Bank of the Metropolis,
31. People's Bank,	84. West Side Bank,
32. National Bank of North America,	85. Seaboard National Bank,
33. Hanover National Bank,	86. Sixth National Bank,
34. Irving National Bank,	87. Western National Bank,
36. National Citizen's Bank,	88. First National Bank, Brooklyn,
40. Nassau Bank,	90. National Union Bank,
42. Market and Fulton National B'k,	91. Liberty National Bank,
44. National Shoe & Leather Bank,	92. N. Y. Produce Exchange Bank,
45. Corn Exchange Bank,	93. Bank of New Amsterdam,

RULES OF THE CLEARING HOUSE ASSOCIATION.

- 1st.—RETURN OF CHECKS, DRAFTS, ETC., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE O'CLOCK, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of LEGAL TENDER NOTES from the Clearing House, in settlement of Balances, should be made before ONE O'CLOCK, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, ETC., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Bank.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING LEGAL TENDER NOTES, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Bank, the amount and date.
- 6th.—DEBIT BANKS should avoid, as much as possible postponing the payments of balances to a late hour, as it sometimes causes serious delay in making up and paying the Creditor Banks, at the Clearing House.

SCALE OF FINES.

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.

For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerk's statement (i.e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - \$3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - 2 00
- 4th.—**Errors in footing** the amount received - 1 00
- 5th.—**Disorderly Conduct** of Clerk or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offense - 2 00
- 6th.—Clerk or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - 2 00
- 7th.—Debtor Banks, **failing to appear to pay** their balances before 1.30 P. M. - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - 1 00

Extract from the Constitution of the Clearing House:

SECTION 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the Settling Clerks and Porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

LEGAL HOLIDAYS, NEW YORK STATE.

Chap. 603.

AN ACT to further amend chapter twenty-seven of the laws of eighteen hundred and seventy-five, entitled "An act to designate the holidays to be observed in the acceptance and payment of bills of exchange, bank checks and promissory notes," as amended by chapter thirty of the laws of eighteen hundred and eighty-one, and chapter two hundred and eighty-nine of the laws of eighteen hundred and eighty-seven, designating Lincoln's birthday as a public holiday.

BECAME a law May 11, 1895, with the approval of the Governor. Passed, three-fifths being present.

The people of the State of New York, represented in Senate and Assembly, do enact as follows:

SECTION 1. Section one of chapter twenty-seven of the laws of eighteen hundred and seventy-five, entitled "An act to designate the holidays to be observed in the acceptance and payment of bills of exchange, bank checks and promissory notes," as amended by chapter thirty of the laws of eighteen hundred and eighty-one, and chapter two hundred and eighty-nine of the laws of eighteen hundred and eighty-seven, is hereby further amended so as to read as follows:

§ 1. The following days and half days, namely: The first day of January, commonly called New Year's Day; the twelfth day of February, known as Lincoln's birthday; the twenty-second day of February, known as Washing-

ton's birthday; the thirtieth day of May, known as Decoration Day; the fourth day of July, called Independence Day; the first Monday of September, to be known hereafter as Labor Day; the twenty-fifth day of December, known as Christmas Day; and general election day in this State; every Saturday from twelve o'clock at noon until twelve o'clock at midnight which is hereby designated as a half-holiday; and any day appointed or recommended by the governor of this State, or the President of the United States, as a day of thanksgiving, or fasting and prayer, or other religious observance, shall, for all purposes whatever as regards the presenting for payment or acceptance, and of the protesting and giving notice of the dishonor of bills of exchange, bank checks and promissory notes, made after the passage of this act, be treated and considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays; and all such bills, checks and notes otherwise presentable for acceptance or payment on any of the said holidays shall be deemed to be payable and be presentable for acceptance or payment on the secular business day next succeeding such holiday; but in the case of a half-holiday shall be presentable for acceptance or payment at or before twelve o'clock noon of that day; provided, however, that for the purpose of protesting or otherwise holding liable any party to any bill of exchange, check or promissory note, and which shall not have been paid before twelve o'clock at noon on any Saturday, a demand of acceptance or payment therefor may be made and notice of protest or dishonor thereof may be given on the next succeeding secular business day. And provided, further, that when any person shall receive for collection any check, bill of exchange or promissory note, due and presentable for acceptance or payment on any Saturday, such person shall not be deemed guilty of any neglect or omission of duty, nor incur any liability in not presenting for payment or acceptance, or collecting such check, bill of exchange, or

promissory note on that day. And provided, further, that in construing this section, every Saturday, unless a whole holiday as aforesaid, shall, until twelve o'clock noon, be deemed a secular business day. And the days and half days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or counties of this State. On all other days, half days, excepting Sundays, such offices shall be kept open for the transaction of business.

§ 2. Whenever the first day of January, the twelfth day of February, the twenty-second day of February, the thirtieth day of May, the fourth day of July, or the twenty-fifth day of December shall fall upon Sunday, the Monday next following shall be deemed a public holiday for all or any of the purposes aforesaid; provided, however, that in such case all bills of exchange, checks and promissory notes, made after the passage of this act, which would otherwise be presentable for acceptance or payment on the said Monday, shall be deemed to be presentable for acceptance or payment on the secular or business day next succeeding such holiday.

AMENDMENT TO THE CONSTITUTION.

Adopted March 13th, 1899.

Add to Section 8 as follows: The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York, by members of the Association or banks or trust companies or others clearing through such members, and the rates to be charged for such collections, and also providing for enforcement of the same. The Committee may from time to time make any additions to, or changes in, such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established, it shall not, however, be altered or rescinded until it has been in force at least three months, except by majority vote of the Clearing House Association.

Exchange on out
of town collections.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof

SEC. 1. These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with the Governments of the United States, the State of New York, or the City of New York, and for items payable in the cities of Boston, Mass., Providence, R. I., Albany, N. Y., Troy, N. Y., Jersey City, N. J., Bayonne, N. J., Hoboken, N. J., Newark, N. J., Philadelphia, Penn., Baltimore, Md., the charge shall in all cases be discretionary with the collecting bank and the same shall not be governed by the provisions of these rules and regulations.

SEC. 3. For all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth of one per cent. ($\frac{1}{10}\%$) of the amount of the items respectively.

SEC. 4. For all items from whomsoever received payable at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming and Canada, the collecting banks shall charge not less than one-quarter of one per cent. ($\frac{1}{4}\%$) of the amount of the items respectively.

SEC. 5. In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

SEC. 6. The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, *Be it Resolved* that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this corporation is hereby instructed to file a certified copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation.

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or in his absence said Manager shall call a meeting of the Committee. The Committee shall investigate the facts and determine

whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of the charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted and shall take effect upon the third day of April, 1899.

NEW YORK CLEARING HOUSE.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

Originally Adopted March 13th, 1899.

Extract from Constitution.

ARTICLE VI., SECTION 6. The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York, by members of the Association or banks or trust companies or others clearing through such members, and the rates to be charged for such collections, and also providing for enforcement of the same. The Committee may from time to time make any additions to, or changes in, such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established, it shall not, however, be altered or rescinded until it has been in force at least three months, except by majority vote of the Clearing House Association.

RULES, REGULATIONS AND CHARGES.

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

SEC. 1 These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with, the *Governments of the United States, the State of New York, or the City of New York, for items payable in the cities of Boston, Mass.; Providence, R. I.; Albany, N. Y.; Troy, N. Y.; Jersey City, N. J.; Bayonne, N. J.; Hoboken, N. J.; Newark, N. J.; Philadelphia, Pa.; Baltimore, Md.; and for items payable only at any bank or

* See Rulings D and DD page 5.

NEW YORK CLEARING HOUSE.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

Originally Adopted March 13th, 1899.

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* See Rulings D and DD page 5.

trust company which has already filed or may hereafter file an agreement in writing with the Manager of the New York Clearing House Association, signed by one of its officers, to remit in New York Clearing House funds at par, on the day of receipt thereof, for all cash items properly drawn on it transmitted by the Collection Department, so that such remittances will be received at the Clearing House in time to be cleared in the regular morning exchanges of the following day, and for all items (whether such items are collected through the Federal Reserve Bank of New York or otherwise) which the Federal Reserve Bank of New York shall have notified the Manager of the New York Clearing House Association it will receive from its members for immediate credit at par, the charge shall in all cases be † discretionary with the collecting bank. (*As amended December 5th, 1912; December 2, 1914; August 10, 1915; Dec. 29, 1915.*)

SEC. 3. For ‡ all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth (1/10) of one per cent. of the amount of the items respectively.

SEC. 4. For ‡ all items from whomsoever received payable at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington and Wyoming, the collecting banks shall charge not less than one-quarter (1/4) of one per cent. of the amount of the items, respectively. (*As amended Nov. 23, 1915.*)

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten (10) cents, the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

†See Ruling C, page 5. *See Ruling A, page 4. ‡See Ruling B, page 4.

SEC. 6. The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, *Be it Resolved*, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this corporation is hereby instructed to file a certified copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or, in his absence, said Manager, shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of these charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument

as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted, and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 2

Clearing House Committee—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 or 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 1.

Clearing House Committee—August 8th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules, and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, page 2

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee begs to notify all banks and trust companies making exchanges through the Clearing House that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 1

(Chairman of the Clearing House Committee—December 5th, 1901.)

In Section 2 the provision making the collection charge discretionary "for items collected for the accounts of, or in dealings with the Governments of the United States, the State of New York, or the City of New York," has relation only to items *deposited by* the representatives of the various governments mentioned, and not to checks, warrants, etc., *issued by* them, and deposited by the banks' other customers.

DD—See Sec. 2, page 1

(Clearing House Committee—February 17th, 1914.)

For all items deposited for the accounts mentioned in Section 2, (i. e. "for the accounts of, or in dealings with, the Governments of the United States, the State of New York or the City of New York"), the charges shall in all cases be discretionary with the collecting bank when received by it on deposit from any source.

E—

(Clearing House Committee Nov. 22nd, Dec. 10th, 1906.)

At a meeting of the Clearing House Committee, held Nov. 22nd, 1906, the following communication from a member of the Association was considered by the Committee:

"We are receiving from our correspondents inquiries about as follows:

Will you allow us to deposit with your correspondents in cities such as St. Louis and Chicago drafts on our correspondents in those cities, to your credit, you giving us credit in your bank at par immediately upon notification by us of such deposits, thus allowing us to draw against such credits the same as against New York funds. This will save us time and expense in transfers and will facilitate our business very materially.

Will you kindly give us a ruling on the above at your early convenience, and oblige,

Very truly yours, _____

In answer to the above a ruling was made as follows :

The plan as outlined in the inquiry submitted to the Clearing House Committee, is in contravention of the rules governing collection charges on out of town items, and such plan cannot be followed without infraction of said rules.

In connection with this ruling the following minute was adopted at a meeting of the Committee, held Dec. 10th, 1906:

"Some misunderstanding having arisen as to interpretations of the collection rules, notice is hereby given to the Associated Banks and all institutions connected with the New York Clearing House, that all applications for rulings on the law must be made in writing and addressed to the Clearing House Committee. All rulings will be printed and sent to members and other institutions connected with the New York Clearing House."

F—

(*Clearing House Committee—September 26th, 1907.*)

When foreign items, subject to collection charges, are returned unpaid, the charge may be remitted.

G—

(*Clearing House Committee—February 3rd, 1908.*)

Bonds shipped for payment are liable for collection charges the same as other items on which exchange must be charged under Clearing House rules.

H—

(*Clearing House Committee—May 14th, 1908.*)

Any agreement, written or implied, entered into by a Clearing House member or by a non-member clearing through a member, with any individual, firm, or corporation, by the terms of which it is intended that the rate of interest agreed to be paid on deposits is to offset and compensate for charges made on out of town checks, is a violation of Clearing House rules, and if brought to the attention of the Committee will be dealt with as provided by Section 8 of the Clearing House rules and regulations relating to the charges on out of town items.

Attention is called to the following extract from Section 8 of the rules governing the exchange charges:

"In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association."

I—

(*Clearing House Committee—October 27th, 1909.*)

As Alaska is not mentioned in the schedule of places upon which exchange is chargeable, it is discretionary with banks whether they make a charge or not on such items.

J—

(*Clearing House Committee, June 12th, 1911.*)

The following ruling of the Clearing House Committee on a question relating to collection charges, adopted this day, is forwarded for your information:

QUESTION.

"Would The Bank violate a rule of the Clearing House respecting charges on out-of-town items, if it purchased from a firm not a customer of the bank, their note payable in St. Paul, at a given rate, and made no charge for exchange at the time the note was forwarded for collection."

RULING.

"The Clearing House rules contemplate the charging of collection rates on all out-of-town items from whatever source derived. This ruling is made comprehensive in order to meet ingenious cases for evasion. In the case of bought paper the broker should allow the charge as part of the purchase. If exceptions were allowed the flood of cases would practically nullify the rules."

K—

(*Clearing House Committee—July 25th, 1913.*)

Inquiry having been made as to whether notes payable at "discretionary" institutions are comprehended in the terms "items payable at" such institutions, as employed in the agreement filed at this office, the Clearing House Committee has this day ruled that notes payable at discretionary institutions are "Items" as provided for in the agree-

ment, and should be remitted for at par upon day of payment.

Notes payable elsewhere are subject to the charge imposed.

L—

(Clearing House Committee—June 9th, 1915.)

On and after June 15th, 1915, checks on the Federal Reserve Bank of San Francisco shall be subject to a collection charge of 1/20th of 1%, and that checks on all other Federal Reserve Banks remain on the discretionary list.

M—

(Clearing House Committee—June 29th, 1915.)

The charge on checks drawn on banks not located at a discretionary point, and stamped "Collectible at par through the Federal Reserve Bank of Philadelphia," may be considered as discretionary. This ruling was also made applicable to checks stamped "Collectible at par through the Federal Reserve Bank of Boston."

N—

(Clearing House Committee—November 23d, 1915.)

The charge is discretionary on NOTES only when payable at out of town institutions whose agreements to remit to individual Clearing House institutions are on file at the Clearing House. These out of town institutions may be distinguished on the monthly discretionary list by the absence of an asterisk (*) before their names. The asterisk indicates that the institution has agreed to remit only through the Collection Department, and, as the department handles cash items only, notes payable at the institutions so indicated are subject to the exchange charges, and the payer institutions are not obligated to remit for the same without exchange deduction.

CONTENTS.

(INDEX AT END OF PAMPHLET).

SECTION.	PAGE.
1. Name of Association.....	5
2. Objects.....	5
3. List of Original Members, October, 1853.....	5
4. Representation at Meetings.....	6
5. Time of Annual Meeting—Election of President and Secretary.....	6
6. Special Meetings.....	6
7. Quorum.....	6
Resolution, June 23, 1857—Fine for Absence from Meetings.....	6
8. Clearing House Committee—Powers and Duties..	6
Amendment, June 4, 1884—Power to Examine Banks.....	7
Amendment, March 13, 1899—Establishing charges for collections.....	7
9. Bonds of Manager and Clerks.....	7
10. Powers and Duties of Manager.....	8
11. Power to Remove Manager and Clerks.....	8
12. Hours for Making Exchanges and Settling Balances.....	8
Amendment providing for Banks' Receipt on Items in Exchanges.....	8
13. Requisitions in case of Failure to Pay Balances..	9
14. Errors in Exchanges and Claims arising from Return of Checks, How Adjusted.....	9
15. Reclamation for Errors in Money in Balances....	9
Return of Not-good and Mis-sent Checks.....	9
Amendment providing for action in case of Refusal to Refund for Not-good Checks, etc....	10
Resolution governing Qualified Endorsements....	10
16. Weekly Statements.....	11
17. Depository for Associated Banks.....	11
Resolution, October 2, 1860—Penalty for Payment of Certificates to Parties not Members.....	11
Resolution, October 3, 1893, authorizing Clearing House Committee to Store Gold.....	11
Resolution of December 22, 1893, providing for any Loss in Gold Depository.....	12

SECTION.	PAGE.
18. New Members, When and How Admitted—Fee...	12
19. Committee on Admissions.....	12
Resolution of April 26, 1882, providing for Reference of Applications for Admission.....	12
Amendment of February 11, 1903, providing that applicants for admission to membership shall have at least \$500,000 capital and surplus	13
20. Expulsion.....	13
21. Conference Committee... ..	13
22. Withdrawal from Association.....	13
23. Expenses of Clearing House, How Apportioned..	13
24. Committee of Arbitration.....	14
25. Clearing for Non-members.....	14
Clearing for Non-members—Amendments and Resolutions relating to Sec. 25.....	14
26. Adoption of Constitution.....	17
27. Amendments to Constitution, How made.....	18
Nominating Committee—Resolution of September 22d, 1871.....	18
Eligibility of President and Secretary—Composition of Committees.....	18
Resolution of April 8, 1872—Action in event of Withdrawal of Legal Tenders from Use.....	18
Amendment, April 25, 1876—Power to Fill Vacancies in Committees.....	19
Amendment, October 2, 1888—President <i>ex-officio</i> Member of all Committees, except Nominating Committee.....	19
Amendment, December 8, 1892, Substituting "President of the Association" for "Chairman, etc.".....	19
List of Members, January 1, 1906	19
Rules of the Association relating to Exchanges and Balances.....	20
Scale of Fines in force at Clearing House.....	21
Collection Charges on out of town items.....	22
Regulations affecting relations with U. S. Assistant Treasurer at N. Y.....	26
Stamped Endorsement of Treasury Checks, Form of Resolution and Stamp.....	27
Weekly Statement of Non-members.....	29
Clearing House Gold Depository Rules.....	30
Laws Governing Public Holidays, Etc	31

CONSTITUTION.

SEC. 1. The name of this Association shall be "THE Name.
NEW YORK CLEARING HOUSE ASSOCIATION."

SEC. 2. The objects of the Association shall be the Objects.
effecting at one place of the daily exchanges between the several Associated Banks, and the payment at the same place of the balances resulting from such exchanges. But the Association shall be in no wise responsible in regard to such exchanges, nor in regard to the balances resulting therefrom, except so far as such balances shall be actually paid into the hands of the Manager. The responsibility of the Association is strictly limited to the faithful distribution by the Manager among the creditor Banks, for the time being, of the sums actually received by him; and should any loss occur whilst the said balances are in the custody of the Manager, they shall be borne and paid by How borne.
the Associated Banks in the same proportion as the other expenses of the Clearing House, as hereinafter provided for.

SEC. 3. The Association at present consists of the following members :

Bank of New York, Manhattan Company, Merchants' Bank, Mechanics' Bank, Union Bank, Bank of America, Phoenix Bank, City Bank, North River Bank, Tradesmen's Bank, Fulton Bank, Chemical Bank, Merchants' Exchange Bank, National Bank, Butchers' and Drovers' Bank, Mechanics' and Traders' Bank, Greenwich Bank, Leather Manufacturers' Bank, Seventh Ward Bank, Bank of the State of New York, American Exchange Bank, Mechanics' Banking Association, Bank of Commerce, Bowery Bank, Broadway Bank, Ocean Bank,	Mercantile Bank, Pacific Bank, Bank of the Republic, Chatham Bank, People's Bank, Bank of North America, Hanover Bank, Irving Bank, Metropolitan Bank Citizens' Bank. Knickerbocker Bank, Grocers' Bank Empire City Bank, Nassau Bank, East River Bank, Market Bank, St Nicholas Bank, Shoe and Leather Bank, Corn Exchange Bank, Central Bank, Continental Bank, Bank of the Commonwealth, Oriental Bank, Marine Bank, Atlantic Bank,
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Original memb
October, 1853.

MEETINGS.

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

SEC. 5. A general meeting of the Association shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock P. M. At every annual meeting a President shall be elected by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem.* shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

SEC. 6. Special meetings shall be called by the Clearing House Committee, whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

RESOLUTION—*Adopted June 23d, 1857.*

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the President of the Association.

CLEARING HOUSE COMMITTEE.

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of business thereat; to appoint a Manager annually, and such clerks as may be necessary; to establish rules and regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval

of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

AMENDMENT—*Adopted June 4th, 1884.*

Add to Section 8, as follows: The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association, to examine any bank member of the Association, and to require from any member securities of such an amount and character as said Committee may deem sufficient for the protection of the balances resulting from the exchanges of the Clearing House.

AMENDMENT—*Adopted March 13th, 1899.*

Add to Section 8, as follows: The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York, by members of the Association or banks or trust companies or others clearing through such members, and the rates to be charged for such collections, and also providing for enforcement of the same. The Committee may from time to time make any additions to, or changes in, such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established, it shall not, however, be altered or rescinded until it has been in force at least three months, except by majority vote of the Clearing House Association.

(For Rules and Regulations under this Amendment see page 22.)

MANAGER AND CLERKS.

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

For other powers see two following amendments and Secs. 9, 10, 11, 15, 17, 19, 25 and page 18.

Power to examine Banks.

Exchange on Collections outside the City of New York.

Manager and clerk shall give bonds.

SEC. 10. The Manager under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House, so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the settling clerks and porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

SEC. 11. The Clearing House Committee shall have power to remove the Manager or any of the clerks, whenever, in the opinion of the Committee, the interest of the Association shall require.

EXCHANGES AND BALANCES.

SEC. 12. The hour for making Exchanges at the Clearing House shall be 10 o'clock, A. M., precisely. Between the hours of 12½ and 1½ o'clock, P. M., the debtor Banks shall pay to the Manager at the Clearing House the balances against them, either in actual coin, United States Legal tender notes, or in the certificates hereinafter mentioned, except fractional amounts. At 1½ o'clock, P. M., or as soon thereafter as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due to them, provided all the balances due from the debtor Banks shall have been paid. The Association, by a vote of three-fourths of those present, at a meeting called for that purpose, may change the hour for making the exchanges and the settlement of balances.

AMENDMENT—Adopted October 6th, 1896.

Resolved: That on and after the sixth day of October, 1896, all checks, drafts, notes, bills of exchange and other items sent through the exchanges by members of this Association, shall bear stamped or written receipt, in the following form:

<p>Received Payment Through New York Clearing House, (date) Name of Bank (and No. if desired.)</p>
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SEC. 13. Should any one of the Associated Banks fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several Banks exchanging at that establishment with the defaulting Bank, in proportion to their respective balances against that Bank, resulting from the exchanges of the day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts so furnished the Clearing House on account of the defaulting Bank will, of course, constitute claims on the part of the several responding Banks against that Bank; but as before stated, the Association shall in no wise be responsible therefor.

Requisitions in case of failure to pay balances.

SEC. 14. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the banks who are parties to them, and not through the Clearing House, the Association being in no way responsible in respect to them.

Errors in exchanges.

SEC. 15. Reclamations for errors and deficiencies in specie or United States legal tender notes, received at the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established upon that subject by the Clearing House Committee, shall be made by one o'clock P. M., on the following day, by the receiving Bank directly against the Bank whose mark the sealed bag or package bears. Notice of such error shall be sent to the Bank immediately upon discovery, the Association not being responsible for the contents of such sealed bags or packages.

Reclamation for errors in money.

For Rules see p. 20

All checks, drafts, notes or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the Bank from whom they were received, and the said Bank shall immediately refund to the Bank returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes, or other items so returned to it, in specie or legal tender notes. But, checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the Bank returning it, be returned

Mis-sent and not good checks.

Checks, Drafts, etc., returned for informality.

* Amendment Adopted May 23d, 1866.

through the exchanges the following morning, not exceeding \$5,000 in amount to any one bank. (For relations with U. S. Assistant Treasurer, see page 26.)

AMENDMENT—*Adopted June 4th, 1884.*

Add to section 15 as follows: In case of the refusal or inability of any bank to promptly refund to the Bank presenting such checks, drafts or other items, returned as not good, the Bank holding them may report to the Manager the amount of the same. And it shall be the Manager's duty, with the approval of the Clearing House Committee, to take from the settling sheets of both Banks the amount of such checks, drafts or other items so reported, and to readjust the Clearing House statement and declare the correct balance in conformity with the change so made, provided that such report shall be given to the Manager before one o'clock of the same day.

RESOLUTION—*Adopted June 4th, 1896.*

Resolved, That on and after the first day of July, 1896, members of this Association shall not send through the exchanges any checks, sight drafts, notes, bills of exchange or other items having thereon any qualified or restrictive endorsement, such as "for collection" or "for account of," unless all endorsements thereon are guaranteed by the Bank, member of the Association, sending such checks, drafts, notes, bills of exchange or other items.

Any such items sent in violation of the above requirements shall be returned directly to the member from whom they were received, and shall in all respects be subject to the regulations contained in Section 15 of the Constitution of the New York Clearing House Association.

Ruling of Clearing House Committee, February 18, 1904.

AMENDMENT—*Adopted October 1st, 1907.*

No member of this Association shall send or pay through the exchanges checks or other items drawn on banks, bankers or trust companies, not members of this Association, by customers thereof in Greater New York, and made payable at a Clearing House bank, unless the same shall first be accepted and made payable at a Clearing House Bank, by the bank, banker or trust company upon which they are drawn. This provision shall also apply to non-members making exchanges through members of this Association.

merely.

WEEKLY STATEMENTS.

SEC. 16. Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—

- | | |
|---------------------------|-------------------|
| 1st. Loans and Discounts. | 2d. Specie. |
| 3d. Legal Tender Notes. | 4th. Circulation. |
| 5th. Deposits. | |

AMENDMENT—*Adopted October 1st, 1907.*

The several items of the Weekly Statement are to comprise the following:

LOANS AND DISCOUNTS:

Loans, Discounts and Stocks and Bonds and Mortgages owned by the bank-

SPECIE:

Gold and Silver Coin, United States and Clearing House Gold Certificates, and United States Silver Certificates.

LEGAL TENDER NOTES:

United States Legal Tender Notes of all issues.

CIRCULATION:

Amount outstanding.

DEPOSITS:

Gross deposits and Unpaid dividends, less Exchanges for the Clearing House, Amounts due from other banks for collection, Notes of other Banks and checks on non-clearing institutions in this City.

deposits of coin or United States legal tender notes are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depository subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

RESOLUTION—*Adopted October 2d, 1860.*

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depository, shall be subject to a fine of \$100 (one hundred dollars).

RESOLUTION—*Adopted October 3d, 1893.*

Resolved, That the Clearing House Committee are hereby authorized to make such arrangements and provisions

Weekly
Statements.

certificates n
e issued upon
deposit of coin
r legal tende

Penalty for pr
ment of Depos
itory Certificate
to parties not
members.

Clearing Hous
Committee m
Store Gold.

RESOLUTION—*Adopted January 17th, 1908.*

Resolved, that the Clearing House Committee shall be authorized to make such arrangements and provisions as may be necessary to receive and store gold coin or United States legal tender notes or other notes issued under the authority of the United States other than National Bank notes, and issue Clearing House certificates for the same, under such rules and regulations as may be prescribed by the said Committee.

RESOLUTION—*Adopted January 17th, 1908.*

Resolved, that any loss arising from the receipt and storage of gold coin and United States notes, and the issue of certificates therefor, under the authority given the Clearing House Committee, October 3rd, 1893, and January 17th, 1908, respectively, shall be borne by the Institutions comprising the New York Clearing House Association, pro rata of Capital and Surplus; and this Resolution shall be ratified by the Boards of the respective Institutions, members of the Association, and a certified copy of such consent delivered to the Chairman of the Clearing House Committee.

Any Bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. Provided, however, that it shall be competent, by a vote of three-fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.

COMMITTEE ON ADMISSIONS.

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

RESOLUTION—*Adopted April 26th, 1882.*

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admis-

* Amendment Adopted October 8d, 1893.

sions, instead of calling a meeting of the Association for that purpose.

AMENDMENT—*Adopted February 11th, 1903.*

Resolved, That Section 19 of the Constitution of the New York Clearing House Association, as amended April 26, 1882, be further amended by the adoption of the following resolution:

Resolved, That the Clearing House Committee shall not refer to the Committee on Admissions under this section, any application for admission into the Association by any Bank, unless the amount of its unimpaired capital and surplus shall equal at least the amount of \$500,000.

EXPULSION.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof.

CONFERENCE COMMITTEE.

SEC. 21. A Standing Committee of five Officers of Banks, shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration.

WITHDRAWAL.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee.

EXPENSES.

SEC. 23. The expenses of the Clearing House, not including the expense of printing for the several Banks

Applicants for admission to membership must have at least \$500,000 capital and surplus.

Expulsion.

Power to suspend.

Withdrawal from Association.

How apportioned.

(which last mentioned expense shall be apportioned equally), shall be borne and paid as follows: **Each Bank shall be assessed Two Hundred Dollars, and the balance necessary after that amount, pro rata, according to the average amount which it shall have sent to the Clearing House for the preceding year.*

COMMITTEE OF ARBITRATION.

SEC. 24. At every annual meeting a Standing Committee of five Bank Officers shall be appointed, to be called the Committee of Arbitration, whose duty it shall be to hear and determine all disputes that may be submitted to them by both parties thereto; any member of the Association being one. Such Committee shall record a brief abstract of each case referred to them, together with their decision therein, in a book to be provided for that purpose, which book shall be kept at the Clearing House, open to the inspection of all members of the Association. The first Committee shall be appointed immediately upon the adoption of this amendment, and shall serve until the next annual meeting.

CLEARING FOR NON-MEMBERS.

SEC. 25. Whenever exchanges shall have been made at the Clearing House, by previous arrangement between members of the Association through one of their own number and Banks in the city and vicinity who are not members, the receiving Bank at the Clearing House shall in no case discontinue the arrangement without giving previous notice—which notice shall not take effect until the exchanges of the morning following the receipt of such notice shall have been completed.

RESOLUTION—*Adopted February 13th, 1865.*

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption, nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

* Amendment adopted October 29th, 1875.

AMENDMENT—*Adopted April 26th, 1865.*

Whenever any member of the Association shall send through the Clearing House the exchanges of any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

See Amendment of Feb. 11th, 1903.

Liabilities.

RESOLUTION—*Adopted May 23d, 1866.*

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

Liabilities.

AMENDMENT—*Adopted October 14th, 1890.*

Resolved, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained and the Banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such Banks or parties members of the Association.

Consent to clear necessary. (See Amendment, Feb. 11, 1903.)

Fees. (See Amendments Dec. 21st, 1896, and Feb. 11, 1903.)

AMENDMENT—*Adopted December 21st, 1896.*

Resolved, That the amendment to the Constitution adopted October 14th, 1890, assessing Banks and others not members of this Association and clearing through members, \$200 annually, be amended by increasing such amount to \$500 annually; this amendment to take effect on and after January 1st, 1897.

Fees. (See Amendments Feb. 11, 1903, and Oct. 14, 1890.)

AMENDMENT—*Adopted February 11th, 1903.*

Resolved, That the amendments to Section 25, of the Constitution of the New York Clearing House Association

to the making of exchanges through the Clearing House, for non-members adopted October 14, 1890, and December 21, 1896, be supplemented by the following additional amendment to take effect immediately; namely, The New York Clearing House Association permits its members after March 1, 1903, to make exchanges through the Clearing House for Banks or other Institutions not members of the Association, only upon the following terms:

1. No member of the Association shall make exchanges through the Clearing House for any Bank or other Institution whose exchanges have not heretofore been so made through a member, unless the same shall have been actually doing business for at least one year, nor until the making of such exchanges by a member shall have been approved by the Clearing House Committee after an examination of such Bank or Institution made by the Clearing House Committee, or by some other Committee of the Association duly appointed for that purpose.

The consent of the Clearing House Committee shall also be necessary to the transfer of the making of the exchanges for a non-member by one member to another member.

2. On and after January 1, 1904, every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall pay to the Association the amount of \$1,000 annually in advance.

3. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall submit, whenever required by the Clearing House Committee, to the same examinations as are now required of members of the Association.

4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association, shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members. (For forms see p. 29).

5. Every non-member Institution (not a Bank required by law to maintain a specified reserve) now or hereafter sending its exchanges through a member of the Association, shall on and after June 1, 1903, keep in its vaults a cash reserve equal to five per centum of its deposits; and on and after February 1, 1904, such cash reserve shall be at least seven and one-half per centum of its deposits, and on and after June 1, 1904, such cash reserve shall be such percentage as shall from time to time be fixed by the Clearing House Committee, but not less than ten nor more than fifteen per centum of its deposits. The reserve hereby required shall be an average reserve as against the average deposits as shown upon its weekly statements.

If any non-member Bank or Institution or party now or hereafter sending its exchanges through a member of the Association shall fail to comply with any of the foregoing requirements applicable to such non-member, or upon examination shall be found in an unsatisfactory condition, the Clearing House Committee may suspend any privilege previously given to members of the Association to make exchanges or redemptions for such non-member; such suspension to take effect upon the completion of the exchanges of the morning following the giving of notice of such suspension by the Manager to the members of the Association.

Nothing contained in Section 25 of the Constitution or in the amendments thereto, shall be construed as making a Bank, Institution or other party sending its exchanges through a member, in any sense or to any extent a member of this Association.

AMENDMENT—*Adopted October 1st, 1907.*

Banks acting as redeeming agents for other institutions not members of this Association, shall keep and maintain in their own vaults, a cash reserve of net deposits equal to the highest percentage of reserve required by law of any member of this Association.

majority of the whole number of Banks it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer of

Reserve for
Trust Companies.

Committee may
suspend privileges.

the Bank to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such Banks as shall not adopt this Constitution within two months from the time it is agreed to in general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association; provided the Constitution shall then be in operation.

SEC. 27. Amendments of this Constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof, notice of the proposed amendments having been given at a previous meeting.

Sec. 28. Trust Companies organized under the Laws of the State of New York may be admitted as members of this Association in the same manner and to the same extent as Banks may be admitted, and when so admitted shall be entitled to all the rights and benefits and subject to all the conditions and obligations to which Bank members are or shall be entitled or subject under the provisions of the Constitution.

Trust Companies however, becoming members of the Association shall be required to keep a cash reserve in their own vaults of not less than twenty-five per centum of their deposits. A failure to keep such reserve shall be sufficient ground for action under section 20 of the Constitution.

Sec. 29. From and after July 1st, 1908, all Institutions members of this Association, shall keep and maintain in their own vaults a cash reserve of twenty-five per centum of their net deposits.

after an interval of one year, such members shall be deemed again eligible.

SUNDRY AMENDMENTS.

RESOLUTION—*Adopted April 8th, 1872.*

Resolved, That the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any Bank member of the Association, to

make an immediate examination of the Bank in question, and should there appear to be complicity on the part of the Bank or its officials, to suspend said Bank from the Clearing House until action of the Association shall be taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same.

Power to fill vacancies in Committees.

AMENDMENT—*Adopted October 2d, 1888.*

The President of the Association shall be ex-officio member of all Committees, except the Committee on Nominations.

President ex-officio member of Committees.

AMENDMENT—*Adopted December 8th, 1892.*

Wherever the words "Chairman of the Association" occur, substitute in place thereof, "President of the Association."

President of the Association.

AMENDMENT—*Adopted December 27th, 1906.*

Whenever a member of this Association shall make any change in its condition, either in its management or ownership, or any change in its charter, or shall merge with any other institution not a member of this Association, the Clearing House Committee shall have the power to examine said member and submit the question of a continuance of its membership to the Association; any action on which question must receive the same assent as provided in the case of the admission of members.

- | | |
|--------------------------------------|------------------------------------|
| 16. Mechanics' & Traders' Bank, | 74. Chase National Bank, |
| 17. Greenwich Bank, | 75. Assis't Treas. U. S. at N. Y., |
| 21. American Exchange Nat'l Bank, | 76. Fifth Avenue Bank, |
| 23. National Bank of Commerce, | 77. German Exchange Bank, |
| 27. Mercantile National Bank, | 78. Germania Bank, |
| 28. Pacific Bank, | 80. Lincoln National Bank, |
| 30. Chatham National Bank, | 81. Garfield National Bank, |
| 31. People's Bank, | 82. Fifth National Bank, |
| 32. National Bank of North America, | 83. Bank of the Metropolis, |
| 33. Hanover National Bank, | 84. West Side Bank, |
| 34. Irving National Bank, | 85. Seaboard National Bank, |
| 36. Citizens' Central National Bank, | 88. First National Bank Brooklyn, |
| 40. Nassau Bank, | 91. Liberty National Bank, |
| 42. Market and Fulton National B'k, | 92. N. Y. Produce Exchange Bank, |
| 44. National Shoe & Leather Bank, | 93. New Amsterdam National B'k, |
| 45. Corn Exchange Bank, | 94. Astor National Bank, |

RULES OF THE CLEARING HOUSE ASSOCIATION

RELATING TO RETURN OF CHECKS, RECLAMATIONS FOR ERRORS,
AND MONEY PACKAGES.

1st.—RETURN OF CHECKS, DRAFTS, ETC., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE o'CLOCK, of the same day.

2d.—RECLAMATION FOR ERRORS of any kind, in packages of NOTES or BAGS OF GOLD received from the Clearing House, in settlement of Balances, should be made before ONE o'CLOCK, on the following day.

3d.—IN NO CASE SHOULD CHECKS, DRAFTS, ETC., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Bank.

4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.

5th.—PACKAGES CONTAINING Legal Tender Notes and United States Bearer Gold Certificates, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Bank, the amount, date and kind of money.

6th.—DEBIT BANKS should avoid, as much as possible, postponing the payment of balances to a late hour, as it sometimes causes serious delay in making up and paying the Creditor Banks, at the Clearing House.

SCALE OF FINES

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.

For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerk's statement (i. e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - - - - - \$3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - - - - - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - - 2 00
- 4th.—**Errors in footing** the amount received - 1 00
- 5th.—**Disorderly Conduct** of Settling or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Settling or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - 2 00
- 7th.—Debtor Banks, **failing to appear to pay** their balances before 1.30 P. M. - - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - - 1 00
- 9th.—For **each item mis-sent**, payable to the returning bank, (but in no case more than five dollars for items returned by any bank to any one bank, on the same day) - - - - - 1 00

Extract from the Constitution of the Clearing House :

SECTION 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the Settling Clerks and Porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

As authorized by AMENDMENT—*Adopted, March 13th, 1899.* (See page 7).

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

SEC. 1. These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with the *Governments of the United States, the State of New York, or the City of New York, and for items payable in the cities of Boston, Mass., Providence, R. I., Albany, N. Y., Troy, N. Y., Jersey City, N. J., Bayonne, N. J., Hoboken, N. J., Newark, N. J., Philadelphia, Penn., Baltimore, Md., the charge shall in all cases be †discretionary with the collecting bank and the same shall not be governed by the provisions of these rules and regulations.

SEC. 3. For ‡ all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth of one per cent. ($\frac{1}{10}\%$) of the amount of the items respectively.

*See Ruling D, page 25. †See Ruling B, page 25. ‡See Ruling C, page 25.

SEC. 4. For † all items from whomsoever received payable at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming and Canada, the collecting banks shall charge not less than one-quarter of one per cent. ($\frac{1}{4}\%$) of the amount of the items respectively.

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

SEC. 6. The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, *Be it Resolved*, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this

*See Ruling A, page 25. †See Ruling C, page 25.

corporation is hereby instructed to file a certified copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or in his absence said Manager shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of the charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 23.

(Circular Letter—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 or 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 22.

(Circular Letter—August 16th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, pages 22 and 23.

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee beg to notify all banks and trust companies making exchanges through the Clearing House, that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 22.

(Chairman of the Clearing House Committee—
December 11th, 1900.)

E—

(Clearing House Committee—September 26th, 1907.)

When foreign items, subject to collection charges are returned unpaid, the charge may be remitted.

various governments mentioned, and not to checks, warrants, etc., issued by them, and deposited by the bank's other customers.

REGULATIONS AFFECTING RELATIONS WITH THE U. S.
ASSISTANT TREASURER AT NEW YORK.

(Circular Letter—June 30th, 1896.)

Referring to the * resolution adopted by the Association June 4th, 1896, regarding endorsements, it is understood that the omission on the part of any bank to guarantee endorsements of the character described in that resolution, shall not exempt such bank from its present liability to the Assistant Treasurer of the United States, under the circular of July 29th, 1893, and the resolutions of October 13th, 1893, authorized by the Clearing House Association.

The Circular of July 29th, 1893, provides:

"That all checks which are to be returned for whatever cause, must be presented at the office of the Assistant Treasurer before two o'clock P. M., each day, excepting Saturdays and other half-holidays, on which days any such checks must be presented before one o'clock P. M."

The resolutions of October 13th, 1893, are as follows:

Resolved, That all credit balances due the Assistant Treasurer of the United States at New York, arising through the making of exchanges by that officer with the associated banks, through the Clearing House, shall be paid in funds current at the Clearing House, excepting Clearing House Certificates.

Resolved, That the Assistant Treasurer be permitted to return through the Clearing House all checks and drafts received by him through that channel, whose return is required by reason of any informality.

Resolved, That in case of the receipt by the Assistant Treasurer of a "not good" check or checks, sent him in error through the exchanges, it is understood that he will notify the sending bank before three o'clock P. M. on the day of its receipt, by telephone or other formal notice, immediately. Said bank to take up check immediately upon receipt of notice.

*(See Resolution page 10.)

FORM OF RESOLUTION AND STAMP, REQUIRED BY THE
ASSISTANT TREASURER IN ACCEPTING STAMPED FINAL
INDORSEMENTS ON DISBURSING OFFICERS' CHECKS.

(See Circular Letter of Clearing House Committee following.)

At a regular meeting of the Board of Directors of the
.....
of the City of held on the
day of , a quorum being present and
assenting,

It was Resolved, that this bank adopt the stamp described below for the indorsement of *Disbursing Officers' Checks*, drawn upon the Assistant Treasurer of the United States at New York, and presented for payment through the New York Clearing House only; said stamp to be in lieu of a written indorsement of an officer or attorney of this bank; and that the impression of said stamped indorsement on any such check shall be as full and complete a discharge for the amount thereof, as though it bore the written indorsement of an officer or attorney of this bank:

<p>Received Payment Through the New York Clearing House, THE BLANK BANK OF NEW YORK, John Jones, Cashier. January 27th, 1903.</p>

I, Cashier of the
.....
and Secretary of the Board of Directors, do hereby certify that the above resolution after being by me read, and fully explained to the said board, at a meeting held at its Banking House, on the date first above mentioned, was thereupon passed.

In testimony whereof, I have hereunto set my hand, and affixed the seal of the said bank this
day of A. D., one thousand nine hundred and

(Signed)
Cashier and Secretary of the Board of Directors.

[SEAL OF THE BANK.]

This resolution must be filed with the Assistant Treasurer U. S. at New York.

(See letter of instruction on page following.)

CIRCULAR LETTER OF INSTRUCTION ACCOMPANYING PRECEDING FORM.

NEW YORK, January 27th, 1893.

DEAR SIR:

The Clearing House Committee have the pleasure to inform you that the Assistant Treasurer U. S. at New York will accept stamped final endorsements on Pension Agents' and other Disbursing Officers' checks payable through the Clearing House only, where such checks bear the *written endorsement* of the Payee.

As the acceptance of stamped endorsements will be confined exclusively to the class of checks above named, all Treasury Drafts, Post Office Warrants and Checks for Interest and Gold and Currency Certificates, must be separately listed and placed in envelopes by themselves.

A copy of resolution to be adopted by your Board of Directors and to be filed with the Assistant Treasurer, and form of stamp to be used is herewith enclosed.

Before stamped endorsements can be accepted by the Assistant Treasurer the above requirements must be observed.

By order

E. H. PERKINS, JR., *Chairman.*

WILLIAM SHERER, *Manager.*

WEEKLY STATEMENT OF NON-MEMBERS.

Extract from Amendment to Sec. 25 of the Constitution, Adopted February 11th, 1903.

SEC. 4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members.

FORM FOR BANKS.

Average Amount of Loans and Discounts and Investments (not Real Estate).....			
Average Amount of Specie.....			
Average Amount of Legal Tender Notes & Bank Notes			
Average Amount on Deposit with Clearing House Agent.....			
Average Amount on Deposit with other New York City Banks and Trust Companies.....			
Average Amount of Deposits.....			
Average Amount of Circulation.....			

Correct.....

FORM FOR TRUST COMPANIES.

Capital (as per latest statement to Banking Dept.)....			
Surplus Fund and Undivided Profits (as per latest statement to Banking Dept.).....			
Average Amount of Loans, Bills Purchased and Investments (not Real Estate).....			
Average Amount of Specie.....			
Average Amount of Legal Tender Notes & Bank Notes			
Average Amount on Deposit with other New York City Banks and Trust Companies.....			
Average Amount of Deposits.....			

Correct.....

Extract from Resolution of Clearing House Committee, November 3d, 1899.

Hereafter all statements of averages, submitted to the Clearing House by members and non-members, must be verified and signed by an officer.

RULES OF THE CLEARING HOUSE GOLD DEPOSITORY.

- 1st.—Banks desiring to deposit gold coin for certificates must notify the Manager, who will arrange as to the amount and time of deposit.
- 2d.—Upon notice from the Manager the bank must deposit the gold at the Clearing House, and take his receipt therefor.
- 3d.—Only bags containing \$5,000 standard weight and one denomination of coin in each will be received. Each bag must bear a tag stating the name of the depositing bank, the amount and the date of deposit.
- 4th.—Claims for deficiencies will be made by the Manager after examination of the gold, and must be satisfied promptly.
- 5th.—After the gold has been counted certificates will be issued on the surrender of the receipt given by the Manager.
- 6th.—No exchange of coin received for deposit will be made.
- 7th.—As the rules of the Association require the attendance of a member of the Clearing House Committee when gold is withdrawn from the vaults, notice of intention to withdraw must be given to the Manager by *three o'clock P. M. of the preceding day*.
- 8th.—Claims against coin withdrawn from the depository must be made before 3 P. M. of the day following its withdrawal.

As the receipt of gold and the issue of certificates were determined upon in order to save the expense and risk of loss caused by paying coin at the Clearing House, it is expected and desired that the certificates be used to pay balances, in lieu of coin, as far as possible.

LAWS GOVERNING PUBLIC HOLIDAYS AND TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

PUBLIC HOLIDAYS, ETC.

SECTION 24 (as amended October 1, 1897, and February 20, 1902), of the Statutory Construction Law, provides as follows:

SEC. 24. Public Holidays; Half Holidays.—The term holiday includes the following days in each year; the first day of January, known as New Year's Day; the twelfth day of February, known as Lincoln's Birthday; the twenty-second day of February, known as Washington's Birthday; the thirtieth day of May, known as Memorial Day; the fourth day of July, known as Independence Day; the first Monday of September, known as Labor Day; and the twenty-fifth day of December, known as Christmas Day, and if either of such days is Sunday, the next day thereafter; each general election day and each day appointed by the President of the United States or by the Governor of this State, as a day of general thanksgiving, general fasting and prayer, or other general religious observances. The term, half-holiday, includes the period from noon to midnight of each Saturday which is not a holiday. The days and half-days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or counties of this State. On all other days and half-days, excepting Sundays, such offices shall be kept open for the transaction of business. Where a contract by its terms requires the payment of money or the performance of a condition on a public holiday, such payment may be made or condition performed on the next business day succeeding such holiday, with the same force and effect as if made or performed in accordance with the terms of the contract.

LOCAL HOLIDAYS.

Chapter 198, Laws 1889, (took effect April 26,) authorized the Governor, in issuing any proclamation appointing or

recommending any day as a day of thanksgiving, fasting, prayer or other religious observance in pursuance of Chapter 289, Laws 1887, to limit the effect of the proclamation to any City or Cities, County or Counties, and provided that the day or days so proclaimed should be public holidays for the purposes mentioned in said Act only within the Cities or Counties specified.

TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

SECTION 145 of the Negotiable Instruments Law, as amended provides:

SEC. 145. Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due or becoming payable on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday.

INDEX.

	PAGE
A	
Admissions, Committee on.....	12
Adoption of Constitution	17
Amendments to Constitution, How made	18
Annual Meeting	6
Arbitration Committee.....	14
Assistant Treasurer U.S. at N. Y., Regulations affect- ing relations with.....	26
B	
Balances; action in case of failure to pay.....	9
How packages in payment of, should be made up.	20
Reclamation for errors in.....	9
Responsibility for loss in	5
Sections relating to	8-10
Time of settlement	8
Bonds of Manager and Clerks	7
C	
Certificates, Gold Depository	11-12
Chairman of Association; Title changed to President.	19
Charges for Collections—See Collection charges	
Checks and items in exchanges, See Exchanges	
Claims for errors in Balances.....	9
Exchanges.....	9
Gold Depository.....	30
Clearings: See Exchanges.....	
Clearing for Non-Members	14-17
Clearing House Committee: Election of; Powers and Duties	6
May examine bank members	7
May establish rules in regard to collections outside of New York.....	7
May readjust the Proof Sheet.....	10
May remove Manager and Clerks	8
May store Gold Coin and issue Certificates.....	11
May suspend members for withdrawing legal tenders from use.....	18
May, with Conference Committee, suspend member	13
Other powers and duties in connection with Non- Members	14-17

NEW YORK CLEARING HOUSE
CASE
LIBRARY
CONSTITUTION

OF THE

New York Clearing House

ASSOCIATION

ADOPTED SEPTEMBER 24TH, 1908

ALSO, CLEARING HOUSE RULES,

SCALE OF FINES,

COLLECTION CHARGES,

AND HOLIDAY LAWS OF NEW YORK STATE

OCTOBER, 1908.

CONSTITUTION
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OCTOBER, 1908.

CONSTITUTION

OF THE

New York Clearing House Association.

(Adopted September 24th, 1908.)

ARTICLE I.

SECTION 1. The name of this Association shall be THE NEW YORK CLEARING HOUSE ASSOCIATION.

ARTICLE II.

OBJECTS.

SECTION 1. The objects of the Association shall be the effecting at one place of the daily exchanges between the members thereof and the payment at the same place of the balances resulting from such exchanges, the promotion of the interests of the members and the maintenance of conservative banking through wise and intelligent co-operation.

SEC. 2. The Association shall be in no wise responsible in regard to the exchanges between the members, nor in regard to the balances resulting therefrom, except so far as such balances shall be paid into the Clearing House through the Manager or his assistants.

SEC. 3. The responsibility of the Association is strictly limited to the faithful distribution among the creditor members of the sums actually received from debtor members. Should any loss occur whilst the said balances are in the custody of the Manager or his assistants it shall be borne and paid by the members pro rata according to the average amount which each shall have sent to the Clearing House for the preceding year.

ARTICLE III.

MEMBERSHIP.

SECTION 1. The Association at present consists of the following members:

Bank of N. Y. Nat'l Bkg. Ass'n,	Importers' & Traders' Nat'l Bk.
Bank of the Manhattan Company,	National Park Bank,
Merchants' National Bank,	East River National Bank,
Mechanics' National Bank,	Fourth National Bank,
Bank of America,	Second National Bank,
Phoenix National Bank,	First National Bank,
National City Bank,	Irving National Exchange Bank,
Chemical National Bank,	Bowery Bank,
Merchants' Exchange Nat'l Bank,	New York County National Bank,
Gallatin National Bank,	German-American Bank,
Nat'l Butchers' & Drovers' Bank,	Chase National Bank,
Greenwich Bank,	Fifth Avenue Bank,
American Exchange Nat'l Bank,	German Exchange Bank,
National Bank of Commerce in N. Y.	Germania Bank,
Mercantile National Bank,	Lincoln National Bank,
Pacific Bank,	Garfield National Bank,
Chatham National Bank,	Fifth National Bank,
People's Bank,	Bank of the Metropolis,
Hanover National Bank,	West Side Bank,
Citizen's Central National Bank,	Seaboard National Bank,
Nassau Bank,	Liberty National Bank,
Market and Fulton Nat'l Bank,	N. Y. Produce Exchange Bank,
Metropolitan Bank,	State Bank,
Corn Exchange Bank,	Fourteenth Street Bank,
	National Copper Bank,

SEC. 2. New members may be admitted into the Association at any meeting thereof, on the recommendation of the Clearing House Committee, by the affirmative vote of three-fourths of the members present at said meeting. Such vote to be taken by ballot.

SEC. 3. No new member shall be admitted whose unimpaired capital ~~and surplus~~ shall be less than ~~\$500,000~~ ^{\$1,000,000}.

SEC. 4. New members shall signify their assent to the Constitution, as provided in Article XI, Section 1, and shall pay an admission fee as follows:

Institutions whose capital does not exceed \$5,000,000 shall pay Five thousand dollars; those exceeding \$5,000,000 shall pay Seven thousand five hundred dollars.

Any member increasing its capital shall pay a sum to correspond with these rates.

SEC. 5. Any member may withdraw from the Association after notifying the Clearing House Committee of its intention to withdraw and paying its due proportion of all expenses incurred.

SEC. 6. For cause deemed sufficient by the members at any meeting thereof any member may be expelled from the Association and debarred from all the privileges of the Clearing House, provided a majority of all the members vote in favor thereof.

SEC. 7. Whenever a member of this Association shall make any change in its condition either in its management or ownership, or any change in its charter, or shall merge with any other institution not a member of this Association, the Clearing House Committee shall have the power to examine said member, and submit the question of a continuance of its membership to the Association; any action on which question must receive the same assent as provided in the case of the expulsion of members.

SEC. 8. Trust Companies organized under the Laws of the State of New York may be admitted as members of this Association in the same manner and to the same extent as Banks may be admitted, and when so admitted shall be entitled to all the rights and benefits and subject to all the conditions and obligations to which Bank members are or shall be entitled or subject under the provisions of the constitution.

Trust Companies becoming members of the Association shall be required to keep and maintain a cash reserve of not less than twenty-five per centum of their legal net deposits of which not less than fifteen per centum must be kept in their own vaults, and the balance shall be maintained on deposit with members of this Association who carry a twenty-five per centum cash reserve in their own vaults. A failure to keep such reserve in the manner prescribed shall be sufficient cause for action, as expressed under Section 6 of this Article.

SEC. 9. All bank members of this Association shall keep and maintain in their own vaults a cash reserve of twenty-five per centum of their net deposits.

SEC. 10. Every bank, member of the Clearing House Association, shall furnish to the Manager for publication a weekly report of its average daily condition, also its actual condition, at the close of business on each Friday, which report shall comprise the following:

Loans and Discounts. Loans, Discounts and Stocks and Bonds and Mortgages owned by the Bank.

Specie. Gold and Silver coin, United States and Clearing House Gold Certificates, and United States Silver Certificates.

Legal Tender Notes. United States Legal Tender Notes of all issues.

Circulation. Amount outstanding.

Deposits. Gross deposits and unpaid dividends, less Exchanges for the Clearing House, amounts due from other banks for collection, notes of other banks and checks on non-clearing institutions in this City.

SEC. 11. Every Trust Company member of the Clearing House Association shall furnish to the Manager for publication a weekly report of its average daily condition, also its actual condition at the close of business on each Friday, which report shall comprise the following:

Average amount of Loans, Bills Purchased and Investments (not Real Estate).

Average amount of Specie.

Average amount of Legal Tender Notes and Bank Notes.

Average amount on deposit with other Clearing House members, carrying a 25% cash reserve.

Average amount of Deposits.

Average amount of Legal Net Deposits.

ARTICLE IV.

MEETINGS.

SECTION 1. The annual meeting of the Association shall be held at the Clearing House on the first Tuesday in October of each year at One o'clock P. M.

SEC. 2. Special meetings shall be called by the Clearing House Committee whenever it may deem it expedient or whenever it shall be requested in writing to do so by any seven members of the Association.

SEC. 3. Each institution belonging to the Association may be represented at all meetings by at least one of its principal officers and shall be entitled to one vote. Any member failing to be so represented at roll call shall pay a fine of Three Dollars.

SEC. 4. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of members.

ARTICLE V.

ELECTION OF OFFICERS AND COMMITTEES.

SECTION 1. At every annual meeting there shall be elected by ballot from the officers of members, to serve for one year, or until their successors are elected, a President, a Secretary, a Clearing House Committee, a Conference Committee, a Committee on Admissions, a Nominating Committee and an Arbitration Committee, each committee to consist of five members.

SEC. 2. The President and Secretary shall be eligible for office for two successive years and after an interval of one year shall be again eligible in like manner.

SEC. 3. At least two members shall be retired from each committee every year. Those who have served the longest time on a committee shall retire first. If more than two have served the same length of time the two to retire shall be decided by lot. After an interval of one year such retiring members shall be again eligible.

SEC. 4. In case of a vacancy in the offices of President or Secretary by reason of death, resignation, inability or any other cause, the Association shall be convened for the election of a successor, who shall serve the unexpired term.

ARTICLE VI.

DUTIES OF OFFICERS AND COMMITTEES.

SECTION 1. The President shall preside at all meetings of the Association and be ex-officio a member of all committees except the Nominating Committee, and perform such other duties as may be incident to the office.

SEC. 2. The Secretary shall attend the meetings of the Association and keep a record of the proceedings and perform such other duties as may be incident to the office.

SEC. 3. The Clearing House Committee shall have charge of the business affairs of the Clearing House with full power to appoint and, if necessary, remove the Manager and other employees; to collect all moneys due the Association, to supervise the expenditures, to draw on the members for their quota of expenses and generally to do whatever may be necessary to facilitate the transaction of business at the Clearing House. At every annual meeting it shall submit a statement of expenditures for the past year, also a detailed estimate of expenditures required for

the ensuing year, which amount, when approved by the Association, will fix the limit of authorized expenditures for that year.

SEC. 4. The committee shall also have power to establish rules and regulations to be observed at the Clearing House in cases not provided for in the constitution; also to establish a scale of fines for errors, disorderly conduct and other irregularities, subject to the approval of the Association.

SEC. 5. The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association to examine any member of the Association and if deemed necessary to require from any member securities of a sufficient amount to protect the balances resulting from its exchanges at the Clearing House.

SEC. 6. The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York by members of the Association, or banks, or trust companies, or others clearing through such members and the rates to be charged for such collections, and also to provide for the enforcement of the same. The committee may from time to time make any additions to or changes in such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established it shall not be altered or rescinded until it has been in force at least three months except by majority vote of all the members of the Association. (For Rules see page 20.)

SEC. 7. The Clearing House Committee is also authorized to make such arrangements and provisions as may be necessary to receive and store gold coin or United States legal tender notes or other notes issued under the authority of the United States, other than National Bank notes, and to issue Clearing House Certificates for the same under such rules and regulations as it may deem necessary. Such certificates shall be negotiable only among the members, and shall be received by them in payment of balances at the Clearing House. Any loss arising from the receipt and storage of gold coin and United States notes and the issue of certificates therefor, shall be borne by the members of the Association, pro rata of capital and surplus. Any member of the Association

who shall pay or deliver any Clearing House certificate to any party other than a member of the Association shall be subject to a fine of one hundred dollars for each and every offense. (For Depository Rules see pages 30, 31.)

SEC. 8. The Conference Committee shall act in conjunction with the Clearing House Committee in all cases involving the temporary suspension of a member from the privileges of the Clearing House, and in other matters of importance when called upon by the Clearing House Committee.

SEC. 9. No member shall be temporarily suspended except by majority vote of each of these two committees acting together in conference.

SEC. 10. Whenever a member shall be temporarily suspended, as aforesaid, the Clearing House Committee shall forthwith call a general meeting of the Association to take final action in the matter.

SEC. 11. Applications for membership shall be made to the Clearing House Committee. If a majority of said committee vote in favor thereof such application shall be referred to the Committee on Admissions, who shall make, or cause to be made forthwith, a thorough examination of the condition of the applicant and report the result thereof to the Association at any special meeting called for that purpose.

SEC. 12. It shall be the duty of the Nominating Committee to present to the Association at each annual meeting names of candidates for President, Secretary and the various committees for the ensuing year.

SEC. 13. It shall be the duty of the Arbitration Committee to hear and determine disputes which may arise between members of the Association and be submitted to the committee by both parties thereto. Said committee shall keep a record of each case referred to it, together with its decision, and the proceedings in relation thereto, in a book provided for the purpose, which book shall be kept at the Clearing House, open to the inspection of the members.

SEC. 14. If a vacancy occur in any of the committees of the Association the remaining members of the committee shall have power to fill the same.

ARTICLE VII.

MANAGER AND CLERKS.

SECTION 1. The Manager, or in his absence, the Assistant Manager, under control of the Clearing House Committee, shall have immediate charge of the Clearing House building and of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the employees of the Clearing House, as well as the clerks of the several members of the Association while at the Clearing House, shall be under his direction. He shall immediately report to the Clearing House Committee any irregularity coming to his notice in the dealings of any member, or of any institution clearing through a member and receive the instructions of the committee in regard thereto.

SEC. 2. The salaries of the Manager and Assistant Manager shall be fixed by the Association. The salaries of the clerks and other employees shall be fixed by the Clearing House Committee. The Manager and Assistant Manager shall give bonds with sureties, in the sum of Ten thousand dollars, and each clerk in the sum of Five Thousand Dollars, to be approved by said committee.

ARTICLE VIII.

EXPENSES.

SECTION 1. The expenses of the Clearing House shall be borne and paid as follows:

Each member shall be assessed \$200. Should an additional amount be required it shall be assessed pro rata according to the average amount which each member shall have sent to the Clearing House for the preceding year.

ARTICLE IX.

CLEARING FOR NON-MEMBERS.

SECTION 1. No member of the Association shall make exchanges through the Clearing House for any bank or other institution whose exchanges have not heretofore been so made through a member, unless the same shall have been actually doing business for at least one year, nor until the making of such exchanges by a member shall have been approved by the Clearing House Committee after an examination of such bank or institution by the Clearing House Committee or by a committee of the Association duly appointed for that purpose.

SEC. 2. The consent of the Clearing House Committee shall also be necessary to the transfer of the making of exchanges for a non-member from one member to another member.

SEC. 3. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association shall pay to the Association the amount of One thousand (\$1,000) dollars annually in advance.

SEC. 4. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association shall submit, whenever required by the Clearing House Committee, to the same examinations as are now required of members of the Association.

SEC. 5. Whenever any member of the Association shall send through the Clearing House the exchanges of any bank or other institution not members, such sending shall, ipso facto, and without other notice, constitute said member the agent for said bank or other institution at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

SEC. 6. Every non-member bank or institution now or hereafter sending its exchanges through a member of the

SEC. 7. Every institution redeeming through a member of this Association shall keep a cash and deposit reserve equal to the minimum percentage required of members of the Association.

The Clearing House Committee shall have power to enforce this rule.

(Amendment adopted June 19th, 1911.)

SECTION 1. The exchanges shall be made at the Clearing House daily, excepting Sundays and Holidays, at 10 o'clock, A. M. Between the hours of 12.30 and 1.30 P. M., the debtor institutions shall pay to the Manager at the Clearing House the balances against them, either in United States Gold coin, United States Gold notes, United States

Legal Tender Notes, or Clearing House Certificates. At 1.30 o'clock P. M. or as soon thereafter as the amounts can be made up, provided all the balances due from debtor members shall have been paid, the Manager shall pay the creditor members the balances due them respectively.

SEC. 2. All checks, drafts, notes, bills of exchange and other items sent through the exchanges shall bear stamped or written receipt, in the following form:

Received Payment
Through New York Clearing House
(date)
Name of Institution (and No. if desired.)

SEC. 3. Should any member fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several members exchanging on that day with the defaulting member, pro rata according to their respective balances against said defaulting member, resulting from the exchanges of that day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts furnished the Clearing House on account of the defaulting member will constitute claims against the defaulting member in favor of the several members furnishing the same.

SEC. 4. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the members which are parties thereto, and not through the Clearing House, the Association being in no way responsible in respect to them.

SEC. 5. Reclamations for errors and deficiencies in money received from the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established by the Clearing House Committee, shall be made by one o'clock P. M., on the following day by the receiving member directly against the member whose mark the sealed bag or package bears. Notice of such error shall be sent to said member immediately upon dis-

covery, the Association not being responsible for the contents of such sealed bags or packages.

SEC. 6. All checks, drafts, notes or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the member from whom they were received, and the said member shall immediately refund to the member returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes or other items so returned to it, in lawful money or in Clearing House certificates. But checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the member returning such items, be returned through the exchanges the following morning, not exceeding \$5,000 in amount to any one member. (For relations with U. S. Assistant Treasurer, see page 26.)

SEC. 7. In case of the refusal or inability of any member to promptly refund the amount of any item returned as aforesaid, the member holding said item or items may report the amount thereof to the Manager of the Clearing House, whose duty it shall be to take from the settling sheets of both members the amount of such items and readjust the Clearing House statement in conformity with the change so made; provided that such report shall be made to the Manager before one o'clock of the same day.

SEC. 8. Members shall not send through the exchanges any checks, drafts, notes, bills of exchange, or other items having thereon any qualified or restrictive endorsement such as "for collection" or "for account of" or "pay any Bank or Banker or order" or other similar endorsements unless all endorsements thereon are guaranteed by the member of the Association sending such items through the exchanges.

SEC. 9. No member of this Association shall send or pay through the exchanges, checks or other items drawn on Banks, Bankers or Trust Companies, not members of this Association, by customers thereof in Greater New York, and made payable at a Clearing House institution, unless the same shall first be accepted and made payable at a Clearing House institution by the Bank, Banker or Trust Company

upon which they are drawn. This provision shall also apply to non-members making exchanges through members of this Association.

ARTICLE XI.

ADOPTION OF CONSTITUTION.

SEC. 1. This constitution, when agreed to by the Association at any general meeting thereof by a majority of votes, shall be submitted to the respective Boards of Directors of the several institutions herein named as members of the Association for their adoption. When adopted by a majority of the whole number of members it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such institutions as shall not adopt this constitution within two months from the time it is agreed to in a general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association.

SEC. 2. Amendments of this constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof, notice of the proposed amendments having been given at a previous meeting.

RULES, REGULATIONS AND RULINGS

OF THE

New York Clearing House

ASSOCIATION

RULES OF THE CLEARING HOUSE ASSOCIATION

RELATING TO RETURN OF CHECKS, RECLAMATIONS FOR ERRORS, AND MONEY PACKAGES.

- 1st.—RETURN OF CHECKS, DRAFTS, ETC., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE O'CLOCK, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of NOTES or BAGS OF GOLD received from the Clearing House, in settlement of Balances, should be made before ONE O'CLOCK, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, ETC., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Institution.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING Legal Tender Notes and United States Bearer Gold Certificates, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Institution, the amount, date and kind of money.
- 6th.—DEBIT MEMBERS should avoid, as much as possible, postponing the payment of balances to a late hour, as it sometimes causes serious delay in making up and paying the creditor Members, at the Clearing House.

SCALE OF FINES

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.

For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerk's statement (i. e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - - - - - \$3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - - - - - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - - 2 00
- 4th.—**Errors in footing** the amount received - - - - - 1 00
- 5th.—**Disorderly Conduct** of Settling or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Settling or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - - - - - 2 00
- 7th.—Debtor Banks, **failing to appear to pay** their balances before 1.30 P. M. - - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - - 1 00
- 9th.—For **each item mis-sent**, payable to the returning bank, (but in no case more than five dollars for items returned by any bank to any one bank, on the same day) - - - - - 1 00
(This applies to all mis-sent items, whether listed or not.—See Ruling Dec. 22, 1895, p. 25.)
- 10th.—For errors in **reporting amount of Depository Certificates** on hand - - - - - 10 00

the Clearing House, as well as the clerks of the several institutions, while at the Clearing House, shall be under his direction.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

As authorized by Article VI., Sec. 6. (See page 10.)

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

SEC. 1 These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with the *Governments of the United States, the State of New York, or the City of New York, and for items payable in the cities of Boston, Mass., Providence, R. I., Albany, N. Y., Troy, N. Y., Jersey City, N. J., Bayonne, N. J., Hoboken, N. J., Newark, N. J., Philadelphia, Pa., Baltimore, Md., the charge shall in all cases be ‡discretionary with the collecting bank, and the same shall not be governed by the provisions of these rules and regulations.

SEC. 3. For ‡all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth (1/10) of one per cent. of the amount of the items respectively.

SEC. 4. For ‡all items from whomsoever received pay-

*See Ruling D, page 23. †See Ruling B, page 23. ‡See Ruling C, page 23.

able at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming and Canada, the collecting banks shall charge not less than one-quarter (1/4%) of one per cent. of the amount of the items, respectively.

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

SEC. 6. *The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.*

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, Be it Resolved, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this corporation is hereby instructed to file a certified

*See Ruling A, page 23.

copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or, in his absence, said Manager, shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of these charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted, and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 21

(Circular Letter—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 and 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 20

(Circular Letter—August 16th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules, and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, page 20

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee begs to notify all banks and trust companies making exchanges through the Clearing House that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 20.

*(Chairman of the Clearing House Committee—
December 5th, 1901.)*

In Section 2 the provision making the collection charge

discretionary "for items collected for the accounts of, or in dealings with the Governments of the United States, the State of New York, or the City of New York," has relation only to items deposited by the representatives of the various governments mentioned, and not to checks, warrants, etc., issued by them, and deposited by the bank's other customers.

E—

(Clearing House Committee Nov. 22nd, Dec. 10th, 1906.)

At a meeting of the Clearing House Committee, held November 22nd, 1906, the following communication from a member of the Association was considered by the Committee:

"We are receiving from our correspondents inquiries about as follows:

Will you allow us to deposit with your correspondents in cities such as St. Louis and Chicago drafts on our correspondents in those cities, to your credit, you giving us credit in your bank at par immediately upon notification by us of such deposits, thus allowing us to draw against such credits the same as against New York funds. This will save us time and expense in transfers and will facilitate our business very materially.

Will you kindly give us a ruling on the above at your early convenience, and oblige,

Very truly yours,

In answer to the above a ruling was made as follows:

The plan as outlined in the inquiry submitted to the Clearing House Committee, is in contravention of the rules governing collection charges on out of town items, and such plan cannot be followed without infraction of said rules.

In connection with this ruling the following minute was adopted at a meeting of the Committee, held December 10th, 1906:

"Some misunderstanding having arisen as to interpretations of the collection rules, notice is hereby given to the Associated Banks and all institutions connected with the New York Clearing House, that all applications for rulings on the law must be made in writing and addressed to the Clearing House Committee. All rulings will be printed and sent to members and other institutions connected with the New York Clearing House."

F—

(Clearing House Committee—September 26th, 1907.)

When foreign items, subject to collection charges, are returned unpaid, the charge may be remitted.

G—

(Clearing House Committee—February 3rd, 1908.)
Bonds shipped for payment are liable for collection charges the same as other items on which exchange must be charged under Clearing House rules

H—

(Clearing House Committee—May 14th, 1908.)

Any agreement, written or implied, entered into by a Clearing House member or by a non-member clearing through a member, with any individual, firm, or corporation, by the terms of which it is intended that the rate of interest agreed to be paid on deposits is to offset and compensate for charges made on out of town checks, is a violation of Clearing House rules and if brought to the atten-

I—

(Clearing House Committee—October 27th, 1909.)

As Alaska is not mentioned in the schedule of places upon which exchange is chargeable, it is discretionary with banks whether they make a charge or not on such items.

J—

(Clearing House Committee, June 12th, 1911.)

The following ruling of the Clearing House Committee on a question relating to collection charges, adopted this day, is forwarded for your information:

QUESTION.

"Would The _____ Bank violate a rule of the Clearing House respecting charges on out-of-town items, if it purchased from a firm not a customer of the bank, their note payable in St. Paul, at a given rate, and made no charge for exchange at the time the note was forwarded for collection."

RULING OF THE CLEARING HOUSE COMMITTEE:

"The Clearing House rules contemplate the charging of collection rates on all out-of-town items from whatever source derived. This ruling is made comprehensive in order to meet ingenious cases for evasion. In the case of bought paper the broker should allow the charge as part of the purchase. If exceptions were allowed the flood of cases would practically nullify the rules."

(Clearing House Committee—April 3rd, 1908.)

At a meeting held on the 3rd inst., it was decided, that, a bank money order payable at alternative points bearing interest computed thereon for each three months, and requiring the signature of the depositor and payee to be affixed at the time of deposit and again upon payment, with a provision for the exchanges and that its use

(Clearing House Committee—June 12th, 1911.)

Resolved: That the Reserve of State Banks and Trust Companies shall be based on the legal net deposits as provided by the law at the date of the adoption of the amendments to the Clearing House Constitution, May 9th, 1911.

(Circular Letter—June 30th, 1896.)

Referring to the *resolution adopted by the Association June 4th, 1896, regarding endorsements, it is understood that the omission on the part of any bank to guarantee endorsements of the character described in that resolution shall not exempt such bank from its present liability to the Assistant Treasurer of the United States, under the circular of July 29th, 1893, and the resolutions of October 13th, 1893, authorized by the Clearing House Association.

The Circular of July 29th, 1893, provides:

"That all checks which are to be returned for whatever cause, must be presented at the office of the Assistant Treasurer before two o'clock P. M., each day, excepting Saturdays and other half-holidays, on which days any such checks must be presented before one o'clock P. M."

The resolutions of October 13th, 1893, are as follows:

Resolved, That all credit balances due the Assistant Treasurer of the United States at New York, arising through the making of exchanges by that officer with the associated banks, through the Clearing House, shall be paid in funds current at the Clearing House, excepting Clearing House Certificates.

Resolved, that the Assistant Treasurer be permitted to return through the Clearing House all checks and drafts received by him through that channel, whose return is

(Now Sec. 8 Art. X)

required by reason of any informality.

Resolved, that in case of the receipt by the Assistant Treasurer of a "not good" check or checks, sent him in error through the exchanges, it is understood that he will notify the sending bank before three o'clock P. M. on the day of its receipt, by telephone or other formal notice, immediately. Said bank to take up check immediately upon receipt of notice.

FORM OF RESOLUTION AND STAMP, REQUIRED BY THE ASSISTANT TREASURER IN ACCEPTING STAMPED FINAL

INDORSEMENTS ON CHECKS AND WARRANTS.

At a regular meeting of the Board of Directors of the
.....
of the City of held on the
day of , a quorum being present and
assenting,

It was Resolved, that this bank adopt the stamp described below for the indorsement of all Checks and Warrants drawn upon the Assistant Treasurer of the United States at New York, except where the collecting bank is the payee thereof, and presented for payment through the New York Clearing House only; said stamp to be in lieu of a written indorsement of an officer or attorney of this bank; and that the impression of said stamped indorsement on any such check or warrant shall be as full and complete a discharge for the amount thereof, as though it bore the written indorsement of an officer or attorney of this bank.

Received Payment

Through the New York Clearing House,
THE BLANK BANK OF NEW YORK,
Endorsements Guaranteed , Cashier.

(Date)

I, , Cashier of the
.....
and Secretary of the Board of Directors, do hereby certify

that the above resolution after being by me read, and fully explained to the said board, at a meeting held at its banking house, on the date first above mentioned, was thereupon passed.

In testimony whereof, I have hereunto set my hand and affixed the seal of the said bank this..... day of..... A. D., one thousand nine hundred and.....

(Signed).....
Cashier and Secretary of the Board of Directors.

[SEAL OF THE BANK.]

This resolution must be filed with the Assistant Treasurer United States at New York.

CIRCULAR LETTER OF INSTRUCTION ACCOMPANYING
PRECEDING FORM.

DEAR SIR:

NEW YORK, November 23rd, 1908.

Referring to the matter of stamped indorsements of collecting banks on items presented for payment at the office of the Assistant Treasurer of the United States at New York, through the Clearing House, the following extract from a communication to this office is submitted for your information.

Respectfully,

WILLIAM SHERER, MANAGER.

OFFICE OF THE
ASSISTANT TREASURER OF THE UNITED STATES, }
NEW YORK, N. Y., November 21, 1908. }

WILLIAM SHERER, ESQ.
Manager New York Clearing House.

SIR:
"..... In view of the practice now prevailing at Washington, I have the pleasure to inform you, that hereafter, on the adoption and filing with the Assistant Treasurer of the United States, New York, of the accompanying resolution, all checks, drafts and warrants drawn on this office, will be accepted from Clearing House banks, with one exception, i.e., when the collecting bank is the payee, the indorsement must be by the hand of the authorized officer of the bank."

Respectfully,
(Signed) CHARLES H. TREAT,
TREASURER OF THE UNITED STATES,
In Charge *Ad Interim*.

WEEKLY STATEMENT OF NON-MEMBERS.
Extract from Article IX. of the Constitution.

SEC. 6. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed from time to time by the Clearing House Committee.

FORM FOR BANKS.

Average Amount of Loans and Discounts and Investments (not Real Estate).....	
Average Amount of Specie.....	
Average Amount of Legal Tender Notes & Bank Notes	
Average Amount on Deposit with Clearing House Agent.....	
Average Amount on Deposit with other New York City Banks and Trust Companies.....	
Average Amount of Deposits.....	
Average Amount of Circulation.....	
Correct.....	

FORM FOR TRUST COMPANIES.

Capital (as per latest statement to Banking Dept.).....	
Surplus Fund and Undivided Profits (as per latest statement to Banking Dept.).....	
Average Amount of Loans, Bills Purchased and Investments (not Real Estate).....	
Average Amount of Specie.....	
Average Amount of Legal Tender Notes & Bank Notes	
Average Amount on Deposit with other New York City Banks and Trust Companies.....	
Average Amount of Deposits.....	
Correct.....	

*Extract from Resolution of Clearing House Committee,
November 3d, 1899.*

Hereafter all statements of averages submitted to the Clearing House by members and non-members must be verified and signed by an officer.

RULES OF THE CLEARING HOUSE **GOLD** DEPOSITORY.

- 1st.—Members desiring to deposit gold coin for certificates must notify the Manager, who will arrange as to the amount and time of deposit.
- 2nd.—Upon notice from the Manager, the member must deposit the gold at the Clearing House and take his receipt therefor.
- 3d.—Only bags containing \$5,000 standard weight and one denomination of coin in each will be received. Each bag must bear a tag stating the name of the depositing member, the amount and the date of deposit.
- 4th.—Claims for deficiencies will be made by the Manager after examination of the gold, and must be satisfied promptly.
- 5th.—After the gold has been counted, certificates will be issued on the surrender of the receipt given by the Manager.
- 6th.—No exchange of coin received for deposit will be made.
- 7th.—As the rules of the Association require the attendance of a member of the Clearing House Committee when gold is withdrawn from the vaults, notice of intention to withdraw must be given to the Manager by *three o'clock P. M. of the preceding day*.
- 8th.—Claims against coin withdrawn from the depository must be made before 3 P. M. of the day following its withdrawal.

As the receipt of gold and the issue of certificates were determined upon in order to save the expense and risk of loss caused by paying coin at the Clearing House, it is expected and desired that the certificates be used to pay balances, in lieu of coin, as far as possible.

RULES OF THE CLEARING HOUSE **NOTE** DEPOSITORY.

Deposits of United States Notes of the following issues will be received:

- U. S. Legal Tender Notes,
- U. S. Gold Certificates,
- U. S. Silver Certificates.

Members desiring to make deposits must notify the Manager at least two days in advance, designating the amount and the kind or kinds of notes to be deposited. The Manager will then advise when the deposits will be received.

Deposits must be made in sums of \$5,000 or multiples thereof, as only \$5,000 and \$10,000 certificates will be issued.

Notes must be assorted by kinds, and by denominations.

Packages may consist of 50 or 100 notes of one denomination and kind only, which must be fastened by a paper band with the amount, date, and name of institution plainly marked thereon.

Mixed sums, such as \$3,000 of one kind and \$2,000 of another will not be received.

Notes mutilated or unfit for circulation, and National Bank Notes will not be received.

No deposit will be received unless the same has been previously counted and assorted by the institution offering it.

The temporary receipt given for deposits will be redeemed in certificates at an early date following the deposit.

LAWS GOVERNING PUBLIC HOLIDAYS AND TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

PUBLIC HOLIDAYS, ETC.

SECTION 24 (as amended October 1, 1897, and February 20, 1902), of the Statutory Construction Law, provides as follows:

SEC. 24. Public Holidays; Half Holidays.—The term holiday includes the following days in each year; the first day of January, known as New Year's Day; the twelfth day of February, known as Lincoln's Birthday; the twenty-second day of February, known as Washington's Birthday; the thirtieth day of May, known as Memorial Day; the fourth day of July, known as Independence Day; the first Monday of September, known as Labor Day; and the twenty-fifth day of December, known as Christmas Day, and if either of such days is Sunday, the next day thereafter; each general election day and each day appointed by the President of the United States or by the Governor of this State as a day of general thanksgiving, general fasting and prayer, or other general religious observances. The term half-holiday includes the period from noon to midnight of each Saturday which is not a holiday. The days and half-days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays for all purposes whatsoever as regards the transaction of business in the public offices of this State, or counties of this State. On all other days and half-days, excepting Sundays, such offices shall be kept open for the transaction of business. Where a contract by its terms requires the payment of money or the performance of a condition on a public holiday, such payment may be made or condition performed on the next business day succeeding such holiday, with the same force and effect as if made or performed in accordance with the terms of the contract.

LOCAL HOLIDAYS.

Chapter 198, Laws 1889 (took effect April 26), authorized the Governor, in issuing any proclamation appointing or recommending any day as a day of thanksgiving, fasting, prayer or other religious observance, in pursuance of Chapter 289, Laws 1887, to limit the effect of the proclama-

ation to any City or Cities, County or Counties, and provided that the day or days so proclaimed should be public holidays for the purposes mentioned in said Act only within the Cities or Counties specified.

TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

SECTION 145 of the Negotiable Instruments Law, as amended, provides:

SEC. 145. Every negotiable instrument is payable at the time fixed therein, without grace. When the day of maturity falls upon Sunday or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due or becoming payable on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday.

ORIGINAL MEMBERS

OF THE

New York Clearing House Association

OCTOBER 4th, 1853.

Bank of New York
Manhattan Company.
Merchants' Bank,
Mechanics' Bank,
Union Bank,
Bank of America,
Phoenix Bank,
City Bank
North River Bank,
Tradesmen's Bank,
Fulton Bank
Chemical Bank,
Merchants' Exchange Bank,
National Bank
Butchers' and Drovers' Bank,
Mechanics' and Traders' Bank,
Greenwich Bank,
Leather Manufacturers' Bank,
Seventh Ward Bank
Bank of the State of New York,
American Exchange Bank,
Mechanics' Banking Association,
Bank of Commerce,
Bowery Bank
Broadway Bank,
Ocean Bank,

Mercantile Bank,
Pacific Bank,
Bank of the Republic,
Chatham Bank,
People's Bank,
Bank of North America,
Hanover Bank,
Irving Bank,
Metropolitan Bank
Citizens' Bank,
Knickerbocker Bank,
Grocers' Bank
Empire City Bank,
Nassau Bank
East River Bank,
Market Bank,
St. Nicholas Bank,
Shoe and Leather Bank,
Corn Exchange Bank,
Central Bank,
Continental Bank,
Bank of the Commonwealth,
Oriental Bank,
Marine Bank,
Bank of the Union,
Atlantic Bank.

INDEX.

A

	PAGE
Admissions, Committee on.....	11
Adoption of Constitution	16
Amendments to Constitution, How made	16
Annual Meeting	8
Arbitration Committee.....	11
Assistant Treasurer U.S. at N. Y., Regulations affecting relations with.....	26

B

Balances; action in case of failure to pay.....	14
How packages in payment of should be made up..	17
Reclamation for errors in.....	14
Responsibility for loss in	5
Sections relating to	13-15
Time of settlement	13
Bonds of Manager and Clerks	12

C

Certificates, Gold Depository	10
Change in Charter, Management, Ownership, &c.....	7
Charges for Collections—See Collection charges	
Checks and items in exchanges, See Exchanges	
Claims for errors in Balances.....	14
Exchanges.....	14
Gold Depository.....	30

Clearings: See Exchanges.....

Clearing for Non-Members

Clearing House Committee: Election of; Powers and

Duties

May examine bank members

May establish rules in regard to collections outside of New York.....

May remove Manager and Clerks

May establish rules and impose fines.....

May store Gold Coin and U. S. Notes and issue Certificates.

May, with Conference Committee, suspend member

Other powers and duties in connection with Non-Members

Collection Charges.....	10
Rules, regulations and charges	19
Rulings and interpretations regarding.....	23
Committees; Composition of.....	8
Vacancies; how filled.....	11
For various Committees see—Admissions, Committee on; Arbitration Committee; Clearing House Committee; Conference Committee; Nominating Committee.	
Coin Depository—See Depository	10
Conference Committee; Duties, &c.....	

D

Depository: for Gold Coin and U. S. Notes.....	10
Fine for parting with Certificates of.....	10
Rules relating to Gold Coin.....	30
“ “ “ U. S. Notes.....	31

E

Election, Annual, Officers and Committees.....	8
Endorsements; when qualified, must be guaranteed..	15
Errors at Clearing House; Fines for.....	18
In Exchanges; see Exchanges.....	
Exchange on Out of Town items—See Collection Charges	
Exchanges, sections relating to.....	13-15
Fines for mis-sent items in.....	18
Rules in regard to items in	17
Expenses of Association, how provided for.....	12
Expulsion; Provision for.....	7

F

Failure to pay balances; action in case of.....	14
Fees, Initiation.....	6
Non-Members	18
Fines for absence from Meetings	8
Errors at Clearing House	18
Mis-sent items.....	18
Parting with Depository Certificates	10
Violation of rules governing collection charges...	21

G

Gold Depository.....	10
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(Clearing House Committee—April 3rd, 1908.)

At a meeting held on the 3rd inst., it was decided, that, a bank money order payable at alternative points bearing interest computed thereon for each three months, and requiring the signature of the depositor and payee to be affixed at the time of deposit and again upon payment, was not a proper item for the exchanges and that its use would constitute an evasion of the Clearing House rules.

REGULATIONS AFFECTING RELATIONS WITH THE U. S.
ASSISTANT TREASURER AT NEW YORK.

(Circular Letter—June 30th, 1896.)

Referring to the resolution adopted by the Association June 4th, 1896, regarding endorsements, it is understood that the omission on the part of any bank to guarantee endorsements of the character described in that resolution shall not exempt such bank from its present liability to the Assistant Treasurer of the United States, under the circular of July 29th, 1893, and the resolutions of October 13th, 1893, authorized by the Clearing House Association.

The Circular of July 29th, 1893, provides:

"That all checks which are to be returned for whatever cause, must be presented at the office of the Assistant Treasurer before two o'clock P. M., each day, excepting Saturdays and other half-holidays, on which days any such checks must be presented before one o'clock P. M."

The resolutions of October 13th, 1893, are as follows:

Resolved, That all credit balances due the Assistant Treasurer of the United States at New York, arising through the making of exchanges by that officer with the associated banks, through the Clearing House, shall be paid in funds current at the Clearing House, excepting Clearing House Certificates.

Resolved, That the Assistant Treasurer be permitted to return through the Clearing House all checks and drafts received by him through that channel, whose return is

(New Sec. 8, Art. X)

required by reason of any informality.

Resolved, that in case of the receipt by the Assistant Treasurer of a "not good" check or checks, sent him in error through the exchanges, it is understood that he will notify the sending bank before three o'clock P. M. on the day of its receipt, by telephone or other formal notice, immediately. Said bank to take up check immediately upon receipt of notice.

FORM OF RESOLUTION AND STAMP, REQUIRED BY THE
ASSISTANT TREASURER IN ACCEPTING STAMPED FINAL
INDORSEMENTS ON DISBURSING OFFICERS' CHECKS.

At a regular meeting of the Board of Directors of the
of the City of, held on the
day of, a quorum being present and
assenting,

It was *Resolved*, that this bank adopt the stamp described below for the indorsement of *Disbursing Officers' Checks* drawn upon the Assistant Treasurer of the United States at New York, and presented for payment through the New York Clearing House only; said stamp to be in lieu of a written indorsement of an officer or attorney of this bank; and that the impression of said stamped indorsement on any such check shall be as full and complete a discharge for the amount thereof as though it bore the written indorsement of an officer or attorney of this bank:

Received Payment
Through the New York Clearing House,
THE BLANK BANK OF NEW YORK,
John Jones, Cashier.

January 27th, 1903.

I,, Cashier of the
and Secretary of the Board of Directors, do hereby certify

CONSTITUTION
OF THE
New York Clearing House
Association

AS
ADOPTED SEPTEMBER 24TH, 1908,
AMENDED MAY 9TH AND JUNE 19TH, 1911,
AND NOVEMBER 13TH, 1914

ALSO, CLEARING HOUSE RULES,
SCALE OF FINES,
COLLECTION CHARGES,
AND HOLIDAY LAWS OF NEW YORK STATE

NOVEMBER, 1914.

CONSTITUTION

OF THE

New York Clearing House Association.

*(Adopted September 24th, 1908, and Amended
May 9th and June 19th, 1911.)
and November 13th, 1914*

ARTICLE I.

SECTION 1. The name of this Association shall be THE NEW YORK CLEARING HOUSE ASSOCIATION.

ARTICLE II.

OBJECTS.

SECTION 1. The objects of the Association shall be the effecting at one place of the daily exchanges between the members thereof and the payment at the same place of the balances resulting from such exchanges, the promotion of the interests of the members and the maintenance of conservative banking through wise and intelligent co-operation.

SEC. 2. The Association shall be in no wise responsible in regard to the exchanges between the members, nor in regard to the balances resulting therefrom, except so far as such balances shall be paid into the Clearing House through the Manager or his assistants.

SEC. 3. The responsibility of the Association is strictly limited to the faithful distribution among the creditor members of the sums actually received from debtor members. Should any loss occur whilst the said balances are in the custody of the Manager or his assistants it shall be borne and paid by the members pro rata according to the average amount which each shall have sent to the Clearing House for the preceding year.

ARTICLE III. MEMBERSHIP.

SECTION 1. The Association at present* consists of the following members:

Bank of N. Y. Nat'l Bkg. Ass'n,	Chase National Bank,
Bank of the Manhattan Company,	Fifth Avenue Bank,
Merchants' National Bank,	German Exchange Bank,
Mechanics & Metals Nat. Bank,	Germania Bank,
Bank of America,	Lincoln National Bank,
National City Bank,	Garfield National Bank,
Chemical National Bank,	Fifth National Bank,
Merchants' Exchange Nat'l Bank,	Bank of the Metropolis,
Gallatin National Bank,	West Side Bank,
Nat'l Butchers' & Drovers' Bank,	Seaboard National Bank,
Greenwich Bank,	Liberty National Bank,
American Exchange Nat'l Bank,	N. Y. Produce Exchange Bank,
National Bank of Commerce in N. Y.,	State Bank,
Mercantile National Bank,	Security Bank,
Pacific Bank,	Coal and Iron National Bank,
Chatham & Phenix National Bank,	Union Exchange National Bank,
People's Bank,	Manhattan Trust Co.,
Hanover National Bank,	Brooklyn Trust Co.,
Citizen's Central National Bank,	Bankers Trust Co.,
National Nassau Bank,	U. S. Mortgage & Trust Co.,
Market and Fulton Nat'l Bank,	Astor Trust Co.,
Metropolitan Bank,	Title Guarantee & Trust Co.,
Corn Exchange Bank,	Guaranty Trust Co.,
Importers' & Traders' Nat'l Bk.,	Fidelity Trust Co.,
National Park Bank,	Lawyers Title Insurance & T. Co.,
East River National Bank,	Columbia Trust Co.,
Fourth National Bank,	Standard Trust Company,
Second National Bank,	Peoples Trust Co.,
First National Bank,	New York Trust Co.,
Irving National Exchange Bank,	Franklin Trust Co.,
Bowery Bank,	Lincoln Trust Co.,
New York County National Bank,	Metropolitan Trust Co.,
German-American Bank,	Nassau Nat'l Bank, Brooklyn,

SEC. 2. New members may be admitted into the Association at any meeting thereof, on the recommendation of the Clearing House Committee, by the affirmative vote of three-fourths of the members present at said meeting. Such vote to be taken by ballot.

SEC. 3. No new member shall be admitted whose unimpaired capital shall be less than \$1,000,000.

SEC. 4. New members shall signify their assent to the Constitution, as provided in Article XI, Section 1, and shall pay an admission fee as follows:

Institutions whose capital does not exceed \$5,000,000 shall pay five thousand dollars; those exceeding \$5,000,000 shall pay seven thousand five hundred dollars.

Any member increasing its capital shall pay a sum to correspond with these rates.

* January 1, 1912.

SEC. 5. Any member may withdraw from the Association after notifying the Clearing House Committee of its intention to withdraw and paying its due proportion of all expenses incurred.

SEC. 6. For cause deemed sufficient by the members, at any meeting thereof any member may be expelled from the Association and debarred from all the privileges of the Clearing House, provided a majority of all the members vote in favor thereof.

SEC. 7. Whenever a member of this Association shall make any change in its condition either in its management or ownership, or any change in its charter, or shall merge with any other institution not a member of this Association, the Clearing House Committee shall have the power to examine said member, and submit the question of a continuance of its membership to the Association; any action on which question must receive the same assent as provided in the case of the expulsion of members.

SEC. 8. Trust Companies organized under the Laws of the State of New York may be admitted as members of this Association in the same manner and to the same extent as Banks may be admitted, and when so admitted shall be entitled to all the rights and benefits and subject to all the conditions and obligations to which Bank members are or shall be entitled or subject under the provisions of the constitution.

SEC. 9. All members of this Association, holding charters under the National Bank Act, shall keep and maintain a reserve of not less than eighteen per centum of their demand deposits and five per centum of their time deposits, in such proportions and in such depositaries as may be required by the Federal Reserve Act.

All bank members of this Association, holding charters under the laws of the State of New York, shall keep and maintain a reserve of not less than eighteen per centum of their aggregate demand deposits, in such proportions and in such depositaries as may be required by the laws of this State.

All trust company members of this Association, holding charters under the laws of the State of New York, shall keep and maintain a reserve of not less than fifteen per centum of their aggregate demand deposits, in such proportions and in such depositaries as may be required by the laws of this State.

PROVIDED, HOWEVER, that in determining aggregate demand deposits no deduction be made of deposits secured

by the deposit of outstanding unmatured stocks, bonds, or other obligations of the State or City of New York, or of deposits to the amount of the stocks, bonds, or other obligations of the State or City of New York owned and held by the bank or trust company.

AND, PROVIDED, that all institutions, holding charters under the laws of the State of New York, members of the New York Clearing House, who are now or may hereafter be admitted as stockholders and members of the Federal Reserve Bank of this district, shall keep and maintain a reserve of not less than eighteen per centum of their demand deposits and five per centum of their time deposits, in such proportions and in such depositories as may be required by the Federal Reserve Act.

AND, PROVIDED, that all reserve, other than cash-on-hand, must be maintained in the Federal Reserve Bank of New York, or some member bank of the Federal Reserve Bank of New York, or any other member of this Association which maintains the full eighteen per centum reserve in cash.

A failure on the part of any institution to keep the reserve herein provided for, shall render such institution liable to discipline as provided for in Section 6 of this Article.

SEC. 10. Every member of the Clearing House Association shall furnish to the Manager, in form to be prescribed by the Clearing House Committee, a weekly report of its average daily condition, also its actual condition at the close of business on each Friday, which report shall comprise the following:

- Loans, Discounts and Investments.
- Reserves.
- Deposits.
- Circulation.

ARTICLE IV.

MEETINGS.

SECTION 1. The annual meeting of the Association shall be held at the Clearing House on the first Tuesday in October of each year at One o'clock P. M.

SEC. 2. Special meetings shall be called by the Clearing House Committee whenever it may deem it expedient or whenever it shall be requested in writing to do so by any seven members of the Association.

SEC. 3. Each institution belonging to the Association may be represented at all meetings by at least one of its principal officers and shall be entitled to one vote. Any

member failing to be so represented at roll call shall pay a fine of Three Dollars.

SEC. 4. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of members.

ARTICLE V.

ELECTION OF OFFICERS AND COMMITTEES.

SECTION 1. At every annual meeting there shall be elected by ballot, from the officers of members, to serve for one year, or until their successors are elected, a President, a Secretary, a Clearing House Committee, a Conference Committee, a Committee on Admissions, a Nominating Committee and an Arbitration Committee, each committee shall be composed of five members.

SEC. 2. The President and Secretary shall be eligible for office for two successive years and after an interval of one year shall be again eligible in like manner.

SEC. 3. At least two members shall be retired from each committee every year. Those who have served the longest time on a committee shall retire first. If more than two have served the same length of time the two to retire shall be decided by lot. After an interval of one year such retiring members shall be again eligible.

SEC. 4. In case of a vacancy in the offices of President or Secretary by reason of death, resignation, inability or any other cause, the Association shall be convened for the election of a successor, who shall serve the unexpired term.

ARTICLE VI.

DUTIES OF OFFICERS AND COMMITTEES.

SECTION 1. The President shall preside at all meetings of the Association and be ex-officio a member of all committees except the Nominating Committee, and perform such other duties as may be incident to the office.

SEC. 2. The Secretary shall attend the meetings of the Association and keep a record of the proceedings and perform such other duties as may be incident to the office.

SEC. 3. The Clearing House Committee shall have charge of the business affairs of the Clearing House with full power to appoint and, if necessary, remove the Manager and other employees; to collect all moneys due the

Association, to supervise the expenditures, to draw on the members for their quota of expenses and generally to do whatever may be necessary to facilitate the transaction of business at the Clearing House. At every annual meeting it shall submit a statement of expenditures for the past year, also a detailed estimate of expenditures required for the ensuing year, which amount, when approved by the Association, will fix the limit of authorized expenditures for that year.

SEC. 4. The committee shall also have power to establish rules and regulations to be observed at the Clearing House in cases not provided for in the constitution; also to establish a scale of fines for errors, disorderly conduct and other irregularities, subject to the approval of the Association.

SEC. 5. The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association to examine any member of the Association and if deemed necessary to require from any member securities of a sufficient amount to protect the balances resulting from its exchanges at the Clearing House.

SEC. 6. The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York by members of the Association, or banks, or trust companies, or others clearing through such members and the rates to be charged for such collections, and also to provide for the enforcement of the same. The committee may from time to time make any additions to or changes in such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established it shall not be altered or rescinded until it has been in force at least three months except by majority vote of all the members of the Association. (For Rules see page 20.)

SEC. 7. The Clearing House Committee is also authorized to make such arrangements and provisions as may be necessary to receive and store gold coin or United States legal tender notes or other notes issued under the authority of the United States, other than National Bank notes, and to issue Clearing House Certificates for the same under such rules and regulations as it may deem necessary. Such certificates shall be negotiable only among the

members, and shall be received by them in payment of balances at the Clearing House. Any loss arising from the receipt and storage of gold coin and United States notes and the issue of certificates therefor, shall be borne by the members of the Association, pro rata of capital and surplus. Any member of the Association who shall pay or deliver any Clearing House certificate to any party other than a member of the Association shall be subject to a fine of one hundred dollars for each and every offense. (For Depository Rules see pages 34, 35.)

SEC. 8. The Conference Committee shall act in conjunction with the Clearing House Committee in all cases involving the temporary suspension of a member from the privileges of the Clearing House, and in other matters of importance when called upon by the Clearing House Committee.

SEC. 9. No member shall be temporarily suspended except by majority vote of each of these two committees acting together in conference.

SEC. 10. Whenever a member shall be temporarily suspended, as aforesaid, the Clearing House Committee shall forthwith call a general meeting of the Association to take final action in the matter.

SEC. 11. Applications for membership shall be made to the Clearing House Committee. If a majority of said committee vote in favor thereof such application shall be referred to the Committee on Admissions, who shall make, or cause to be made forthwith, a thorough examination of the condition of the applicant and report the result thereof to the Association at any special meeting called for that purpose.

SEC. 12. It shall be the duty of the Nominating Committee to present to the Association at each annual meeting names of candidates for President, Secretary and the various committees for the ensuing year.

SEC. 13. It shall be the duty of the Arbitration Committee to hear and determine disputes which may arise between members of the Association and be submitted to the committee by both parties thereto. Said committee shall keep a record of each case referred to it, together with its decision, and the proceedings in relation thereto, in a

book provided for the purpose, which book shall be kept at the Clearing House, open to the inspection of the members.

SEC. 14. If a vacancy occur in any of the committees of the Association the remaining members of the committee shall have power to fill the same.

ARTICLE VII.

MANAGER AND CLERKS.

SECTION 1. The Manager, or in his absence, the Assistant Manager, under control of the Clearing House Committee, shall have immediate charge of the Clearing House building and of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the employees of the Clearing House, as well as the clerks of the several members of the Association while at the Clearing House, shall be under his direction. He shall immediately report to the Clearing House Committee any irregularity coming to his notice in the dealings of any member, or of any institution clearing through a member and receive the instructions of the committee in regard thereto.

SEC. 2. The salaries of the Manager and Assistant Manager shall be fixed by the Association. The salaries of the clerks and other employees shall be fixed by the Clearing House Committee. The Manager and Assistant Manager shall give bonds with sureties, in the sum of Ten thousand dollars, and each clerk in the sum of Five Thousand Dollars, to be approved by said committee.

ARTICLE VIII.

EXPENSES.

SECTION 1. The expenses of the Clearing House shall be borne and paid as follows:

Each member shall be assessed \$200. Should an additional amount be required it shall be assessed pro rata according to the average amount which each member shall have sent to the Clearing House for the preceding year.

ARTICLE IX.

CLEARING FOR NON-MEMBERS.

SECTION 1. No member of the Association shall make exchanges through the Clearing House for any bank or other institution whose exchanges have not heretofore been

so made through a member, unless the same shall have been actually doing business for at least one year, nor until the making of such exchanges by a member shall have been approved by the Clearing House Committee after an examination of such bank or institution by the Clearing House Committee or by a committee of the Association duly appointed for that purpose.

SEC. 2. The consent of the Clearing House Committee shall also be necessary to the transfer of the making of exchanges for a non-member from one member to another member.

SEC. 3. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association shall pay to the Association the amount of One thousand (\$1,000) dollars annually in advance.

SEC. 4. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association shall submit, whenever required by the Clearing House Committee, to the same examinations as are now required of members of the Association.

SEC. 5. Whenever any member of the Association shall send through the Clearing House the exchanges of any bank or other institution not members, such sending shall, ipso facto, and without other notice, constitute said member the agent for said bank or other institution at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

SEC. 6. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association, shall furnish to the Manager of the Clearing House at the close of business on each Friday a weekly statement of its condition, in such form as shall be prescribed from time to time by the Clearing House Committee.

SEC. 7. Every institution redeeming through a member of this Association, shall keep the same cash and deposit reserve against its demand deposits and time deposits (as reported weekly), which the rules of this Association prescribe for Clearing House members, excepting that any

such institution which is a member of any other Federal Reserve Bank than that of New York, may count all reserve allowed by law to be carried in its own Federal Reserve Bank. The Clearing House Committee shall have power to enforce this rule.

ARTICLE X.

EXCHANGES AND BALANCES.

SECTION 1. The exchanges shall be made at the Clearing House daily, excepting Sundays and Holidays, at 10 o'clock, A. M. Between the hours of 12.30 and 1.30 P. M., the debtor institutions shall pay to the Manager at the Clearing House the balances against them, either in United States Gold coin, United States Gold notes, United States Legal Tender Notes, or Clearing House Certificates. At 1.30 o'clock, P. M. or as soon thereafter as the amounts can be made up, provided all the balances due from debtor members shall have been paid, the Manager shall pay the creditor members the balances due them respectively.

SEC. 2. All checks, drafts, notes, bills of exchange and other items sent through the exchanges shall bear stamped or written receipt, in the following form:

<p>Received Payment Through New York Clearing House (date) Name of Institution (and No. if desired.)</p>
--

SEC. 3. Should any member fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several members exchanging on that day with the defaulting member, pro rata according to their respective balances against said defaulting member, resulting from the exchanges of that day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts furnished the Clearing House on account of the defaulting member will constitute claims against the defaulting member in favor of the several members furnishing the same.

SEC. 4. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the members which are parties

thereto, and not through the Clearing House, the Association being in no way responsible in respect to them.

SEC. 5. Reclamations for errors and deficiencies in money received from the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established by the Clearing House Committee, shall be made by one o'clock P. M., on the following day by the receiving member directly against the member whose mark the sealed bag or package bears. Notice of such error shall be sent to said member immediately upon discovery, the Association not being responsible for the contents of such sealed bags or packages.

SEC. 6. All checks, drafts, notes or other items in the exchanges, returned as "not good" or missent, shall be returned the same day directly to the member from whom they were received, and the said member shall immediately refund to the member returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes or other items so returned to it, in lawful money or in Clearing House certificates. But checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the member returning such items, be returned through the exchanges the following morning, not exceeding \$5,000 in amount to any one member. (For relations with U. S. Assistant Treasurer, see page 30.)

SEC. 7. In case of the refusal or inability of any member to promptly refund the amount of any item returned as aforesaid, the member holding said item or items may report the amount thereof to the Manager of the Clearing House, whose duty it shall be to take from the settling sheets of both members the amount of such items and readjust the Clearing House statement in conformity with the change so made; provided that such report shall be made to the Manager before one o'clock of the same day.

SEC. 8. Members shall not send through the exchanges any checks, drafts, notes, bills of exchange, or other items having thereon any qualified or restrictive endorsement such as "for collection" or "for account of" or "pay any Bank or Banker or order" or other similar endorsements unless all endorsements thereon are guaranteed by the

member of the Association sending such items through the exchanges.

SEC. 9. No member of this Association shall send or pay through the exchanges, checks or other items drawn on Banks, Bankers or Trust Companies, not members of this Association, by customers thereof in Greater New York, and made payable at a Clearing House institution, unless the same shall first be accepted and made payable at a Clearing House institution by the Bank, Banker or Trust Company upon which they are drawn. This provision shall also apply to non-members making exchanges through members of this Association. (See circular letter, page 28.)

ARTICLE XI.

ADOPTION OF CONSTITUTION.

SEC. 1. This constitution, when agreed to by the Association at any general meeting thereof by a majority of votes, shall be submitted to the respective Boards of Directors of the several institutions herein named as members of the Association for their adoption. When adopted by a majority of the whole number of members it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such institutions as shall not adopt this constitution within two months from the time it is agreed to in a general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association.

SEC. 2. Amendments of this constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof, notice of the proposed amendments having been given at a previous meeting.

RULES, REGULATIONS AND RULINGS

OF THE

New York Clearing House

Association

RULES OF THE CLEARING HOUSE ASSOCIATION RELATING TO RETURN OF CHECKS, RECLAMATIONS FOR ERRORS AND MONEY PACKAGES.

- 1st.—RETURN OF CHECKS, DRAFTS, ETC., for informality, not good, missent, guarantee of endorsement, or for any other cause, should be made before THREE O'CLOCK, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of NOTES or BAGS OF GOLD received from the Clearing House, in settlement of Balances, should be made before ONE O'CLOCK, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, ETC., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Institution.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING Legal Tender Notes and United States Bearer Gold Certificates, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Institution, the amount, date and kind of money.
- 6th.—DEBIT MEMBERS should avoid, as much as possible, postponing the payment of balances to a late hour, as it sometimes causes serious delay in making up and paying the creditor Members, at the Clearing House.

SCALE OF FINES

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.
For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerk's statement (i. e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - - - - - \$3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - - - - - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - - 2 00
- 4th.—**Errors in footing** the amount received - - - - - 1 00
- 5th.—**Disorderly Conduct** of Settling or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Settling or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - - - - - 2 00
- 7th.—Debtor members, **failing to appear to pay** their balances before 1.30 P. M. - - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - - 1 00
- 9th.—For **each item missent**, payable to the returning member, (but in no case more than five dollars for items returned by any member to any one member, on the same day) - - - - - 1 00
(This applies to all missent items, whether listed or not.—See Ruling Dec. 22, 1895, p. 26.)
- 10th.—For errors in **reporting amount of Depository Certificates** on hand - - - - - 10.00

Extract from the Constitution of the Clearing House:

ART. VII. The Manager or in his absence the Assistant Manager, under control of the Clearing House Committee shall have immediate charge of the Clearing House building and of all business at the Clearing House so far as relates to the manner in which it shall be transacted, and the employees of the Clearing House, as well as the clerks of the several institutions, while at the Clearing House, shall be under his direction.

Pursuant to authority conferred
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Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

SEC. 1. These

SEC. 1 These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter de-

Sec. 2. of Exchange Charge Regulations.
(As Amended December 29th, 1915).

"Sec 2. For items collected for the accounts of, or in dealings with, the Governments of the United States, the State of New York, or the City of New York, or payable in the Cities of Boston, Mass.; Providence, R. I.; Albany, N. Y.; Troy, N. Y.; Jersey City, N. J.; Bayonne, N. J.; Hoboken, N. J.; Newark, N. J.; Philadelphia, Pa.; Baltimore, Md.; and for items payable only at any bank or trust company which has already filed or may hereafter file an agreement in writing with the Manager of the New York Clearing House Association, signed by one of its officers to remit in New York Clearing House funds at par on the day of receipt thereof for all cash items drawn on it, transmitted by the Collection Department, so that such remittances will be received at the Clearing House in time to be cleared in the regular morning session of the following day, and for all items (whether such items are collected through the Federal Reserve Bank of New York or otherwise) which the Federal Reserve Bank of New York shall have notified the Manager of the New York Clearing House Association that it will receive from its members for immediate credit at par, the charge shall be discretionary with the collecting bank."

Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth ($1/10$) of one per cent. of the amount of the items respectively.

SEC. 4. For ‡ all items from whomsoever received pay

*See Ruling D, page 23. †Sec Ruling B, page 23. ‡See Ruling C, page 23

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

chargeable.

SEC. 6. *The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.*

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations. Now, therefore, *Be it Resolved*, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this corporation is hereby instructed to file a certified

*See Ruling A, page 23.

*See Ruling A, page 23.

copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or, in his absence, said Manager, shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of these charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted, and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 21

(Circular Letter—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 and 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 20

(Circular Letter—August 16th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules, and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, page 20

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee begs to notify all banks and trust companies making exchanges through the Clearing House that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 20.

*(Chairman of the Clearing House Committee—
December 5th, 1901.)*

In Section 2 the provision making the collection charge

D—See Sec. 2, page 20.

(*Clearing House Committee, February 17th, 1914.*)

For all items deposited for the accounts mentioned in Section 2. (i. e. "for the accounts of, or in dealings with, the Governments of the United States, the State of New York or the City of New York"), the charges shall in all cases be discretionary with the collecting bank when received by it on deposit from any source.

At a meeting of the Clearing House Committee, held Nov. 22nd, 1906, the following communication from a member of the Association was considered by the Committee:

"We are receiving from our correspondents inquiries about as follows:

Will you allow us to deposit with your correspondents in cities such as St. Louis and Chicago drafts on our correspondents in those cities, to your credit, you giving us credit in your bank at par immediately upon notification by us of such deposits, thus allowing us to draw against such credits the same as against New York funds. This will save us time and expense in transfers and will facilitate our business very materially.

Will you kindly give us a ruling on the above at your early convenience, and oblige,

Very truly yours,

In answer to the above a ruling was made as follows:

The plan as outlined in the inquiry submitted to the Clearing House Committee, is in contravention of the rules governing collection charges on out of town items, and such plan cannot be followed without infraction of said rules.

In connection with this ruling the following minute was adopted at a meeting of the Committee, held Dec. 10th, 1906:

"Some misunderstanding having arisen as to interpretations of the collection rules, notice is hereby given to the Associated Banks and all institutions connected with the New York Clearing House, that all applications for rulings on the law must be made in writing and addressed to the Clearing House Committee. All rulings will be printed and sent to members and other institutions connected with the New York Clearing House."

F—

(*Clearing House Committee—September 26th, 1907.*)

When foreign items, subject to collection charges, are returned unpaid, the charge may be remitted.

G—

(*Clearing House Committee—February 3rd, 1908.*)
Bonds shipped for payment are liable for collection charges the same as other items on which exchange must be charged under Clearing House rules.

H—

(*Clearing House Committee—May 14th, 1908.*)

Any agreement, written or implied, entered into by a Clearing House member or by a non-member clearing through a member, with any individual, firm, or corporation, by the terms of which it is intended that the rate of interest agreed to be paid on deposits is to offset and compensate for charges made on out of town checks, is a violation of Clearing House rules, and if brought to the attention of the Committee will be dealt with as provided by Section 8 of the Clearing House rules and regulations relating to the charges on out of town items.

Attention is called to the following extract from Section 8 of the rules governing the exchange charges:

"In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association."

I—

(*Clearing House Committee—October 27th, 1909.*)

As Alaska is not mentioned in the schedule of places upon which exchange is chargeable, it is discretionary with banks whether they make a charge or not on such items.

J—

(*Clearing House Committee, June 12th, 1911.*)

The following ruling of the Clearing House Committee on a question relating to collection charges, adopted this day, is forwarded for your information:

QUESTION.

"Would The Bank violate a rule of the Clearing House respecting charges on out-of-town items, if it purchased from a firm not a customer of the bank, their note payable in St. Paul, at a given rate, and made no charge for exchange at the time the note was forwarded for collection."

RULING.

"The Clearing House rules contemplate the charging of collection rates on all out-of-town items from whatever source derived. This ruling is made comprehensive in order to meet ingenious cases for evasion. In the case of bought paper the broker should allow the charge as part of the purchase. If exceptions were allowed the flood of cases would practically nullify the rules."

RULINGS ON ITEMS FOR THE CLEARINGS.

1.

(Clearing House Committee—December 22nd, 1905.)

Resolved, That the decision of the Manager in holding that all missent items, whether listed or not, are subject to the fine under Rule 9, is hereby approved.

2.

(Clearing House Committee—January 7th, 1907.)

In answer to the following inquiry:

"Whether a member Bank should not redeem any check which it sends through the Clearing House, (either for itself or for a non-member,) because "not good," or for any other reason:"

The Clearing House Committee rules, that, under *Sec. 15 of the Clearing House Constitution and a resolution adopted May 23d, 1866, a member is required to redeem all items sent by it through the exchanges, coming under said *Sec. 15.

3.

(Clearing House Committee—April 3rd, 1908.)

At a meeting held on the 3rd inst., it was decided, that a bank money order payable at alternative points bearing interest computed thereon for each three months, and requiring the signature of the depositor and payee to be affixed at the time of deposit and again upon payment, was not a proper item for the exchanges and that its use would constitute an evasion of the Clearing House rules.

*(Now Sec. 6, Art. X.)

4.

NEW YORK, May 28th, 1903.

DEAR SIR:

The attention of the Clearing House Committee has been called to the fact that, contrary to the provisions of the circular letter of February 3, 1902, some banks continue to send through the exchanges items drawn upon institutions not connected with the Clearing House, and made payable, "if desired," by some Clearing House bank.

The following is a specimen of the items in question:

No. _____	NEW YORK, (or out of town) _____	1903
THE NATIONAL BANK OR TRUST COMPANY OF NEW YORK, (OR OUT OF TOWN)		
Pay to the order of _____		
		Dollars
PAYABLE IF DESIRED THROUGH THE NEW YORK CLEARING HOUSE BY THE _____ BANK		
\$ _____		

As stated above, these items are drawn on institutions not connected in any manner with the New York Clearing House, and by the use of the printed or stamped note the holder appears to have the option of having them paid through the exchanges.

This is not permitted, and, the bank receiving such items through the exchanges, should treat them as missent, and is entitled to collect the amount of the fine, as provided for under Section 9 of the Scale of Fines.

WILLIAM SHERER,
MANAGER.

By order

JAMES T. WOODWARD,
CHAIRMAN CLEARING HOUSE COMMITTEE.

NEW YORK, October 7th, 1909.

DEAR SIR :

The Clearing House Committee having been advised of the disregard, in certain instances, of the injunction contained in Sec. 9, Art. X, of the constitution, relating to the payment through the exchanges of certain classes of checks, desires to emphasize the necessity of as strict a compliance with the provisions of such section of the constitution, as with any other.

That there may be no misconception of the character of the items, whose exchange at the Clearing House section 9 was intended to prevent, a sample check is outlined below, together with the text of said section.

Under no circumstances should such checks, be exchanged at the Clearing House unless the stated requirements have been complied with.

No. 29	NEW YORK, JULY 1ST, 1909.
THE PIONEER BANK OF HACKENSACK, N. J.	
Pay to the order of <u>THOMAS T. THOMAS</u>	
<u>ONE HUNDRED - - DOLLARS.</u> \$ <u>100</u>	
PAYABLE AT BANK NEW YORK CITY	WM. H. WILLIAMS

EXTRACT FROM ART. X, OF CONSTITUTION.

Sec. 9. No member of this Association shall send or pay through the exchanges, checks or other items drawn on Banks, Bankers or Trust Companies, not members of this Association, by customers thereof in Greater New York, and made payable at a Clearing House Institution, unless the same shall first be accepted and made payable at a Clearing House institution by the Bank, Banker or Trust Company upon which they are drawn. This provision shall also apply to non-members making their exchanges through members of this Association.

WILLIAM SHERER,
MANAGER.

By order,
VALENTINE P. SNYDER,
CHAIRMAN CLEARING HOUSE COMMITTEE.

NEW YORK, July 24th, 1911.

DEAR SIR :

In view of the frequent requests for information regarding the treatment of checks sent through the exchanges, similar in character to the specimen below, you are advised that checks drawn on institutions not associated in any manner with the Clearing House, and made payable at a clearing non-member, may not be sent to or paid by the Clearing House member acting as clearing agent, through the Clearing House. A member having to return such checks is entitled to collect the fine prescribed for sent wrong items.

No. 30	HACKENSACK, JULY 1ST, 1911.
THE PIONEER BANK OF HACKENSACK, N. J. (NOT CONNECTED IN ANY MANNER WITH THE CLEARING HOUSE.)	
Pay to the order of <u>WILLIAM H. BLANK</u>	
<u>ONE HUNDRED - - DOLLARS.</u> \$ <u>100</u>	
PAYABLE AT CLEARING NON-MEMBER BANK, JERSEY CITY.	JOHN J. JONES & CO.

By order,

WILLIAM J. GILPIN,
ASST. MANAGER.

FRANCIS L. HINE,
ACTING CHAIRMAN CLEARING HOUSE COMMITTEE.

RULES OF THE CLEARING HOUSE **GOLD** DEPOSITORY.

- 1st.—Members desiring to deposit gold coin for certificates must notify the Manager, who will arrange as to the amount and time of deposit.
- 2nd.—Upon notice from the Manager, the member must deposit the gold at the Clearing House and take his receipt therefor.
- 3d.—Only bags containing \$5,000 standard weight and one denomination of coin in each will be received. Each bag must bear a tag stating the name of the depositing member, the amount and the date of deposit.
- 4th.—Claims for deficiencies will be made by the Manager after examination of the gold, and must be satisfied promptly.
- 5th.—After the gold has been counted, certificates will be issued on the surrender of the receipt given by the Manager.
- 6th.—No exchange of coin received for deposit will be made.
- 7th.—As the rules of the Association require the attendance of a member of the Clearing House Committee when gold is withdrawn from the vaults, notice of intention to withdraw must be given to the Manager by *three o'clock P. M. of the preceding day*.
- 8th.—Claims against coin withdrawn from the depository must be made before 3 P. M. of the day following its withdrawal.

As the receipt of gold and the issue of certificates were determined upon in order to save the expense and risk of loss caused by paying coin at the Clearing House, it is expected and desired that the certificates be used to pay balances, in lieu of coin, as far as possible.

RULES OF THE CLEARING HOUSE **NOTE** DEPOSITORY.

Deposits of United States Notes of the following issues will be received:

- U. S. Legal Tender Notes,
- U. S. Gold Certificates,
- U. S. Silver Certificates.

Members desiring to make deposits must notify the Manager at least two days in advance, designating the amount and the kind or kinds of notes to be deposited. The Manager will then advise when the deposits will be received.

Deposits must be made in sums of \$10,000 or multiples thereof, as only \$10,000 certificates will be issued.

Notes must be assorted by kinds, and by denominations.

Packages may consist of 50 or 100 notes of one denomination and kind only, which must be fastened by a paper band with the amount, date, and name of institution plainly marked thereon.

Mixed sums, such as \$3,000 of one kind and \$2,000 of another will not be received.

Notes mutilated or unfit for circulation, and National Bank Notes will not be received.

No deposit will be received unless the same has been previously counted and assorted by the institution offering it.

The temporary receipt given for deposits will be redeemed in certificates at an early date following the deposit.

LAWS GOVERNING PUBLIC HOLIDAYS AND TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

PUBLIC HOLIDAYS, ETC.

General Construction Law, provides as follows:

SEC. 24. Public Holidays; Half Holidays.—The term holiday includes the following days in each year; the first day of January, known as New Year's Day; the twelfth day of February, known as Lincoln's Birthday; the twenty-second day of February, known as Washington's Birthday; the thirtieth day of May, known as Memorial Day; the fourth day of July, known as Independence Day; the first Monday of September, known as Labor Day; the twelfth day of October, known as Columbus Day, and the twenty-fifth day of December, known as Christmas Day, and if either of such days is Sunday, the next day thereafter; each general election day and each day appointed by the President of the United States or by the Governor of this State as a day of general thanksgiving, general fasting and prayer, or other general religious observances. The term half-holiday includes the period from noon to midnight of each Saturday which is not a holiday.

SEC. 25. Holiday in contractual obligations.—Where a contract by its terms requires the payment of money or the performance of a condition on a public holiday, such payment may be made or condition performed on the next business day succeeding such holiday, with the same force and effect as if made or performed in accordance with the terms of the contract.

LOCAL HOLIDAYS.

Chapter 198, Laws 1889 (took effect April 26), authorized the Governor, in issuing any proclamation appointing or recommending any day as a day of thanksgiving, fasting, prayer or other religious observance, in pursuance of Chapter 289, Laws 1887, to limit the effect of the proclama-

tion to any City or Cities, County or Counties, and provided that the day or days so proclaimed should be public holidays for the purposes mentioned in said Act only within the Cities or Counties specified.

TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

The Negotiable Instruments Law, as amended, provides: SEC. 145. Every negotiable instrument is payable at the time fixed therein, without grace. When the day of maturity falls upon Sunday or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due or becoming payable on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday.

ORIGINAL MEMBERS

OF THE

New York Clearing House Association
OCTOBER 4th, 1853.

Bank of New York
Manhattan Company
Merchants' Bank
Mechanics' Bank,
Union Bank,
Bank of America,
Phoenix Bank,
City Bank
North River Bank,
Tradesmen's Bank,
Fulton Bank,
Chemical Bank,
Merchants' Exchange Bank,
National Bank,
Butchers' and Drovers' Bank,
Mechanics' and Traders' Bank,
Greenwich Bank,
Leather Manufacturers' Bank,
Seventh Ward Bank
Bank of the State of New York
American Exchange Bank,
Mechanics' Banking Association,
Bank of Commerce,
Bowery Bank,
Broadway Bank,
Ocean Bank,

Mercantile Bank,
Pacific Bank
Bank of the Republic,
Chatham Bank,
People's Bank,
Bank of North America,
Hanover Bank,
Irving Bank,
Metropolitan Bank
Citizens' Bank,
Knickerbocker Bank,
Grocers' Bank
Empire City Bank,
Nassau Bank
East River Bank,
Market Bank,
St. Nicholas Bank,
Shoe and Leather Bank,
Corn Exchange Bank,
Central Bank,
Continental Bank,
Bank of the Commonwealth,
Oriental Bank,
Marine Bank,
Bank of the Union,
Atlantic Bank.

INDEX.

12-18

A	
Admissions, Committee on	11
Adoption of Constitution	16
Amendments to Constitution, How made	16
Annual Meeting	8
Arbitration Committee	11
Assistant Treasurer U. S. at N. Y. City	30
ing relations with	
B	
Balances; action in case of failure to pay	14
How packages in payment of should be made up	18
Reclamation for errors in	14
Responsibility for loss in	5
Sections relating to	14-16
Time of settlement	14
Bonds of Manager and Clerks	12
C	
Certificates, Gold Depository	10
Change in Charter, Management, Ownership, &c.	7
Charges for Collections—See Collection charges	
Checks and items in exchanges, See Exchanges	
Claims for errors in Balances	15
Exchanges	15
Gold Depository	34
Clearings: See Exchanges	
Clearing for Non-Members	12-13
Clearing House Committee: Election of	7
May examine bank members	7-10
May establish rules in regard to collections outside of New York	10
May remove Manager and Clerks	9
May establish rules and impose fines	10
May store Gold Coin and U. S. Notes and issue Certificates	10
May, with Conference Committee, suspend member	11
Other powers and duties in connection with Non-	
Clearing House Examiner, Reso	39

Collection Charges	10
Rules, regulations and charges	20
Rulings and interpretations regarding	23
Committees; Composition of	9
Vacancies; how filled	12
For various Committees see—Admissions, Committee on; Arbitration Committee; Clearing House Committee; Conference Committee; Nominating Committee.	
Coin Depository—See Depository	11
Conference Committee; Duties, &c.	
D	
Depository: for Gold Coin and U. S. Notes	10
Fine for parting with Certificates of	11
" " erroneously reporting amount of Certificates held	19
Rules relating to Gold Coin	34
" " " U. S. Notes	35
E	
Election, Annual, Officers and Committees	9
Endorsements; when qualified, must be guaranteed	15
Errors at Clearing House; Fines for	19
In Exchanges; see Exchanges	
Examiner, Clearing House	32
Exchange on Out of Town items—See Collection Charges	
Exchanges, sections relating to	14-16
Fines for mis-sent items in	19
Rules in regard to items in	18
Expenses of Association, how provided for	12
Expulsion; Provision for	7
F	
Failure to pay balances; action in case of	14
Fees, Initiation	6
Non-Members	13
Fines for absence from Meetings	9
Errors at Clearing House	19
Mis-sent items	19
Parting with Depository Certificates	11
Violation of rules governing collection charges	22
G	

	40	
Holidays ; Laws governing.....	H	
	I	
Indorsements ; when qualified must be guaranteed.....		PAGE 36
Initiation Fees.....		15
Interpretations of collection charge rules.....		6
	L	
Legal Holidays—Laws governing.....		23
Liability for Non-Members.....		36
Loss in Balances, how borne.....		13
Responsibility for.....		5
Loss in Depository, how borne.....		5
	M	
Manager, Assistant Manager, Powers and Duties.....		11
Meetings, Annual and Special.....		12
Fines for non-attendance at.....		8
Quorum at.....		8
Members ; how admitted.....		9
Initiation fees of.....		6
Original, 1853.....		6
Present, 1912.....		37
Suspension of.....		6
Membership, applications for.....		11
Missent items, fine for.....		11
Return of.....		19
	N	
Negotiable Instruments ; Time of Maturity of.....		15
Nominating Committee.....		37
Non-Members ; Fees and other obligations.....		11
Provisions relating to.....		13
Weekly Statements.....		12-13
Note Depository.....		38
	O	
Objects of the Association.....		10
Out-of-town Collections—see Collection Charges.....		5
	P	
Powers of Clearing House Committee (see Clearing House Committee).....		
Manager, Assistant Manager.....		12

	41	
President of Association ; ex-officio a member of Committees.....		PAGE 9
When and how elected.....		9
Public Holidays—Laws governing.....		36
	Q	
Qualified or Restrictive Endorsements.....		15
Quorum, at all meetings.....		9
	R	
Receipt on items in Exchanges, form of.....		14
Reclamations for errors in Exchanges.....		14
Money packages.....		15
Requisition in case of failure to pay balances.....		14
Representation at Meetings.....		8
Reserve for Members.....		7, 29
" Non-Members.....		13, 29
Responsibility for loss in Exchanges and Balances.....		5
Restrictive or Qualified Endorsements.....		15
Rules and Regulations of the Coin Depository.....		34
" " Note.....		35
Regarding Collections, with rates.....		20
Relating to return of Checks, etc.....		18
Rulings on Collection Charges and Regulations.....		23
On Items for the Clearings.....		26
	S	
Secretary of Association : when and how elected.....		9
" " Duties.....		9
Special Meetings.....		8
Stamp required by Assistant Treasurer as final endorsement on Checks.....		31
Statements, Weekly : for Clearing House Banks and Trust Companies.....		8
Form for Non-Member Banks and Trust Companies.....		33
Sub-Treasury—Regulations Affecting.....		30
Suspension of Clearing House member.....		11
	T	
Trust Companies, as members.....		7
As non-members : Provisions relating to.....		12-13
Reserve.....		7
Weekly Statements of.....		7
	U	
United States Sub-Treasury—Regulations Affecting.....		30
	V	
Vacancies, President or Secretary.....		9
In Committees.....		13
	W	
Weekly Statements—See Statements.....		
Withdrawal from Association.....		7

CONSTITUTION

OF THE

New York Clearing House Association

AS

ADOPTED SEPTEMBER 24TH, 1908,

AND AMENDED MAY 9TH AND JUNE 19TH, 1911

ALSO, CLEARING HOUSE RULES,

SCALE OF FINES,

COLLECTION CHARGES,

AND HOLIDAY LAWS OF NEW YORK STATE

JANUARY, 1912.

CONSTITUTION

OF THE

New York Clearing House Association.

*(Adopted September 24th, 1908, and Amended
May 9th and June 19th, 1911.)*

ARTICLE I.

SECTION 1. The name of this Association shall be THE NEW YORK CLEARING HOUSE ASSOCIATION.

ARTICLE II.

OBJECTS.

SECTION 1. The objects of the Association shall be the effecting at one place of the daily exchanges between the members thereof and the payment at the same place of the balances resulting from such exchanges, the promotion of the interests of the members and the maintenance of conservative banking through wise and intelligent co-operation.

SEC. 2. The Association shall be in no wise responsible in regard to the exchanges between the members, nor in regard to the balances resulting therefrom, except so far as such balances shall be paid into the Clearing House through the Manager or his assistants.

SEC. 3. The responsibility of the Association is strictly limited to the faithful distribution among the creditor members of the sums actually received from debtor members. Should any loss occur whilst the said balances are in the custody of the Manager or his assistants it shall be borne and paid by the members pro rata according to the average amount which each shall have sent to the Clearing House for the preceding year.

ARTICLE III. MEMBERSHIP.

SECTION 1. The Association at present* consists of the following members:

Bank of N. Y. Nat'l Bkg. Ass'n,	Chase National Bank,
Bank of the Manhattan Company,	Fifth Avenue Bank,
Merchants' National Bank,	German Exchange Bank,
Mechanics & Metals Nat. Bank,	Germania Bank,
Bank of America,	Lincoln National Bank,
National City Bank,	Garfield National Bank,
Chemical National Bank,	Fifth National Bank,
Merchants' Exchange Nat'l Bank,	Bank of the Metropolis,
Gallatin National Bank,	West Side Bank,
Nat'l Butchers' & Drovers' Bank,	Seaboard National Bank,
Greenwich Bank,	Liberty National Bank,
American Exchange Nat'l Bank,	N. Y. Produce Exchange Bank,
National Bank of Commerce in N. Y.	State Bank,
Mercantile National Bank,	Security Bank,
Pacific Bank,	Coal and Iron National Bank,
Chatham & Phenix National Bank,	Union Exchange National Bank,
People's Bank,	Manhattan Trust Co.
Hanover National Bank,	Brooklyn Trust Co.
Citizen's Central National Bank,	Bankers Trust Co.
National Nassau Bank,	U. S. Mortgage & Trust Co.
Market and Fulton Nat'l Bank,	Astor Trust Co.
Metropolitan Bank,	Title Guarantee & Trust Co.
Corn Exchange Bank,	Guaranty Trust Co.
Importers' & Traders' Nat'l Bk.	Fidelity Trust Co.
National Park Bank,	Lawyers Title Insurance & T. Co.
East River National Bank,	Columbia Trust Co.
Fourth National Bank,	Standard Trust Company
Second National Bank,	Peoples Trust Co.
First National Bank,	New York Trust Co.
Irving National Exchange Bank	Franklin Trust Co.
Bowery Bank,	Lincoln Trust Co.
New York County National Bank,	Metropolitan Trust Co.
German-American Bank,	Nassau Nat'l Bank, Brooklyn,

SEC. 2. New members may be admitted into the Association at any meeting thereof, on the recommendation of the Clearing House Committee, by the affirmative vote of three-fourths of the members present at said meeting. Such vote to be taken by ballot.

SEC. 3. No new member shall be admitted whose unimpaired capital shall be less than \$1,000,000.

SEC. 4. New members shall signify their assent to the Constitution, as provided in Article XI, Section 1, and shall pay an admission fee as follows:

Institutions whose capital does not exceed \$5,000,000 shall pay Five thousand dollars; those exceeding \$5,000,000 shall pay Seven thousand five hundred dollars.

Any member increasing its capital shall pay a sum to correspond with these rates.

* January 1, 1912.

SEC. 5. Any member may withdraw from the Association after notifying the Clearing House Committee of its intention to withdraw and paying its due proportion of all expenses incurred.

SEC. 6. For cause deemed sufficient by the members, at any meeting thereof any member may be expelled from the Association and debarred from all the privileges of the Clearing House, provided a majority of all the members vote in favor thereof.

SEC. 7. Whenever a member of this Association shall make any change in its condition either in its management or ownership, or any change in its charter, or shall merge with any other institution not a member of this Association, the Clearing House Committee shall have the power to examine said member, and submit the question of a continuance of its membership to the Association; any action on which question must receive the same assent as provided in the case of the expulsion of members.

SEC. 8. Trust Companies organized under the Laws of the State of New York may be admitted as members of this Association in the same manner and to the same extent as Banks may be admitted, and when so admitted shall be entitled to all the rights and benefits and subject to all the conditions and obligations to which Bank members are or shall be entitled or subject under the provisions of the constitution.

Trust Companies becoming members of the Association shall be required to keep and maintain a cash reserve of not less than twenty-five per centum of their legal net deposits of which not less than fifteen per centum must be kept in their own vaults, and the balance shall be maintained on deposit with members of this Association who carry a twenty-five per centum cash reserve in their own vaults. A failure to keep such reserve in the manner prescribed shall be sufficient cause for action, as expressed under Section 6 of this Article.

SEC. 9. All bank members of this Association shall keep and maintain in their own vaults a cash reserve of twenty-five per centum of their net deposits.

SEC. 10. Every bank, member of the Clearing House Association, shall furnish to the Manager for publication

a weekly report of its average daily condition, also its actual condition, at the close of business on each Friday, which report shall comprise the following:

Loans and Discounts. Loans, Discounts and Stocks and Bonds and Mortgages owned by the Bank.

Specie. Gold and Silver coin, United States and Clearing House Gold Certificates, and United States Silver Certificates.

Legal Tender Notes. United States Legal Tender Notes of all issues.

Circulation. Amount outstanding.

Deposits. Gross deposits and unpaid dividends, less Exchanges for the Clearing House, amounts due from other banks for collection, notes of other banks and checks on non-clearing institutions in this City.

SEC. 11. Every Trust Company member of the Clearing House Association shall furnish to the Manager for publication a weekly report of its average daily condition, also its actual condition at the close of business on each Friday, which report shall comprise the following:

Average amount of Loans, Bills Purchased and Investments (not Real Estate).

Average amount of Specie.

Average amount of Legal Tender Notes and Bank Notes.

Average amount on deposit with other Clearing House members, carrying a 25% cash reserve.

Average amount of Deposits.

Average amount of Legal Net Deposits.

ARTICLE IV.

MEETINGS.

SECTION 1. The annual meeting of the Association shall be held at the Clearing House on the first Tuesday in October of each year at One o'clock P. M.

SEC. 2. Special meetings shall be called by the Clearing House Committee whenever it may deem it expedient or whenever it shall be requested in writing to do so by any seven members of the Association.

SEC. 3. Each institution belonging to the Association may be represented at all meetings by at least one of its principal officers and shall be entitled to one vote. Any

member failing to be so represented at roll call shall pay a fine of Three Dollars.

SEC. 4. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of members.

ARTICLE V.

ELECTION OF OFFICERS AND COMMITTEES.

SECTION 1. At every annual meeting there shall be elected by ballot, from the officers of members, to serve for one year, or until their successors are elected, a President, a Secretary, a Clearing House Committee, a Conference Committee, a Committee on Admissions, a Nominating Committee and an Arbitration Committee, each committee shall be composed of five members.

SEC. 2. The President and Secretary shall be eligible for office for two successive years and after an interval of one year shall be again eligible in like manner.

SEC. 3. At least two members shall be retired from each committee every year. Those who have served the longest time on a committee shall retire first. If more than two have served the same length of time the two to retire shall be decided by lot. After an interval of one year such retiring members shall be again eligible.

SEC. 4. In case of a vacancy in the offices of President or Secretary by reason of death, resignation, inability or any other cause, the Association shall be convened for the election of a successor, who shall serve the unexpired term.

ARTICLE VI.

DUTIES OF OFFICERS AND COMMITTEES.

SECTION 1. The President shall preside at all meetings of the Association and be ex-officio a member of all committees except the Nominating Committee, and perform such other duties as may be incident to the office.

SEC. 2. The Secretary shall attend the meetings of the Association and keep a record of the proceedings and perform such other duties as may be incident to the office.

SEC. 3. The Clearing House Committee shall have charge of the business affairs of the Clearing House with full power to appoint and, if necessary, remove the Manager and other employees; to collect all moneys due the

Association, to supervise the expenditures, to draw on the members for their quota of expenses and generally to do whatever may be necessary to facilitate the transaction of business at the Clearing House. At every annual meeting it shall submit a statement of expenditures for the past year, also a detailed estimate of expenditures required for the ensuing year, which amount, when approved by the Association, will fix the limit of authorized expenditures for that year.

SEC. 4. The committee shall also have power to establish rules and regulations to be observed at the Clearing House in cases not provided for in the constitution; also to establish a scale of fines for errors, disorderly conduct and other irregularities, subject to the approval of the Association.

SEC. 5. The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association to examine any member of the Association and if deemed necessary to require from any member securities of a sufficient amount to protect the balances resulting from its exchanges at the Clearing House.

SEC. 6. The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York by members of the Association, or banks, or trust companies, or others clearing through such members and the rates to be charged for such collections, and also to provide for the enforcement of the same. The committee may from time to time make any additions to or changes in such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established it shall not be altered or rescinded until it has been in force at least three months except by majority vote of all the members of the Association. (For Rules see page 20.)

SEC. 7. The Clearing House Committee is also authorized to make such arrangements and provisions as may be necessary to receive and store gold coin or United States legal tender notes or other notes issued under the authority of the United States, other than National Bank notes, and to issue Clearing House Certificates for the same under such rules and regulations as it may deem necessary. Such certificates shall be negotiable only among the

members, and shall be received by them in payment of balances at the Clearing House. Any loss arising from the receipt and storage of gold coin and United States notes and the issue of certificates therefor, shall be borne by the members of the Association, pro rata of capital and surplus. Any member of the Association who shall pay or deliver any Clearing House certificate to any party other than a member of the Association shall be subject to a fine of one hundred dollars for each and every offense. (For Depository Rules see pages 34, 35.)

SEC. 8. The Conference Committee shall act in conjunction with the Clearing House Committee in all cases involving the temporary suspension of a member from the privileges of the Clearing House, and in other matters of importance when called upon by the Clearing House Committee.

SEC. 9. No member shall be temporarily suspended except by majority vote of each of these two committees acting together in conference.

SEC. 10. Whenever a member shall be temporarily suspended, as aforesaid, the Clearing House Committee shall forthwith call a general meeting of the Association to take final action in the matter.

SEC. 11. Applications for membership shall be made to the Clearing House Committee. If a majority of said committee vote in favor thereof such application shall be referred to the Committee on Admissions, who shall make, or cause to be made forthwith, a thorough examination of the condition of the applicant and report the result thereof to the Association at any special meeting called for that purpose.

SEC. 12. It shall be the duty of the Nominating Committee to present to the Association at each annual meeting names of candidates for President, Secretary and the various committees for the ensuing year.

SEC. 13. It shall be the duty of the Arbitration Committee to hear and determine disputes which may arise between members of the Association and be submitted to the committee by both parties thereto. Said committee shall keep a record of each case referred to it, together with its decision, and the proceedings in relation thereto, in a

book provided for the purpose, which book shall be kept at the Clearing House, open to the inspection of the members.

SEC. 14. If a vacancy occur in any of the committees of the Association the remaining members of the committee shall have power to fill the same.

ARTICLE VII.

MANAGER AND CLERKS.

SECTION 1. The Manager, or in his absence, the Assistant Manager, under control of the Clearing House Committee, shall have immediate charge of the Clearing House building and of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the employees of the Clearing House, as well as the clerks of the several members of the Association while at the Clearing House, shall be under his direction. He shall immediately report to the Clearing House Committee any irregularity coming to his notice in the dealings of any member, or of any institution clearing through a member and receive the instructions of the committee in regard thereto.

SEC. 2. The salaries of the Manager and Assistant Manager shall be fixed by the Association. The salaries of the clerks and other employees shall be fixed by the Clearing House Committee. The Manager and Assistant Manager shall give bonds with sureties, in the sum of Ten thousand dollars, and each clerk in the sum of Five Thousand Dollars, to be approved by said committee.

ARTICLE VIII.

EXPENSES.

SECTION 1. The expenses of the Clearing House shall be borne and paid as follows:

Each member shall be assessed \$200. Should an additional amount be required it shall be assessed pro rata according to the average amount which each member shall have sent to the Clearing House for the preceding year.

ARTICLE IX.

CLEARING FOR NON-MEMBERS.

SECTION 1. No member of the Association shall make exchanges through the Clearing House for any bank or other institution whose exchanges have not heretofore been

so made through a member, unless the same shall have been actually doing business for at least one year, nor until the making of such exchanges by a member shall have been approved by the Clearing House Committee after an examination of such bank or institution by the Clearing House Committee or by a committee of the Association duly appointed for that purpose.

SEC. 2. The consent of the Clearing House Committee shall also be necessary to the transfer of the making of exchanges for a non-member from one member to another member.

SEC. 3. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association shall pay to the Association the amount of One thousand (\$1,000) dollars annually in advance.

SEC. 4. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association shall submit, whenever required by the Clearing House Committee, to the same examinations as are now required of members of the Association.

SEC. 5. Whenever any member of the Association shall send through the Clearing House the exchanges of any bank or other institution not members, such sending shall, ipso facto, and without other notice, constitute said member the agent for said bank or other institution at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

SEC. 6. Every non-member bank or institution now or hereafter sending its exchanges through a member of the Association, shall furnish to the Manager of the Clearing House at the close of business on each Friday a weekly statement of its condition, in such form as shall be prescribed from time to time by the Clearing House Committee. (For form see page 33.)

SEC. 7. Every institution redeeming through a member of this Association shall keep a cash and deposit reserve equal to the minimum percentage required of members of the Association.

The Clearing House Committee shall have power to enforce this rule.

ARTICLE X.

EXCHANGES AND BALANCES.

SECTION 1. The exchanges shall be made at the Clearing House daily, excepting Sundays and Holidays, at 10 o'clock, A. M. Between the hours of 12.30 and 1.30 P. M., the debtor institutions shall pay to the Manager at the Clearing House the balances against them, either in United States Gold coin, United States Gold notes, United States Legal Tender Notes, or Clearing House Certificates. At 1.30 o'clock, P. M. or as soon thereafter as the amounts can be made up, provided all the balances due from debtor members shall have been paid, the Manager shall pay the creditor members the balances due them respectively.

SEC. 2. All checks, drafts, notes, bills of exchange and other items sent through the exchanges shall bear stamped or written receipt, in the following form:

<p>Received Payment Through New York Clearing House (date) Name of Institution (and No. if desired.)</p>
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SEC. 3. Should any member fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several members exchanging on that day with the defaulting member, pro rata according to their respective balances against said defaulting member, resulting from the exchanges of that day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts furnished the Clearing House on account of the defaulting member will constitute claims against the defaulting member in favor of the several members furnishing the same.

SEC. 4. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the members which are parties

thereto, and not through the Clearing House, the Association being in no way responsible in respect to them.

SEC. 5. Reclamations for errors and deficiencies in money received from the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established by the Clearing House Committee, shall be made by one o'clock P. M., on the following day by the receiving member directly against the member whose mark the sealed bag or package bears. Notice of such error shall be sent to said member immediately upon discovery, the Association not being responsible for the contents of such sealed bags or packages.

SEC. 6. All checks, drafts, notes or other items in the exchanges, returned as "not good" or missent, shall be returned the same day directly to the member from whom they were received, and the said member shall immediately refund to the member returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes or other items so returned to it, in lawful money or in Clearing House certificates. But checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the member returning such items, be returned through the exchanges the following morning, not exceeding \$5,000 in amount to any one member. (For relations with U. S. Assistant Treasurer, see page 30.)

SEC. 7. In case of the refusal or inability of any member to promptly refund the amount of any item returned as aforesaid, the member holding said item or items may report the amount thereof to the Manager of the Clearing House, whose duty it shall be to take from the settling sheets of both members the amount of such items and readjust the Clearing House statement in conformity with the change so made; provided that such report shall be made to the Manager before one o'clock of the same day.

SEC. 8. Members shall not send through the exchanges any checks, drafts, notes, bills of exchange, or other items having thereon any qualified or restrictive endorsement such as "for collection" or "for account of" or "pay any Bank or Banker or order" or other similar endorsements unless all endorsements thereon are guaranteed by the

member of the Association sending such items through the exchanges.

SEC. 9. No member of this Association shall send or pay through the exchanges, checks or other items drawn on Banks, Bankers or Trust Companies, not members of this Association, by customers thereof in Greater New York, and made payable at a Clearing House institution, unless the same shall first be accepted and made payable at a Clearing House institution by the Bank, Banker or Trust Company upon which they are drawn. This provision shall also apply to non-members making exchanges through members of this Association. (See circular letter, page 28.)

ARTICLE XI.

ADOPTION OF CONSTITUTION.

SEC. 1. This constitution, when agreed to by the Association at any general meeting thereof by a majority of votes, shall be submitted to the respective Boards of Directors of the several institutions herein named as members of the Association for their adoption. When adopted by a majority of the whole number of members it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such institutions as shall not adopt this constitution within two months from the time it is agreed to in a general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association.

SEC. 2. Amendments of this constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof, notice of the proposed amendments having been given at a previous meeting.

RULES, REGULATIONS AND RULINGS

OF THE

New York Clearing House Association

RULES OF THE CLEARING HOUSE ASSOCIATION

RELATING TO RETURN OF CHECKS, RECLAMATIONS FOR ERRORS,
AND MONEY PACKAGES.

- 1st.—RETURN OF CHECKS, DRAFTS, ETC., for informality, not good, missent, guarantee of endorsement, or for any other cause, should be made before THREE O'CLOCK, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of NOTES or BAGS OF GOLD received from the Clearing House, in settlement of Balances, should be made before ONE O'CLOCK, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, ETC., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Institution.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING Legal Tender Notes and United States Bearer Gold Certificates, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Institution, the amount, date and kind of money.
- 6th.—DEBIT MEMBERS should avoid, as much as possible, postponing the payment of balances to a late hour, as it sometimes causes serious delay in making up and paying the creditor Members, at the Clearing House.

SCALE OF FINES

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.
For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling (Clerk's statement (i. e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - - - - - \$3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - - - - - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - - 2 00
- 4th.—**Errors in footing** the amount received - - - - - 1 00
- 5th.—**Disorderly Conduct** of Settling or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Settling or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - - - - - 2 00
- 7th.—Debtor members, **failing to appear to pay** their balances before 1.30 P. M. - - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - - 1 00
- 9th.—For **each item missent**, payable to the returning member, (but in no case more than five dollars for items returned by any member to any one member, on the same day) - - - - - 1 00
(This applies to all missent items, whether listed or not.—See Ruling Dec. 22, 1895, p. 26.)
- 10th.—For errors in **reporting amount of Depository Certificates** on hand - - - - - 10.00

Extract from the Constitution of the Clearing House:

ART. VII. The Manager or in his absence the Assistant Manager, under control of the Clearing House Committee, shall have immediate charge of the Clearing House building and of all business at the Clearing House so far as relates to the manner in which it shall be transacted, and the employees of the Clearing House, as well as the clerks of the several institutions, while at the Clearing House, shall be under his direction.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.
(As authorized by Article VI., Sec. 6. See page 10.)

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

SEC. 1 These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with the *Governments of the United States, the State of New York, or the City of New York, and for items payable in the cities of Boston, Mass., Providence, R. I., Albany, N. Y., Troy, N. Y., Jersey City, N. J., Bayonne, N. J., Hoboken, N. J., Newark, N. J., Philadelphia, Pa., Baltimore, Md., the charge shall in all cases be †discretionary with the collecting bank, and the same shall not be governed by the provisions of these rules and regulations.

SEC. 3. For ‡ all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth (1/10) of one per cent. of the amount of the items respectively.

SEC. 4. For ‡ all items from whomsoever received pay-

*See Ruling D, page 23. †See Ruling B, page 23. ‡See Ruling C, page 23.

able at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming and Canada, the collecting banks shall charge not less than one-quarter (1/4%) of one per cent. of the amount of the items, respectively.

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

SEC. 6. The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, *Be it Resolved*, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this corporation is hereby instructed to file a certified

*See Ruling A, page 23.

copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or, in his absence, said Manager, shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of these charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted, and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 21

(Circular Letter—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 and 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 20

(Circular Letter—August 16th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules, and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, page 20

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee begs to notify all banks and trust companies making exchanges through the Clearing House that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 20.

(Chairman of the Clearing House Committee—
December 5th, 1901.)

In Section 2 the provision making the collection charge

discretionary "for items collected for the accounts of, or in dealings with the Governments of the United States, the State of New York, or the City of New York," has relation only to items deposited by the representatives of the various governments mentioned, and not to checks, warrants, etc., issued by them, and deposited by the banks' other customers.

E—

(Clearing House Committee Nov. 22nd, Dec. 10th, 1906.)

At a meeting of the Clearing House Committee, held Nov. 22nd, 1906, the following communication from a member of the Association was considered by the Committee:

"We are receiving from our correspondents inquiries about as follows:

Will you allow us to deposit with your correspondents in cities such as St. Louis and Chicago drafts on our correspondents in those cities, to your credit, you giving us credit in your bank at par immediately upon notification by us of such deposits, thus allowing us to draw against such credits the same as against New York funds. This will save us time and expense in transfers and will facilitate our business very materially.

Will you kindly give us a ruling on the above at your early convenience, and oblige,

Very truly yours,

In answer to the above a ruling was made as follows:

The plan as outlined in the inquiry submitted to the Clearing House Committee, is in contravention of the rules governing collection charges on out of town items, and such plan cannot be followed without infraction of said rules.

In connection with this ruling the following minute was adopted at a meeting of the Committee, held Dec. 10th, 1906:

"Some misunderstanding having arisen as to interpretations of the collection rules, notice is hereby given to the Associated Banks and all institutions connected with the New York Clearing House, that all applications for rulings on the law must be made in writing and addressed to the Clearing House Committee. All rulings will be printed and sent to members and other institutions connected with the New York Clearing House."

F—

(Clearing House Committee—September 26th, 1907.)

When foreign items, subject to collection charges, are returned unpaid, the charge may be remitted.

G—

(Clearing House Committee—February 3rd, 1908.)
Bonds shipped for payment are liable for collection charges the same as other items on which exchange must be charged under Clearing House rules.

H—

(Clearing House Committee—May 14th, 1908.)

Any agreement, written or implied, entered into by a Clearing House member or by a non-member clearing through a member, with any individual, firm, or corporation, by the terms of which it is intended that the rate of interest agreed to be paid on deposits is to offset and compensate for charges made on out of town checks, is a violation of Clearing House rules, and if brought to the attention of the Committee will be dealt with as provided by Section 8 of the Clearing House rules and regulations relating to the charges on out of town items.

Attention is called to the following extract from Section 8 of the rules governing the exchange charges:

"In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association."

I—

(Clearing House Committee—October 27th, 1909.)

As Alaska is not mentioned in the schedule of places upon which exchange is chargeable, it is discretionary with banks whether they make a charge or not on such items.

J—

(Clearing House Committee, June 12th, 1911.)

The following ruling of the Clearing House Committee on a question relating to collection charges, adopted this day, is forwarded for your information:

QUESTION.

"Would The _____ Bank violate a rule of the Clearing House respecting charges on out-of-town items, if it purchased from a firm not a customer of the bank, their note payable in St. Paul, at a given rate, and made no charge for exchange at the time the note was forwarded for collection."

RULING.

"The Clearing House rules contemplate the charging of collection rates on all out-of-town items from whatever source derived. This ruling is made comprehensive in order to meet ingenious cases for evasion. In the case of bought paper the broker should allow the charge as part of the purchase. If exceptions were allowed the flood of cases would practically nullify the rules."

RULINGS ON ITEMS FOR THE CLEARINGS.

1.

(Clearing House Committee—December 22nd, 1905.)
Resolved, That the decision of the Manager in holding that all missent items, whether listed or not, are subject to the fine under Rule 9, is hereby approved.

2.

(Clearing House Committee—January 7th, 1907.)
In answer to the following inquiry:
"Whether a member Bank should not redeem any check which it sends through the Clearing House, (either for itself or for a non-member,) because "not good," or for any other reason:"

The Clearing House Committee rules, that, under *Sec. 15 of the Clearing House Constitution and a resolution adopted May 23d, 1866, a member is required to redeem all items sent by it through the exchanges, coming under said *Sec. 15.

3.

(Clearing House Committee—April 3rd, 1908.)

At a meeting held on the 3rd inst., it was decided, that, a bank money order payable at alternative points bearing interest computed thereon for each three months, and requiring the signature of the depositor and payee to be affixed at the time of deposit and again upon payment, was not a proper item for the exchanges and that its use would constitute an evasion of the Clearing House rules.

*(Now Sec. 6, Art. X)

4.

NEW YORK, May 28th, 1903.

DEAR SIR:

The attention of the Clearing House Committee has been called to the fact that, contrary to the provisions of the circular letter of February 3, 1903, some banks continue to send through the exchanges items drawn upon institutions not connected with the Clearing House, and made payable, "if desired," by some Clearing House bank. The following is a specimen of the items in question:

No. _____	NEW YORK, (or out of town) _____	1903
THE NATIONAL BANK OR TRUST COMPANY OF NEW YORK, (or OUT OF TOWN)		
Pay to the order of _____		Dollars
PAYABLE IF DESIRED THROUGH THE NEW YORK CLEARING HOUSE BY THE _____ BANK		
\$ _____		

As stated above, these items are drawn on institutions not connected in any manner with the New York Clearing House, and by the use of the printed or stamped note the holder appears to have the option of having them paid through the exchanges.

This is not permitted, and, the bank receiving such items through the exchanges, should treat them as missent, and is entitled to collect the amount of the fine, as provided for under Section 9 of the Scale of Fines.

By order

WILLIAM SHERK,
MANAGER,

JAMES T. WOODWARD,
CHAIRMAN CLEARING HOUSE COMMITTEE.

DEAR SIR:

NEW YORK, October 7th, 1909.

The Clearing House Committee having been advised of the disregard, in certain instances, of the injunction contained in Sec. 9, Art. X, of the constitution, relating to the payment through the exchanges of certain classes of checks, desires to emphasize the necessity of as strict a compliance with the provisions of such section of the constitution, as with any other.

That there may be no misconception of the character of the items, whose exchange at the Clearing House section 9 was intended to prevent, a sample check is outlined below, together with the text of said section.

Under no circumstances should such checks, be exchanged at the Clearing House unless the stated requirements have been complied with.

No. 29	NEW YORK, JULY 1st, 1908.
THE PIONEER BANK OF HACKENSACK, N. J.	
Pay to the order of	THOMAS T. THOMAS
ONE HUNDRED - - DOLLARS.	\$ 100
PAYABLE AT	BANK
NEW YORK CITY	WM. H. WILLIAMS

EXTRACT FROM ART. X, OF CONSTITUTION.

Sec. 9. No member of this Association shall send or pay through the exchanges, checks or other items drawn on Banks, Bankers or Trust Companies, not members of this Association, by customers thereof in Greater New York, and made payable at a Clearing House Institution, unless the same shall first be accepted and made payable at a Clearing House institution by the Bank, Banker or Trust Company upon which they are drawn. This provision shall also apply to non-members making their exchanges through members of this Association.

By order,

WILLIAM SHERRER,
MANAGER.

VALENTINE P. SNYDER,
CHAIRMAN CLEARING HOUSE COMMITTEE.

NEW YORK, July 24th, 1911.

DEAR SIR:

In view of the frequent requests for information regarding the treatment of checks sent through the exchanges, similar in character to the specimen below, you are advised that checks drawn on institutions not associated in any manner with the Clearing House, and made payable at a clearing non-member, may not be sent to or paid by the Clearing House member acting as clearing agent, through the Clearing House. A member having to return such checks is entitled to collect the fine prescribed for sent wrong items.

No. 30	HACKENSACK, JULY 1st, 1911.
THE PIONEER BANK OF HACKENSACK, N. J. (NOT CONNECTED IN ANY MANNER WITH THE CLEARING HOUSE.)	
Pay to the order of	WILLIAM H. BLANK
ONE HUNDRED - - DOLLARS.	\$ 100
PAYABLE AT	BANK
CLEARING NON-MEMBER BANK, JERSEY CITY.	JOHN J. JONES & CO.

By order,

WILLIAM J. GILPIN,

FRANCIS L. HINE,

ASSY. MANAGER.

ACTING CHAIRMAN CLEARING HOUSE COMMITTEE.

RULING ON RESERVE.

Resolved: That the Reserve of State Banks and Trust Companies shall be based on the legal net deposits as provided by the law at the date of the adoption of the amendments to the Clearing House Constitution, May 9th, 1911.
(Clearing House Committee—June 12th, 1911.)

REGULATIONS AFFECTING RELATIONS WITH THE U. S.
ASSISTANT TREASURER AT NEW YORK.
(Circular Letter—June 30th, 1896.)

Referring to the *resolution adopted by the Association June 4th, 1896, regarding endorsements, it is understood that the omission on the part of any bank to guarantee endorsements of the character described in that resolution shall not exempt such bank from its present liability to the Assistant Treasurer of the United States, under the circular of July 29th, 1893, and the resolutions of October 13th, 1893, authorized by the Clearing House Association.

The Circular of July 29th, 1893, provides:

"That all checks which are to be returned for whatever cause, must be presented at the office of the Assistant Treasurer before two o'clock P. M., each day, excepting Saturdays and other half-holidays, on which days any such checks must be presented before one o'clock P. M."

The resolutions of October 13th, 1893, are as follows:

Resolved, That all credit balances due the Assistant Treasurer of the United States at New York, arising through the making of exchanges by that officer with the associated banks, through the Clearing House, shall be paid in funds current at the Clearing House, excepting Clearing House Certificates.

Resolved, that the Assistant Treasurer be permitted to return through the Clearing House all checks and drafts received by him through that channel, whose return is required by reason of any informality.

Resolved, that in case of the receipt by the Assistant Treasurer of a "not good" check or checks, sent him in error through the exchanges, it is understood that he will notify the sending bank before three o'clock P. M. on the day of its receipt, by telephone or other formal notice, immediately. Said bank to take up check immediately upon receipt of notice.

FORM OF RESOLUTION AND STAMP, REQUIRED BY THE
ASSISTANT TREASURER IN ACCEPTING STAMPED FINAL
INDORSEMENTS ON CHECKS AND WARRANTS.

At a regular meeting of the Board of Directors of the
of the City of held on the
day of, a quorum being present and
assenting.

It was Resolved, that this bank adopt the stamp described below for the indorsement of all Checks and Warrants drawn upon the Assistant Treasurer of the United States at New York, except where the collecting bank is the payee thereof, and presented for payment through the New York Clearing House only; said stamp to be in lieu of a written indorsement of an officer or attorney of this bank; and that the impression of said stamped indorsement on any such check or warrant shall be as full and complete a discharge for the amount thereof, as though it bore the written indorsement of an officer or attorney of this bank.

Received Payment
Through the New York Clearing House,
THE BLANK BANK OF NEW YORK,
INDORSEMENTS GUARANTEED.

(Date), Cashier.

I,, Cashier of the
and Secretary of the Board of Directors, do hereby certify that the above resolution after being by me read, and fully explained to the said board, at a meeting held at its banking house, on the date first above mentioned, was thereupon passed.

In testimony whereof, I have hereunto set my hand, and affixed the seal of the said bank this
day of A. D., one thousand nine hundred and

(Signed)
Cashier and Secretary of the Board of Directors.

[SEAL OF THE BANK.]

This resolution must be filed with the Assistant Treasurer United States at New York.

CIRCULAR LETTER OF INSTRUCTION ACCOMPANYING
PRECEDING FORM.

NEW YORK, November 23rd, 1908.

DEAR SIR:

Referring to the matter of stamped indorsements of collecting banks on items presented for payment at the office of the Assistant Treasurer of the United States at New York, through the Clearing House, the following extract from a communication to this office is submitted for your information.

Respectfully,

WILLIAM SHERER, MANAGER

OFFICE OF THE
ASSISTANT TREASURER OF THE UNITED STATES,
NEW YORK, N. Y., November 21, 1908.

WILLIAM SHERER, ESQ.
Manager New York Clearing House.

SIR:

" In view of the practice now prevailing at Washington, I have the pleasure to inform you, that hereafter, on the adoption and filing with the Assistant Treasurer of the United States, New York, of the accompanying resolution, all checks, drafts and warrants drawn on this office, will be accepted from Clearing House banks, with one exception, i.e., when the collecting bank is the payee, the indorsement must be by the hand of the authorized officer of the bank."

Respectfully,

(Signed) CHARLES H. TREAT,
TREASURER OF THE UNITED STATES,
In Charge *Ad Interim*.

RESOLUTION AUTHORIZING ORGANIZATION OF
DEPARTMENT OF EXAMINATION.

Resolved, that the Association having considered the report of the Clearing House Committee in reference to a plan for the examination of its members, approves of the same and directs the Clearing House Committee to organize a department for that purpose on the lines suggested by the report. (Adopted May 9, 1911.)

WEEKLY STATEMENT OF NON-MEMBERS.
Extract from Article IX. of the Constitution.

SEC. 6. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed from time to time by the Clearing House Committee.

FORM.

AVERAGE.

FORM.	AVERAGE.		
Amount of Loans and Discounts and Investments (not Real Estate).....
Amount of Specie.....
Amount of Legal Tenders and Bank Notes.....
Amount on Deposit with Clearing House Members carrying 25% Cash Reserve.....
*Amount of Deposits.....
Amount of Net Deposits.....
*Amount of all balances with New York City institutions.....
Amount of Circulation.....
Correct.....

* Not for Publication.

Extract from Resolution of Clearing House Committee,
November 3d, 1899.

Hereafter all statements of averages submitted to the Clearing House by members and non-members must be verified and signed by an officer.

RULES OF THE CLEARING HOUSE **GOLD** DEPOSITORY.

- 1st.—Members desiring to deposit gold coin for certificates must notify the Manager, who will arrange as to the amount and time of deposit.
- 2nd.—Upon notice from the Manager, the member must deposit the gold at the Clearing House and take his receipt therefor.
- 3d.—Only bags containing \$5,000 standard weight and one denomination of coin in each will be received. Each bag must bear a tag stating the name of the depositing member, the amount and the date of deposit.
- 4th.—Claims for deficiencies will be made by the Manager after examination of the gold, and must be satisfied promptly.
- 5th.—After the gold has been counted, certificates will be issued on the surrender of the receipt given by the Manager.
- 6th.—No exchange of coin received for deposit will be made.
- 7th.—As the rules of the Association require the attendance of a member of the Clearing House Committee when gold is withdrawn from the vaults, notice of intention to withdraw must be given to the Manager by *three o'clock P. M. of the preceding day*.
- 8th.—Claims against coin withdrawn from the depository must be made before 3 P. M. of the day following its withdrawal.

As the receipt of gold and the issue of certificates were determined upon in order to save the expense and risk of loss caused by paying coin at the Clearing House, it is expected and desired that the certificates be used to pay balances, in lieu of coin, as far as possible.

RULES OF THE CLEARING HOUSE **NOTE** DEPOSITORY.

Deposits of United States Notes of the following issues will be received:

U. S. Legal Tender Notes,
U. S. Gold Certificates,
U. S. Silver Certificates.

Members desiring to make deposits must notify the Manager at least two days in advance, designating the amount and the kind or kinds of notes to be deposited. The Manager will then advise when the deposits will be received.

Deposits must be made in sums of \$10,000 or multiples thereof, as only \$10,000 certificates will be issued.

Notes must be assorted by kinds, and by denominations.

Packages may consist of 50 or 100 notes of one denomination and kind only, which must be fastened by a paper band with the amount, date, and name of institution plainly marked thereon.

Mixed sums, such as \$3,000 of one kind and \$2,000 of another will not be received.

Notes mutilated or unfit for circulation, and National Bank Notes will not be received.

No deposit will be received unless the same has been previously counted and assorted by the institution offering it.

The temporary receipt given for deposits will be redeemed in certificates at an early date following the deposit.

CONSTITUTION

OF THE

New York Clearing House

ASSOCIATION,

...WITH AMENDMENTS...

ALSO, HOLIDAY LAWS OF NEW YORK STATE,
CLEARING HOUSE RULES,
SCALE OF FINES AND
COLLECTION CHARGES

January, 1906.

REVISED TO

Jan 14, 1908

CONSTITUTION

OF THE

New York Clearing House

ASSOCIATION,

...WITH AMENDMENTS...

ALSO, HOLIDAY LAWS OF NEW YORK STATE,
CLEARING HOUSE RULES,
SCALE OF FINES AND
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January, 1906.

CONTENTS.

(INDEX AT END OF PAMPHLET).

SECTION.	PAGE.
1. Name of Association.....	5
2. Objects.....	5
3. List of Original Members, October, 1853.....	5
4. Representation at Meetings.....	6
5. Time of Annual Meeting—Election of President and Secretary.....	6
6. Special Meetings.....	6
7. Quorum.....	6
Resolution, June 23, 1857—Fine for Absence from Meetings.....	6
8. Clearing House Committee—Powers and Duties..	6
Amendment, June 4, 1884—Power to Examine Banks.....	7
Amendment, March 13, 1899—Establishing charges for collections.....	7
9. Bonds of Manager and Clerks.....	7
10. Powers and Duties of Manager.....	8
11. Power to Remove Manager and Clerks.....	8
12. Hours for Making Exchanges and Settling Balances.....	8
Amendment providing for Banks' Receipt on Items in Exchanges.....	8
13. Requisitions in case of Failure to Pay Balances..	9
14. Errors in Exchanges and Claims arising from Return of Checks, How Adjusted.....	9
15. Reclamation for Errors in Money in Balances....	9
Return of Not-good and Mis-sent Checks.....	9
Amendment providing for action in case of Refusal to Refund for Not-good Checks, etc....	10
Resolution governing Qualified Endorsements....	10
16. Weekly Statements.....	11
17. Depository for Associated Banks.....	11
Resolution, October 2, 1860—Penalty for Payment of Certificates to Parties not Members.....	11
Resolution, October 3, 1893, authorizing Clearing House Committee to Store Gold.....	11
Resolution of December 22, 1893, providing for any Loss in Gold Depository.....	12

18. New Members, When and How Admitted—Fee.	12
19. Committee on Admissions.	12
Resolution of April 26, 1882, providing for Reference of Applications for Admission.	12
Amendment of February 11, 1903, providing that applicants for admission to membership shall have at least \$500,000 capital and surplus.	13
20. Expulsion.	13
21. Conference Committee.	13
22. Withdrawal from Association.	13
23. Expenses of Clearing House, How Apportioned.	13
24. Committee of Arbitration.	14
25. Clearing for Non-members.	14
Clearing for Non-members—Amendments and Resolutions relating to Sec. 25.	14
26. Adoption of Constitution.	17
27. Amendments to Constitution, How made.	18
Nominating Committee—Resolution of September 22d, 1871.	18
Eligibility of President and Secretary—Composition of Committees.	18
Resolution of April 8, 1872—Action in event of Withdrawal of Legal Tenders from Use.	18
Amendment, April 25, 1876—Power to Fill Vacancies in Committees.	19
Amendment, October 2, 1888—President <i>ex-officio</i> Member of all Committees, except Nominating Committee.	19
Amendment, December 8, 1892, Substituting "President of the Association" for "Chairman, etc."	19
List of Members, January 1, 1906.	19
Rules of the Association relating to Exchanges and Balances.	20
Scale of Fines in force at Clearing House.	21
Collection Charges on out of town items.	22
Regulations affecting relations with U. S. Assistant Treasurer at N. Y.	26
Stamped Endorsement of Treasury Checks, Form of Resolution and Stamp.	27
Weekly Statement of Non-members.	29
Clearing House Gold Depository Rules.	30
Laws Governing Public Holidays, Etc.	31

CONSTITUTION.

SEC. 1. The name of this Association shall be "THE NAME. NEW YORK CLEARING HOUSE ASSOCIATION."

SEC. 2. The objects of the Association shall be the Objects. effecting at one place of the daily exchanges between several Associated Banks, and the payment at the same place of the balances resulting from such exchanges. But the Association shall be in no wise responsible in regard to such exchanges, nor in regard to the balances resulting therefrom, except so far as such balances shall be actually paid into the hands of the Manager. The responsibility of the Association is strictly limited to the faithful distribution by the Manager among the creditor Banks, for the time being, of the sums actually received by him; and should any loss occur whilst the said balances are in the custody of the Manager, they shall be borne and paid by the Associated Banks in the same proportion as the other expenses of the Clearing House, as hereinafter provided for.

SEC. 3. The Association at present consists of the following members:

Bank of New York,	Mercantile Bank,
Manhattan Company,	Pacific Bank,
Merchants' Bank,	Bank of the Republic,
Mechanics' Bank,	Chatham Bank,
Union Bank,	People's Bank,
Bank of America,	Bank of North America,
Phenix Bank,	Hanover Bank,
City Bank,	Irving Bank,
North River Bank,	Metropolitan Bank,
Tradesmen's Bank,	Citizens' Bank,
Fulton Bank,	Knickerbocker Bank,
Chemical Bank,	Grocers' Bank,
Merchants' Exchange Bank,	Empire City Bank,
National Bank,	Nassau Bank,
Butchers' and Drovers' Bank,	East River Bank,
Mechanics' and Traders' Bank,	Market Bank,
Greenwich Bank,	St. Nicholas Bank,
Leather Manufacturers' Bank,	Shoe and Leather Bank,
Seventh Ward Bank,	Corn Exchange Bank,
Bank of the State of New York,	Central Bank,
American Exchange Bank,	Continental Bank,
Mechanics' Banking Association,	Bank of the Commonwealth,
Bank of Commerce,	Oriental Bank,
Bowery Bank,	Marine Bank,
Broadway Bank,	Atlantic Bank,
Ocean Bank,	

Original members
October, 1853.

MEETINGS.

Each member entitled to one vote.

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

Annual meeting.

Election of Officers.

SEC. 5. A general meeting of the Association shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock P. M. At every annual meeting a President shall be elected by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem.* shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

Special Meetings.

SEC. 6. Special meetings shall be called by the Clearing House Committee, whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

Quorum.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

RESOLUTION—*Adopted June 23d, 1857.*

Fine for Absence from Meetings.

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the President of the Association.

CLEARING HOUSE COMMITTEE.

Powers and Duties.

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of business thereat; to appoint a Manager annually, and such clerks as may be necessary; to establish rules and regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval

of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

AMENDMENT—*Adopted June 4th, 1884.*

Add to Section 8, as follows: The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association, to examine any bank member of the Association, and to require from any member securities of such an amount and character as said Committee may deem sufficient for the protection of the balances resulting from the exchanges of the Clearing House.

AMENDMENT—*Adopted March 13th, 1899.*

Add to Section 8, as follows: The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York, by members of the Association or banks or trust companies or others clearing through such members, and the rates to be charged for such collections, and also providing for enforcement of the same. The Committee may from time to time make any additions to, or changes in, such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established, it shall not, however, be altered or rescinded until it has been in force at least three months, except by majority vote of the Clearing House Association.

(For Rules and Regulations under this Amendment see page 22.)

MANAGER AND CLERKS.

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

For other powers see two following amendments and Secs. 9, 10, 11, 15, 17, 19, 25 and page 18.

Power to examine Banks.

Exchange on Collections outside the City of New York.

Manager and clerk shall give bonds.

through the exchanges the following morning, not exceeding \$5,000 in amount to any one bank. (For relations with U. S. Assistant Treasurer, see page 26.)

AMENDMENT—Adopted June 4th, 1884.

Add to section 15 as follows: In case of the refusal or inability of any bank to promptly refund to the Bank presenting such checks, drafts or other items, returned as not good, the Bank holding them may report to the Manager's duty, with the approval of the Clearing House Committee, to take from the settling sheets of both Banks the amount of such checks, drafts or other items so reported, and to readjust the Clearing House statement and declare the correct balance in conformity with the change so made, provided that such report shall be given to the Manager before one o'clock of the same day.

RESOLUTION—Adopted June 4th, 1896.

Resolved, That on and after the first day of July, 1896, members of this Association shall not send through the exchanges any checks, sight drafts, notes, bills of exchange or other items having thereon any qualified or restrictive endorsement, such as "for collection" or "for account of," unless all endorsements thereon are guaranteed by the Bank, member of the Association, sending such checks, drafts, notes, bills of exchange or other items.

Any such items sent in violation of the above requirements shall be returned directly to the member from whom they were received, and shall in all respects be subject to the regulations contained in Section 15 of the Constitution of the New York Clearing House Association.

Ruling of Clearing House Committee, February 18, 1904.

AMENDMENT—Adopted October 1st, 1907.

No member of this Association shall send or pay through the exchanges checks or other items drawn on banks, bankers or trust companies, not members of this Association, by customers thereof in Greater New York, and made payable at a Clearing House bank, unless the same shall first be accepted and made payable at a Clearing House Bank, by the bank, banker or trust company upon which they are drawn. This provision shall also apply to non-members making exchanges through members of Association.

merely.

Action in case of refusal to refund money for not good checks, etc.

Endorsements "for Collection, etc."

WEEKLY STATEMENTS.

SEC. 16. Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—

- | | |
|---------------------------|-------------------|
| 1st. Loans and Discounts. | 2d. Specie. |
| 3d. Legal Tender Notes. | 4th. Circulation. |
| 5th. Deposits. | |

AMENDMENT—Adopted October 1st, 1907.

The several items of the Weekly Statement are to comprise the following:

LOANS AND DISCOUNTS :
Loans, Discounts and Stocks and Bonds and Mortgages owned by the bank—

SPECIE :
Gold and Silver Coin, United States and Clearing House Gold Certificates, and United States Silver Certificates.

LEGAL TENDER NOTES :
United States Legal Tender Notes of all issues.

CIRCULATION :
Amount outstanding.

DEPOSITS :
Gross deposits and Unpaid dividends, less Exchanges for the Clearing House, Amounts due from other banks for collection, Notes of other Banks and checks on non-clearing institutions in this City.

deposits of coin or United States legal tender notes are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depository subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

RESOLUTION—Adopted October 2d, 1860.

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depository, shall be subject to a fine of \$100 (one hundred dollars).

Penalty for payment of Depository certificates to parties not members.

RESOLUTION—Adopted October 3d, 1893.

Resolved, That the Clearing House Committee are hereby authorized to make such arrangements and provisions

Clearing House Committee may Store Gold.

Weekly Statements.

Certificates may be issued upon deposit of coin and legal tenders.

RESOLUTION—*Adopted January 17th, 1908.*

Resolved, that the Clearing House Committee shall be authorized to make such arrangements and provisions as may be necessary to receive and store gold coin or United States legal tender notes or other notes issued under the authority of the United States other than National Bank notes, and issue Clearing House certificates for the same, under such rules and regulations as may be prescribed by the said Committee.

Provision for
any loss in
depository.

RESOLUTION—*Adopted January 17th, 1908.*

Resolved, that any loss arising from the receipt and storage of gold coin and United States notes, and the issue of certificates therefor, under the authority given the Clearing House Committee, October 3rd, 1893, and January 17th, 1908, respectively, shall be borne by the Institutions comprising the New York Clearing House Association, pro rata of Capital and Surplus; and this Resolution shall be ratified by the Boards of the respective Institutions, members of the Association, and a certified copy of such consent delivered to the Chairman of the Clearing House Committee.

Initial Fee.

Any Bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. Provided, however, that it shall be competent, by a vote of three-fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.

COMMITTEE ON ADMISSIONS.

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

RESOLUTION—*Adopted April 26th, 1882.*

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admis-

Applications re-
ferred directly to
Committee on Ad-
missions.

* Amendment Adopted October 8d, 1893.

sions, instead of calling a meeting of the Association for that purpose.

AMENDMENT—*Adopted February 11th, 1903.*
Resolved, That Section 19 of the Constitution of the New York Clearing House Association, as amended April 26, 1882, be further amended by the adoption of the following resolution:

Applicants for
admission to mem-
bership must have
at least \$500,000
capital and surplus

Resolved, That the Clearing House Committee shall not refer to the Committee on Admissions under this section, any application for admission into the Association by any Bank, unless the amount of its unimpaired capital and surplus shall equal at least the amount of \$500,000.

EXPULSION.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof.

Expulsion.

CONFERENCE COMMITTEE.

SEC. 21. A Standing Committee of five Officers of Banks, shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration.

Power to suspend.

WITHDRAWAL.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee.

Withdrawal from
Association.

EXPENSES.

SEC. 23. The expenses of the Clearing House, not including the expense of printing for the several Banks

How apportioned.

(which last mentioned expense shall be apportioned equally), shall be borne and paid as follows: *Each Bank shall be assessed Two Hundred Dollars, and the balance necessary after that amount, pro rata, according to the average amount which it shall have sent to the Clearing House for the preceding year.

Duties.

COMMITTEE OF ARBITRATION.

SEC. 24. At every annual meeting a Standing Committee of five Bank Officers shall be appointed, to be called the Committee of Arbitration, whose duty it shall be to hear and determine all disputes that may be submitted to them by both parties thereto; any member of the Association of each case referred to them, together with their decision therein, in a book to be provided for that purpose, which book shall be kept at the Clearing House, open to the inspection of all members of the Association. The first Committee shall be appointed immediately upon the adoption of this amendment, and shall serve until the next annual meeting.

CLEARING FOR NON-MEMBERS.

SEC. 25. Whenever exchanges shall have been made at the Clearing House, by previous arrangement between members of the Association through one of their own number and Banks in the city and vicinity who are not members, the receiving Bank at the Clearing House shall in no case discontinue the arrangement without giving previous notice—which notice shall not take effect until the exchanges of the morning following the receipt of such notice shall have been completed.

RESOLUTION—Adopted February 13th, 1865.

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption, nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

* Amendment adopted October 20th, 1875.

When notice to discontinue takes effect.

Notices to be issued by members.

AMENDMENT—Adopted April 26th, 1865.

Whenever any member of the Association shall send through the Clearing House the exchanges of any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

See Amendment of Feb. 11th, 1903.

Liabilities.

RESOLUTION—Adopted May 23d, 1866.

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

Liabilities.

AMENDMENT—Adopted October 14th, 1890.

Resolved, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained and the Banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such Banks or parties members of the Association.

Consent to clear necessary. (See Amendment, Feb. 11, 1903.)

Fees. (See Amendments Dec. 21st, 1890, and Feb. 11, 1903.)

AMENDMENT—Adopted December 21st, 1896.

Resolved, That the amendment to the Constitution adopted October 14th, 1890, assessing Banks and others not members of this Association and clearing through members, \$200 annually, be amended by increasing such amount to \$500 annually; this amendment to take effect on and after January 1st, 1897.

Fees. (See Amendments Feb. 11, 1903, and Oct. 14, 1890.)

AMENDMENT—Adopted February 11th, 1903.

Resolved, That the amendments to Section 25, of the Constitution of the New York Clearing House Association

Terms upon which
non-Members
may clear.

as to the making of exchanges through the Clearing House, for non-members adopted October 14, 1890, and December 21, 1896, be supplemented by the following additional amendment to take effect immediately; namely, The New York Clearing House Association permits its members after March 1, 1903, to make exchanges through the Clearing House for Banks or other Institutions not members of the Association, only upon the following terms:

1. No member of the Association shall make exchanges through the Clearing House for any Bank or other Institution whose exchanges have not heretofore been so made through a member, unless the same shall have been actually doing business for at least one year, nor until the making of such exchanges by a member shall have been approved by the Clearing House Committee after an examination of such Bank or Institution made by the Clearing House Committee, or by some other Committee of the Association duly appointed for that purpose.

The consent of the Clearing House Committee shall also be necessary to the transfer of the making of the exchanges for a non-member by one member to another member.

2. On and after January 1, 1904, every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall pay to the Association the amount of \$1,000 annually in advance.

3. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall submit, whenever required by the Clearing House Committee, to the same examinations as are now required of members of the Association.

4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association, shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members. (For forms see p. 29).

Consent of Com.
mittee necessary to
transfer of clearing
agent.

Fee \$1,000
per year.

Examinations.

Must furnish
Weekly Statements

5. Every non-member Institution (not a Bank required by law to maintain a specified reserve) now or hereafter sending its exchanges through a member of the Association, shall on and after June 1, 1903, keep in its vaults a cash reserve equal to five per centum of its deposits; and on and after February 1, 1904, such cash reserve shall be at least seven and one-half per centum of its deposits, and on and after June 1, 1904, such cash reserve shall be such percentage as shall from time to time be fixed by the Clearing House Committee, but not less than ten nor more than fifteen per centum of its deposits. The reserve hereby required shall be an average reserve as against the average deposits as shown upon its weekly statements.

If any non-member Bank or Institution or party now or hereafter sending its exchanges through a member of the Association shall fail to comply with any of the foregoing requirements applicable to such non-member, or upon examination shall be found in an unsatisfactory condition, the Clearing House Committee may suspend any privilege previously given to members of the Association to make exchanges or redemptions for such non-member; such suspension to take effect upon the completion of the exchanges of the morning following the giving of notice of such suspension by the Manager to the members of the Association.

Nothing contained in Section 25 of the Constitution or in the amendments thereto, shall be construed as making a Bank, Institution or other party sending its exchanges through a member, in any sense or to any extent a member of this Association.

AMENDMENT—Adopted October 1st, 1907.

Banks acting as redeeming agents for other institutions not members of this Association, shall keep and maintain in their own vaults, a cash reserve of net deposits equal to the highest percentage of reserve required by law of any member of this Association.

majority of the whole number of Banks it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer of

Reserve for
Trust Companies.

Committee may
suspend privileges.

Copy of Resolution
to be Filled.

Amendments.

Shall nominate
officers and
committees.

Eligibility of
President and
Secretary.

Composition of
Committees.

the Bank to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such Banks as shall not adopt this Constitution within two months from the time it is agreed to in general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association; provided the Constitution shall then be in operation.

SEC. 27. Amendments of this Constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof, notice of the proposed amendments having been given at a previous meeting.

Sec. 28. Trust Companies organized under the Laws of the State of New York may be admitted as members of this Association in the same manner and to the same extent as Banks may be admitted, and when so admitted shall be entitled to all the rights and benefits and subject to all the conditions and obligations to which Bank members are or shall be entitled or subject under the provisions of the Constitution.

Trust Companies however, becoming members of the Association shall be required to keep a cash reserve in their own vaults of not less than twenty-five per centum of their deposits. A failure to keep such reserve shall be sufficient ground for action under section 20 of the Constitution.

Sec. 29. From and after July 1st, 1908, all Institutions members of this Association, shall keep and maintain in their own vaults a cash reserve of twenty-five per centum of their net assets.

an interval of one year, such members shall be read eligible.

SUNDRY AMENDMENTS.

RESOLUTION—Adopted April 8th, 1872.

Resolved, That the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any Bank member of the Association, to

make an immediate examination of the Bank in question, and should there appear to be complicity on the part of the Bank or its officials, to suspend said Bank from the Clearing House until action of the Association shall be taken thereon.

AMENDMENT—Adopted April 25th, 1876.

If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same.

AMENDMENT—Adopted October 2d, 1888.

The President of the Association shall be ex-officio member of all Committees, except the Committee on Nominations.

AMENDMENT—Adopted December 8th, 1892.

Wherever the words "Chairman of the Association" occur, substitute in place thereof, "President of the Association."

AMENDMENT—Adopted December 27th, 1906.

Whenever a member of this Association shall make any change in its condition, either in its management or ownership, or any change in its charter, or shall merge with any other institution not a member of this Association, the Clearing House Committee shall have the power to examine said member and submit the question of a continuance of its membership to the Association; any action on which question must receive the same assent as provided in the case of the admission of members.

16. Mechanics' & Traders' Bank,
17. Greenwich Bank,
21. American Exchange Nat'l Bank,
23. National Bank of Commerce,
27. Mercantile National Bank,
28. Pacific Bank,
30. Chatham National Bank,
31. People's Bank,
32. National Bank of North America,
33. Hanover National Bank,
34. Irving National Bank,
36. Citizens' Central National Bank,
40. Nassau Bank,
42. Market and Fulton National B'k,
44. National Shoe & Leather Bank,
45. Corn Exchange Bank,

74. Chase National Bank,
75. Assist't Treas. U. S. at N. Y.,
76. Fifth Avenue Bank,
77. German Exchange Bank,
78. Germania Bank,
80. Lincoln National Bank,
81. Garfield National Bank,
82. Fifth National Bank,
83. Bank of the Metropolis,
84. West Side Bank,
85. Seaboard National Bank,
86. First National Bank Brooklyn,
91. Liberty National Bank,
92. N. Y. Produce Exchange Bank,
93. New Amsterdam National B'k,
94. Astor National Bank,

Power to fill vacancies in Committees.

President ex-officio member of Committees.

President of the Association.

RULES OF THE CLEARING HOUSE ASSOCIATION RELATING TO RETURN OF CHECKS, RECLAMATIONS FOR ERRORS, AND MONEY PACKAGES.

- 1st.—RETURN OF CHECKS, DRAFTS, ETC., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE o'CLOCK, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of NOTES or BAGS OF GOLD received from the Clearing House, in settlement of Balances, should be made before ONE o'CLOCK, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, ETC., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Bank.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING Legal Tender Notes and United States Bearer Gold Certificates, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Bank, the amount, date and kind of money.
- 6th.—DEBIT BANKS should avoid, as much as possible, postponing the payment of balances to a late hour, as it sometimes causes serious delay in making up and paying the Creditor Banks, at the Clearing House.

SCALE OF FINES

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.
For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerk's statement (i. e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - - - - - \$3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - - - - - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - - 2 00
- 4th.—**Errors in footing** the amount received - - - - - 1 00
- 5th.—**Disorderly Conduct** of Settling or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Settling or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - - - - - 2 00
- 7th.—Debtor Banks, **failing to appear to pay** their balances before 1.30 P. M. - - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - - 1 00
- 9th.—For **each item mis-sent**, payable to the returning bank, (but in no case more than five dollars for items returned by any bank to any one bank, on the same day) - - - - - 1 00

Extract from the Constitution of the Clearing House:

SECTION 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the Settling Clerks and Porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.
As authorized by AMENDMENT—Adopted, March 13th,
1899. (See page 7).

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

SEC. 1. These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with the Governments of the United States, the State of New York, or the City of New York, and for items payable in the cities of Boston, Mass., Providence, R. I., Albany, N. Y., Troy, N. Y., Jersey City, N. J., Bayonne, N. J., Hoboken, N. J., Newark, N. J., Philadelphia, Penn., Baltimore, Md., the charge shall in all cases be discretionary with the collecting bank and the same shall not be governed by the provisions of these rules and regulations.

SEC. 3. For all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth of one per cent. ($\frac{1}{10}\%$) of the amount of the items respectively.

*See Ruling D, page 25. †See Ruling B, page 25. ‡See Ruling C, page 25.

SEC. 4. For all items from whomsoever received payable at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming and Canada, the collecting banks shall charge not less than one-quarter of one per cent. ($\frac{1}{4}\%$) of the amount of the items respectively.

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

SEC. 6. The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, *Be it Resolved*, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this

*See Ruling A, page 25. †See Ruling C, page 25.

corporation is hereby instructed to file a certified copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or in his absence said Manager shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of the charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 23.

(Circular Letter—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 or 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 22.

(Circular Letter—August 16th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, pages 22 and 23.

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee beg to notify all banks and trust companies making exchanges through the Clearing House, that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 22.

(Chairman of the Clearing House Committee—

E—

(Clearing House Committee—September 26th, 1907.)

When foreign items, subject to collection charges are returned unpaid, the charge may be remitted. various governments mentioned, and not to checks, warrants, etc., issued by them, and deposited by the bank's other customers.

REGULATIONS AFFECTING RELATIONS WITH THE U. S.
ASSISTANT TREASURER AT NEW YORK

(Circular Letter—June 30th, 1896.)

Referring to the * resolution adopted by the Association June 4th, 1896, regarding endorsements, it is understood that the omission on the part of any bank to guarantee endorsements of the character described in that resolution, shall not exempt such bank from its present liability to the Assistant Treasurer of the United States, under the circular of July 29th, 1893, and the resolutions of October 13th, 1893, authorized by the Clearing House Association.

The Circular of July 29th, 1893, provides:

"That all checks which are to be returned for whatever cause, must be presented at the office of the Assistant Treasurer before two o'clock P. M., each day, excepting Saturdays and other half-holidays, on which days any such checks must be presented before one o'clock P. M."

The resolutions of October 13th, 1893, are as follows:

Resolved, That all credit balances due the Assistant Treasurer of the United States at New York, arising through the making of exchanges by that officer with the associated banks, through the Clearing House, shall be paid in funds current at the Clearing House, excepting Clearing House Certificates.

Resolved, That the Assistant Treasurer be permitted to return through the Clearing House all checks and drafts received by him through that channel, whose return is required by reason of any informality.

Resolved, That in case of the receipt by the Assistant Treasurer of a "not good" check or checks, sent him in error through the exchanges, it is understood that he will notify the sending bank before three o'clock P. M. on the day of its receipt, by telephone or other formal notice, immediately. Said bank to take up check immediately upon receipt of notice.

*(See Resolution page 10.)

FORM OF RESOLUTION AND STAMP, REQUIRED BY THE
ASSISTANT TREASURER IN ACCEPTING STAMPED FINAL
INDORSEMENTS ON DISBURSING OFFICERS' CHECKS.

(See Circular Letter of Clearing House Committee following.)

At a regular meeting of the Board of Directors of the
of the City of held on the
day of a quorum being present and
assenting.

It was *Resolved*, that this bank adopt the stamp described below for the indorsement of *Disbursing Officers' Checks*, drawn upon the Assistant Treasurer of the United States at New York, and presented for payment through the New York Clearing House only; said stamp to be in lieu of a written indorsement of an officer or attorney of this bank; and that the impression of said stamped indorsement on any such check shall be as full and complete a discharge for the amount thereof, as though it bore the written indorsement of an officer or attorney of this bank:

Received Payment
Through the New York Clearing House,
THE BLANK BANK OF NEW YORK,
John Jones, Cashier.

January 27th, 1903.

I, Cashier of the
and Secretary of the Board of Directors, do hereby certify that the above resolution after being by me read, and fully explained to the said board, at a meeting held at its Banking House, on the date first above mentioned, was thereupon passed.

In testimony whereof, I have hereunto set my hand, and affixed the seal of the said bank this day of A. D., one thousand nine hundred and

(Signed)
Cashier and Secretary of the Board of Directors.

[SEAL OF THE BANK.]

This resolution must be filed with the Assistant Treasurer U. S. at New York.

(See letter of instruction on page following.)

CIRCULAR LETTER OF INSTRUCTION ACCOM-
PANYING PRECEDING FORM.

DEAR SIR:

New York, January 27th, 1893.

The Clearing House Committee have the pleasure to inform you that the Assistant Treasurer U. S. at New York will accept stamped final endorsements on Pension Agents' and other Disbursing Officers' checks payable through the Clearing House only, where such checks bear the *written endorsement* of the Payee.

As the acceptance of stamped endorsements will be confined exclusively to the class of checks above named, all Treasury Drafts, Post Office Warrants and Checks for Interest and Gold and Currency Certificates, must be separately listed and placed in envelopes by themselves.

A copy of resolution. to be adopted by your Board of Directors and to be filed with the Assistant Treasurer, and form of stamp to be used is herewith enclosed.

Before stamped endorsements can be accepted by the Assistant Treasurer the above requirements must be observed.

By order

E. H. PERKINS, JR., *Chairman.*

WILLIAM SHERER, *Manager.*

WEEKLY STATEMENT OF NON-MEMBERS.
Extract from Amendment to Sec. 25 of the Constitution,
Adopted February 11th, 1903.

SEC. 4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members.

FORM FOR BANKS.

Average Amount of Loans and Discounts and Investments (not Real Estate).....				
Average Amount of Specie.....				
Average Amount of Legal Tender Notes & Bank Notes				
Average Amount on Deposit with Clearing House Agent.....				
Average Amount on Deposit with other New York City Banks and Trust Companies.....				
Average Amount of Deposits.....				
Average Amount of Circulation.....				
Correct.....				

FORM FOR TRUST COMPANIES.

Capital (as per latest statement to Banking Dept.)....				
Surplus Fund and Undivided Profits (as per latest statement to Banking Dept.).....				
Average Amount of Loans, Bills Purchased and Investments (not Real Estate).....				
Average Amount of Specie.....				
Average Amount of Legal Tender Notes & Bank Notes				
Average Amount on Deposit with other New York City Banks and Trust Companies.....				
Average Amount of Deposits.....				
Correct.....				

Extract from Resolution of Clearing House Committee,
November 3d, 1899.

Hereafter all statements of averages, submitted to the Clearing House by members and non-members, must be verified and signed by an officer.

RULES OF THE CLEARING HOUSE GOLD DEPOSITORY.

- 1st.—Banks desiring to deposit gold coin for certificates must notify the Manager, who will arrange as to the amount and time of deposit.
- 2d.—Upon notice from the Manager the bank must deposit the gold at the Clearing House, and take his receipt therefor.
- 3d.—Only bags containing \$5,000 standard weight and one denomination of coin in each will be received. Each bag must bear a tag stating the name of the depositing bank, the amount and the date of deposit.
- 4th.—Claims for deficiencies will be made by the Manager after examination of the gold, and must be satisfied promptly.
- 5th.—After the gold has been counted certificates will be issued on the surrender of the receipt given by the Manager.
- 6th.—No exchange of coin received for deposit will be made.
- 7th.—As the rules of the Association require the attendance of a member of the Clearing House Committee when gold is withdrawn from the vaults, notice of intention to withdraw must be given to the Manager by three o'clock P. M. of the preceding day.
- 8th.—Claims against coin withdrawn from the depository must be made before 3 P. M. of the day following its withdrawal.

As the receipt of gold and the issue of certificates were determined upon in order to save the expense and risk of loss caused by paying coin at the Clearing House, it is expected and desired that the certificates be used to pay balances, in lieu of coin, as far as possible.

LAW GOVERNING PUBLIC HOLIDAYS AND TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

PUBLIC HOLIDAYS, ETC.

SECTION 24 (as amended October 1, 1897, and February 20, 1902), of the Statutory Construction Law, provides as follows:

SEC. 24. Public Holidays; Half Holidays.—The term holiday includes the following days in each year; the first day of January, known as New Year's Day; the twelfth day of February, known as Lincoln's Birthday; the twenty-second day of February, known as Washington's Birthday; the thirtieth day of May, known as Memorial Day; the fourth day of July, known as Independence Day; the first Monday of September, known as Labor Day; and the twenty-fifth day of December, known as Christmas Day, and if either of such days is Sunday, the next day thereafter; each general election day and each day appointed by the President of the United States or by the Governor of this State, as a day of general thanksgiving, general fasting and prayer, or other general religious observance. The term, half-holiday, includes the period from noon to midnight of each Saturday which is not a holiday. The days and half-days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or counties of this State. On all other days and half-days, excepting Sundays, such offices shall be kept open for the transaction of business. Where a contract by its terms requires the payment of money or the performance of a condition on a public holiday, such payment may be made or condition performed on the next business day succeeding such holiday, with the same force and effect as if made or performed in accordance with the terms of the contract.

LOCAL HOLIDAYS.

Chapter 198, Laws 1889, (took effect April 26,) authorized the Governor, in issuing any proclamation appointing or

recommending any day as a day of thanksgiving, fasting, prayer or other religious observance in pursuance of Chapter 289, Laws 1887, to limit the effect of the proclamation to any City or Cities, County or Counties, and provided that the day or days so proclaimed should be public holidays for the purposes mentioned in said Act only within the Cities or Counties specified.

TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

SECTION 145 of the Negotiable Instruments Law, as amended provides:

SEC. 145. Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due or becoming payable on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday.

INDEX.

	PAGE
A	
Admissions, Committee on.....	12
Adoption of Constitution	17
Amendments to Constitution, How made	18
Annual Meeting	6
Arbitration Committee.....	14
Assistant Treasurer U.S. at N. Y., Regulations affecting relations with.....	26
B	
Balances; action in case of failure to pay.....	9
How packages in payment of, should be made up.....	20
Reclamation for errors in.....	9
Responsibility for loss in	5
Sections relating to	8-10
Time of settlement	8
Bonds of Manager and Clerks	7
C	
Certificates, Gold Depository	11-12
Chairman of Association; Title changed to President.....	19
Charges for Collections—See Collection charges	
Checks and items in exchanges, See Exchanges	
Claims for errors in Balances.....	9
Exchanges.....	9
Gold Depository.....	30
Clearings: See Exchanges.....	
Clearing for Non-Members	14-17
Clearing House Committee: Election of; Powers and Duties	6
May examine bank members	7
May establish rules in regard to collections outside of New York.....	7
May readjust the Proof Sheet.....	10
May remove Manager and Clerks	8
May store Gold Coin and issue Certificates.....	11
May suspend members for withdrawing legal tenders from use.....	18
May, with Conference Committee, suspend member	18
Other powers and duties in connection with Non-Members	14-17

	PAGE
Collection Charges, Amendment Authorizing.....	7
Rules, regulations and charges	22
Rulings and interpretations regarding.....	25
Committees ; Composition of.....	18
Vacancies ; how filled.....	19
For various Committees see—Admissions, Com- mittee on ; Arbitration Committee ; Clearing House Committee ; Conference Committee ; Nomi- nating Committee.	
Coin Depository	11, 30
Conference Committee ; Duties, &c.....	13
D	
Depository : for Coin, etc.....	11
Fine for parting with Certificates of.....	11
Rules relating to	30
E	
Election, Annual	6
Clearing House Committee.....	6
Committee on Admissions (appointed).....	12
Committee of Arbitration (appointed).....	14
Conference Committee	13
Nominating Committee	18
Of officers by ballot.....	6
Endorsements ; when qualified, must be guaranteed..	10
Errors at Clearing House ; Fines for.....	21
In Exchanges ; see Exchanges.....	
Exchange on Out of Town items—See Collection Charges	8-10
Exchanges, sections relating to.....	21
Fines for mis-sent items in.....	20
Rules in regard to items in	13
Expenses of Association, how provided for.....	13
Expulsion ; Provision for.....	
F	
Failure to pay balances ; action in case of.....	9
Fees, Initiation.....	12
Non-Members	16
Fines for absence from Meetings	6
Errors at Clearing House	21
Mis-sent items.....	21
Parting with Depository Certificates	11
Violation of rules governing collection charges....	24

	PAGE
35	
G	
Gold Depository—see Depository	31
H	
Holidays ; Laws governing.....	10
I	
Indorsements ; when qualified must be guaranteed....	12
Initiation Fees.....	25
Interpretations of collection charge rules	31
L	
Legal Holidays—Laws governing.....	5
Liability for Non-Members—see Non-Members	5
Loss in Balances, how borne.....	12
Responsibility for	
Loss in Coin Depository, how borne.....	7
M	
Manager, Powers and Duties.....	6
Meetings, Annual and Special	6
Fines for non-attendance at.....	6
Quorum at	12
Members ; how admitted.....	12
Initiation fees	5
Original, 1853.....	19
Present, 1906.....	13
Suspension of.....	
Membership, applications for—see Committee on Ad- missions.....	12
Mis-sent items, fine for.....	21
Return of.....	9
N	
Negotiable Instruments ; Time of Maturity of.....	32
Nominating Committee	18
Non-Members ; Fees and other obligations.....	14-17
Provisions relating to....	14-17
Weekly Statements, Banks.....	29
“ “ Trust Companies.....	29
O	
Objects of the Association.....	5
Out-of-town Collections—see Collection Charges.....	
P	
Powers of Clearing House Committee.....	6-8
Manager.....	8

CONSTITUTION

OF THE

New York Clearing House

ASSOCIATION,

...WITH AMENDMENTS...

ALSO, HOLIDAY LAWS OF NEW YORK STATE,

CLEARING HOUSE RULES,

SCALE OF FINES AND

COLLECTION CHARGES

January, 1906.

CONTENTS.

(INDEX AT END OF PAMPHLET).

SECTION.	PAGE.
1. Name of Association.....	5
2. Objects.....	5
3. List of Original Members, October, 1853.....	5
4. Representation at Meetings.....	6
5. Time of Annual Meeting—Election of President and Secretary.....	6
6. Special Meetings.....	6
7. Quorum.....	6
Resolution, June 23, 1857—Fine for Absence from Meetings.....	6
8. Clearing House Committee—Powers and Duties..	6
Amendment, June 4, 1884—Power to Examine Banks.....	7
Amendment, March 13, 1899—Establishing charges for collections.....	7
9. Bonds of Manager and Clerks.....	7
10. Powers and Duties of Manager.....	8
11. Power to Remove Manager and Clerks.....	8
12. Hours for Making Exchanges and Settling Balances.....	8
Amendment providing for Banks' Receipt on Items in Exchanges.....	8
13. Requisitions in case of Failure to Pay Balances..	9
14. Errors in Exchanges and Claims arising from Return of Checks, How Adjusted.....	9
15. Reclamation for Errors in Money in Balances....	9
Return of Not-good and Mis-sent Checks.....	9
Amendment providing for action in case of Refusal to Refund for Not-good Checks, etc....	10
Resolution governing Qualified Endorsements....	10
16. Weekly Statements.....	11
17. Depository for Associated Banks.....	11
Resolution, October 2, 1860—Penalty for Payment of Certificates to Parties not Members.....	11
Resolution, October 3, 1893, authorizing Clearing House Committee to Store Gold.....	11
Resolution of December 22, 1893, providing for any Loss in Gold Depository.....	12

SECTION.	PAGE.
18. New Members, When and How Admitted—Fee..	12
19. Committee on Admissions.....	12
Resolution of April 26, 1882, providing for Refer- ence of Applications for Admission.....	12
Amendment of February 11, 1903, providing that applicants for admission to membership shall have at least \$500,000 capital and surplus	13
20. Expulsion.....	13
21. Conference Committee... ..	13
22. Withdrawal from Association.....	13
23. Expenses of Clearing House, How Apportioned..	13
24. Committee of Arbitration.....	14
25. Clearing for Non-members.....	14
Clearing for Non-members—Amendments and Resolutions relating to Sec. 25.....	14
26. Adoption of Constitution.....	17
27. Amendments to Constitution, How made.....	18
Nominating Committee—Resolution of September 22d, 1871.....	18
Eligibility of President and Secretary—Composi- tion of Committees.....	18
Resolution of April 8, 1872—Action in event of Withdrawal of Legal Tenders from Use.....	18
Amendment, April 25, 1876—Power to Fill Vacan- cies in Committees.....	19
Amendment, October 2, 1888—President <i>ex-officio</i> Member of all Committees, except Nominating Committee.....	19
Amendment, December 8, 1892, Substituting “President of the Association” for “Chairman, etc.”.....	19
List of Members, January 1, 1906	19
Rules of the Association relating to Exchanges and Balances.....	20
Scale of Fines in force at Clearing House.....	21
Collection Charges on out of town items.....	22
Regulations affecting relations with U. S. Assistant Treasurer at N. Y.....	26
Stamped Endorsement of Treasury Checks, Form of Resolution and Stamp.....	27
Weekly Statement of Non-members.....	29
Clearing House Gold Depository Rules.....	30
Laws Governing Public Holidays, Etc	31

CONSTITUTION.

SEC. 1. The name of this Association shall be “THE ^{Name.}
NEW YORK CLEARING HOUSE ASSOCIATION.”

SEC. 2. The objects of the Association shall be the ^{Objects.}
effecting at one place of the daily exchanges between the
several Associated Banks, and the payment at the same
place of the balances resulting from such exchanges. But
the Association shall be in no wise responsible in regard to
such exchanges, nor in regard to the balances resulting
therefrom, except so far as such balances shall be actually
paid into the hands of the Manager. The responsibility of ^{Responsi-}
the Association is strictly limited to the faithful distribu- ^{loss in br}
tion by the Manager among the creditor Banks, for the
time being, of the sums actually received by him; and
should any loss occur whilst the said balances are in the
custody of the Manager, they shall be borne and paid by ^{How bor}
the Associated Banks in the same proportion as the other
expenses of the Clearing House, as hereinafter provided for.

SEC. 3. The Association at present consists of the fol-
lowing members :

Bank of New York, Manhattan Company, Merchants' Bank, Mechanics' Bank, Union Bank, Bank of America, Phoenix Bank, City Bank, North River Bank, Tradesmen's Bank, Fulton Bank, Chemical Bank, Merchants' Exchange Bank, National Bank, Butchers' and Drovers' Bank, Mechanics' and Traders' Bank, Greenwich Bank, Leather Manufacturers' Bank, Seventh Ward Bank, Bank of the State of New York, American Exchange Bank, Mechanics' Banking Association, Bank of Commerce, Bowery Bank, Broadway Bank, Ocean Bank,	Mercantile Bank, Pacific Bank, Bank of the Republic, Chatham Bank, People's Bank, Bank of North America, Hanover Bank, Irving Bank, Metropolitan Bank Citizens' Bank, Knickerbocker Bank, Grocers' Bank Empire City Bank, Nassau Bank, East River Bank, Market Bank, St Nicholas Bank, Shoe and Leather Bank, Corn Exchange Bank, Central Bank, Continental Bank, Bank of the Commonwealth, Oriental Bank, Marine Bank, Atlantic Bank,	^{Original October,}
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MEETINGS.

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

SEC. 5. A general meeting of the Association shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock P. M. At every annual meeting a President shall be elected by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem.* shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

SEC. 6. Special meetings shall be called by the Clearing House Committee, whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

RESOLUTION—*Adopted June 23d, 1857.*

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the President of the Association.

CLEARING HOUSE COMMITTEE.

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of business thereat; to appoint a Manager annually, and such clerks as may be necessary; to establish rules and regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval

of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

AMENDMENT—*Adopted June 4th, 1884.*

Add to Section 8, as follows: The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association, to examine any bank member of the Association, and to require from any member securities of such an amount and character as said Committee may deem sufficient for the protection of the balances resulting from the exchanges of the Clearing House.

AMENDMENT—*Adopted March 13th, 1899.*

Add to Section 8, as follows: The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York, by members of the Association or banks or trust companies or others clearing through such members, and the rates to be charged for such collections, and also providing for enforcement of the same. The Committee may from time to time make any additions to, or changes in, such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established, it shall not, however, be altered or rescinded until it has been in force at least three months, except by majority vote of the Clearing House Association.

(For Rules and Regulations under this Amendment see page 22.)

MANAGER AND CLERKS.

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

For other po
see two follo
amendments
Secs. 9, 10,
17, 19, 25 a
page 18.

Power to ex
Banks.

Exchange on
tions outside
City of New

Manager and
shall give bor

SEC. 10. The Manager under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House, so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the settling clerks and porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

SEC. 11. The Clearing House Committee shall have power to remove the Manager or any of the clerks, whenever, in the opinion of the Committee, the interest of the Association shall require.

EXCHANGES AND BALANCES.

SEC. 12. The hour for making Exchanges at the Clearing House shall be 10 o'clock, A. M., precisely. Between the hours of 12½ and 1½ o'clock, P. M., the debtor Banks shall pay to the Manager at the Clearing House the balances against them, either in actual coin, United States Legal tender notes, or in the certificates hereinafter mentioned, except fractional amounts. At 1½ o'clock, P. M., or as soon thereafter as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due to them, provided all the balances due from the debtor Banks shall have been paid. The Association, by a vote of three-fourths of those present, at a meeting called for that purpose, may change the hour for making the exchanges and the settlement of balances.

AMENDMENT—Adopted October 6th, 1896.

Resolved: That on and after the sixth day of October, 1896, all checks, drafts, notes, bills of exchange and other items sent through the exchanges by members of this Association, shall bear stamped or written receipt, in the following form:

<p>Received Payment Through New York Clearing House, (date) Name of Bank (and No. if desired.)</p>
--

SEC. 13. Should any one of the Associated Banks fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several Banks exchanging at that establishment with the defaulting Bank, in proportion to their respective balances against that Bank, resulting from the exchanges of the day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts so furnished the Clearing House on account of the defaulting Bank will, of course, constitute claims on the part of the several responding Banks against that Bank; but as before stated, the Association shall in no wise be responsible therefor.

SEC. 14. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the banks who are parties to them, and not through the Clearing House, the Association being in no way responsible in respect to them.

SEC. 15. Reclamations for errors and deficiencies in specie or United States legal tender notes, received at the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established upon that subject by the Clearing House Committee, shall be made by one o'clock P. M., on the following day, by the receiving Bank directly against the Bank whose mark the sealed bag or package bears. Notice of such error shall be sent to the Bank immediately upon discovery, the Association not being responsible for the contents of such sealed bags or packages.

All checks, drafts, notes or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the Bank from whom they were received, and the said Bank shall immediately refund to the Bank returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes, or other items so returned to it, in specie or legal tender notes. But, checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the Bank returning it, be returned

Requisitions in case of failure to pay balances.

Errors in exchanges.

Reclamation for errors in money.

For Rules see p. 20

Mis-sent and not good checks.

(checks, drafts, etc., returned for informality.

at the exchanges the following morning, not exceeding \$10,000 in amount to any one bank. (For relations with U. S. Assistant Treasurer, see page 26.)

AMENDMENT—*Adopted June 4th, 1884.*

Add to section 15 as follows: In case of the refusal or inability of any bank to promptly refund to the Bank presenting such checks, drafts or other items, returned as not good, the Bank holding them may report to the Manager the amount of the same. And it shall be the Manager's duty, with the approval of the Clearing House Committee, to take from the settling sheets of both Banks the amount of such checks, drafts or other items so reported, and to readjust the Clearing House statement and declare the correct balance in conformity with the change so made, provided that such report shall be given to the Manager before one o'clock of the same day.

RESOLUTION—*Adopted June 4th, 1896.*

Resolved, That on and after the first day of July, 1896, members of this Association shall not send through the exchanges any checks, sight drafts, notes, bills of exchange or other items having thereon any qualified or restrictive endorsement, such as "for collection" or "for account of," unless all endorsements thereon are guaranteed by the Bank, member of the Association, sending such checks, drafts, notes, bills of exchange or other items.

Any such items sent in violation of the above requirements shall be returned directly to the member from whom they were received, and shall in all respects be subject to the regulations contained in Section 15 of the Constitution of the New York Clearing House Association.

Ruling of Clearing House Committee, February 18, 1904.

AMENDMENT—*Adopted October 1st, 1907.*

No member of this Association shall send or pay through the exchanges checks or other items drawn on banks, bankers or trust companies, not members of this Association, by customers hereof in Greater New York, and made payable at a Clearing House bank, unless the same shall first be accepted and made payable at a Clearing House Bank, by the bank, banker or trust company upon which they are drawn. This provision shall also apply to non-members making exchanges through members of this Association.

merely.

WEEKLY STATEMENTS.

SEC. 16. Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—

- | | |
|---------------------------|-------------------|
| 1st. Loans and Discounts. | 2d. Specie. |
| 3d. Legal Tender Notes. | 4th. Circulation. |
| 5th. Deposits. | |

AMENDMENT—*Adopted October 1st, 1907.*

The several items of the Weekly Statement are to comprise the following:

LOANS AND DISCOUNTS:

Loans, Discounts and Stocks and Bonds and Mortgages owned by the bank-

SPECIE:

Gold and Silver Coin, United States and Clearing House Gold Certificates, and United States Silver Certificates.

LEGAL TENDER NOTES:

United States Legal Tender Notes of all issues.

CIRCULATION:

Amount outstanding.

DEPOSITS:

Gross deposits and Unpaid dividends, less Exchanges for the Clearing House, Amounts due from other banks for collection, Notes of other Banks and checks on non-clearing institutions in this City.

deposits of coin or United States legal tender notes are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depository subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

RESOLUTION—*Adopted October 2d, 1860.*

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depository, shall be subject to a fine of \$100 (one hundred dollars).

Penalty for payment of Depository Certificates to parties not members.

RESOLUTION—*Adopted October 3d, 1893.*

Resolved, That the Clearing House Committee are hereby authorized to make such arrangements and provisions

Clearing House Committee may Store Gold.

RESOLUTION—*Adopted January 17th, 1908.*

Resolved, that the Clearing House Committee shall be authorized to make such arrangements and provisions as may be necessary to receive and store gold coin or United States legal tender notes or other notes issued under the authority of the United States other than National Bank notes, and issue Clearing House certificates for the same, under such rules and regulations as may be prescribed by the said Committee.

Provision for
any loss in
depository.

RESOLUTION—*Adopted January 17th, 1908.*

Resolved, that any loss arising from the receipt and storage of gold coin and United States notes, and the issue of certificates therefor, under the authority given the Clearing House Committee, October 3rd, 1893, and January 17th, 1908, respectively, shall be borne by the Institutions comprising the New York Clearing House Association, pro rata of Capital and Surplus; and this Resolution shall be ratified by the Boards of the respective Institutions, members of the Association, and a certified copy of such consent delivered to the Chairman of the Clearing House Committee.

Initiation Fee.

Any Bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

Three-fourths
vote of those
present necessary
to admit.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. Provided, however, that it shall be competent, by a vote of three-fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.

COMMITTEE ON ADMISSIONS.

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

RESOLUTION—*Adopted April 26th, 1882.*

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admis-

Applications re-
ferred directly to
Committee on Ad-
missions.

* Amendment Adopted October 8d, 1893.

sions, instead of calling a meeting of the Association for that purpose.

AMENDMENT—*Adopted February 11th, 1903.*

Resolved, That Section 19 of the Constitution of the New York Clearing House Association, as amended April 26, 1882, be further amended by the adoption of the following resolution:

Applicant's
admission
membership m
at least \$5
capital an

Resolved, That the Clearing House Committee shall not refer to the Committee on Admissions under this section, any application for admission into the Association by any Bank, unless the amount of its unimpaired capital and surplus shall equal at least the amount of \$500,000.

EXPULSION.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof.

Expulsion.

CONFERENCE COMMITTEE.

SEC. 21. A Standing Committee of five Officers of Banks, shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration.

Power to s

WITHDRAWAL.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee.

Withdrawal
Association

EXPENSES.

SEC. 23. The expenses of the Clearing House, not including the expense of printing for the several Banks

How appor

(which last mentioned expense shall be apportioned equally), shall be borne and paid as follows: **Each Bank shall be assessed Two Hundred Dollars, and the balance necessary after that amount, pro rata, according to the average amount which it shall have sent to the Clearing House for the preceding year.*

COMMITTEE OF ARBITRATION.

Duties.

SEC. 24. At every annual meeting a Standing Committee of five Bank Officers shall be appointed, to be called the Committee of Arbitration, whose duty it shall be to hear and determine all disputes that may be submitted to them by both parties thereto; any member of the Association being one. Such Committee shall record a brief abstract of each case referred to them, together with their decision therein, in a book to be provided for that purpose, which book shall be kept at the Clearing House, open to the inspection of all members of the Association. The first Committee shall be appointed immediately upon the adoption of this amendment, and shall serve until the next annual meeting.

CLEARING FOR NON-MEMBERS.

When notice to discontinue takes effect.

SEC. 25. Whenever exchanges shall have been made at the Clearing House, by previous arrangement between members of the Association through one of their own number and Banks in the city and vicinity who are not members, the receiving Bank at the Clearing House shall in no case discontinue the arrangement without giving previous notice—which notice shall not take effect until the exchanges of the morning following the receipt of such notice shall have been completed.

RESOLUTION—Adopted February 13th, 1865.

Notices to be issued by members.

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption, nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

* Amendment adopted October 29th, 1875.

AMENDMENT—Adopted April 26th, 1865. *Substituted*

Whenever any member of the Association shall send through the Clearing House the exchanges of any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

RESOLUTION—Adopted May 23d, 1866.

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

AMENDMENT—Adopted October 14th, 1890.

Resolved, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained and the Banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such Banks or parties members of the Association.

AMENDMENT—Adopted December 21st, 1896.

Resolved, That the amendment to the Constitution adopted October 14th, 1890, assessing Banks and others not members of this Association and clearing through members, \$200 annually, be amended by increasing such amount to \$500 annually; this amendment to take effect on and after January 1st, 1897.

AMENDMENT—Adopted February 11th, 1903.

Resolved, That the amendments to Section 25, of the Constitution of the New York Clearing House Association

as to the making of exchanges through the Clearing House, for non-members adopted October 14, 1890, and December 21, 1896, be supplemented by the following additional amendment to take effect immediately; namely, The New York Clearing House Association permits its members after March 1, 1903, to make exchanges through the Clearing House for Banks or other Institutions not members of the Association, only upon the following terms:

1. No member of the Association shall make exchanges through the Clearing House for any Bank or other Institution whose exchanges have not heretofore been so made through a member, unless the same shall have been actually doing business for at least one year, nor until the making of such exchanges by a member shall have been approved by the Clearing House Committee after an examination of such Bank or Institution made by the Clearing House Committee, or by some other Committee of the Association duly appointed for that purpose.

The consent of the Clearing House Committee shall also be necessary to the transfer of the making of the exchanges for a non-member by one member to another member.

2. On and after January 1, 1904, every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall pay to the Association the amount of \$1,000 annually in advance.

3. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall submit, whenever required by the Clearing House Committee, to the same examinations as are now required of members of the Association.

4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association, shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members. (For forms see p. 29).

5. Every non-member Institution (not a Bank required by law to maintain a specified reserve) now or hereafter sending its exchanges through a member of the Association, shall on and after June 1, 1903, keep in its vaults a cash reserve equal to five per centum of its deposits; and on and after February 1, 1904, such cash reserve shall be at least seven and one-half per centum of its deposits, and on and after June 1, 1904, such cash reserve shall be such percentage as shall from time to time be fixed by the Clearing House Committee, but not less than ten nor more than fifteen per centum of its deposits. The reserve hereby required shall be an average reserve as against the average deposits as shown upon its weekly statements.

If any non-member Bank or Institution or party now or hereafter sending its exchanges through a member of the Association shall fail to comply with any of the foregoing requirements applicable to such non-member, or upon examination shall be found in an unsatisfactory condition, the Clearing House Committee may suspend any privilege previously given to members of the Association to make exchanges or redemptions for such non-member; such suspension to take effect upon the completion of the exchanges of the morning following the giving of notice of such suspension by the Manager to the members of the Association.

Nothing contained in Section 25 of the Constitution or in the amendments thereto, shall be construed as making a Bank, Institution or other party sending its exchanges through a member, in any sense or to any extent a member of this Association.

AMENDMENT—*Adopted October 1st, 1907.*

Banks acting as redeeming agents for other institutions not members of this Association, shall keep and maintain in their own vaults, a cash reserve of net deposits equal to the highest percentage of reserve required by law of any member of this Association.

Majority of the whole number of Banks it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer of

Reserve for
Trust Companies

Committee may
suspend privilege

the Bank to two copies hereof, one to be kept by the Chairman of the Clearing House Committee and the other by the Secretary of the Association. A copy of the vote or resolution of the Board authorizing such signature shall be deposited with the Secretary. Such Banks as shall not adopt this Constitution within two months from the time it is agreed to in general meeting, as above mentioned, shall, at the expiration of such two months, cease to be members of the Association; provided the Constitution shall then be in operation.

SEC. 27. Amendments of this Constitution may be made at any meeting of the Association by the vote of a majority of all the members thereof, notice of the proposed amendments having been given at a previous meeting.

Sec. 28. Trust Companies organized under the Laws of the State of New York may be admitted as members of this Association in the same manner and to the same extent as Banks may be admitted, and when so admitted shall be entitled to all the rights and benefits and subject to all the conditions and obligations to which Bank members are or shall be entitled or subject under the provisions of the Constitution.

Trust Companies however, becoming members of the Association shall be required to keep a cash reserve in their own vaults of not less than twenty-five per centum of their deposits. A failure to keep such reserve shall be sufficient ground for action under section 20 of the Constitution.

Sec. 29. From and after July 1st, 1908, all Institutions members of this Association, shall keep and maintain in their own vaults a cash reserve of twenty-five per centum of their net deposits.

same length of time, then two shall go off by lot; and after an interval of one year, such members shall be deemed again eligible.

SUNDRY AMENDMENTS.

RESOLUTION—*Adopted April 8th, 1872.*

Resolved, That the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any Bank member of the Association, to

make an immediate examination of the Bank in question, and should there appear to be complicity on the part of the Bank or its officials, to suspend said Bank from the Clearing House until action of the Association shall be taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

If vacancies occur in any of the Committees of this Association, the remaining members of the Committee shall have power to fill the same.

Power to fill vacancies in Committees.

AMENDMENT—*Adopted October 2d, 1888.*

The President of the Association shall be ex-officio member of all Committees, except the Committee on Nominations.

President ex-officio member of Committees.

AMENDMENT—*Adopted December 8th, 1892.*

Wherever the words "Chairman of the Association" occur, substitute in place thereof, "President of the Association."

President of the Association.

AMENDMENT—*Adopted December 27th, 1906.*

Whenever a member of this Association shall make any change in its condition, either in its management or ownership, or any change in its charter, or shall merge with any other institution not a member of this Association, the Clearing House Committee shall have the power to examine said member and submit the question of a continuance of its membership to the Association; any action on which question must receive the same assent as provided in the case of the admission of members.

- | | |
|--------------------------------------|------------------------------------|
| 16. Mechanics' & Traders' Bank, | 74. Chase National Bank, |
| 17. Greenwich Bank, | 75. Assis't Treas. U. S. at N. Y., |
| 21. American Exchange Nat'l Bank, | 76. Fifth Avenue Bank, |
| 23. National Bank of Commerce, | 77. German Exchange Bank, |
| 27. Mercantile National Bank, | 78. Germania Bank, |
| 28. Pacific Bank, | 80. Lincoln National Bank, |
| 30. Chatham National Bank, | 81. Garfield National Bank, |
| 31. People's Bank, | 82. Fifth National Bank, |
| 32. National Bank of North America, | 83. Bank of the Metropolis, |
| 33. Hanover National Bank, | 84. West Side Bank, |
| 34. Irving National Bank, | 85. Seaboard National Bank, |
| 36. Citizens' Central National Bank, | 88. First National Bank. Brooklyn, |
| 40. Nassau Bank, | 91. Liberty National Bank, |
| 42. Market and Fulton National B'k, | 92. N. Y. Produce Exchange Bank, |
| 44. National Shoe & Leather Bank, | 93. New Amsterdam National B'k, |
| 45. Corn Exchange Bank, | 94. Astor National Bank, |

Jan 13 1908

RULES OF THE CLEARING HOUSE ASSOCIATION

RELATING TO RETURN OF CHECKS, RECLAMATIONS FOR ERRORS,
AND MONEY PACKAGES.

- 1st.—RETURN OF CHECKS, DRAFTS, ETC., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE O'CLOCK, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of NOTES or BAGS OF GOLD received from the Clearing House, in settlement of Balances, should be made before ONE O'CLOCK, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, ETC., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Bank.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING Legal Tender Notes and United States Bearer Gold Certificates, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Bank, the amount, date and kind of money.
- 6th.—DEBIT BANKS should avoid, as much as possible, postponing the payment of balances to a late hour, as it sometimes causes serious delay in making up and paying the Creditor Banks, at the Clearing House.

SCALE OF FINES

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.

For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerk's statement (i. e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - - - - - \$3 00
- 2d.—Errors in making the Debit (i. e., **amount received**) entries—each - - - - - 2 00
- 3d.—**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - - 2 00
- 4th.—**Errors in footing** the amount received - - - - - 1 00
- 5th.—**Disorderly Conduct** of Settling or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Settling or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - - - - - 2 00
- 7th.—Debtor Banks, **failing to appear to pay** their balances before 1.30 P. M. - - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - - 1 00
- 9th.—For **each item mis-sent**, payable to the returning bank, (but in no case more than five dollars for items returned by any bank to any one bank, on the same day) - - - - - 1 00

Extract from the Constitution of the Clearing House:

SECTION 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the Settling Clerks and Porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

As authorized by AMENDMENT—*Adopted, March 13th, 1899.* (See page 7).

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

SEC. 1. These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with the *Governments of the United States, the State of New York, or the City of New York, and for items payable in the cities of Boston, Mass., Providence, R. I., Albany, N. Y., Troy, N. Y., Jersey City, N. J., Bayonne, N. J., Hoboken, N. J., Newark, N. J., Philadelphia, Penn., Baltimore, Md., the charges shall in all cases be †discretionary with the collecting bank and the same shall not be governed by the provisions of these rules and regulations.

SEC. 3. For ‡ all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth of one per cent. ($\frac{1}{10}\%$) of the amount of the items respectively.

*See Ruling D, page 25. †See Ruling B, page 25. ‡See Ruling C, page 25.

SEC. 4. For † all items from whomsoever received payable at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming and Canada, the collecting banks shall charge not less than one-quarter of one per cent. ($\frac{1}{4}\%$) of the amount of the items respectively.

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

SEC. 6. *The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.*

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, Be it Resolved, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this

*See Ruling A, page 25. †See Ruling C, page 25.

corporation is hereby instructed to file a certified copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or in his absence said Manager shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of the charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 23.

(Circular Letter—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 or 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 22.

(Circular Letter—August 16th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, pages 22 and 23.

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee beg to notify all banks and trust companies making exchanges through the Clearing House, that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 22.

(Chairman of the Clearing House Committee—

E—

(Clearing House Committee—September 26th, 1907.)

When foreign items, subject to collection charges are returned unpaid, the charge may be remitted.

various governments mentioned, and not to checks, warrants, etc., issued by them, and deposited by the bank's other customers.

REGULATIONS AFFECTING RELATIONS WITH THE U. S.
ASSISTANT TREASURER AT NEW YORK.

(Circular Letter—June 30th, 1896.)

Referring to the * resolution adopted by the Association June 4th, 1896, regarding endorsements, it is understood that the omission on the part of any bank to guarantee endorsements of the character described in that resolution, shall not exempt such bank from its present liability to the Assistant Treasurer of the United States, under the circular of July 29th, 1893, and the resolutions of October 13th, 1893, authorized by the Clearing House Association.

The Circular of July 29th, 1893, provides:

"That all checks which are to be returned for whatever cause, must be presented at the office of the Assistant Treasurer before two o'clock P. M., each day, excepting Saturdays and other half-holidays, on which days any such checks must be presented before one o'clock P. M."

The resolutions of October 13th, 1893, are as follows:

Resolved, That all credit balances due the Assistant Treasurer of the United States at New York, arising through the making of exchanges by that officer with the associated banks, through the Clearing House, shall be paid in funds current at the Clearing House, excepting Clearing House Certificates.

Resolved, That the Assistant Treasurer be permitted to return through the Clearing House all checks and drafts received by him through that channel, whose return is required by reason of any informality.

Resolved, That in case of the receipt by the Assistant Treasurer of a "not good" check or checks, sent him in error through the exchanges, it is understood that he will notify the sending bank before three o'clock P. M. on the day of its receipt, by telephone or other formal notice, immediately. Said bank to take up check immediately upon receipt of notice.

*(See Resolution page 10.)

FORM OF RESOLUTION AND STAMP, REQUIRED BY THE
ASSISTANT TREASURER IN ACCEPTING STAMPED FINAL
INDORSEMENTS ON DISBURSING OFFICERS' CHECKS.

(See Circular Letter of Clearing House Committee following.)

At a regular meeting of the Board of Directors of the
.....
of the City of held on the
day of , a quorum being present and
assenting,

It was Resolved, that this bank adopt the stamp described below for the indorsement of *Disbursing Officers' Checks*, drawn upon the Assistant Treasurer of the United States at New York, and presented for payment through the New York Clearing House only; said stamp to be in lieu of a written indorsement of an officer or attorney of this bank; and that the impression of said stamped indorsement on any such check shall be as full and complete a discharge for the amount thereof, as though it bore the written indorsement of an officer or attorney of this bank:

Received Payment
Through the New York Clearing House,
THE BLANK BANK OF NEW YORK,
John Jones, Cashier.
January 27th, 1903.

I, Cashier of the
..... and Secretary of the Board of Directors, do hereby certify that the above resolution after being by me read, and fully explained to the said board, at a meeting held at its Banking House, on the date first above mentioned, was thereupon passed.

In testimony whereof, I have hereunto set my hand, and affixed the seal of the said bank this day of A. D., one thousand nine hundred and

(Signed)
Cashier and Secretary of the Board of Directors.

[SEAL OF THE BANK.]

This resolution must be filed with the Assistant Treasurer U. S. at New York.

(See letter of instruction on page following.)

CIRCULAR LETTER OF INSTRUCTION ACCOMPANYING PRECEDING FORM.

NEW YORK, January 27th, 1893.

DEAR SIR:

The Clearing House Committee have the pleasure to inform you that the Assistant Treasurer U. S. at New York will accept stamped final endorsements on Pension Agents' and other Disbursing Officers' checks payable through the Clearing House only, where such checks bear the *written endorsement* of the Payee.

As the acceptance of stamped endorsements will be confined exclusively to the class of checks above named, all Treasury Drafts, Post Office Warrants and Checks for Interest and Gold and Currency Certificates, must be separately listed and placed in envelopes by themselves.

A copy of resolution to be adopted by your Board of Directors and to be filed with the Assistant Treasurer, and form of stamp to be used is herewith enclosed.

Before stamped endorsements can be accepted by the Assistant Treasurer the above requirements must be observed.

By order

E. H. PERKINS, JR., *Chairman.*

WILLIAM SHERER, *Manager.*

WEEKLY STATEMENT OF NON-MEMBERS.

*Extract from Amendment to Sec. 25 of the Constitution,
Adopted February 11th, 1903.*

SEC. 4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members.

FORM FOR BANKS.

Average Amount of Loans and Discounts and Investments (not Real Estate).....			
Average Amount of Specie.....			
Average Amount of Legal Tender Notes & Bank Notes			
Average Amount on Deposit with Clearing House Agent.....			
Average Amount on Deposit with other New York City Banks and Trust Companies.....			
Average Amount of Deposits.....			
Average Amount of Circulation.....			
Correct.....			

FORM FOR TRUST COMPANIES.

Capital (as per latest statement to Banking Dept.)....			
Surplus Fund and Undivided Profits (as per latest statement to Banking Dept.).....			
Average Amount of Loans, Bills Purchased and Investments (not Real Estate).....			
Average Amount of Specie.....			
Average Amount of Legal Tender Notes & Bank Notes			
Average Amount on Deposit with other New York City Banks and Trust Companies.....			
Average Amount of Deposits.....			
Correct.....			

*Extract from Resolution of Clearing House Committee,
November 3d, 1899.*

Hereafter all statements of averages, submitted to the Clearing House by members and non-members, must be verified and signed by an officer.

RULES OF THE CLEARING HOUSE GOLD DEPOSITORY.

- 1st.—Banks desiring to deposit gold coin for certificates must notify the Manager, who will arrange as to the amount and time of deposit.
- 2d.—Upon notice from the Manager the bank must deposit the gold at the Clearing House, and take his receipt therefor.
- 3d.—Only bags containing \$5,000 standard weight and one denomination of coin in each will be received. Each bag must bear a tag stating the name of the depositing bank, the amount and the date of deposit.
- 4th.—Claims for deficiencies will be made by the Manager after examination of the gold, and must be satisfied promptly.
- 5th.—After the gold has been counted certificates will be issued on the surrender of the receipt given by the Manager.
- 6th.—No exchange of coin received for deposit will be made.
- 7th.—As the rules of the Association require the attendance of a member of the Clearing House Committee when gold is withdrawn from the vaults, notice of intention to withdraw must be given to the Manager by *three o'clock P. M. of the preceding day*.
- 8th.—Claims against coin withdrawn from the depository must be made before 3 P. M. of the day following its withdrawal.

As the receipt of gold and the issue of certificates were determined upon in order to save the expense and risk of loss caused by paying coin at the Clearing House, it is expected and desired that the certificates be used to pay balances, in lieu of coin, as far as possible.

LAWS GOVERNING PUBLIC HOLIDAYS AND TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

PUBLIC HOLIDAYS, ETC.

SECTION 24 (as amended October 1, 1897, and February 20, 1902), of the Statutory Construction Law, provides as follows:

SEC. 24. Public Holidays; Half Holidays.—The term holiday includes the following days in each year; the first day of January, known as New Year's Day; the twelfth day of February, known as Lincoln's Birthday; the twenty-second day of February, known as Washington's Birthday; the thirtieth day of May, known as Memorial Day; the fourth day of July, known as Independence Day; the first Monday of September, known as Labor Day; and the twenty-fifth day of December, known as Christmas Day, and if either of such days is Sunday, the next day thereafter; each general election day and each day appointed by the President of the United States or by the Governor of this State, as a day of general thanksgiving, general fasting and prayer, or other general religious observances. The term, half-holiday, includes the period from noon to midnight of each Saturday which is not a holiday. The days and half-days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or counties of this State. On all other days and half-days, excepting Sundays, such offices shall be kept open for the transaction of business. Where a contract by its terms requires the payment of money or the performance of a condition on a public holiday, such payment may be made or condition performed on the next business day succeeding such holiday, with the same force and effect as if made or performed in accordance with the terms of the contract.

LOCAL HOLIDAYS.

Chapter 198, Laws 1889, (took effect April 26,) authorized the Governor, in issuing any proclamation appointing or

recommending any day as a day of thanksgiving, fasting, prayer or other religious observance in pursuance of Chapter 289, Laws 1887, to limit the effect of the proclamation to any City or Cities, County or Counties, and provided that the day or days so proclaimed should be public holidays for the purposes mentioned in said Act only within the Cities or Counties specified.

TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

SECTION 145 of the Negotiable Instruments Law, as amended provides:

SEC. 145. Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due or becoming payable on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday.

INDEX.

	PAGE
A	
Admissions, Committee on.....	12
Adoption of Constitution	17
Amendments to Constitution, How made	18
Annual Meeting	6
Arbitration Committee.....	14
Assistant Treasurer U.S. at N. Y., Regulations affecting relations with.....	26
B	
Balances; action in case of failure to pay.....	9
How packages in payment of, should be made up.	20
Reclamation for errors in.....	9
Responsibility for loss in	5
Sections relating to	8-10
Time of settlement	8
Bonds of Manager and Clerks	7
C	
Certificates, Gold Depository	11-12
Chairman of Association; Title changed to President.	19
Charges for Collections—See Collection charges	
Checks and items in exchanges, See Exchanges	9
Claims for errors in Balances.....	9
Exchanges.....	30
Gold Depository.....	
Clearings: See Exchanges.....	14-17
Clearing for Non-Members	6
Clearing House Committee: Election of; Powers and Duties	7
May examine bank members	7
May establish rules in regard to collections outside of New York.....	10
May readjust the Proof Sheet.....	8
May remove Manager and Clerks	11
May store Gold Coin and issue Certificates.....	18
May suspend members for withdrawing legal tenders from use.....	13
May, with Conference Committee, suspend member	
Other powers and duties in connection with Non-Members	14-17

	PAGE
Collection Charges, Amendment Authorizing.....	7
Rules, regulations and charges	22
Rulings and interpretations regarding.....	25
Committees ; Composition of.....	18
Vacancies ; how filled.....	19
For various Committees see—Admissions, Com- mittee on ; Arbitration Committee ; Clearing House Committee ; Conference Committee ; Nomi- nating Committee.	
Coin Depository	11, 80
Conference Committee ; Duties, &c.....	13
D	
Depository : for Coin, etc.....	11
Fine for parting with Certificates of.....	11
Rules relating to	30
E	
Election, Annual.....	6
Clearing House Committee.....	6
Committee on Admissions (appointed).....	12
Committee of Arbitration (appointed).....	14
Conference Committee	13
Nominating Committee	18
Of officers by ballot.....	6
Endorsements ; when qualified, must be guaranteed..	10
Errors at Clearing House ; Fines for.....	21
In Exchanges ; see Exchanges.....	
Exchange on Out of Town items—See Collection Charges	
Exchanges, sections relating to.....	8-10
Fines for mis-sent items in.....	21
Rules in regard to items in	20
Expenses of Association, how provided for.....	13
Expulsion ; Provision for.....	13
F	
Failure to pay balances ; action in case of.....	9
Fees, Initiation.....	12
Non-Members	16
Fines for absence from Meetings	6
Errors at Clearing House	21
Mis-sent items.....	21
Parting with Depository Certificates	11
Violation of rules governing collection charges...	24

	PAGE
G	
Gold Depository—see Depository	
H	
Holidays ; Laws governing.....	31
I	
Indorsements ; when qualified must be guaranteed....	10
Initiation Fees.....	12
Interpretations of collection charge rules	25
L	
Legal Holidays—Laws governing... ..	31
Liability for Non-Members—see Non-Members	
Loss in Balances, how borne.....	5
Responsibility for	5
Loss in Coin Depository, how borne.....	12
M	
Manager, Powers and Duties.....	7
Meetings, Annual and Special	6
Fines for non-attendance at.....	6
Quorum at	6
Members ; how admitted.....	12
Initiation fees	12
Original, 1853.....	5
Present, 1906.....	19
Suspension of.....	13
Membership, applications for—see Committee on Ad- missions.....	12
Mis-sent items, fine for.....	21
Return of.....	9
N	
Negotiable Instruments ; Time of Maturity of.....	32
Nominating Committee	18
Non-Members ; Fees and other obligations.....	14-17
Provisions relating to... ..	14-17
Weekly Statements, Banks.....	29
“ “ Trust Companies.....	29
O	
Objects of the Association.....	5
Out-of-town Collections—see Collection Charges.....	
P	
Powers of Clearing House Committee.....	6-8
Manager.....	8

	PAGE
President of Association ; ex-officio a member of Committees.....	19
Title changed from "Chairman"	19
When and how elected.....	6
Public Holidays—Laws governing	31
Q	
Qualified or Restrictive Endorsements	10
Quorum, at all meetings.....	6
R	
Receipt on items in Exchanges, form of.....	8
Reclamations for errors in Exchanges.....	9
Money packages.....	9
Reserve of Non-Member Trust Companies.....	17
Responsibility for loss in Exchanges and Balances....	5
Restrictive or Qualified Endorsements.....	10
Requisition in case of failure to pay balances.....	9
Rules and Regulations of the Coin Depository.....	30
Regarding Collections, with rates.....	22
Relating to return of Checks, etc.....	20
Rulings on Collection Charges and Regulations.....	25
Qualified Endorsements.....	10
S	
Secretary of Association : when and how elected.....	6
Special Meetings.....	6
Stamp required by Assistant Treasurer as final endorsement on Checks.....	27
Statements, Weekly : Form for Clearing House Banks.....	11
Form for Non-Member Banks.....	29
Form for Non-Member Trust Companies.....	29
Sub-Treasury—Regulations Affecting.....	26
Suspension of Clearing House member....	13
T	
Trust Companies, as non-members : Provisions relating to ; See Non-Members.....	16
Rules relating to.....	16
Weekly Statements of	29
U	
United States Sub-Treasury—Regulations Affecting...	26
W	
Weekly Statements—See Statements	
Withdrawal from Association.....	13

CONSTITUTION
OF THE
New York Clearing House
ASSOCIATION,
...WITH AMENDMENTS...

ALSO, HOLIDAY LAWS OF NEW YORK STATE,
CLEARING HOUSE RULES,
SCALE OF FINES AND
COLLECTION CHARGES

May, 1903.

CONTENTS.

(INDEX AT END OF VOLUME).

SECTION.	PAGE.
1. Name of Association.....	5
2. Objects.....	5
3. List of Original Members, October, 1853.....	5
4. Representation at Meetings.....	6
5. Time of Annual Meeting—Election of President and Secretary.....	6
6. Special Meetings.....	6
7. Quorum.....	6
Resolution, June 23, 1857—Fine for Absence from Meetings.....	6
8. Clearing House Committee—Powers and Duties..	6
Amendment, June 4, 1884—Power to Examine Banks.....	7
Amendment, March 13, 1899—Establishing charges for collections.....	7
9. Bonds of Manager and Clerks.....	7
10. Powers and Duties of Manager.....	8
11. Power to Remove Manager and Clerks.....	8
12. Hours for Making Exchanges and Settling Balances.....	8
Amendment providing for Banks' Receipt on Items in Exchanges.....	8
13. Requisitions in case of Failure to Pay Balances..	9
14. Errors in Exchanges and Claims arising from Return of Checks, How Adjusted.....	9
15. Reclamation for Errors in Money in Balances....	9
Return of Not-good and Mis-sent Checks.....	9
Amendment providing for action in case of Refusal to Refund for Not-good Checks, etc....	10
Resolution governing Qualified Endorsements....	10
16. Weekly Statements.....	10
17. Depository for Associated Banks.....	11
Resolution, October 2, 1860—Penalty for Payment of Certificates to Parties not Members.....	11
Resolution, October 3, 1893, authorizing Clearing House Committee to Store Gold.....	11
Resolution of December 22, 1893, providing for any Loss in Gold Depository.....	12

SECTION.	PAGE.
18. New Members, When and How Admitted—Fee..	12
19. Committee on Admissions.....	12
Resolution of April 26, 1882, providing for Reference of Applications for Admission.....	12
Amendment of February 11, 1903, providing that applicants for admission to membership shall have at least \$500,000 capital and surplus	13
20. Expulsion.....	13
21. Conference Committee... ..	13
22. Withdrawal from Association.....	13
23. Expenses of Clearing House, How Apportioned..	13
24. Committee of Arbitration.....	14
25. Clearing for Non-members.....	14
Clearing for Non-members—Amendments and Resolutions relating to Sec. 25.....	14
26. Adoption of Constitution.....	17
27. Amendments to Constitution, How made.....	18
Nominating Committee—Resolution of September 22d, 1871.....	18
Eligibility of President and Secretary—Composition of Committees.....	18
Resolution of April 8, 1872—Action in event of Withdrawal of Legal Tenders from Use.....	18
Amendment, April 25, 1876—Power to Fill Vacancies in Committees.....	19
Amendment, October 2, 1888—President <i>ex-officio</i> Member of all Committees, except Nominating Committee.....	19
Amendment, December 8, 1892, Substituting "President of the Association" for "Chairman, etc.".....	19
List of Members, April 1, 1903	19
Rules of the Association relating to Exchanges and Balances.....	20
Scale of Fines in force at Clearing House.....	21
Collection Charges on out of town items.....	22
Regulations affecting relations with U. S. Assistant Treasurer at N. Y.....	26
Stamped Endorsement of Treasury Checks, Form of Resolution and Stamp.....	27
Weekly Statement of Non-members.....	29
Clearing House Gold Depository Rules.....	30
Laws Governing Public Holidays, Etc	31

CONSTITUTION.

SEC. 1. The name of this Association shall be "THE Name.
NEW YORK CLEARING HOUSE ASSOCIATION."

SEC. 2. The objects of the Association shall be the Objects.
effecting at one place of the daily exchanges between the several Associated Banks, and the payment at the same place of the balances resulting from such exchanges. But the Association shall be in no wise responsible in regard to such exchanges, nor in regard to the balances resulting therefrom, except so far as such balances shall be actually paid into the hands of the Manager. The responsibility of Responsibility for
the Association is strictly limited to the faithful distribu- loss in balances.
tion by the Manager among the creditor Banks, for the time being, of the sums actually received by him; and should any loss occur whilst the said balances are in the custody of the Manager, they shall be borne and paid by How borne.
the Associated Banks in the same proportion as the other expenses of the Clearing House, as hereinafter provided for.

SEC. 3. The Association at present consists of the following members :

Bank of New York, Manhattan Company, Merchants' Bank, Mechanics' Bank, Union Bank, Bank of America, Phenix Bank, City Bank, North River Bank, Tradesmen's Bank, Fulton Bank, Chemical Bank, Merchant's Exchange Bank, National Bank, Butchers' and Drovers' Bank, Mechanics' and Traders' Bank, Greenwich Bank, Leather Manufacturers' Bank, Seventh Ward Bank, Bank of the State of New York, American Exchange Bank, Mechanics' Banking Association, Bank of Commerce, Bowery Bank, Broadway Bank, Ocean Bank,	Mercantile Bank, Pacific Bank Bank of the Republic, Chatham Bank, People's Bank Bank of North America, Hanover Bank, Irving Bank Metropolitan Bank Citizens' Bank Knickerbocker Bank, Grocers' Bank Empire City Bank, Nassau Bank East River Bank, Market Bank St. Nicholas Bank, Shoe and Leather Bank, Corn Exchange Bank, Central Bank, Continental Bank, Bank of the Commonwealth Oriental Bank, Marine Bank, Atlantic Bank,
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Original members
October, 1853.

MEETINGS.

Each member entitled to one vote.

SEC. 4. Each Bank belonging to the Association shall be represented at all meetings thereof by one or more of its principal officers, and shall be entitled to one vote.

Annual meeting.

Election of Officers.

SEC. 5. A general meeting of the Association shall be holden at the Clearing House on the first Tuesday in October in each year, at one o'clock P. M. At every annual meeting a President shall be elected by ballot, to preside at that meeting and all subsequent meetings during the year. Whenever he shall be absent a Chairman *pro tem.* shall be appointed. At the same meeting a Secretary shall also be elected by ballot.

Special Meetings.

SEC. 6. Special meetings shall be called by the Clearing House Committee, whenever they may deem it expedient, or whenever they shall be thereto requested by any seven of the Associated Banks.

Quorum.

SEC. 7. At all meetings of the Association a quorum for the transaction of business shall consist of a majority of the whole number of Associated Banks.

RESOLUTION—*Adopted June 23d, 1857.*

Fine for Absence from Meetings.

Resolved, That a fine of three dollars be imposed upon every Bank not represented at roll call at each duly called meeting of the Association, without reasonable excuse. The fund created by such fines to be appropriated in such manner as may be directed by the President of the Association.

CLEARING HOUSE COMMITTEE.

Powers and Duties.

SEC. 8. At every annual meeting a Standing Committee of five Bank Officers shall be elected by the majority and by ballot, to be called the Clearing House Committee, whose duty it shall be to procure from time to time a suitable room or rooms for the Clearing House; to provide proper books, stationery, furniture, fuel, and whatever else may be necessary for the convenient transaction of business thereat; to appoint a Manager annually, and such clerks as may be necessary; to establish rules and regulations to be observed at the Clearing House in cases not provided for in this Constitution, subject to the approval

of the Association, and generally to supervise the Clearing House affairs. This Committee shall have charge of the funds belonging to the Association; shall draw on each Bank for its quota of the expenses, and shall, also, at the first meeting of the Association after their election, submit detailed estimates of the expenditures that will be required for the Clearing House during the current year.

For other powers see Secs. 9, 10, 11.

AMENDMENT—*Adopted June 4th, 1884.*

Add to Section 8, as follows: The Clearing House Committee is also empowered, whenever it shall consider it for the interest of the Association, to examine any bank member of the Association, and to require from any member securities of such an amount and character as said Committee may deem sufficient for the protection of the balances resulting from the exchanges of the Clearing House.

Power to examine Banks.

AMENDMENT—*Adopted March 13th, 1899.*

Add to Section 8, as follows: The Clearing House Committee shall have power to establish rules and regulations regarding collections outside of the City of New York, by members of the Association or banks or trust companies or others clearing through such members, and the rates to be charged for such collections, and also providing for enforcement of the same. The Committee may from time to time make any additions to, or changes in, such rules and regulations as it deems judicious. After any rule or regulation upon the subject has been once established, it shall not, however, be altered or rescinded until it has been in force at least three months, except by majority vote of the Clearing House Association.

Exchange on out of town Collections.

(For Rules and Regulations under this Amendment see page 22.)

MANAGER AND CLERKS.

SEC. 9. The salary of the Manager shall always be fixed by the Association. The salaries of the clerks shall be fixed by the Clearing House Committee. The Manager shall give a bond, with sureties in the sum of ten thousand dollars, and each clerk in the sum of five thousand dollars, to be approved by said Committee.

Manager and clerks shall give bonds.

Manager's duties.

SEC. 10. The Manager under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House, so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the settling clerks and porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

Power to remove.

SEC. 11. The Clearing House Committee shall have power to remove the Manager or any of the clerks, whenever, in the opinion of the Committee, the interest of the Association shall require.

EXCHANGES AND BALANCES.**Hours for making exchanges and settlement of balances.**

SEC. 12. The hour for making Exchanges at the Clearing House shall be 10 o'clock, A. M., precisely. Between the hours of 12½ and 1½ o'clock, P. M., the debtor Banks shall pay to the Manager at the Clearing House the balances against them, either in actual coin, United States Legal tender notes, or in the certificates hereinafter mentioned, except fractional amounts. At 1½ o'clock, P. M., or as soon thereafter as the amounts can be made up and proved, the creditor Banks shall receive from the Manager, at the same place, the respective balances due to them, provided all the balances due from the debtor Banks shall have been paid. The Association, by a vote of three-fourths of those present, at a meeting called for that purpose, may change the hour for making the exchanges and the settlement of balances.

AMENDMENT—Adopted October 6th, 1896.

Banks' receipt on items in Exchanges.

Resolved: That on and after the sixth day of October, 1896, all checks, drafts, notes, bills of exchange and other items sent through the exchanges by members of this Association, shall bear stamped or written receipt, in the following form:

<p>Received Payment Through New York Clearing House, (date) Name of Bank (and No. if desired.)</p>
--

SEC. 13. Should any one of the Associated Banks fail to appear at the Clearing House at the proper hour prepared to pay the balance against it, the amount of that balance shall be immediately furnished to the Clearing House by the several Banks exchanging at that establishment with the defaulting Bank, in proportion to their respective balances against that Bank, resulting from the exchanges of the day, and the Manager shall make requisitions accordingly, so that the general settlement may be accomplished with as little delay as possible. The respective amounts so furnished the Clearing House on account of the defaulting Bank will, of course, constitute claims on the part of the several responding Banks against that Bank; but as before stated, the Association shall in no wise be responsible therefor.

Requisitions in case of failure to pay balances.

SEC. 14. Errors in the exchanges, and claims arising from the return of checks, or from any other cause, are to be adjusted directly between the banks who are parties to them, and not through the Clearing House, the Association being in no way responsible in respect to them.

Errors in exchanges.

SEC. 15. Reclamations for errors and deficiencies in specie or United States legal tender notes, received at the Clearing House, contained in bags or packages, sealed and marked in conformity with any rules established upon that subject by the Clearing House Committee, shall be made by one o'clock P. M., on the following day, by the receiving Bank directly against the Bank whose mark the sealed bag or package bears. Notice of such error shall be sent to the Bank immediately upon discovery, the Association not being responsible for the contents of such sealed bags or packages.

Reclamation for errors in money.

For Rules see p. 21.

All checks, drafts, notes or other items in the exchanges, returned as "not good" or mis-sent, shall be returned the same day directly to the Bank from whom they were received, and the said Bank shall immediately refund to the Bank returning the same the amount which it had received through the Clearing House for the said checks, drafts, notes, or other items so returned to it, in specie or legal tender notes. But, checks, drafts, notes, or other items to be returned for endorsement or informality may, after being certified by the Bank returning it, be returned

Mis-sent and not good checks.

Checks, Drafts, etc., returned for informality.

through the exchanges the following morning, not exceeding \$5,000 in amount to any one bank. (For relations with U. S. Assistant Treasurer, see page 26.)

AMENDMENT—*Adopted June 4th, 1884.*

Action in case of refusal to refund money for not good checks, etc.

Add to section 15 as follows: "In case of the refusal or inability of any bank to promptly refund to the Bank presenting such checks, drafts or other items, returned as not good, the Bank holding them may report to the Manager the amount of the same. And it shall be the Manager's duty, with the approval of the Clearing House Committee, to take from the settling sheets of both Banks the amount of such checks, drafts or other items so reported, and to readjust the Clearing House statement and declare the correct balance in conformity with the change so made, provided that such report shall be given to the Manager before one o'clock of the same day.

RESOLUTION—*Adopted June 4th, 1896.*

Endorsements "for Collection, etc."

Resolved, That on and after the first day of July, 1896,

Ruling of Clearing House Committee, February 18, 1904.

Upon a question submitted to the Committee by a member, the Clearing House Committee expresses the opinion that endorsements upon checks, drafts or other items sent through the exchanges, in the words "Pay any Bank or Banker or order" and any similar endorsements, are "qualified or restrictive" endorsements within the meaning of the resolution adopted by the Clearing House Association on June 4, 1896, and that all prior endorsements upon items bearing such endorsements should be guaranteed by the Bank member sending them to the Clearing House.

In the opinion of its Committee, such endorsements do not indicate an absolute transfer of title, but a transfer for collection merely

WEEKLY STATEMENTS.

Weekly Statements.

SEC. 16. Every Bank, member of the Clearing House Association, shall furnish a weekly statement of its condition to the Manager, for publication, showing the average amount of—

- 1st. *Loans and Discounts.*
- 2d. *Specie.*
- 3d. *Legal Tender Notes.*
- 4th. *Circulation.*
- 5th. *Deposits.*

(For Weekly Statements of Non-member Banks and Trust Companies, see page 29).

DEPOSITORY FOR ASSOCIATED BANKS.

SEC. 17. The Associated Banks may, from time to time, appoint one of their own number, or the Assistant Treasurer of the United States at New York, to be a depository to receive in special trust, such coin or United States legal tender notes, as any of the Associated Banks may choose to send to it for safe keeping. The Depository shall issue certificates in exchange for such coin or United States legal tender notes, in proper form, and for convenient amounts. Such certificates shall be negotiable only among the Associated Banks, and shall be received by them in payment of balances at the Clearing House. Such special deposits of coin or United States legal tender notes are to be entirely voluntary—each Bank being left perfectly free to make them or not, at its own discretion. The coin or notes thus placed on special deposit are to be the absolute property of such of the Associated Banks as shall, from time to time, be the holders of the certificates, and are to be held by the Depository subject to withdrawal on the presentation of the proper certificates at any time during banking hours.

Certificates may be issued upon deposit of coin or legal tenders.

RESOLUTION—*Adopted October 2d, 1860.*

Resolved, Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the said Association, the certificates of deposit of the Clearing House Depository, shall be subject to a fine of \$100 (one hundred dollars).

Penalty for payment of Depository Certificates to parties not members.

RESOLUTION—*Adopted October 3d, 1893.*

Resolved, That the Clearing House Committee are hereby authorized to make such arrangements and provisions as may be necessary, to receive and store gold coin and issue Clearing House Certificates for the same, under such rules and regulations as may be prescribed by said Committee. (For Rules see page 30),

Clearing House Committee may Store Gold.

RESOLUTION—*Adopted December 22d, 1893.*

Provision for
any loss in
depository.

Resolved, That any loss arising from the receipt and storage of gold coin, and the issue of certificates therefor, under the authority given the Clearing House Committee October 3d, 1893, shall be borne by the Banks comprising the New York Clearing House Association, pro rata of Capital and Surplus; and this Resolution shall be ratified by the Boards of the respective Banks, members of the Association, and a certified copy of such consent delivered to the Chairman of the Clearing House Committee.

NEW MEMBERS.

Initiation Fee.

SEC. 18. New members may be admitted into the Association at any meeting thereof. Such new members shall signify their assent to this Constitution in the same manner as the original members, and shall pay an admission fee according to their respective capitals, as follows:

*Banks whose capital does not exceed \$5,000,000 shall pay . . . \$5,000
" " " exceeds \$5,000,000 " " . . . \$7,500

Any Bank, member of the Clearing House Association, increasing its capital, shall pay, in addition to the above, a sum to correspond with these rates.

Three-fourths
vote of those
present necessary
to admit.

But no new members shall be admitted, except by a vote of three-fourths of those present—such vote to be taken by ballot. Provided, however, that it shall be competent, by a vote of three-fourths of those present, to impose such conditions as the Association may deem expedient at the time of such admission.

COMMITTEE ON ADMISSIONS.

SEC. 19. A Standing Committee of five Bank Officers shall be appointed at every annual meeting, to whom all applications for admission into the Association shall be referred for examination.

RESOLUTION—*Adopted April 26th, 1882.*

Applications re-
ferred directly to
Committee on Ad-
missions.

Resolved, That under Section 19 of the Constitution of this Association, the Clearing House Committee may refer all applications for admission to the Committee on Admissions, instead of calling a meeting of the Association for that purpose.

* Amendment Adopted October 8d, 1893.

AMENDMENT—*Adopted February 11th, 1903.*

Resolved, That Section 19 of the Constitution of the New York Clearing House Association, as amended April 26, 1882, be further amended by the adoption of the following resolution: Applicants for admission to membership must have at least \$500,000 capital and surplus.

Resolved, That the Clearing House Committee shall not refer to the Committee on Admissions under this section, any application for admission into the Association by any Bank, unless the amount of its unimpaired capital and surplus shall equal at least the amount of \$500,000.

EXPULSION.

SEC. 20. For cause deemed sufficient by the Associated Banks, at any meeting thereof, any Bank may be expelled from the Association, and debarred from all the privileges of the Clearing House, provided a majority of the whole number of Associated Banks vote in favor thereof. Expulsion.

CONFERENCE COMMITTEE.

SEC. 21. A Standing Committee of five Officers of Banks, shall be elected at every annual meeting, who, acting in concurrence with the Clearing House Committee, shall have power, in case of extreme emergency, to suspend any Bank from the privileges of the Clearing House until the pleasure of the Association thereupon shall be ascertained. But no such suspension shall take place unless a majority, at least, of each of these two Committees shall be present at the ordering thereof, nor unless the vote be unanimous. In case of such suspension the Clearing House Committee shall forthwith call a general meeting of the Association to take the matter into consideration. Power to suspend and expel.

WITHDRAWAL.

SEC. 22. Any member of the Association may withdraw therefrom at pleasure—first paying its due proportion of all expenses incurred, and signifying its intention to withdraw to the Clearing House Committee. Withdrawal from Association.

EXPENSES.

SEC. 23. The expenses of the Clearing House, not including the expense of printing for the several Banks How appor-

(which last mentioned expense shall be apportioned equally), shall be borne and paid as follows: **Each Bank shall be assessed Two Hundred Dollars, and the balance necessary after that amount, pro rata, according to the average amount which it shall have sent to the Clearing House for the preceding year.*

COMMITTEE OF ARBITRATION.

Duties.

SEC. 24. At every annual meeting a Standing Committee of five Bank Officers shall be appointed, to be called the Committee of Arbitration, whose duty it shall be to hear and determine all disputes that may be submitted to them by both parties thereto; any member of the Association being one. Such Committee shall record a brief abstract of each case referred to them, together with their decision therein, in a book to be provided for that purpose, which book shall be kept at the Clearing House, open to the inspection of all members of the Association. The first Committee shall be appointed immediately upon the adoption of this amendment, and shall serve until the next annual meeting.

CLEARING FOR NON-MEMBERS.

When notice to discontinue takes effect.

SEC. 25. Whenever exchanges shall have been made at the Clearing House, by previous arrangement between members of the Association through one of their own number and Banks in the city and vicinity who are not members, the receiving Bank at the Clearing House shall in no case discontinue the arrangement without giving previous notice—which notice shall not take effect until the exchanges of the morning following the receipt of such notice shall have been completed.

RESOLUTION—*Adopted February 13th, 1865.*

Notices to be issued by members.

Resolved, That no member of the Clearing House Association shall be allowed to make the exchanges for, or redeem the notes or checks of any other Bank or Banks, not members of said Association, without first giving notice over the signature of one of its officers of the fact of such redemption, nor shall such redemption be discontinued but upon notice in the manner prescribed by Section 25 of the Constitution.

*Amendment adopted October 29th, 1875.

AMENDMENT—*Adopted April 26th, 1865.*

Whenever any member of the Association shall send through the Clearing House the exchanges of any Bank or Banks in the city or vicinity, who are not members, such sending shall, *ipso facto*, and without other notice, constitute said member the agent for said Bank or Banks at the Clearing House; and said member shall be liable in the premises the same as for its own transactions, and its liability in all such cases shall continue until after the completion of the exchanges of the morning next following the receipt of notice of discontinuance of any such agency.

See Amendment of Feb. 11th, 1903.

Liabilities.

RESOLUTION—*Adopted May 23d, 1866.*

Resolved, That the liabilities of Banks in the Clearing House doing business for Banks in the vicinity are, under the amendment to the Constitution, passed April 26th, 1865, the same as for their own transactions.

Liabilities.

AMENDMENT—*Adopted October 14th, 1890.*

Resolved, That on and after January 1st, 1891, this Association permits its members to make such exchanges only after the consent of the Clearing House Committee shall have been obtained and the Banks or parties shall have obligated themselves to pay to the Clearing House Association an annual payment of \$200, and shall also consent to the same examinations as are now required of its members, provided, however, that nothing contained in this Resolution shall be construed as making such Banks or parties members of the Association.

Consent to clear necessary. (See Amendment, Feb. 11, 1903.)

Fees. (See Amendments Dec. 31st, 1896, and Feb. 11, 1903.)

AMENDMENT—*Adopted December 21st, 1896.*

Resolved, That the amendment to the Constitution adopted October 14th, 1890, assessing Banks and others not members of this Association and clearing through members, \$200 annually, be amended by increasing such amount to \$500 annually; this amendment to take effect on and after January 1st, 1897.

Fees. (See Amendment Feb. 11, 1903.)

AMENDMENT—*Adopted February 11th, 1903.*

Resolved, That the amendments to Section 25, of the Constitution of the New York Clearing House Association

Terms upon which
non-Members
may clear.

as to the making of exchanges through the Clearing House, for non-members adopted October 14, 1890, and December 21, 1896, be supplemented by the following additional amendment to take effect immediately; namely, The New York Clearing House Association permits its members after March 1, 1903, to make exchanges through the Clearing House for Banks or other Institutions not members of the Association, only upon the following terms:

Must have done
business for a year.

1. No member of the Association shall make exchanges through the Clearing House for any Bank or other Institution whose exchanges have not heretofore been so made through a member, unless the same shall have been actually doing business for at least one year, nor until the making of such exchanges by a member shall have been approved by the Clearing House Committee after an examination of such Bank or Institution made by the Clearing House Committee, or by some other Committee of the Association duly appointed for that purpose.

Consent of Com-
mittee necessary to
transfer of clearing
agent.

The consent of the Clearing House Committee shall also be necessary to the transfer of the making of the exchanges for a non-member by one member to another member.

Must pay \$1,000
per year.

2. On and after January 1, 1904, every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall pay to the Association the amount of \$1,000 annually in advance.

Examinations.

3. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall submit, whenever required by the Clearing House Committee, to the same examinations as are now required of members of the Association.

Must furnish
Weekly Statements

4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association, shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members. (For forms see p. 29).

5. Every non-member Institution (not a Bank required by law to maintain a specified reserve) now or hereafter sending its exchanges through a member of the Association, shall on and after June 1, 1903, keep in its vaults a cash reserve equal to five per centum of its deposits; and on and after February 1, 1904, such cash reserve shall be at least seven and one-half per centum of its deposits, and on and after June 1, 1904, such cash reserve shall be such percentage as shall from time to time be fixed by the Clearing House Committee, but not less than ten nor more than fifteen per centum of its deposits. The reserve hereby required shall be an average reserve as against the average deposits as shown upon its weekly statements.

Must keep reserve
in its vaults

If any non-member Bank or Institution or party now or hereafter sending its exchanges through a member of the Association shall fail to comply with any of the foregoing requirements applicable to such non-member, or upon examination shall be found in an unsatisfactory condition, the Clearing House Committee may suspend any privilege previously given to members of the Association to make exchanges or redemptions for such non-member; such suspension to take effect upon the completion of the exchanges of the morning following the giving of notice of such suspension by the Manager to the members of the Association.

Committee may
suspend priv. leges.

Nothing contained in Section 25 of the Constitution or in the amendments thereto, shall be construed as making a Bank, Institution or other party sending its exchanges through a member, in any sense or to any extent a member of this Association.

ADOPTION OF CONSTITUTION.

SEC. 26. This Constitution, when agreed to by the Association at any general meeting thereof by a majority of votes, shall be submitted to the respective Boards of Directors of the several banks herein named as members of the Association for their adoption. When adopted by a majority of the whole number of Banks it shall be deemed and taken to be in full force and operation. Adoption shall be signified by the signature of the proper officer of

by the Chair-
and the other by
A copy of the vote or
such signature shall be
ary. Such Banks as shall not
within two months from the time
in general meeting, as above mentioned,
expiration of such two months, cease to be
of the Association; provided the Constitution
then be in operation.

SEC. 27. Amendments of this Constitution may be made
at any meeting of the Association by the vote of a ma-
jority of all the members thereof, notice of the proposed
amendments having been given at a previous meeting.

NOMINATING COMMITTEE.

RESOLUTIONS—*Adopted September 22d, 1871.*

Shall nominate
officers and
committees.

1st. There shall be chosen yearly at the annual election
a committee of five members, to be called "The Nominat-
ing Committee," whose duty it shall be to present to the
Association at each annual election names of candidates
for President and Secretary of the Association, and for
members of the three committees on the following basis:
The President and Secretary shall be eligible for two suc-
cessive years; and after an interval of one year, shall be
again eligible in like manner.

Eligibility of
President and
Secretary.

Composition of
Committees.

2d. There shall be selected every year, two, at least,
new members on each of the committees (having still
three old members), and those who have been longest on
the committee shall go off first. If all have been on the
same length of time, then two shall go off by lot; and
after and interval of one year, such members shall be
deemed again eligible.

SUNDRY AMENDMENTS.

RESOLUTION—*Adopted April 8th, 1872.*

Action in event of
withdrawal of legal
tenders from use.

Resolved, That the Clearing House Committee be and is
hereby directed, whenever it appears, in its judgment, that
legal tender notes have been withdrawn from use through
the agency of any Bank member of the Association, to

make an immediate examination of the Bank in question,
and should there appear to be complicity on the part of
the Bank or its officials, to suspend said Bank from the
Clearing House until action of the Association shall be
taken thereon.

AMENDMENT—*Adopted April 25th, 1876.*

If vacancies occur in any of the Committees of this Asso-
ciation, the remaining members of the Committee shall
have power to fill the same.

Power to fill va-
cancies in Com-
mittees.

AMENDMENT—*Adopted October 2d, 1888.*

The President of the Association shall be ex-officio mem-
ber of all Committees, except the Committee on Nomina-
tions.

President ex-
officio member
of Committees.

AMENDMENT—*Adopted December 8th, 1892.*

Wherever the words "Chairman of the Association"
occur, substitute in place thereof, "President of the Asso-
ciation."

President of
the Association.

MEMBERS OF THE ASSOCIATION

MAY 1st, 1903.

No.		No.	
1.	Bank of New York, N. B. A.,	53.	Importers' & Traders' Nat'l Bk,
2.	Bank of the Manhattan Co.,	54.	National Park Bank,
3.	Merchants' National Bank,	59.	East River National Bank,
4.	Mechanics' National Bank,	61.	Fourth National Bank,
6.	Bank of America,	62.	Central National Bank,
7.	Phenix National Bank,	63.	Second National Bank,
8.	National City Bank,	65.	First National Bank,
12.	Chemical National Bank,	67.	N. Y. Nat'l Exchange Bank,
13.	Merchants' Exchange Nat'l Bank,	70.	Bowery Bank,
14.	Gallatin National Bank,	71.	N. Y. County National Bank,
15.	Nat'l Butchers' & Drovers' B'k,	72.	German-American Bank,
16.	Mechanics' & Traders' Bank,	74.	Chase National Bank,
17.	Greenwich Bank,	75.	Assis't Treas. U. S. at N. Y.,
18.	Leather Manufacturers' Nat'l Bk,	76.	Fifth Avenue Bank,
21.	American Exchange Nat'l Bank,	77.	German Exchange Bank,
23.	National Bank of Commerce,	78.	Germania Bank,
27.	Mercantile National Bank,	80.	Lincoln National Bank,
28.	Pacific Bank	81.	Garfield National Bank,
30.	Chatham National Bank,	82.	Fifth National Bank
31.	People's Bank,	83.	Bank of the Metropolis,
32.	National Bank of North America,	84.	West Side Bank,
33.	Hanover National Bank,	85.	Seaboard National Bank,
34.	Irving National Bank,	88.	First National Bank, Brooklyn,
36.	National Citizens' Bank,	91.	Liberty National Bank,
40.	Nassau Bank,	92.	N. Y. Produce Exchange Bank,
42.	Market and Fulton National B'k,	93.	New Amsterdam National B'k,
44.	National Shoe & Leather Bank,	94.	Astor National Bank,
45.	Corn Exchange Bank,	95.	Western Nat. Bank of the U. S.
49.	Oriental Bank,		

RULES OF THE CLEARING HOUSE ASSOCIATION

RELATING TO RETURN OF CHECKS, RECLAMATIONS FOR ERRORS, AND MONEY PACKAGES.

- 1st.—RETURN OF CHECKS, DRAFTS, Etc., for informality, not good, mis-sent, guarantee of endorsement, or for any other cause, should be made before THREE o'CLOCK, of the same day.
- 2d.—RECLAMATION FOR ERRORS of any kind, in packages of NOTES or BAGS OF GOLD received from the Clearing House, in settlement of Balances, should be made before ONE o'CLOCK, on the following day.
- 3d.—IN NO CASE SHOULD CHECKS, DRAFTS, Etc., BE RETURNED THROUGH THE EXCHANGES, except for informality or endorsement, and then, in each case, they should be certified, and the amount limited to \$5,000 to each Bank.
- 4th.—IN CASE OF A MISSING ITEM in an exchange, the claim should be made at once, by returning the entire exchange, with a memorandum stating the nature of the claim.
- 5th.—PACKAGES CONTAINING Legal Tender Notes and United States Bearer Gold Certificates, to be used in payment of Balances at the Clearing House, should be made up in even amounts of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$10,000, \$20,000, \$50,000 and \$100,000 each, and all Notes of a smaller denomination than \$500 should be put in packages of not over \$5,000. All packages should be sealed and distinctly marked with the name of the Bank, the amount, date and kind of money.
- 6th.—DEBIT BANKS should avoid, as much as possible, postponing the payment of balances to a late hour, as it sometimes causes serious delay in making up and paying the Creditor Banks, at the Clearing House.

SCALE OF FINES

In force at the Clearing House.

Forty-five minutes from the hour of commencing, viz., 10 o'clock A. M., will be allowed for a Proof.

For all errors, remaining undiscovered at 11.15 A. M., the fines will be doubled, and at 12 M., quadrupled.

- 1st.—All errors on the Credit side of the Settling Clerk's statement (i. e., in the **amount brought**) whether of footing or entry, and all errors causing disagreement between the credit entries, the check tickets, and the exchange slips—each - - - - - \$3 00
- 2d. —Errors in making the Debit (i. e., **amount received**) entries—each - - - - - 2 00
- 3d. —**Errors in the Tickets** reported to the Clearing House, causing disagreement between the balances and aggregate—each - - - - - 2 00
- 4th.—**Errors in footing** the amount received - - - - - 1 00
- 5th.—**Disorderly Conduct** of Settling or Delivery Clerk, at the Clearing House; or **disregard of the Manager's instructions**—each offence 2 00
- 6th.—Settling or Delivery Clerk **failing to attend punctually**, with statements and tickets complete, at the morning exchanges—each - - - - - 2 00
- 7th.—Debtor Banks, **failing to appear to pay** their balances before 1.30 P. M. - - - - - 3 00
- 8th.—Errors in **delivery or receipt** of exchanges—each - - - - - 1 00
- 9th.—For **each item mis-sent**, payable to the returning bank, (but in no case more than five dollars for items returned by any bank to any one bank, on the same day) - - - - - 1 00

Extract from the Constitution of the Clearing House:

SECTION 10. The Manager, under control of the Clearing House Committee, shall have immediate charge of all business at the Clearing House so far as relates to the manner in which it shall be transacted; and the clerks of the establishment, as well as the Settling Clerks and Porters of the several Associated Banks, while at the Clearing House, shall be under his direction.

RULES AND REGULATIONS

REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

As authorized by AMENDMENT—*Adopted, March 13th, 1899.* (See page 7).

Pursuant to authority conferred upon it by the Constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York, by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof :

SEC. 1. These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members. The parties to which the same so apply are hereinafter described as collecting banks.

SEC. 2. For items collected for the accounts of, or in dealings with the * Governments of the United States, the State of New York, or the City of New York, and for items payable in the cities of Boston, Mass., Providence, R. I., Albany, N. Y., Troy, N. Y., Jersey City, N. J., Bayonne, N. J., Hoboken, N. J., Newark, N. J., Philadelphia, Penn., Baltimore, Md., the charge shall in all cases be † discretionary with the collecting bank and the same shall not be governed by the provisions of these rules and regulations.

SEC. 3. For ‡ all items from whomsoever received (except on those points declared discretionary in Section 2), payable at points in Connecticut, Delaware, District of Columbia, Indiana, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin, the collecting banks shall charge not less than one-tenth of one per cent. (1%) of the amount of the items respectively.

*See Ruling D, page 25 †See Ruling B, page 25. ‡See Ruling C, page 25.

SEC. 4. For † all items from whomsoever received payable at points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming and Canada, the collecting banks shall charge not less than one-quarter of one per cent. (¼%) of the amount of the items respectively.

SEC. 5.* In case the charge upon any item at the rates above specified does not equal ten cents (10c.), the collecting bank shall charge not less than that sum ; but all items received from any one person at the same time and payable at the same place may be added together and treated as one item for the purpose of fixing the amount chargeable.

SEC. 6. *The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.*

SEC. 7. Every collecting bank, trust company or other corporation not a member of the Association, but clearing through a member thereof, shall forthwith adopt by its Board of Directors a resolution in the following terms, and file a certified copy thereof with the Association as evidence as therein specified:

"Whereas, This corporation has acquired the privilege of clearing and making exchange of its checks through the New York Clearing House Association, and is subject to its rules and regulations, Now, therefore, Be it Resolved, that this corporation hereby in all respects assents to and agrees to be bound by and to comply with all rules and regulations regarding collections outside of the City of New York, which may be established pursuant to the Constitution of said Association, and that the President of this

*See Ruling A, page 25. †See Ruling C, page 25.

corporation is hereby instructed to file a certified copy of this resolution with the Clearing House Association as evidence of such assent and agreement on the part of this corporation."

SEC. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or in his absence said Manager shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager to formulate charges and present them to the Committee. A copy of the charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. *If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.*

Resolved, that the foregoing rules and regulations are hereby established and adopted and shall take effect upon the third day of April, 1899.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

A—See Sec. 5, page 23.

(Circular Letter—March 30th, 1899.)

The attention of the Clearing House Committee having been called to the fact that different interpretations have been made of the meaning of the words "at the same place," in Section 5 of the Rules regarding collections, as formulated by this Committee, and it not having been intended that the word "place" in the said Section should have the same meaning as the word "point" used in the preceding Sections 3 and 4; Therefore, this Committee declares that the said Section 5 shall be read so as to permit all items payable within the States, Territories and Districts enumerated in either Sections 3 or 4 to be added together and treated as one item when "received from any one person at the same time."

B—See Sec. 2, page 22.

(Circular Letter—August 16th, 1899.)

Items on banks not located at a discretionary point, stamped collectible through the Clearing House at a discretionary point, are subject to the rules and charges must be made thereon. In order to permit the waiving of charges on such items, they must be made payable at a bank located at a discretionary point.

C—See Secs. 3 and 4, pages 22 and 23.

(Circular Letter—January 24th, 1901.)

In consequence of frequent inquiries made at this office, the Clearing House Committee beg to notify all banks and trust companies making exchanges through the Clearing House, that items upon which appear the words, "Payable in New York exchange," or "With New York exchange," etc., are subject to the collection charges established by the Clearing House Association, March 13th, 1899.

D—See Sec. 2, page 22.

(Chairman of the Clearing House Committee—December 5th, 1901.)

In SEC. 2 the provision making the collection charge discretionary, "for items collected for the accounts of, or, in dealings with the Governments of the United States, the State of New York, or the City of New York," has relation only to items *deposited by* the representatives of the various governments mentioned, and not to checks, warrants, etc., *issued by them, and deposited by the bank's other customers.*

REGULATIONS AFFECTING RELATIONS WITH THE U. S.
ASSISTANT TREASURER AT NEW YORK.

(Circular Letter—June 30th, 1896.)

Referring to the * resolution adopted by the Association June 4th, 1896, regarding endorsements, it is understood that the omission on the part of any bank to guarantee endorsements of the character described in that resolution, shall not exempt such bank from its present liability to the Assistant Treasurer of the United States, under the circular of July 29th, 1893, and the resolutions of October 13th, 1893, authorized by the Clearing House Association.

The Circular of July 29th, 1893, provides:

“That all checks which are to be returned for whatever cause, must be presented at the office of the Assistant Treasurer before two o'clock P. M., each day, excepting Saturdays and other half-holidays, on which days any such checks must be presented before one o'clock P. M.”

The resolutions of October 13th, 1893, are as follows:

Resolved, That all credit balances due the Assistant Treasurer of the United States at New York, arising through the making of exchanges by that officer with the associated banks, through the Clearing House, shall be paid in funds current at the Clearing House, excepting Clearing House Certificates.

Resolved, That the Assistant Treasurer be permitted to return through the Clearing House all checks and drafts received by him through that channel, whose return is required by reason of any informality.

Resolved, That in case of the receipt by the Assistant Treasurer of a “not good” check or checks, sent him in error through the exchanges, it is understood that he will notify the sending bank before three o'clock P. M. on the day of its receipt, by telephone or other formal notice, immediately. Said bank to take up check immediately upon receipt of notice.

*(See Resolution page 10.)

FORM OF RESOLUTION AND STAMP, REQUIRED BY THE
ASSISTANT TREASURER IN ACCEPTING STAMPED FINAL
INDORSEMENTS ON DISBURSING OFFICERS' CHECKS.

(See Circular Letter of Clearing House Committee Following.)

At a regular meeting of the Board of Directors of the
of the City of held on the
day of , a quorum being present and
assenting,

It was Resolved, that this bank adopt the stamp described below for the indorsement of *Disbursing Officers' Checks*, drawn upon the Assistant Treasurer of the United States at New York, and presented for payment through the New York Clearing House only; said stamp to be in lieu of a written indorsement of an officer or attorney of this bank; and that the impression of said stamped indorsement on any such check shall be as full and complete a discharge for the amount thereof, as though it bore the written indorsement of an officer or attorney of this bank:

Received Payment
Through the New York Clearing House,
THE BLANK BANK OF NEW YORK,
John Jones, Cashier.
January 27th, 1903.

I, Cashier of the
.....
and Secretary of the Board of Directors, do hereby certify that the above resolution after being by me read, and fully explained to the said board, at a meeting held at its Banking House, on the date first above mentioned, was thereupon passed.

In testimony whereof, I have hereunto set my hand, and affixed the seal of the said bank this
day of A. D., one thousand nine hundred and

(Signed)
Cashier and Secretary of the Board of Directors.

[SEAL OF THE BANK.]

This resolution must be filed with the Assistant Treasurer U. S. at New York.

(See letter of instruction on page following.)

CIRCULAR LETTER OF INSTRUCTION ACCOMPANYING PRECEDING FORM.

NEW YORK, January 27th, 1893.

DEAR SIR:

The Clearing House Committee have the pleasure to inform you that the Assistant Treasurer U. S. at New York will accept stamped final endorsements on Pension Agents' and other Disbursing Officers' checks payable through the Clearing House only, where such checks bear the *written endorsement* of the Payee.

As the acceptance of stamped endorsements will be confined exclusively to the class of checks above named, all Treasury Drafts, Post Office Warrants and Checks for Interest and Gold and Currency Certificates, must be separately listed and placed in envelopes by themselves.

A copy of resolution to be adopted by your Board of Directors and to be filed with the Assistant Treasurer, and form of stamp to be used is herewith enclosed.

Before stamped endorsements can be accepted by the Assistant Treasurer the above requirements must be observed.

By order

E. H. PERKINS, JR., *Chairman.*

WILLIAM SHERER, *Manager.*

WEEKLY STATEMENT OF NON-MEMBERS.

*Extract from Amendment to Sec. 25 of the Constitution,
Adopted February 11th, 1903.*

SEC. 4. Every non-member Bank or Institution now or hereafter sending its exchanges through a member of the Association shall furnish to the Manager of the Clearing House, at the close of business on each Friday, a weekly statement of its condition in such form as shall be prescribed by the Clearing House Committee from time to time as to any class of non-members.

FORM FOR BANKS.

Average Amount of Loans and Discounts and Investments (not Real Estate).....			
Average Amount of Specie.....			
Average Amount of Legal Tender Notes & Bank Notes			
Average Amount on Deposit with Clearing House Agent.....			
Average Amount on Deposit with other New York City Banks and Trust Companies.....			
Average Amount of Deposits.....			
Average Amount of Circulation.....			
Correct.....			

FORM FOR TRUST COMPANIES.

Capital (as per latest statement to Banking Dept.)....			
Surplus Fund and Undivided Profits (as per latest statement to Banking Dept.).....			
Average Amount of Loans, Bills Purchased and Investments (not Real Estate).....			
Average Amount of Specie			
Average Amount of Legal Tender Notes & Bank Notes			
Average Amount on Deposit with other New York City Banks and Trust Companies.....			
Average Amount of Deposits.....			
Correct.....			

*Extract from Resolution of Clearing House Committee,
November 3d, 1899.*

Hereafter all statements of averages, submitted to the Clearing House by members and non-members, must be verified and signed by an officer.

RULES OF THE CLEARING HOUSE GOLD DEPOSITORY.

- 1st.—Banks desiring to deposit gold coin for certificates must notify the Manager, who will arrange as to the amount and time of deposit.
- 2d.—Upon notice from the Manager the bank must deposit the gold at the Clearing House, and take his receipt therefor.
- 3d.—Only bags containing \$5,000 standard weight and one denomination of coin in each will be received. Each bag must bear a tag stating the name of the depositing bank, the amount and the date of deposit.
- 4th.—Claims for deficiencies will be made by the Manager after examination of the gold, and must be satisfied promptly.
- 5th.—After the gold has been counted certificates will be issued on the surrender of the receipt given by the Manager.
- 6th.—No exchange of coin received for deposit will be made.
- 7th.—As the rules of the Association require the attendance of a member of the Clearing House Committee when gold is withdrawn from the vaults, notice of intention to withdraw must be given to the Manager by *three o'clock P. M. of the preceding day*.
- 8th.—Claims against coin withdrawn from the depository must be made before 3 P. M. of the day following its withdrawal.

As the receipt of gold and the issue of certificates were determined upon in order to save the expense and risk of loss caused by paying coin at the Clearing House, it is expected and desired that the certificates be used to pay balances, in lieu of coin, as far as possible.

LAWS GOVERNING PUBLIC HOLIDAYS AND TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

PUBLIC HOLIDAYS, ETC.

SECTION 24. (as amended October 1, 1897, and February 20, 1902), of the Statutory Construction Law, provides as follows:

SEC. 24. Public Holidays; Half Holidays.—The term holiday includes the following days in each year; the first day of January, known as New Year's Day; the twelfth day of February, known as Lincoln's Birthday; the twenty-second day of February, known as Washington's Birthday; the thirtieth day of May, known as Memorial Day; the fourth day of July, known as Independence Day; the first Monday of September, known as Labor Day; and the twenty-fifth day of December, known as Christmas Day, and if either of such days is Sunday, the next day thereafter; each general election day and each day appointed by the President of the United States or by the Governor of this State, as a day of general thanksgiving, general fasting and prayer, or other general religious observances. The term, half-holiday, includes the period from noon to midnight of each Saturday which is not a holiday. The days and half-days aforesaid shall be considered as the first day of the week, commonly called Sunday, and as public holidays or half-holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or counties of this State. On all other days and half-days, excepting Sundays, such offices shall be kept open for the transaction of business. Where a contract by its terms requires the payment of money or the performance of a condition on a public holiday, such payment may be made or condition performed on the next business day succeeding such holiday, with the same force and effect as if made or performed in accordance with the terms of the contract.

LOCAL HOLIDAYS.

Chapter 198, Laws 1889, (took effect April 26,) authorized the Governor, in issuing any proclamation appointing or

recommending any day as a day of thanksgiving, fasting, prayer or other religious observance in pursuance of Chapter 289, Laws 1887, to limit the effect of the proclamation to any City or Cities, County or Counties, and provided that the day or days so proclaimed should be public holidays for the purposes mentioned in said Act only within the Cities or Counties specified.

TIME OF MATURITY OF NEGOTIABLE INSTRUMENTS.

SECTION 145 of the Negotiable Instruments Law, as amended provides:

SEC. 145. Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due or becoming payable on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday.

INDEX.

	PAGE
A	
Admissions, Committee on.....	12
Adoption of Constitution	17
Amendments to Constitution, How made	18
Annual Meeting	6
Arbitration Committee.....	14
Assistant Treasurer U.S. at N. Y., Regulations affecting relations with.....	26
B	
Balances ; action in case of failure to pay	9
How packages in payment of, should be made up.	20
Reclamation for errors in.....	9
Responsibility for loss in	5
Sections relating to	8-10
Time of settlement	8
Bonds of Manager and Clerks	7
C	
Certificates, Gold Depository, See Depository.....	11
Chairman of Association ; Title changed to President.	19
Charges for Collection—See Collection charges	
Checks and items in exchanges, See Exchanges	
Claims for errors in Balances.....	9
Exchanges.....	9
Gold Depository.....	30
Clearings : See Exchanges.....	
Clearing for Non-Members	14-17
Clearing House Committee : Election of ; Powers and Duties	6
May examine bank members	7
May establish rules in regard to collections outside of New York.....	7
May readjust the Proof Sheet.....	10
May remove Manager and Clerks.....	8
May store Gold Coin and issue Certificates.....	11
May suspend members for withdrawing legal tenders from use.....	18
May, with Conference Committee, suspend member	13
Other powers and duties in connection with Non-Members.....	14-17

	PAGE
Collection Charges, Amendment Authorizing.....	7
Rules, regulations and charges	22
Rulings and interpretations regarding.....	25
Committees ; Composition of.....	18
Vacancies ; how filled.....	19
For various Committees see—Admissions, Committee on ; Arbitration Committee ; Clearing House Committee ; Conference Committee ; Nominating Committee.	
Coin Depository ; See Depository	
Conference Committee ; Duties, &c.....	13
D	
Depository : for Coin, etc.....	11
Fine for parting with Certificates of.....	11
Rules relating to	30
E	
Election, Annual.....	6
Clearing House Committee.....	6
Committee on Admissions (appointed).....	12
Committee of Arbitration (appointed).....	14
Conference Committee	13
Nominating Committee.....	18
Of officers by ballot.....	6
Endorsements ; when qualified, must be guaranteed..	10
Errors at Clearing House ; Fines for, see Fines.....	
In Exchanges ; see Exchanges.....	
Exchange on Out of Town items—See Collection Charges	
Exchanges, sections relating to	8-10
Fines for mis-sent items in	21
Rules in regard to items in	20
Expenses of Association, how provided for.....	13
Expulsion ; Provision for.....	13
F	
Failure to pay balances ; action in case of.....	9
Fees, Initiation.....	12
Non-Members	16
Fines for absence from Meetings	6
Errors at Clearing House	21
Mis-sent items.....	21
Parting with Depository Certificates	11
Violation of rules governing collection charges...	21

	PAGE
G	
Gold Depository—see Depository	
H	
Holidays ; Laws governing.....	31
I	
Indorsements ; see Endorsements.....	
Initiation Fees	12
Interpretations of collection charge rules	25
L	
Legal Holidays—See Holidays	
Liability for Non-Members—see Non-Members	
Loss in Balances, how borne.....	5
Responsibility for	5
Loss in Coin Depository, how borne.....	12
M	
Manager, Powers and Duties.....	7
Meetings, Annual and Special	6
Fines for non-attendance at.....	6
Quorum at	6
Members ; how admitted.....	12
Initiation fees	12
Original, 1853.....	5
Present, 1903.....	19
Membership, applications for—see Committee on Admissions.....	
Mis-sent items, fine for.....	21
Return of.....	9
N	
Nominating Committee	18
Non-Members ; Fees and other obligations.....	14-17
Provisions relating to... ..	14-17
Weekly Statements, Banks.....	29
“ “ Trust Companies.....	29
O	
Objects of the Association.....	5
Out-of-town Collections—see Collection Charges.....	