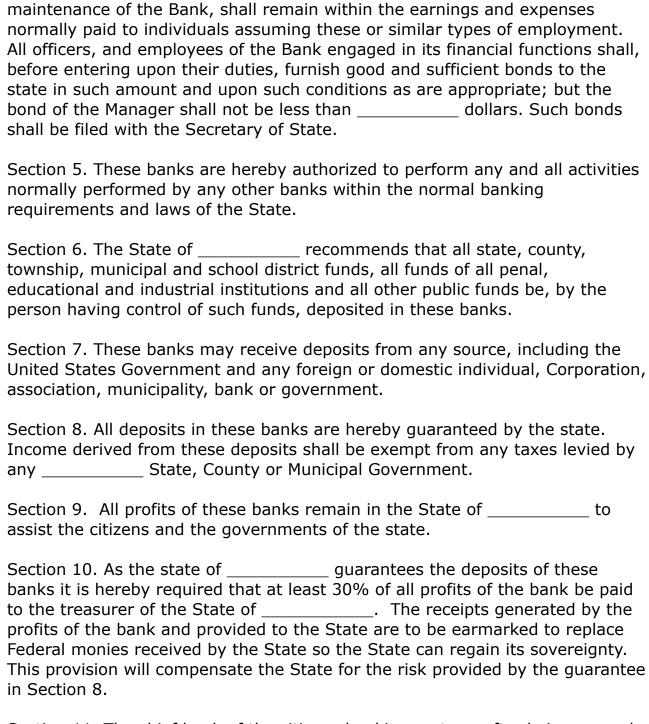
Banking Bill of the State of Bill Authorizing the Establishment of Citizen Owned Banks in the State of . An Act Declaring the Authorization of Citizen Banks in the State of to Engage in the Banking Business and Establish a System of Banks outside of the Federal Reserve System. This act is authorized according to the 10th Amendment to the Constitution: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people. Be it enacted by the Legislature of the State of : Section 1. For the purpose of encouraging and promoting banking to enable commerce and industry, these banks shall engage in the business of banking, and for that purpose shall, and hereby, establish a system of banks owned, controlled and operated by the citizens of the State of under the authority the State of . . Section 2. These banks shall be properly registered in the State following the requirements established by the Department of Commerce and shall be required to comply with all of the established banking laws of the State as they are or shall be in the future. Section 3. To accomplish the purposes of this Act, these banks will be required to establish a capital account of \$_____ prior to opening to insure there are proper funds to safely and securely begin operations. Section 4. To the end that there is proper experience the bank will hire a

manager with ample banking experience. This manager may appoint such subordinate officers and employees as he may judge expedient. He shall employ such contractors, architects, builders, attorneys, cashiers, tellers, clerks, accountants, and other experts, agents and servants such that in his judgment the interests of the citizens of the state will be secured. He will define the duties, designate the titles, and fix the compensation and bonds of all such persons so engaged. The total compensation of all managers and employees, together, with other expenditures for the operation and



Section 11. The chief bank of the citizens banking system, after being properly designated, will serve as a citizens bank reserve depositary and may perform the functions and render the services of a clearing house, including all facilities for providing domestic and foreign exchange, and may re-discount paper on such terms as are expedient.

Section 12. The State Banking Examiner shall personally or through deputy examiners visit these banks at least twice annually, and shall inspect and verify the assets in its possession and under its control, with sufficient thoroughness of investigation to ascertain with reasonable certainty whether the valuations are, correctly carried on its books. He shall investigate its methods of operation and accounting. He shall report the results of each such examination and investigation to the State Auditor as soon as practicable.

Section 13. All Acts and parts of Acts inconsistent with this Act are hereby repealed.

Section 14. This Act is hereby declared to be an emergency measure and shall take effect and be in force immediately from and after its passage and approval.

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