

BY-LAWS

OF

The Monongalia  
Building and Loan  
Association

OF

MORGANTOWN, WEST VA.

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AUTHORIZED CAPITAL - - - \$7,800,000.00

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BEGAN BUSINESS MAY 7, 1904

OFFICERS

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A. J. GARLOW	-	-	-	-	President
M. T. SISLER	-	-	-	-	Secretary
J. H. McGREW	-	-			Vice Pres. and Treas.



# The Monongalia Building and Loan Association



Shares Each	- - - - -	\$130.00
Weekly Dues per Share	- -	25 cts.



CHARTERED BY  
THE STATE OF WEST VIRGINIA

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# BY-LAWS

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## Section 1—Principal Office.

The principal office of this Association shall be located in the City of Morgantown, W. Va.

## Section 2—Stockholders.

Any person may at any time become a stockholder in this Association provided he is of legal age. Any responsible person may, as trustee, hold stock in his name for a minor and as to this Association the said trustee shall be deemed the legal owner thereof .

## Section 3—Meetings of Stockholders.

The annual or general meeting of the stockholders of this Association shall be held on the first Tuesday in February, between the hours of ten and eleven o'clock A. M. Notice of the regular meeting or any special meeting shall be given by publication thereof in some local newspaper of general circulation for at least two weeks prior to the date fixed for such meeting, as provided by law. A representation of at least one-third of

all the installment stock subscribed for and outstanding, either in person or by proxy, shall be necessary to constitute a quorum for the transaction of business.

#### **Section 4—Directors.**

The Board of Directors of this Association shall consist of seven members who shall be elected at the annual meeting of the stockholders, or as soon thereafter as practicable, and shall hold their offices until their successors are duly elected and qualified. A majority of the Board shall constitute a quorum. They shall hold meetings at such time as they may see fit or the President shall require. They may by resolution prescribe when and where the regular meetings shall be held, how special meetings shall be called, and what notice of their meetings shall be given. They shall further have power to make any and all rules and regulations for conducting the business of the Association not provided for in these By-Laws and not inconsistent therewith.

#### **Section 5—Officers.**

The Officers of this Association shall consist of a President, Vice-President, Secretary, Treasurer and Attorney, chosen by the Board of Directors as prescribed by law.

### Section 6—President and Vice-President.

The President shall preside at all meetings of the Association and of the Board of Directors. He shall attend to such business of the Association as may be prescribed by the Board of Directors. In the absence of the President or in case of his inability to act, his duties shall be performed by the Vice-President, or in the absence of both officers, by a President pro tem elected by the Board of Directors.

### Section 7—Secretary.

The Secretary shall keep an accurate record of the proceedings of all meetings of this Association and its Board of Directors, and conduct under the Board of Directors, all correspondence of the Association. He shall keep the books of the Association and keep correctly the accounts with the stockholders. He shall sign all orders drawn upon the Treasurer. He shall have under control and keep secure from loss by fire or otherwise all the books and papers of the Association except such as are kept by the Treasurer, and shall deliver the same to his successor in office before the next weekly meeting of the Association after election. He shall receive all money paid into the Association and pay the same

promptly to the Treasurer, taking his receipt therefor. The books of the Association shall be present at all the meetings of the stockholders, and the Board of Directors, and may be examined by any member of the Association. He shall make full report of the Association, quarterly, to the Board of Directors and at such other times as the Board of Directors may require. He shall give such bond as the Board of Directors may order, for the faithful performance of the duties of his office and for the accounting for and paying over to the Treasurer all funds of the Association which may be received by him. For his services he shall receive such compensation as the Board of Directors may determine.

### Section 8—Treasurer.

The Treasurer shall receive from the Secretary all money paid into the Association, giving to the Secretary his receipt therefor, and shall pay all orders drawn upon him by order of the Board of Directors when signed by the President and Secretary. He shall take charge of and safely keep all notes and valuable papers belonging to the Association except such as are executed by himself as principal or surety—which, together with the deeds of trust, policies of insurance, etc., shall



be kept by the Secretary. He shall promptly deposit in the bank in the name of the Association all money received by him as Treasurer. He shall produce the bank book for inspection by the Board of Directors whenever requested by them. He shall give such bond as the Board may require for the faithful discharge by him of the duties of the office and the accounting for and paying over of all sums of money belonging to the Association which may come into his hands. All checks, drafts, or orders drawn upon the bank account of the Association shall be made payable to the order of the person entitled to receive same. For his services he shall receive such compensation as the Board of Directors may determine. At the expiration of his term of office or his removal therefrom he shall deliver up all books, notes, and valuable papers in his possession belonging to the Association within one week after the election and qualification of his successor in office, or in case of removal, to the person authorized by the Board of Directors to receive same.

#### **Section 9—Attorney.**

The Attorney shall at the request of the Secretary make the necessary and proper examination for ascertaining the condition of the title to all real

estate offered the Association as security for loans granted, and shall give his opinion thereon in writing. He shall act as attorney for the Association whenever such services are required for which he shall receive such compensation as may be determined by the Board of Directors.

### **Section 10—Stock.**

The stock, or shares of this Association shall consist of two (2) general classes: Installment Stock and Matured or Full Paid Stock. Installment Stock shall be further divided into three (3) classes, namely, Class A, Class B and Class C stock.

### **Section 11—Installment Stock.**

Subscriptions to any of the above classes or kinds of Installment Stock may be received at any time, except that in order to participate in the subsequent dividend, such stock shall be issued and dated from the previous dividend period.

Each holder of or subscriber to Class A stock shall pay to the Secretary of the Association at its office each week at the time specified, the sum of twenty-five (25c) cents per week for each share of stock held by him; each holder of Class B stock shall in like

manner pay the sum of twelve and one-half cents (12 1/2c) per week for each share of stock held by him; and each holder of Class C stock shall in like manner pay the sum of eight and one-third cents (8 1/3c) per week for each share of stock held by him. When said weekly payments, together with the dividends or net earnings thereon, shall amount to the par value of said stock, namely, the sum of One Hundred and Thirty (\$130.00) Dollars, the holder shall be entitled to receive the full value thereof in cash, or, with the consent of the Board of Directors, a Certificate of Matured or Full Paid Stock after deducting for any loans or other indebtedness which may be due the Association, in which case the loan or other indebtedness shall be paid and cancelled. Any stockholder shall have the right to pay his dues in advance on any shares of Installment Stock held by him. No withdrawal fee shall be charged on any stock carried to maturity.

#### **Section 12—When Dues May Be Paid.**

The office of the Association shall be open for the receipt of dues each business day from 9 am. m. until 4 p. m. except at the noon hour, and on Saturday evening of each week between the hours of 6:30 and 8 o'clock.

### **Section 13—Fines for Non-Payment of Dues.**

Every stockholder who fails to pay all his dues, interest, premiums, and fines or charges when due shall be subject to a fine of five cents per share for every such failure, and when the fines equal the amount to the credit of such stockholder, his right and title thereto and to his shares of stock shall be forfeited. Fines may be remitted at the discretion of the Board of Directors. All dues are payable weekly in advance, but the stockholder shall have the privilege of making as many payments in advance as may suit his convenience.

### **Section 14—Fines—How Collected.**

All fines shall be charged with the weekly dues of the stockholder delinquent and collected therewith.

### **Section 15—Transfer of Stock.**

Any stockholder whose stock is not advanced or pledged to the Association as security for a loan, may transfer or sell his shares, or any number of them, by filing with the Secretary his certificate of stock, properly endorsed; the purchaser shall have all the rights of the person of whom he purchases, upon compliance with all the requirements of stockholders.

### Section 16—Withdrawal of Shares.

Any stockholder, who has paid dues for six months or more, may withdraw from this Association any or all shares held by him, which have not been advanced to him, upon written notice to the Board of Directors, who shall within sixty days thereafter repay to such stockholder the total amount of the weekly dues received from him, together with the dividends declared thereon up to the time of notice of withdrawal, deducting therefrom any charges against him which may have accrued in accordance with the By-Laws.

A withdrawal fee of fifty cents per share shall be charged for each share of installment stock withdrawn.

Provided, That should the applications for withdrawal at any time exceed one-half the weekly receipts, such applications shall be filed in the order in which they are received and paid as fast as one-half the weekly receipts will pay them. Interest at six per cent. per annum will be paid on withdrawals not paid within sixty days after notice, beginning at the expiration of the sixty days.

### Section 17—Dividends.

On or before the first day of May and November of each year the Board

of Directors shall declare such rate of dividend upon the Installment stock out of the earnings of the Association as in their judgment is deemed advisable, after deducting therefrom all expenses and losses, or probable losses.

The dividends so declared shall be divided among all stockholders of the Association pro rata, in proportion to the amount paid in by each stockholder as dues on stock. The amount paid in at the preceding dividend period (unless the same has since been withdrawn) shall be the basis of calculation of such dividends. But a proportionate amount of dividend shall also be allowed on the weekly payments made after said dividend period.

All persons subscribing for stock between May first and November first shall be entitled to receive the first dividend thereon in the following May, and persons subscribing between November first and May first shall be entitled to receive their first dividend in the following November, but such dividends shall be forfeited if the stock be withdrawn or cancelled before such dividend period.

Dividends declared shall be credited to the account of the stockholders entitled to receive same as of the first day of May and November.

Whenever it appears that a pro rata

dividend for a shorter period than six months will, together with the dues for such shorter period, mature any share or shares of stock, the Board of Directors may order a dividend on such stock for a shorter period.

### **Section 18—Matured Stock.**

Matured stock shall have a par value of one hundred and thirty dollars per share and shall be issued only in exchange for maturing installment stock.

Such matured stock shall be entitled to dividends at a rate not to exceed seven per centum per annum, payable semi-annually on the first day of May and November.

Certificates will be issued for matured stock; such certificates shall be marked "Matured Stock" and shall be transferable on the books of the Association in the usual manner, but said matured stock shall not entitle the holder thereof to vote at the meetings of the stockholders of the Association.

The Association reserves the right to retire any or all matured stock on any dividend date by the payment of one hundred and thirty dollars for each share, together with the accrued dividend, to the holder thereof.

### **Section 19—Loans.**

Whenever it is apparent that there are sufficient funds in the Treasury

of the Association to advance or loan one or more shares of stock, the Secretary may ascertain, by an offer of sale, the stockholder who is willing to pay the highest weekly premium therefor, or the Board of Directors may award such funds to a stockholder at not less than the minimum premium, in either case such premium to be paid for a period of not exceeding 800 weeks, unless the loan shall be sooner repaid, in which event the unpaid installments of premium shall be cancelled; provided that in no case shall the minimum premium collected be less than six cents per week on each share so advanced. Such sales of money may be made by the Secretary on any business day at any time between the hours of 9 o'clock A. M. and 4 o'clock P. M., or at the close of business at 8 o'clock on Saturday evening.

#### **Section 20—Interest.**

All loans shall bear interest at the rate of 6 per cent. per annum payable weekly at the rate of 15 cents per week per share. This shall be in addition to the weekly premium provided for in section 21 of these by-laws.

#### **Section 21—Premiums.**

The premium bid by a stockholder for the priority of right to a loan, shall



in the event such loan is made, be paid to the Association in weekly installments with the dues.

### Section 22—Security.

Every stockholder to whom a loan may have been granted shall be required to secure to the Association by his note or obligation with satisfactory security, the payment of all dues, interest, premiums, and fines, which shall become due and payable thereon, together with all premiums on insurance paid by the Association, and all other charges for which the borrower may become liable. If any property given as security be of such nature that it may be consumed by fire, the party receiving such loan must have it insured in such amount as may be required by the Board of Directors, in some responsible company to be approved by the Board of Directors. The borrower shall pay all taxes on property given as security for any loans. All bonds or promissory notes given as security for the payment of any loan shall be renewed from time to time when required by the Board of Directors. Upon failure to comply promptly with this requirement, the bond or note shall become due and payment thereof may be required without further notice.

### Section 23—Loans on Stock.

Under regulations of the Board of Directors, any stockholder who is the highest bidder under the provisions of Section 19, may receive a loan upon his stock to an amount not exceeding the sum to his credit as dues—without dividing shares—after deducting any previous loans or any charges against said stockholder; in such case all his stock and accrued dividends thereon shall be deemed to be pledged to and held by the Association as security for the payment of all dues, interest and premiums upon such loan, and of any fines or other charges against such stockholder.

### Section 24—Insurance.

All policies of insurance covering on property against which the Association may hold a deed of trust for loans granted must contain a clause making the loss payable to this Association as its interest may appear, and must be promptly renewed at or before expiration, otherwise the Secretary shall be authorized to effect such insurance and all charges and costs of same shall be charged to the delinquent borrower.

### Section 25—Repayment of Loans.

A borrower from this Association may repay the loan at any time and he

shall be entitled to receive credit for the value of the share or shares advanced on account of said loan.

### **Section 26—Failure to Pay Dues on Loans.**

Should a stockholder to whom shares have been loaned fail to pay up his dues, interest, premiums and fines for a period of three months, the Attorney shall by order of the Board, secure by legal process or otherwise, the payment of the loan, dues, interest, premiums and fines thereon.

### **Section 27—Funds not in Demand For Loans—How Disposed of.**

Whenever there shall be any funds in the Treasury which have not been loaned for the reason that no stockholder shall have bid the minimum premium therefor, or which have not been awarded as provided in Section 19 of the by-laws, the Board may award to the first member upon the roll of stockholders having shares not advanced so much of the money as such member can secure under section 23, without dividing shares and the Board shall proceed through the list of members awarding the money in like manner, and arriving at the end of the list shall begin again and proceed as before. Any member to whom

money shall be awarded shall be considered the highest bidder for so many shares as he can secure under Section 23 without dividing shares and shall proceed as if he were such bidder. Such shares shall be considered advanced to such stockholder and he shall pay dues, additional dues, fines, and other charges as if such shares had been advanced under section 19. Upon his failure to comply with the requirements of this and of section 23 such stockholder shall, for each of such shares, pay a fine of two dollars per share. All dues, additional dues and fines charged against said member shall be a charge on the money awarded him and also on his remaining shares and claims against the Association and shall be deducted from any payments made him for or on account of his interest therein.

The following parts of the statutes of West Virginia, in so far as they are applicable to this Association, and in so far as the same have not been followed or complied with by the By-Laws hereinbefore set forth, are hereby adopted as By-Laws of this Association.

**Sec. 28.** "Any number of persons, not less than nine, may form a building and loan association for the purpose of encouraging industry, frugality

and home building, and saving among its members. Building and loan associations formed under this chapter, shall have the right and power of loaning to its stockholders thereof, the moneys accumulated from time to time, as well as the right and power to purchase land or erect houses, and to sell, convey, lease or mortgage the same at their pleasure, to their stockholders, or others for the benefit of their stockholders. Such associations may acquire, hold, convey and encumber all such property, real and personal, as may be taken as security, or may be otherwise transferred to it in the due course of its business, and may secure the payment of loans and the performance of the other conditions upon which loans are to be made, or the payment of the purchase money for any property sold, by taking personal security, or by mortgage or deed of trust upon real or personal property, or by a transfer or pledge of its stock."

**Sec. 29.** "Every such Association shall have the power to provide by its by-laws for selling to the stockholders the money in the treasury, at or above a minimum premium; the minimum premium and the mode of selling or loaning the money to stockholders to be fixed by the by-laws. But such premium must be a certain definite

sum, fixed and determined at the time of the making of the loan. The by-laws of every such Association shall set forth whether the premium on any such loan shall be deducted therefrom in advance or be paid in periodical installments. But whether the premium be deducted from the loan, or paid in periodical installments, the transaction shall not be deemed usurious, although any and all the dues, fines, premium and interest shall exceed the legal rate of interest on the amount of money received by the stockholders." (Acts 1921, c. 105.)

**Sec 30.** "Every such Association may levy, assess and collect from its stockholders, periodical dues upon every share of its stock; the amount of such dues to be fixed by the By-Laws, but no periodical payment to exceed two dollars upon each share, and said stock may be paid off and retired as the By-Laws shall direct, and may levy, assess and collect from members to whom loans have been made, interest upon the par value of the shares so loaned; and may levy, assess and collect fines for the non-payment of periodical dues, or for failure to comply with or perform any other obligation or duty to the Association. The amount of the respective fines shall be fixed by the By-Laws, and they shall

be imposed under regulations to be made by the By-Laws; but such fines shall be uniform, and where they are imposed for default in the payment of dues, shall be in proportion to the amount of the dues for the failure to pay which they are imposed; but no member shall be fined more than once for the same default."

**Sec. 31.** "A borrower from such Association may repay the loan at any time; and in case of the repayment thereof before the maturity of the shares pledged for said loan, there shall be refunded to such borrower, in case the premium shall have been deducted in advance, such proportions of the premium bid as the By-Laws may determine; but the borrower shall receive the withdrawing value of the shares pledged for said loan and the shares shall revert back to the Association. Stockholders withdrawing voluntarily shall receive such proportions of the profits of the Association, or such rate of the interest as may be prescribed by the By-Laws. In case of default of a borrower to pay dues, interest or premium, for the period of three months, payment of the same, together with the full principal of the loan, may be enforced by proceedings on the securities according to law; and the money so received shall be paid

into the Treasury of the Association; and if the moneys so recovered shall exceed the amount it would have required to repay the loan under the first part of this section, together with all the expenses incurred by the Association, such excess shall be paid to such borrower."

February, 1927.

Finis.





## DIRECTORS

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A. J. GARLOW, President  
President Second National Bank

J. H. MCGREW, Vice President  
President Bank of the Monongahela Valley

GEORGE C. BAKER  
Attorney-at-Law

J. M. GREGG  
Clerk of the County Court

ALVA H. MCBEE  
Cashier Bank of the Monongahela Valley

JOHN SHRIVER  
Attorney-at-Law

M. T. SISLER, Secretary