

1933-021
Nonsemond Co (Suffolk)

Chancery Causes: National Exchange Bank of Baltimore et al vs Merchants & Truckers Bank et al

25

26

Myers, Withers, King, Jones, Brett, Chendler, Vick, Grizzard, Peete,
Harris, Sykes, Dickerson, Oliver, Taylor, Skinner

National Exchange Bank of Baltimore Md.,
A Corporation of Maryland, who sues for
themselves as well as others, stockholders,
~~stockholders~~, depositors and creditors who may
come in and make themselves parties to this suit
Complainants

vs

In Chancery

10 The Merchants and Traders Bank, Incorporated -
2 W.R. Myers, President of the Merchants and
Traders Bank Incorporated.

John King, Acting as Secretary of the
Board of Directors of the Merchant and
Traders Bank, Incorporated -

W.R. Myers ~~Director~~
Robert W. Withers ~~Director~~
John King ~~Director~~

Robert W. Withers Trustee
~~W.R. Myers~~

Issue Summons for 2nd June Rules

A. Stewart Lewis, Jr.

1111

Merchants and
Tucker Bank

THE COMMONWEALTH OF VIRGINIA.

TO THE SHERIFF OF NANSEMOND COUNTY—GREETING:

YOU ARE HEREBY COMMANDED TO SUMMON *The Merchants and Traders Bank, Incorporated, W. R. Myers President of the Merchants & Traders Bank Inc. John King acting as Secretary of the board of directors of the Merchants & Traders Bank Inc. W. R. Myers, Robert W. Wether, John King and Robert W. Wether Trustees.*

to appear at the Clerk's Office of the Circuit Court of Nansemond County, at the Rules to be held for the said Court, on the *Thursday* Monday in *September* 1909, to answer

A Bill in Chancery, exhibited against *them* in the said Court by *National Exchange Bank of Baltimore Maryland a Corporation which sues for itself as well as others, Stockholders, Depositors and Creditors, who may come in and make themselves parties to this suit*

And have then and there this summons.

Witness, R. R. SMITH, Clerk of our said Court, at his office, this *18th* day of *September*, 1909, in the 13^{4th} year of the Commonwealth.

A copy—Teste:

CLERK.

Teste:

CLERK.

R. R. Smith
R. A. Gomez

Executed on the 18th., day of September 1909 as to the Merchants and Truckers Bank, Incorporated by delivering a true copy of the within Summons, in writing, to John King, in person, who is a Director of the said Merchants and Truckers Bank, Incorporated, in the County of Nansemond, in which County the said John King resides; Executed also on the 18th., day of September, 1909, as to John King acting as Secretary of the Board of Directors of the Merchants and Truckers Bank, Incorporated, by delivering a true copy of the within Summons, in writing, to John King, in person, in the County of Nansemond, in which County the said John King resides; Executed also on the 18th., day of September, 1909, as to John King individually, within the County of Nansemond, by delivering a true copy of the within summons, in writing, to John King in person; Executed also on the 18th., day of September, 1909, as to Robert W. Withers Trustee, within the County of Nansemond, by delivering a true copy of the within summons, in writing, to Robert W. Withers in person in the said County in which said County the said Robert W. Withers resides; Executed also on the 18th., day of September, 1909, as to Robert W. Withers individually, within the County of Nansemond by delivering a true copy of the within summons, in writing, to Robert W. Withers in person.

W. B. Baker
Sheriff of Nansemond County, Virginia
By *W. B. Baker* Deputy Sheriff.

N. S. Deerin p. q.

Matt Cox Bank of Merchants

M. Withers

vs.

IN CHANCERY.

The Merchants Bank

Bank of Merchants

1909

September Rules.

Monday

NANSEMOND CIRCUIT COURT.

PROCESS BOOK, No. 3

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THE COMMONWEALTH OF VIRGINIA.

TO THE SHERIFF OF ^{chesterfield} ~~NANSEMOND~~ COUNTY—GREETING:

YOU ARE HEREBY COMMANDED TO SUMMON *The Merchants*
and Truckee's Bank Incorporated W R Myers
President of the Merchants & Truckee's Bank
Incorporated John King acting as Secretary of
the Board of directors of the Merchants &
Truckee's Bank Inc. W R Myers Robert W
Waters John King and Robert W Waters
Trustee

to appear at the Clerk's Office of the Circuit Court of Nansemond County, at the Rules to be
 held for the said Court, on the *Thurs* Monday in *September 1909* to answer

a Bill in Chancery, exhibited against *them*
 in the said Court by *National Exchange Bank of Baltimore*
Maryland a Corporation which sues for its
self as well as others, Stockholders depositors
and Creditors who may come in and make
themselves parties to this suit.

And have then and there this summons.

Witness. R. R. SMITH, Clerk of our said Court. at his office, this *18th* day of
September, 19*09*, in the 13*4th* year of the Commonwealth.

A copy—Teste:

CLERK.

Teste:

R R Smith CLERK.
A J Gomez etc

Executed on the / 8th day of September, 1909, within the
County of Chesterfield, Virginia, by delivering a true
copy of the within summons in writing to W. R. Myers, individually,
in person in which said County the said W. R. Myers resides;
and executed also on the / 8th day of September, 1909, by delivering
a true copy of the within summons, in writing, to W. R. Myers
President of the Merchants and Truckers Bank, Incorporated,
in person, in which said County the said W. R. Myers resides.

Wm. G. Gill

Sheriff of the County of Chesterfield
in the State of Virginia.

Sheriffs Fee Paid

W. G. Gell
p. q.

*Natl Exchange Bank
of Baltimore*

vs.

IN CHANCERY.

*The Merchants & Truckers
Bank Incorp. Va.*

1909

September Rules.

First Monday.

NANSEMOND CIRCUIT COURT.

PROCESS BOOK, No. 3

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National Exchange Bank of Baltimore Maryland
a corporation ^{which} ~~who~~ sues for itself as well as
others, stockholders, depositors and creditors
who may come in and make themselves parties
to this suit.

vs.

The Merchants and Traders Bank, Incorporated
W.R. Myers President of the Merchants & Traders
Bank Inc.,

John King acting as Secretary of the board
of Directors of the Merchants & Traders
Bank Inc.,

W.R. Myers
Robert W. Wither

John King
Robert W. Wither Trustee —
Nansemond

I issue Summons Circuit Court for 3rd September rules.
Tax \$1.50

THE COMMONWEALTH OF VIRGINIA,

TO THE SHERIFF OF NANSEMOND COUNTY—GREETING:

YOU ARE HEREBY COMMANDED TO SUMMONS

to appear before the Judge of the Circuit Court of Nansemond County, at the Courthouse of said County,
on the day of, to testify and the truth to say on behalf of

in a certain matter of controversy in our said Court depending and undetermined between.....

Plaintiff.....

and Defendant.....

And this the witness shall in no wise omit, under the penalty of \$100 each. And have then and there
this summons.

WITNESS, R. R. SMITH, Clerk of our said Court, at his office, this day of
190....., in the 1 year of the Commonwealth.

....., CLERK.

THE COMMONWEALTH OF VIRGINIA.

Sergeant the City of Manchester
 TO THE ~~SHERIFF~~ OF NANSEMOND COUNTY—GREETING:

YOU ARE HEREBY COMMANDED TO SUMMON *The Merchants and Truckers Bank Incorporated* *WR Myers* President of the Merchants and Truckers Bank Incorporated *John King* acting as Secretary of the Board of Directors of the Merchants and Truckers Bank Incorporated *WR Myers* *Robert W Wether* *John King* and *Robert W Wether* Trustees.

to appear at the Clerk's Office of the Circuit Court of Nansemond County, at the Rules to be held for the said Court, on the *Third* Monday in *June* 1909, to answer

a Bill in Chancery, exhibited against *them* in the said Court by *National Exchange Bank of Baltimore Md a Corporation of Maryland* who sues for themselves as well as other Stockholders, depositors and Creditors who may come in and make themselves parties to this suit.

And have then and there this summons.

Witness. R. R. SMITH, Clerk of our said Court. at his office, this *18th* day of

June, 1909, in the 13th year of the Commonwealth.

A copy—Teste:

RR Smith, CLERK.

Teste:

RR Smith, CLERK.

By A P Gomer DE

By A P Gomer DE

(1)

N Stuart Lewis p. q.

A copy for

vs.

} IN CHANCERY.

W R Myers Presbr or
the Mer & Inoke Bank

1909

June Rules.

Thurs Monday.

NANSEMOND CIRCUIT COURT.

PROCESS BOOK, No. *3*

PAGE *72*

CHANCERY SUMMONS.

THE COMMONWEALTH OF VIRGINIA.

Sergeant the City of Manchester
TO THE SHERIFF OF NANSEMOND COUNTY—GREETING:

YOU ARE HEREBY COMMANDED TO SUMMON *The Merchants*
and Truckers Bank Incorporated *W R Myers*
President of the Merchants and Truckers Bank
Incorporated *John King acting as Secretary*
Board of Directors of the *of the Merchants and Truckers Bank Incorporated*
W R Myers Robert W Wether John King and
Robert W Wether Trust.

to appear at the Clerk's Office of the Circuit Court of Nansemond County, at the Rules to be
held for the said Court, on the *Third* Monday in *June 1909* to answer

A Bill in Chancery, exhibited against *them*

in the said Court by *National Exchange Bank of Baltimore*
Ma a Corporation of Maryland who sues for
themselves as well as other Stockholders,
depositions and Creditors who may come in
and make themselves parties to this Suit

And have then and there this summons.

Witness. R. R. SMITH, Clerk of our said Court, at his office, this *18th* day of

June, 19*09*, in the 13*3rd* year of the Commonwealth.

A copy—Teste:

R R Smith, CLERK. }

By J P Gomez DC

Teste:

R R Smith, CLERK.

By J P Gomez DC

H Stuart Lewis p. q.

A copy for

vs.

}

IN CHANCERY.

Merchants & Traders

Bank Incorp.

1909

June

Rules.

Third

Monday.

NANSEMOND CIRCUIT COURT.

PROCESS BOOK, No. *3*

PAGE *72*

CHANCERY SUMMONS.

THE COMMONWEALTH OF VIRGINIA.

Sergeant the City of Manchester
TO THE SHERIFF OF NANSEMOND COUNTY—GREETING:

YOU ARE HEREBY COMMANDED TO SUMMON *The Merchants*
and Traders Bank Incorporated W R Myers
President of the Merchants and Traders Bank
Incorporated John King acting as Secretary
of the Board of Directors of the Merchants
and Traders Bank Incorporated W R Myers
Robert W Wether John King and Robert M
Wether Trustee

to appear at the Clerk's Office of the Circuit Court of Nansemond County, at the Rules to be
held for the said Court, on the *Third* Monday in *June 1909*, to answer

a Bill in Chancery, exhibited against *them*
in the said Court by *National Exchange Bank of*
Baltimore Md a Corporation of Maryland
who sues for themselves as well as others
Stockholders, depositors and Creditors who
may come in and make themselves parties
to this suit

And have then and there this summons.

Witness. R. R. SMITH, Clerk of our said Court, at his office, this *18th* day of

June, 1909, in the 13th year of the Commonwealth.

A copy—Teste:

R R Smith, CLERK.

R. A. Thomas D.C.

Teste:

R R Smith, CLERK.

R. A. Thomas D.C.

(1)

H Stuart Leary p. q.

A copy for

vs.

}

IN CHANCERY.

W R Myers

1909

June Rules.

Thurs Monday.

NANSEMOND CIRCUIT COURT.

PROCESS BOOK, No. *3*

PAGE *72*

THE COMMONWEALTH OF VIRGINIA.

TO THE SHERIFF OF NANSEMOND COUNTY—GREETING:

YOU ARE HEREBY COMMANDED TO SUMMON *The Merchants and Truckee Bank Incorporated, W R Myers President of the Merchants and Truckee Bank Incorporated John King acting as Secretary of the Board of Directors of the Merchants and Truckee Bank Incorporated W R Myers Robert W Withers John King and Robert W Withers Trustee*

to appear at the Clerk's Office of the Circuit Court of Nansemond County, at the Rules to be held for the said Court, on the *Third* Monday in *June* 1909, to answer

a Bill in Chancery, exhibited against *them* in the said Court by *National Exchange Bank of Baltimore Md. a Corporation of Maryland who sues for themselves as well as other Stockholders, depositors and Creditors who may come in and make themselves parties to this suit*

And have then and there this summons.

Witness. R. R. SMITH, Clerk of our said Court, at his office, this *18th* day of *June*, 1909, in the 133rd year of the Commonwealth.

A copy—Teste:

, CLERK.

Teste:

R R Smith, CLERK.
R W Withers D.C.

Executed this 19th day of June 1909 By delivering a true copy of the within process to Robert W. Wether and Robert W. Wether, Trustees, John King not found at his usual place of abode I executed the within processes by delivering a true copy of the within processes to Mary Emmet King his wife for John King and John King Acting Secretary of the Board of Directors of the Merchants and Traders Bank she being found on the premises and being over sixteen years of age and giving information of its purport.

A. W. Baker
Shuff

(1)

W. Black - Deceased. p. q.

Walt L. L. L. Bank of

Walt L. L. L. Bank of

vs.

IN CHANCERY.

The Merchants & Traders

Bank and others

1909

Rules.

June
Monday.

NANSEMOND CIRCUIT COURT.

PROCESS BOOK, No. 3

PAGE

72

THE COMMONWEALTH OF VIRGINIA.

Chesterfield
TO THE SHERIFF OF ~~NANSEMOND~~ COUNTY—GREETING:

~~YOU ARE HEREBY COMMANDED TO SUMMON~~ We command you, as at
another time we have commanded you, that you summon The Merchants and
Truckers Bank, Incorporated, W. R. Myers, President of the Merchants and
Truckers Bank, Incorporated, John King, acting as Secretary of the Board
of Directors of the Merchants and Truckers Bank, Incorporated, W. R. Myers,
Robert W. Withers, John King and Robert W. Withers, Trustee

to appear at the Clerk's Office of the Circuit Court of Nansemond County, at the Rules to be
held for the said Court, on the Third Monday in July, 1909, to answer
a Bill in Chancery, exhibited against them

in the said Court by National Exchange Bank of Baltimore, Md., a corporation of
Maryland, who sues for themselves as well as others, its Stockholders depositors
and Creditors who may come in and make themselves parties to this suit

And have then and there this summons.

Witness. R. R. SMITH, Clerk of our said Court, at his office, this 10th day of
July, 1909, in the 134th year of the Commonwealth.

A copy—Teste:

, CLERK.

Teste:

, CLERK.

R. R. Smith
R. L. Gomez D.C.

Executed on the 12th day of July, 1909, as to the Merchants and Truckers Bank Incorporated, by delivering a true copy of the within summons, in writing to W. R. Myers, in person who is the President of the within mentioned defendant corporation, in the County of Chesterfield, in which County the said W. R. Myers resides, and executed also on the 12th day of July, 1909, by delivering a true copy of the within summons, in writing to W. R. Myers, the President of the Merchants and Truckers Bank, Incorporated, in person; and also executed on the 12th day of July, 1909 by delivering a true copy of the within summons in writing, to W. R. Myers individually, in person.

Wm. B. Luce

Sheriff of the County of Chesterfield
in the State of Virginia.

*Sheriff's fee \$1.00
Paid*

*(3)
Alias Summons*

Abraham Lewis, p. q.

National Exchange Bank

of Baltimore

vs.

IN CHANCERY.

*The Merchant & Truckers
Bank Incorporated*

1909

July Rules.

Thick Monday.

NANSEMOND CIRCUIT COURT.

PROCESS BOOK, No. 3

PAGE

H. STUART LEWIS
ATTORNEY AND COUNSELLOR AT LAW
POST OFFICE BUILDING
SUFFOLK, VA.

Suffolk, Va.,

July the 15th., 1909.

Capt A. P. Gomer,

Deputy Clerk,

Suffolk, Virginia.

My dear Sir:-

I am enclosing you herewith the service on W. R.
My ers which the Sheriff of Chesterfield County has just returned
to me in the case of the Exchange BK Vs The Merchants and Truckers
BK.

I will thank you to put same with the papers in the case. I
shall endeavor to have my bill filed by Monday next.

Very truly yours,

H. Stuart Lewis

THE COMMONWEALTH OF VIRGINIA,

TO THE SHERIFF OF NANSEMOND COUNTY-GREETING:

YOU ARE HEREBY COMMANDED TO SUMMONS F. Wilkerson Jones, R. O. Chandler, G. A. Harris, Robert W. Withers, John King, A. W. Oliver, Charles F. Taylor and George Skinner to appear before me at 10.00 A. M. in the office of H. Stuart Lewis, Attorney at Law, in the Post Office Building, Suffolk, Virginia, on the 28th day of August, 1909, and then and there to testify and the truth to say on behalf of Plaintiffs in a certain matter of controversy on the Chancery side of our Circuit Court of Nansemond County, depending and undetermined, wherein The National Exchange Bank of Baltimore, Md., a corporation of Maryland who sues for themselves as well as others, stockholders, depositors and creditors, who may come in and make themselves parties to this suit, are Plaintiffs, and The Merchants & Truckers Bank, Incorporated, W. R. Myers, President of the Merchants & Truckers Bank, Inc., John King, acting as Secretary of the Board of Directors of The Merchants & Truckers Bank, Inc., W. R. Myers, Robert W. Withers, John King and Robert W. Withers, Trustee, are Defendants.

And this the witnesses shall in no wise omit, under the penalty of \$100.00 each. And have then and there this summons and make return how you have executed the same.

WITNESS, F. W. Lloyd, Notary Public for the County of Nansemond in the State of Virginia, at his office the ^{26th} day of August, 1909, in the ⁴⁴134th year of the Commonwealth.

F. W. Lloyd

Notary Public.

My term of office expires the 19th day of March, 1910.

A copy - sent
W. F.

Executed on the 27th day of August, 1909,
within the County of Harsemond by
delivering a true copy of the within
notice to John. King, Robert W. Withers
George A. Harris, Charles + Taylor + Wilkerson
Jones, A. W. Oliver, R. O. Chandler and
George Skinner, in person.

A. M. [Signature]
Sherriff of Harsemond County.

Sherriff Lee 4

[Original]

To The Merchants & Truckers Bank, Inc.,

W. R. Myers, President of the Merchants & Truckers Bank, Inc.,

John King, Acting as Secretary of Board of Directors of Merchants & Truckers Bank, Inc.,

W. R. Myers,

Robert W. Withers,

John King,

Robert W. Withers, Trustee,

~~C. C. Everett, Attorney for Robert W. Withers, Trustee,~~

Take notice, that on the 25th day of August, 1909, at the office of R. Stuart Lewis, in the Post Office building, in the Town of Suffolk, Virginia, between the hours of 10 o'clock A. M. and 6 o'clock, P. M., of that day, I shall proceed to take the depositions of

F. Willerson Jones, R. D. Chandler, G. A. Harris,
Robert W. Withers, John King, A. W. Oliver
Charles F. Taylor and George Skinner all of Suffolk Va.

to be read in evidence in my behalf in the suit in equity depending in the Circuit Court of Hanover County, in which I am plaintiff and you are defendants; and if from any cause the taking of the said depositions be not commenced on that day, or if commenced, if they be not completed on that day, the taking of the said depositions will be adjourned from time to time at the same place and between the same hours until they are completed.

Respectfully,

The National Exchange Bank of
Baltimore, Md.

By R. Stuart Lewis, Counsel.

A. R. Smith, Clerk
By M. M. Watkins &c

Executed on the 17th day of August, 1909 as to
the Merchant and Traders Bank, Incorporated, by ^{noted} ~~noted~~
delivering a true copy of the within ~~notice~~,
in writing to W.R. Myers, in person who is the
President of the within mentioned defendant Corporation,
in the County of Chesterfield in the State of
Virginia in which County the said W.R. Myers
resides, and executed also on the 17th day
of August 1909, by delivering a true copy
of the within ~~summons~~ ^{Notice}, in writing to W.R.
Myers, the President of the Merchant and
Traders Bank Incorporated, in person;
and also executed on the 17th day of
August, 1909 by delivering a true copy
of the within notice, in writing, to W.R.
Myers individually, in person —

W. B. Lick

Sheriff of the County of
Chesterfield in the State of
Virginia —

Shurpps per
Paid

Copy for Robert W. Withers Trustee,

To The Merchants & Truckers Bank, Inc.,

W. R. Myers, President of the Merchants & Truckers
Bank, Inc.,

John King, Acting as Secretary of Board of Directors
of Merchants & Truckers Bank, Inc.,

W. R. Myers,

Robert W. Withers,

John King,

Robert W. Withers, Trustee,

~~S. E. Everett, Attorney for Robert W. Withers, Trustee,~~
~~et als.~~

Take notice, that on the 28th day of August, 1909,
at the office of H. Stuart Lewis, in the Post Office
building, in the Town of Suffolk, Virginia, between the
hours of 10 o'clock A. M. and 6 o'clock, P. M., of that
day I shall proceed to take the depositions of 1

Wickerson Jones, R. O. Chandler, J. A. Harris, Robert
W. Withers, John King, A. W. Oliver, Charles
T. Taylor, and George Skinner all of Suffolk Va.

to be read in evidence in my behalf in the suit in equity
depending in the Circuit Court of Nansemond County, in
which I am plaintiff and you are defendants; and if from
any cause the taking of the said depositions be not com-
menced on that day, or if commenced, if they be not com-
pleted on that day, the taking of the said depositions
will be adjourned from time to time at the same place
and between the same hours until they are completed.

Respectfully,

THE NATIONAL EXCHANGE BANK OF BALTIMORE, MD.

By H. Stuart Lewis Counsel.

A Copy -
Juskr: R. R. Smith, Clerk.
By M. M. Watkins, D.C.

National Exchange
Bank of Baltimore
No. 12 in Chancery
The Merchants &
Truckers Bank etc.

H. STUART LEWIS
ATTORNEY AND COUNSELLOR AT LAW
POST OFFICE BUILDING
SUFFOLK, VA.

Aug. 18th, 1909.

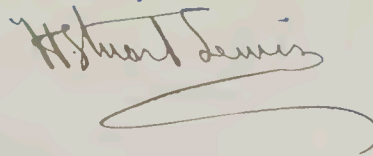
Capt. A. P. Gomer,
Deputy Clerk,
Suffolk, Va.

My dear Sir;-

I enclose you herewith an original copy of a notice to take depositions in the case of the National Exchange Bank of Baltimore, Md. v the Merchants & Truckers Bank, Inc., et als, the same showing service on W. R. Myers made by the Sheriff of Chesterfield County.

I shall thank you to file same in the papers in the case.

Very truly yours,

A handwritten signature in dark ink, appearing to read "H. Stuart Lewis", with a long, sweeping horizontal flourish underneath.

Encl.

HSL-HMR.

To The Merchants & Truckers Bank, Inc.,

W. R. Myers, President of the Merchants & Truckers
Bank, Inc.,

John King, Acting as Secretary of Board of Directors
of Merchants & Truckers Bank, Inc.,

W. R. Myers,

Robert W. Withers,

John King,

Robert W. Withers, Trustee,

~~S. E. Everett, Attorney for Robert W. Withers, Trustee,~~
~~at als.~~

Take notice that on the 28th day of August, 1909,
at the office of H. Stuart Lewis, in the Post Office
Building, in the Town of Suffolk, Virginia, between the
hours of 10 o'clock, A. M. and 6 o'clock, P. M. of that
day I shall proceed to take the depositions of 1.
Wickerson Jones, R. D. Chandler, G. A. Harris
Robert W. Withers, John King, A. W. Oliver
Charles T. Taylor and George Skinner all of Suffolk Va
to be read in evidence in my behalf in the suit in equity
depending in the Circuit Court of Nansemond County, in
which I am plaintiff and you are defendants; and if from
any cause the taking of the said depositions be not com-
menced on that day, or if commenced, if they be not com-
pleted on that day, the taking of the said depositions
will be adjourned from time to time at the same place
and between the same hours until they are completed.

Respectfully,

THE NATIONAL EXCHANGE BANK OF BALTIMORE, MD.

By H. Stuart Lewis, Counsel.

R. R. Smith, Clerk
By M. M. Watkins D.C.

John King could not be found on the 14th day of August, 1909, so the within notice was executed on the said 14th day of August, 1909, within the County of Nansemond, by delivering a true copy of the same in writing at John King's usual place of abode to Mrs. M. E. King, John King's wife, who was found at John King's usual place of abode, and who is a member of John King's family, and above the age of sixteen years, and giving information of the purport of said copy to the said Mrs. M. E. King to whom it was delivered.

A. H. Baker
SHERIFF OF NANSEMOND COUNTY.

By *G. C. Griffin DS*

John King could not be found on the 14th day of August, 1909; so the within notice was executed on the said 14th day of August, 1909, as to John King acting as Secretary of Board of Directors of Merchants & Truckers Bank, Inc., within the County of Nansemond, by delivering a true copy of the same in writing at John King's usual place of abode to Mrs. M. E. King, John King's wife, who was found at John King's usual place of abode, and who is a member of John King's family, and above the age of sixteen years, and giving information of the purport of said copy to the said Mrs. M. E. King to whom it was delivered.

A. H. Baker
SHERIFF OF NANSEMOND COUNTY.

By *G. C. Griffin DS*

Neither Robert W. Withers nor his wife or any person who is a member of Robert W. Withers' family, and above the age of sixteen years, could be found at Robert W. Withers' usual place of abode on the 14th day of August, 1909, so the within notice as to Robert W. Withers was executed on the said 14th day of August, 1909, within the County of Nansemond, by leaving a true copy of the same in writing posted at the front

door of said place of abode.

A. H. Baker
Sheriff of Nansemond County
By G. C. Griffin Ds

Neither Robert W. Withers, Trustee, nor his wife, or any person who is a member of Robert W. Withers' family, and above the age of sixteen years, could be found at Robert W. Withers' usual place of abode on the 14th day of August, 1909, so the within notice as to Robert W. Withers, Trustee, was executed on the said 14th day of August, 1909, within the County of Nansemond, by leaving a true copy of the same in writing posted at the front door of said place of abode.

A. H. Baker
Suff. of Nansemond County
By G. C. Griffin Ds

National Exchange
Bank of Balto. &c.

v2 } In Chancery

The Merchants &
Freeborn Bankers

H. STUART LEWIS,
ATTORNEY AT LAW,
POST OFFICE BUILDING,
SUFFOLK, VA.

ALVAN BUSHNELL CO., LAW STATIONERS, 842 MARKET ST., PHILADELPHIA, PA.

Disputed

The National Exchange Bank of Baltimore, Md.,
a Corporation of Maryland who sues for themselves
as well as others, stockholders, depositors and
creditors, who may come in and make themselves
parties to this suit - - - - - Plaintiffs.

vs.

The Merchants & Truckers Bank, Incorporated,
W. R. Myers, President of the Merchants &
Truckers Bank, Inc.,
John King, acting as Secretary of the Board of
Directors of the Merchants & Truckers Bank, Inc.,
W. R. Myers,
Robert W. Withers,
John King
Robert W. W. Withers, Trustee - - - - - Defendants.

Depositions of F. Wilkinson Jones, Robert W. Withers,
R. O. Chandler, G. A. Harris, A. W. Oliver, Charles F. Tay-
lor, George W. Skinner, John King, _____

witnesses, taken before me, F. W. Lloyd, a Notary Public for
the County of Hansemond in the State of Virginia, on the 28th
day of August, 1909, and the other days hereinafter mentioned,
in pursuance of the annexed notice, at the office of H. Stuart
Lewis, Attorney at Law, in the Post Office Building, in the
town of Suffolk and State of Virginia, between the hours of
10.00 A. M. and 5.00 P. M., to be read in evidence in a suit
in which The National Exchange Bank of Baltimore, Md., a Corpo-
ration of Maryland who sues for themselves as well as others,
stockholders, depositors and creditors, who may come in and
make themselves parties to this suit, are Plaintiffs, and The
Merchants & Truckers Bank, Incorporated, W. R. Myers, President
of the Merchants & Truckers Bank, Inc., John King, acting as
Secretary of the Board of Directors of the Merchants & Truckers
Bank, Inc., W. R. Myers, Robert W. Withers, John King, and
Robert W. Withers, Trustee, are defendants, pending in the Circuit
Court for the County of Hansemond in the State of Virginia.

H. Stuart Lewis and Lloyd R. Freeman, Counsel for the Plaintiffs.

S. E. Everett, Counsel for the Defendants.

Mr. S. E. Everett, Counsel for the Merchants & Truckers Bank, Inc., makes a special appearance at this hearing and objects to the further taking of this testimony on account of improper service of process and notice in these proceedings; and Robert W. Withers, Trustee, likewise appears specially and objects to these depositions for the reason that notice was improperly served upon him; and Robert W. Withers, John King, John King, Secretary of the Board of Directors of the Merchants & Truckers Bank, and W. R. Myers appear specially and object to the taking of depositions as to them because they are improper parties to the suit.

Mr. H. Stuart Lewis says: If you gentlemen think that you have not had a proper actual notice of the taking of these depositions, and if you desire to cross-examine any of these witnesses at any future time, if you are inconvenienced by coming up here, you will say that you are inconvenienced by objecting here at this time, and we will give you the next ten (10) days within which to cross-examine any of these witnesses. We will re-open the taking of these depositions and make it convenient for you at any time within the next ten (10) days to cross-examine any of these witnesses.

We will introduce in the depositions this letter written by Mr. Lewis to Mr. Withers, dated Aug. 14th, 1909, informing him that we would take depositions on this day, and the service of the notice to take depositions on all parties defendant. And also the summons requiring the different parties who are here, including Mr. Withers and Mr. King, to the hearing of these depositions.

Mr. Everett says: We are going to cross-examine;

we may or may not.

F. Wilkinson Jones, being first duly sworn, deposes and says as follows.

Examined by Mr. Freeman.

Q. Mr. Jones, will you state your name and residence?

A. F. Wilkinson Jones, Suffolk, Virginia.

Q. Were you or not Cashier of the Merchants & Truckers Bank in the month of March, 1909?

A. I don't know. Some say I was and some say I was not. I don't know, I was acting as Cashier.

Q. About this time did you, or not, find certain irregularities in the way the bank was being conducted?

A. Yes, I did. Somewhere along there, I don't know about its being exactly that time.

Q. What did that mismanagement consist in?

A. A whole lot of bills receivable there were one name paper, and there was a whole lot of demand notes there with pretty good size amounts and then there were some curtails on expense account in the shape of notes simply to cut down the expense account without having any asset in place of it, except that note.

Q. Did you, or not, inform the Directors of this condition of affairs?

A. I did.

Q. What was the specific charge you made to the Board of Directors?

A. I did not make any specific charge; I just simply showed them the condition of affairs.

Q. Did you, or not, examine the drawer in the safe of the Merchants & Truckers Bank?

A. There was a drawer there that the bills receivable had been kept in that had never been examined by me. I had never

looked through it; I had never had it by myself; it was left on the counter two or three times, but I had never had a chance to go through it.

Q. Can you tell of your own knowledge what the amount of Mr. Myers, President of the Bank, indebtedness to the bank was, approximately, about this time.

A. There was \$20,000.00 with his name on it in some way, I have forgotten exactly how it was, and it ran up to around \$34,000.00.

Q. What was the collateral security given by Mr. Myers?

A. It was signed Mrs. W. R. Myers in Mr. Myers' handwriting; I didn't see any collateral at all, if there was any it was not with the note to the best of my recollection. I don't think it was endorsed by anybody. I won't be positive about that.

Q. Was it unsecured?

A. It was a blank collateral note without any collateral.

Examined by Mr. Lewis.

Q. What was the amount of that note?

A. \$20,000.00.

Q. Was there any collateral securing the other indebtedness, that is the \$14,000.00 additional of the \$34,000.00, which you just spoke of?

A. There were two or three life insurance policies, with small cash values, not over \$1,000.00 on the balance of them.

Q. Do I understand you to say that there was \$14,000.00 which had been borrowed from the bank by Mr. Myers, which was only secured by life insurance policies and the cash surrender value of which as a whole did not exceed \$1,000.00?

A. No, I didn't say that; I said that he had some life insurance policies there with cash values on them altogether about \$1,000.00. He also had some other little collateral amounting to about \$2,500.00, the whole of the collateral, to the best of my recollection.

by Mr. Freeman.

Q. Had these several loans been passed on by the Discount Committee of the Directors?

I never was there.

Q. Was there such a thing as a Discount Committee of the Directors, as provided under the by-laws?

A. There was the Board of Directors. I don't know that you would call them a regular Discount Committee.

Q. The by-laws provide - Article II of the by-laws of the Merchants & Truckers Bank, Inc., is as follows: "The directors elected shall meet in executive session immediately after the stockholders' meeting to name a committee of five (5) from the Directors to accept or reject, as in their opinion it may be to the best interests of this bank, all paper offered for discount." Do you know of any such committee having been elected?

A. Well, the Board of Directors were supposed to perform that duty. I don't know that you call them a Discount Board.

by Mr. Lewis.

Q. Mr. Jones, during your connection with the bank, do you know of a single instance in which the Discount Committee were called in consultation on paper which was discounted at the bank?

A. Yes, sir. I think I do, but I don't recall the paper, but they were called on two or three occasions to pass on paper.

Q. Were they always called on to pass on paper?

A. No indeed.

Q. As a matter of fact then, they were very seldom called to pass on the paper, very limited as to the times they were called?

A. They were not called very often, very seldom. The loans were passed on by the President.

by Mr. Freeman.

Q. Mr. Jones, are you familiar with a statement of the condition of the Merchants & Truckers Bank made at close of bus-

iness February 5th, 1909, which was printed and condensed from a report made to the State Corporation Commission?

A. To some extent. I don't remember the different amounts, but I know the footing.

A. Is this a true copy of that statement?

(Witness is shown a copy of statement.)

A. To the best of my memory it is.

Q. Mr. Jones, were you present at a meeting of the Directors held on March 27th, 1909, at which time a request was made to Mr. W. R. Myers, President of the bank, to give a statement of the affairs of the bank?

A. Yes, sir. I don't remember that being the exact date.

Q. Did Mr. Myers render a statement as requested?

A. He talked some about it, but he didn't give a statement.

Q. What was the action of the Directors at that time?

A. They called for a statement and said that they wanted a statement of the condition of the bank. What do you mean?

Q. I mean, when Mr. Myers refused to give this statement what did the Directors then do?

A. I think they insisted on getting it. I don't know that he directly refused to give it, but simply didn't do it.

Q. Did the Directors then adopt a resolution resolving that the bank be examined by expert accountants.

A. I think so.

Q. Was it about this time that the Directors resolved that an expert accountant be employed?

A. Yes, sir. Somewhere along there.

Q. Did they also pass a resolution and order that the books, papers, bonds, bills, notes and cash and all other paper be placed in the sole charge of you.

A. Yes, sir.

Q. Was this done; was the bank turned over to you?

A. Temporarily.

Q. Did, or did not, Mr. Myers then call a meeting of the

stockholders of the said bank?

A. Yes, sir.

Q. At the meeting of the stockholders, which was called for the 3rd of April, were you present?

A. I was present at several stockholders' meeting. I think I was present on that day.

Q. This was the meeting at which they ousted the old board of Directors.

A. I was there a part of the time. I was not a director and was not at any of the meetings, except by invitation.

Q. At that time were you acting as Cashier?

A. I had been made Cashier officially by the old Board.

Q. The affairs of the bank were at that time in your hands?

A. As Cashier.

Q. Do you remember at the meeting on April 3rd of the turning out of the old Board of Directors?

A. I remember their being turned out; I don't remember the date.

Q. Do you remember any of the causes given why the said directors should be turned out?

A. Some of them I remember were : Mr. Brett never attended the meetings. I don't know the other causes, what they were, I have forgotten.

Q. Do you remember who were elected directors to take the place of the deposed directors?

A. I think they tried to elect , but they wouldn't serve, some of them wouldn't serve, and then they elected another board of directors later on. Mr. R. W. Withers, Mr. John King and Mr. W. R. Myers. I don't know whether that was a little later or not, but it was done at some time .

Q. Were you present when Mr. G. A. Harris and Mr. R. O. Chandler refused to serve on the new Board of Directors?

A. Present where?

Q. At this meeting when they refused to serve.

A. I don't think so; I am not positive.

Q. Mr. Jones, when you look at this Exhibit A. filed with the bill, can you state that is a copy, as far as you can remember, of the minutes of the meeting held on that day?

A. Yes, sir. I think that is it.

Q. Could you, or not, say whether this Exhibit B., filed with the bill, is a true copy of the Articles of Association?

A. I was not very familiar with the Articles of Association. I don't know whether that is a true copy or not. I think it is. I have read it once or twice and I think it is.

Q. Can you, or not, state whether Exhibit E, filed with the bill, is a true copy of the by-laws of the Merchants & Truckers Bank?

A. Part of it is. Part I don't recollect. Like the Articles of Association, I am not familiar with the by-laws. I have read them over several times, but am not familiar with them.

Q. by Mr. Lewis.
Mr. Jones, in answer to a question asked you by Mr. Freeman a few minutes ago in regard to the reason for the Directors being ousted and a new Board of Directors being put in, you told him that there was some reason given in regard to Mr. Brett's not attending the meetings as a cause for ousting Mr. Brett as a director. Do you remember whether or not that reason was specifically given at the time at which the old Board was ousted in the meeting, or do you remember to have heard that that reason was given at another time and place?

A. I heard it was given in that meeting.

Q. Did you hear it given in the meeting?

A. Mr. Brett told me, and I believe Mr. Chandler told me.

I know Mr. Brett told me, I am not certain about Mr. Chandler

Counsel for defendants declines to cross-examine this witness and insist that this deposition should not be taken or read.

Robert W. Withers, having been first duly sworn, deposes and says as follows:

Examined by Mr. Freeman.

Q. Mr. Withers, kindly state your name and residence.

A. Robert W. Withers, Suffolk, Virginia.

Q. Mr. Withers, are you a stockholder of the Merchants & Truckers, Bank of Suffolk, Virginia?

A. I hold one share of stock.

Q. Is this share of stock in your name on the books of the company.

A. It is.

Q. Were you at the time of being elected a director of the Merchants & Truckers Bank a stockholder?

A. I was.

Q. Was this stock then in your name on the books of the company?

A. It was.

Q. Mr. Withers, have you in your possession a copy of the Baltimore Audit Company's report of the condition of the Merchants & Truckers Bank?

A. I have.

Q. Have you it with you?

A. No, sir.

Q. Was a request made by Mr. Lewis to you to have that Audit Company's report here?

A. A few minutes ago by phone.

Q. Is this Audit Company's report at a place where it would be convenient to send for it?

A. It is. It is now in the safe in the bank.

Q. Have you any reason to object to our having that Audit Company's report to introduce here as evidence?

A. None further than that it is a part of the property and papers under my care as Trustee and which should not be given to the public without an order of court, unless I can person-

ally see some advantage to be gained by the trust which I am administering.

Q. You have also the stock book and the general book of the account of the bank?

A. Yes, sir.

Q. And the minute book?

A. Yes, sir.

Q. Do I understand you to say that you are unwilling to surrender any of these documents to us for use here as evidence in this case?

A. I do, for the reason that I can see no advantage to be gained thereby to the stockholders, creditors or depositors of the trust funds which I am administering.

Q. Mr. Withers, when serving on the Board of Directors of the Merchants & Truckers Bank, did you, or not, at several times, act as secretary pro tem?

A. I did.

Q. Can you, or not, say whether this Exhibit C, filed with the bill, is a true copy?

A. I cannot say of my memory. It probably is, but I don't carry these facts in my mind and I wouldn't undertake to say whether it is or not.

(Exhibit C is shown Mr. Withers.)

Q. Can you, or not, say whether Exhibit F is a true copy?

A. No, I could not, for the same reason.

(Exhibit F is shown Mr. Withers.)

Q. Exhibit G?

A. I could not, for the same reason.

(Exhibit G is shown Mr. Withers.)

Q. Mr. Withers, did the Board of Directors, on the 16th day of April, 1909, make a deed of trust to you as Trustee for the benefit of the creditors of the Merchants & Truckers Bank, Incorporated?

A. The Board did.

Q. At this meeting who, besides yourself, was present?

A. Mr. Myers and Mr. King.

Q. As a director, did you know whether or not there were any other directors then qualified to serve as directors of the Merchants & Truckers Bank, Inc?

A. My recollection is that at the meeting of the stockholders, held early in April, the old Board of Directors was deposed because of irreconcilable conflicts between the then officers of the bank and the then Board of Directors, also on account of the non-attendance and non-residence of many of the then Board of Directors; also on account of the fact that the old Board did not attend to its duties, as shown by the last preceding witness. For these reasons it was deemed expedient to elect a new Board. A new Board was elected, consisting of five members as follows: Mr. Myers, Mr. King, Mr. G. A. Harris, Mr. R. O. Chandler and Mr. Withers. That is my recollection. Only three of these directors qualified, Myers, King and Withers; the other two, so far as I know, have never signed the oath required by law. Though they may do so at any time. Immediately upon taking charge of the affairs of the bank the new Board of Directors found its affairs in bad shape and upon investigation they felt it their duty to the public, to themselves and especially to the creditors of the bank, to take steps to close its affairs. Steps were first taken to try to negotiate a loan on the assets of the bank in order to nominally keep its doors open and prevent a panic. This failing, the Board speedily adopted a resolution to discontinue accepting deposits and refuse to discount paper, and ordered the officers of the bank to proceed to the collection of its bills receivable and to the liquidation of its debts. The news soon spread that the bank was insolvent and the depositors soon exhausted the ready cash. The directors tried in every way possible to raise funds to meet the demands of its depositors. Being unable to do this, and knowing that if the doors opened on the following morning

that the checks presented would have to be refused, there was nothing left for the Directors to do, but to put its affairs in the hands of a Trustee, to close the bank and to proceed to an early liquidation of its accounts. This was done by the Board of Directors passing a resolution directing the execution of a deed of trust to a trustee for the benefit of all of its creditors equally. That is all.

Q. Mr. Withers, was any demand made on Messrs. Harris and Chandler to qualify themselves as Directors of the Merchants & Truckers Bank?

A. I do not remember.

Q. Were any new directors elected by the Board of Directors, as provided in the by-laws, to fill these two vacancies?

A. Not at that time, nor since, that I know of; in fact, no one had authority to do it, except the stockholders.

Q. Were you, or not, aware at the time of making this deed of assignment that a large per cent. of the creditors had instituted proceedings asking that a receiver be appointed to take over the affairs of the bank?

A. I was not aware of such a move. On the contrary, before the deed of trust was drawn I had a conference with the attorneys and with most of the gentlemen of whom you speak and it was practically by agreement that the affairs took this turn.

Q. Will you please state what attorneys agreed to this?

A. Mr. Everett and Mr. Rawles.

Q. Did Messrs. Chandler and Harris agree to this deed of assignment being made?

A. I don't recall having spoken to these gentlemen at that time about this matter.

Q. Were any of the stockholders advised of this move to make this deed of assignment?

A. There was no opportunity to do so because the bank had

either to close its doors or to decline to pay checks when presented at its counter, and we felt that there was no necessity for so doing.

by Mr. Lewis.

Q. Mr. Withers, do you know, of your own knowledge, whether or not at the first meeting of the stockholders of the bank, at which the old Board of Directors was ousted and the new Board elected to take their place, the stock of Mr. Myers which he held was hypothecated?

A. I know nothing whatever about that. I don't know it now. The books of the corporation show that Mr. Myers owned considerable stock; I have forgotten just what now, I think 155 shares, and on the records of the corporation there is nothing to show that he does not hold the certificate for this stock. It stands in his name on the books of the corporation today absolutely.

Q. Mr. Withers, at the meeting of the defacto directors of the bank, held at the office of the bank on April 15th, 1909, was there not a motion made by Mr. King and seconded by you that the President of the bank, Mr. Myers, be authorized and directed to re-discount or hypothecate as collateral any or all of their bills receivable, stocks, bonds, mortgages and other assets of the bank with such banks as he, Mr. Myers, might select?

A. I do not remember the date, but I have just stated in one of my preceding answers that a effort was made to keep the bank open by borrowing money. This effort failed.

Q. Did you not leave it entirely- the method of borrowing that money - did you not place it in the hands of Mr. Myers at that time?

A. That is true. It is customary and usual, as every bank, to secure a loan on its bills receivable, must pass a resolution by its directors authorizing its Cashier to make the

loan and to execute the papers.

Q. Was Mr. Myers at that time Cashier?

A. No, he was President. It may be done by either.

Q. Is it not a fact that at that time you were aware of the multiplication of frauds carried on by Mr. Myers having control of the affairs of the bank?

A. No, sir. At that time I had never seen the report of the Auditors. In fact, I did not get the report of the auditors until after the deed of trust was made.

Q. Since administering the affairs of the bank as trustee under the deed of assignment, about which you have told, has it not come to your knowledge that there were a great many outrageous acts perpetrated by Mr. Myers in his management of this bank?

A. No, sir. I would not put it as strong as that. There was in the affairs of the bank great laxity on the part of the officers and directors in negotiating loans. The fact that the President borrowed so much is itself the best evidence of this. But so far as evidence of gross fraud is concerned I know of nothing at this time more than the facts just stated.

Q. Mr. Withers, is it not a fact that since you have had charge of the assets of the corporation under the deed of assignment, about which you have told us, that it has come to your knowledge that Mr. Myers was the heaviest borrower of the bank, that he borrowed money to the extent of approximately \$34,000.00, that this loan negotiated by Mr. Myers to himself for the bank was secured by a collateral which has not any value?

A. You are partly right and partly wrong. My answer is this: You are partly right and partly wrong. Mr. Myers was the largest borrower from the bank; he borrowed somewhere in the neighborhood of \$32,000.00, or rather he and his wife borrowed that amount. The preceding witness is slightly mis-

taken in speaking of the collateral securing these loans. At present the collateral is about as follows: \$20,000.00 of 5% municipal bonds of the Town of Marion, N. C., which was collateral for a loan of \$20,000.00 by Mrs. Myers. The balance of his and his wife's paper amounted to \$12,000. 00; part of this is unsecured and part of it is secured by collateral that should aggregate \$3,500. 00.

Q. Mr. Withers, at the time at which you were elected a director of the bank by the stockholders were you not the personal counsel for Mr. Myers and were you not in some way retained by the Merchants & Truckers Bank as their counsel?

A. I considered myself counsel for the Merchants & Truckers bank.

Q. Were you not personal counsel for Mr. Myers at that time?

A. Mr. Myers has never employed me in his own person for himself. Mr. Myers, as President of the bank, employed me to look after the affairs of the bank. My employment precedes all of this trouble. I had represented the bank in several matters for perhaps as much as a year preceding this occurrence.

Q. Mr. Withers, is it not a fact that at a meeting of the three directors, consisting of W. R. Myers, John King and yourself, which was held at the office of the bank on the 16th day of April of this year, which three directors had been elected by the stockholders at the meeting on April 3rd, it was resolved and ordered that an assignment of all the assets and property of the bank be made by deed of trust to you as Trustee to secure the payment of its indebtedness?

A. Yes.

Q. Were there no other gentlemen present at that meeting besides Mr. Myers, Mr. King and yourself.

A I think not.

Q. Was Mr. G. A. Harris or Mr. R. O. Chandler, who you say had been elected directors, but who had refused?

A. I say that so far as I know they /. . . .

Q. Were these gentlemen given notice of this directors' meeting?

A. I am not sure; most likely they were.

Q. Did you yourself give them notice of this meeting?

A. I do not remember. I may have?

Q. At the meeting of the Directors on the 16th day of April, consisting of Mr. Myers, Mr. King and yourself, at which meeting deed of assignment was made to yourself as Trustee, which we have just spoken about, were the stockholders given any legal notice, as required by law, of this meeting to transfer the entire assets of the corporation to you as Trustee?

A. I do not think the law requires such a notice, and, so far as I know, no such notice was given to the stockholders.

Q. Was any actual notice given to the stockholders, were they called into consultation? Were the resident stockholder of Suffolk called into consultation in regard to this deed of assignment which you made?

A. They were not. All of the resident stockholders, I thought, and still think, were represented by Messrs. Rawles and Everett, and their counsel had been consulted and they were advised of what was to be done.

Q. Did I understand you to say that you were the only three gentlemen who were present at that meeting, Mr. Myers, Mr. King and Mr. Withers?

A. I say so now.

Q. Is it not a fact, Mr. Withers, that the meeting on April 16th, consisting of Mr. Myers, Mr. King and yourself, was called for the express purpose of dissolving the bank?

A. Called for the express purpose of making this deed of assignment. The bank is still a corporation; it has never been dissolved.

Q. Is the bank still receiving deposits?

A. No.

Q. Is it exercising any of its powers as a bank?

A. Not actively.

Q. Is it doing so secretly or inactively?

A. No. The stockholders may at any time revive the bank and again put it on its feet, tomorrow if they desire to, and will put up the money.

Q. Have you any idea how much money they would have to put up?

A. That has nothing to do with this matter. They can re-organize on a \$20,000.00 or \$120,000.00 basis if they want to.

Q. Mr. Withers, the deed of assignment about which you have told us made to you as Trustee, was the same not signed by Mr. Myers as President of the bank and attested by Mr. King as Secretary?

A. It was executed in the mode prescribed by the resolution of the directors authorizing it. It is a public record and can be found at the Clerk's Office.

Q. Mr. Withers, do you remember the date of the Audit Company's report, about which we spoke?

A. I do not.

Q. Mr. Withers, I think I understood you to say sometime ago during your examination, in answer to a question asked you by Mr. Freeman, that you had no knowledge of the fact that the Directors of the bank, through their counsel, Judge Rawles, and some of the creditors of the bank, through their counsel, Mr. Everett, had seriously contemplated filing a bill in equity in the Circuit Court of Mansfield County asking that the affairs of the Merchants & Truckers Bank be placed in the hands of a receiver.

A. No, I did not state that.

Q. Did you, as a matter of fact, have knowledge that such a mode of settlement of the affairs of the bank was being seriously considered, and had even gone so far as to have had the bill drawn in the matter?

A. I do not recollect about knowledge of the bill being drawn.

I was perfectly aware that Mr. Everett and Mr. Rawles, representing stockholders and some creditors, desired to have the affairs of the bank in some way, either as Trustees or Receivers, put in their hands. I think I remember that they told me that they were going to apply for receivers. This matter was discussed by the Board of Directors of the bank and we deemed it far better for the interests of the creditors and the stockholders that the affairs of the bank be administered by a trustee upon an agreed commission less than the usual amount allowed. We felt that this was far better than the tedious and expensive method of winding up the business of the bank through receivers, as receivers are always expensive and are always slow. This matter was agreed upon by the Directors and, after consultation with Mr. Everett and Mr. Rawles, all agreed that it was the best course to take for the creditors and stockholders.

Q. Mr. Withers, was not the course which you took in having the bank make a deed of assignment to you as Trustee to secure their indebtedness in the nature of a compromise between Mr. Everett, Judge Rawles and yourself?

A. It may be called a compromise. It certainly was the result of an agreement in which certain rights and privileges were secured to certain of their clients.

Q. Is it not a fact, Mr. Withers, that Judge Rawles was made a preferred creditor under the deed of assignment to you for a fee of \$100,000?

A. The deed shows that those naturally may personally receive a preference, the preference merely consists in his money being gotten before the others for fee; the affairs are administered by me as Trustee. I think I can assure all of the depositors and creditors of the bank that they will receive 100% of their claims.

Q. Mr. Withers, is it not a fact that this fee has been paid to Judge Rawles?

A. It has. I was directed so to do by the deed.

By Mr. Freeman.

Q. Is it not a fact that Judge Rawles and Mr. Everett, who I understood you to say were the only parties representing the claims in Suffolk, were made under this deed of assignment counsel and consulting counsel for the Trustee?

A. . There is no official record of any such appointments. As you see, Mr. Everett is representing me as Trustee in this proceeding.

by Mr. Lewis.

Q. Is it not a fact, Mr. Withers, that part of the agreement entered into by you gentlemen on that day contemplated Mr. Everett being made counsel for you during the time that you were winding up the affairs of this corporation?

A. That is correct. Mr. Everett was, and is now, recognized as counsel for me as Trustee, and will represent me in any matters that need the attention of a counsel.

Q. Is it a fact that this was part of the agreement entered into on that day?

A. I am not sure that it is, and I am not sure that it was not. Possibly it was. At any rate I recognize Mr. Everett as my attorney and expect to treat him as such.

by Mr. Freeman.

Q. It is also true, is it not, Mr. Withers, that Judge Rawles is consulting attorney?

A. No, sir.

Q. Does Judge Rawles occupy any position whatever in this matter towards you as Trustee?

A. No, sir.

by Mr. Lewis.

Q. Mr. Withers, when did it first come to your knowledge that the Merchants & Truckers Bank was insolvent?

A. I don't know that you would call it insolvent.

Q. That they were unable to meet their obligations in the

usual course of business?

A. It became apparent about the 16th day of April, when we found a run on the bank and no ready money to meet the demands, if that is what you mean by insolvency.

Q. Mr. Withers, did I not understand you to say a few minutes ago that from your knowledge of the affairs of the bank, which knowledge has come to you since administering its affairs as Trustee, that you anticipate and believe from your personal knowledge of its affairs that you will pay 100% to the creditors and the depositors of the bank?

A. That is correct: If let alone and not harassed by exasperating little suits.

Q. Is it a fact that you will pay the stockholders of the bank anything for their stock?

A. The present outlook is that I ~~may~~ be able, and will be able, to pay them about 10%, but that is conjectual. Of course, you have then paid last, and if there is any shrinkage it will come out of the stockholders.

Q. On the 16th day of April, 1909, at the time at which Mr. Myers, as President of the bank, was authorized by yourself, Mr. King and himself, to rediscount or hypothecate any or all of the bills receivable, stocks and other assets, had it come to your knowledge that Mr. Myers and his wife had borrowed money from the bank on their insufficient collateral.

A. It had not.

The witness desires to make a further statement that he declines to produce any documentary evidence of the affairs of the bank in his possession, because this suit is not matured as to the bank and the bank is not properly a party to these proceedings and the notices are irregular.

Counsel for defendants declines to cross-examine this witness and insists that this deposition should not be taken or read.

A. W. Oliver, being first duly sworn, deposes and says as follows:

Examined by Mr. Freeman.

Q. Mr. Oliver, will you please state your name and place of residence?

A. A. W. Oliver, Suffolk, Va.

Q. Mr. Oliver, were you, or not, a stockholder in the Merchants & Truckers Bank, Inc., of Suffolk, Virginia?

A. I was.

Q. How many shares of stock did you hold?

A. One.

Q. Are you still a stockholder of the Merchants & Truckers Bank?

A. I am not.

Q. What became of your stock?

A. I sold it to Mr. Myers.

Q. Did, or did not, Mr. Myers pay you in cash for this stock?

A. He gave me credit for it.

Q. How did he give you credit?

A. On my pass-book.

Q. Was there any evidence of debt between Mr. Myers and you in reference to this stock? Was not a note given by Mr. Myers to you?

A. He gave me a ten day note for the stock.

Q. To whom was this note made payable.

A. A. W. Oliver.

Q. Did you surrender this note to Mr. Myers at the time he made that entry on your pass-book?

A. Yes, sir.

Q. Did you endorse that note?

A. No, sir.

Q. The note then stands payable to you, but not endorsed?

A. I do not think I endorsed it.

Q . Do you or not know whether you were charged up with an overdraft of \$100.00?

A. My pass -book doesn't show it.

Q. Have you any way of knowing, outside of your pass-book, whether there was an overdraft? Did you get any notice of any overdraft?

A. I did, from Mr. Withers.

Q. What was the amount of your overdraft?

A. I don't remember. It was a hundred odd dollars, something over a hundred.

Q. Do you know how this overdraft came about?

A. All I know about it is the note.

Q. Did you make checks against your account?

A. Yes, sir. I made them every week.

Q. Overdrawing the account?

A. No, sir.

Q. Mr. Oliver, what was the amount paid you for your stock?

A. \$100.00.

Q. To whom did you endorse your stock over to?

A. I endorsed it and turned it over to Mr. Myers, the President of the bank.

Q. Was the endorsement by you to any person or in blank?

A. I endorsed the back of it. I gave up all my rights to the stock.

Q. Have you any way of knowing at the present time, or do you know at the present time, who is the holder of this one share of stock?

A. I have heard ; I don't know.

Q. You don't know of your own knowledge?

A. No, sir.

by Mr. Lewis.

Q. Was there any agreement between you and Mr. Myers in regard to this stock that Mr. Myers wanted to borrow that stock just for a few days?

A. Yes, sir. That is why I gave him the stock. He said he

wanted to use it for ten days, that he had a purpose.

Q. Did he tell you what this purpose was?

A. That he was going to change the directors.

Q. Why did he tell you that he wanted your stock? Did you ask him if he didn't have some stock of his own to use for this purpose?

A. No, sir.

by Mr. Freeman.

Q. Do you, or not, know whether this stock that you loaned Mr. Myers is still outstanding, and in whose name it is outstanding?

A. No, sir. I don't know who has the stock. I have heard that it has been transferred. I don't know.

Counsel for defendants declines to cross-examine this witness and insists that this deposition should not be taken or read.

Mr. R. W. Withers is recalled.

Examined by Mr. Freeman.

Q. Mr. Withers, do you, or not, know whether the stock, a share of stock held by you, was formerly held by Mr. Oliver?

A. I don't know that this is a material question. It has nothing to do with this. I decline to answer it.

Q. You decline to answer it?

A. Yes.

Mr. R. O. Chandler, being first duly sworn, deposes and says as follows:

Examined by Mr. Lewis.

Q. Mr. Chandler, will you please state your name and residence?

A. Robert O. Chandler, Suffolk, Va.

Q. Will you please state, Mr. Chandler, whether or not, you were present - - - were you ever a stockholder in the Merchants & Truckers Bank?

A. Yes, sir.

Q. Were you ever a director?

A. Yes, sir.

Q. How long were you a director?

A. I don't know, sir. I think it was about a year or something over. Probably a year and a half.

Q. Mr. Chandler, were you present at a meeting of the stockholders of the Merchants & Truckers Bank, which was held on April 3rd, 1909, at which were present, beside yourself, according to the minutes of the meeting, Mr. Harris, Mr. Taylor, Mr. Mitchell, Mr. Withers, Mr. Smith and Mr. Myers?

A. Yes, sir.

Q. What transpired at this meeting, Mr. Chandler?

A. I tell you, I hardly know. I don't remember the full minutes.

Q. What do you remember as having transpired at this meeting?

A. It has been so long. I do remember that the old directors - I think that was on the 3rd - all of the old directors were ousted out, you might term it, and new ones put in, and that I was elected among the new directors.

Q. Were you not an old director?

A: Yes, sir. I was and they elected me as a new director, but I didn't serve.

2. Did you ever refuse to serve?

A. Yes, sir. I told them I wouldn't serve; that there was no way you could make a man serve, and I think Mr. Withers remarked that you can lead a horse to water, but you can't make him drink. I said I wouldn't serve. I wanted them to have Mr. Brett there. I think this was at the meeting. It seems that Mr. Myers said that Mr. Brett had asked him to get another director in his place on account of being out of town, and I thought Mr. Brett ought to serve, but it seems that they didn't want him. ~~xxxxxx~~
xxxxxx.

As they ousted all of them I didn't want to serve myself.

Mr. Everett, counsel for the defendants, says let him state who that was: Mr. Britt or Mr. Brett. Mr. Chandler's reply was that his name is Edgar Brett from North Carolina.

Q. Mr. Chandler, will you kindly state whether or not at that meeting you positively refused to serve as a director of the bank and was it made plain to all parties present?

A. I told them that I wouldn't. I suppose that all heard it. I didn't tell each one, I stated it right there then.

Q. Did you ever qualify as a director of the bank?

A. From that election? No, sir, I did not.

Q. Were you ever notified of the further proceedings of the bank?

A. Yes, sir. I got a notice on the morning, I think it was of the 5th, it seems to me, Monday morning about 9:30 or 9:45, stating that the new board would meet. I have the notice now on the file at the office, and this notice read, and it was signed by Mr. Myers, that the new board would meet on that day at 9:00 o'clock. I have not looked at it since I got it and put it on the file.

Q. When was that notice made?

A. That notice was dated on the 3rd and I noticed on the envelope. The reason I took particular notice was because I noticed that the time had already passed. I think the meeting was called for 9:00 o'clock, of the new board, and it was then about 9:30, for the mail comes around to us a little later on Monday mornings than it does on others, and I saw it was too late. In fact, I didn't consider myself a director. In the meantime this notice was written on the 3rd. I think it was mailed on the 4th about 8:30 in the evening, from the envelope on the outside. I received it on the 5th about 9:30 or 9:45. Of course, I didn't do anything with it. I

simply stuck it on my file. I didn't think I was a director.

Q. Mr. Chandler, can you say, of your own knowledge, whether or not that is a true copy taken from a statement made to the Corporation Commission by the Merchants & Truckers Bank on the date, Feb. 5th, 1909?

(Copy of statement, marked Exhibit A. is shown Mr. Chandler.)

A. I could not tell. I suppose it might be.

Q. From this statement, Mr. Chandler, I notice among other things, that the officers of the bank at the time it was made, consisting of, among others, of the following directors:

T. E. Peete.	W. T. Grizzard.
R. O. Chandler.	E. Brett.
W. R. Sykes.	J. D. Dickerson.
	W. R. Myers.

Were they the directors of the bank at that time?

A. Well, I suppose so. I think they were. I don't know about those people at Branchville, but Mr. Myers and the rest of them here were, as well as I remember.

Q. Mr. Chandler, was any reason given at the meeting on April 3rd, 1909, at which the old Board was ousted and the new Board was elected to fill their places, for the ousting of Mr. Peete, Mr. Sykes, Mr. Grizzard or Mr. Dickerson, that you remember?

A. I couldn't tell you to save my life at present what the reasons those gentlemen were ousted for, with the exception of Mr. Brett.

Q. Did you hear any reason as for the ousting of those gentlemen whom I named?

A. I may have heard, but I couldn't say.

Q. Do you remember what you heard?

A. I suppose there must have been a reason. I don't remember positively. I know that there was a reason for Mr. Brett. I was under the impression that Mr. Dickerson was not ousted. I am under the impression that Mr. Dickerson resigned. Was

Mr. Dickerson a director at that time, at the time of the meeting on the 3rd of April?

Q. I would like to know what reason was given for the ousting of Mr. Brett?

A. Well, the reason was, Mr. Myers claimed that Mr. Brett had instructed him to get another director in his place on account of being away from town so far and that he couldn't get here without so much expense and things of that kind.

Q. Do you know whether or not, of your own knowledge, Mr. Brett had so instructed Mr. Myers?

A. I asked Mr. Brett about it. I told him about it when he came back and he said he had never said one word to Mr. Myers.

Q. Mr. Chandler, can you tell me whether or not, as a stockholder of the Merchants & Truckers Bank, which you have told me you were at this time, that on April 16th, 1909, at a meeting composed of Mr. Myers, Mr. King and Mr. Withers, claiming to consist of the Board of Directors of the bank, at which a deed of assignment was made to Mr. Withers as Trustee, in trust to secure the payment of the bank's indebtedness, you had any legal notice?

A. That was on what day?

Q. April 16th.

A. No, sir. I had no notice.

Q. Did you ever agree that such a motion as that should be brought about?

A. No, sir. I didn't. I didn't know that there was a deed of assignment until after this was done.

Q. Were you represented by counsel at the time.

A. I don't know whether I was represented by anything at the time, because I was practically out of the whole thing. Judge Rawles was our counsel, that is counsel for the bank. I didn't know the directors employed Judge Rawles as a counsel, and as I understood it, Mr. Withers was employed by Mr. Myers.

I just simply understood that and that we had Judge Rawles.

Q. Were you given any legal notice of that as a stockholder either by publication or otherwise?

A. Of the assignment?

Q. That this meeting was called for the making of the deed of assignment?

A. I didn't know anything about it until after it was done.

Q. Had you instructed any attorney in Suffolk to join in the application for the receiver of the bank or had you understood that that method would be taken?

A. That is what we had spoken of. I think it was Mr. Harris - I don't remember the gentleman who was up at Judge Rawles' office. We were talking it over and that is what we were figuring on, a receiver.

Q. The next thing you heard was a receiver had not been appointed, but a deed of assignment had been made?

A. That is the next thing I knew.

Q. You left the meeting thinking that a receiver would be applied for?

A. That is what I expected. That is what we talked over that night, in that direction. In fact, we didn't see anything else we could do.

Q. Now, Mr. Chandler, do you know whether or not, when you refused to serve as a director of this bank, and refused to qualify as a director of same, that any director was elected in your place, as required under the Articles of Association, which seems to require five directors of the bank.

A. I don't think anybody ever asked me to qualify. I was simply made a new director, that is, they appointed me.

Q. You misunderstand my question. I asked you, do you know whether anybody was elected in your place after you refused to serve or qualify?

A. No, sir. No one, as I know. That is all I know.

by Mr. Freeman.

Q. Mr. Chandler, I understood you to say that at a meeting

with your counsel, that is Judge Rawles, that you and the other directors present instructed Judge Rawles to ask for a receiver; is that right?

A. We talked this over. I don't know that we instructed Judge Rawles to do this. We talked it over as to having a receiver. I don't think a deed of assignment or deed of trust was mentioned at all, as well as I can remember.

Q. In other words, you had no notice of any deed of assignment that they contemplated any deed of assignment?

A. I don't know as it was mentioned at the meeting.

Q. Were you willing that they prepare a deed of assignment?

A. I don't know that there would have been any particular objection on my part. I wanted the thing settled under the least expense. If that had been mentioned I don't know as I would have proposed it. If it could have been settled under less expense there would have been no objection on my part. I don't think the deed of assignment was mentioned. I think that somebody spoke of the other, but as well as I remember the same, some of the others might be able to tell you better, that Judge Rawles told us when we spoke of this deed to the trustee to wait until the next morning and that he thought it would be in plenty of time.

Q. Were you consulted after that?

A. The next morning I went up to Judge Rawles' office myself to see about it and he was out of town. Now, I think that was on the same morning that we were over here at Mr. McLenore's office and you were here at the same time; that was the morning I went to see Judge Rawles and he was not there. That might have been the date this was put on record, but I have not heard anything at all of any deed of assignment.

Counsel for defendants decline to cross-examine this witness and insists that this deposition should not be taken or read.

Mr. Chas. F. Taylor, being first duly sworn, deposes and says as follows:

Examined by Mr. Lewis.

Q. Mr. Taylor, please state your name and residence.

A. Charles F. Taylor, Suffolk, Va.

Q. Mr. Taylor, are you a stockholder of the Merchants & Truckers Bank?

A. Yes.

Q. How long have you owned stock in same.

A. Ever since it started.

Q. Were you ever a director of this bank?

A. No.

Q. Mr. Taylor, as a stockholder of this bank, were you given notice as to the meeting of the directors, called on the 16th of April for the purpose of making a deed of assignment to Mr. Withers as Trustee, to secure the payment of the indebtedness of the bank?

A. No.

Q. Were you given any notice whatsoever?

A. No, sir.

Q. Were you cognizant of it?

A. No.

Q. Was it with your permission or were you in any way connected with it?

A. Not at all. I was one of the parties who went to see Judge Rawles about having the receiver appointed and there was no understanding that he had any authority to do anything else.

Q. I understand you to say that Judge Rawles had no authority to do anything except have a receiver appointed?

A. That was my understanding.

by Mr. Freeman.

Q. Were you satisfied to have this deed of assignment made to Mr. Withers as Trustee?

A. I don't know that it makes any particular difference to

me, but I didn't have any notice of it.

Q. Your idea in going to see Judge Rawles was to have a receiver appointed?

A. Yes.

by Mr. Lewis.

Q. It occurred to you that was the best method for winding up the affairs of the bank?

A. I thought it was the best method. The only objection I had to Mr. Withers being trustee I had myself thought he was Mr. Myers' personal counsel; that was the only objection I could have.

Counsel for the defendant declines to cross-examine this witness and insists that this deposition should not be taken or read.

Mr. G. A. Harris, being first duly sworn, deposes and says as follows:

Examined by Mr. Lewis.

Q. Mr. Harris, will you please state your name and residence.

A. G. A. Harris, Suffolk, Va.

Q. Will you kindly state whether or not you are a stockholder in the Merchants & Truckers Bank?

A. Yes, sir. I am.

Q. Will you state, Mr. Harris, whether or not you were ever a director of the Merchants & Truckers Bank?

A. Yes, sir. I was.

Q. At what time were you a director?

A. From the organization until Oct. 12th of last year, that is my recollection.

Q. Were you a director from about that time until the time of the meeting of the defacto Board of Directors, consisting of Mr. Myers, Mr. King and Mr. Withers, held on April 16, 1909?

A. No, sir.

Q. Were you at the meeting of the stockholders held on Apr. 3rd, 1909?

A. No, sir.

Q. Were you notified that you had been elected a director at that meeting?

A. Yes, sir.

Q. By whom were you notified?

A. Mr. Myers, as well as I remember. He came to my office on Saturday night, after the meeting. I don't remember what time it met. He came to my office on Saturday night following the election.

Q. What did you tell Mr. Myers at this time?

A. I don't recall giving him any definite answer.

Q. AS to whether or not you would serve?

A. Yes.

Q. Did you ever, at any subsequent time, tell Mr. Myers or any other director, that you would refuse to serve?

A. I can't say. It was not my intention to serve.

Q. Did you ever qualify as a director of the bank?

A. At a previous time.

Q. I mean subsequent to this meeting at which you were elected?

A. No.

Q. Were you ever sworn in as a director?

A. Not after my resignation.

Q. Were you ever consulted as to the affairs of the bank subsequent to that time, in the capacity of a director?

A. I was not.

Q. Did you ever take any part in the consultations between the directors or the stockholders subsequent to this time at which you were elected?

A. No. I was consulted or rather was spoken to in reference to it instantly.

Q. Were you among other gentlemen who, some of the witnesses have just testified, employed Judge Rawles to represent them in this affair?

Q. Mr. Skinner, state your name and residence.

A. George W. Skinner, Suffolk, Va.

Q. Are you a stockholder of the Merchants & Truckers Bank?

A. One share.

Q. Were you ever a director?

A. At one time, for a short time to fill in a vacancy, some one who had dropped out, while they were in the Wurney Building.

Q. When did your director-ship cease?

A. About two years ago. Soon after they moved in the other building.

Q. You have not been a director since?

A. No, sir.

Q. Were you ever given any notice of the meeting of the defacto Board of Directors of the bank, consisting of Mr. Myers, Mr. King and Mr. Withers, held on April 16, 1909, at which a deed of assignment was authorized to be made to Mr. Withers by Mr. Myers and Mr. King?

A. I don't recollect. I was notified of several meetings, but didn't attend any of them.

Q. You don't know whether you were notified to attend that meeting or not?

A. No, sir. I do not.

Q. Did you ever have any legal notice; did you ever see any advertisement in the paper?

A. I don't remember.

Q. Mr. Skinner, were you among the gentlemen who employed counsel to look into the method of winding up the corporation, as a stockholder?

A. No, sir. I was at Judge Rawles' office the night the papers were drawn up. That was the first time. I was called off the street. I knew nothing of the employment of Judge Rawles and was there only a few minutes and knew nothing.

I understood they were working for a receivership.

Q. Was the receivership the method you desired to be used in winding up the bank's affairs?

A. I didn't know anything about it. I knew very little of what had been done. It was left with him, to the best I can remember. In fact, I paid very little attention to it and didn't want to get in it. I was sent for three or four times by some of the stockholders but wouldn't attend, and I was pulled off the street and asked to step up to Judge Rawles' office.

Counsel for defendants declines to cross-examine this witness and insists that this depositions should not be taken or read.

The counsel for the plaintiffs express the wish that they wish to adjourn this taking of depositions until Wednesday of next week, when at that time they will take the depositions of John King and other witnesses.

And the further taking of these depositions is continued until Wednesday, September 1st, at 10.00 o'clock.

Deposition of John King taken before me, F. W. Lloyd, a Notary Public for the County of Nansemond in the State of Virginia, on the 1st day of September, 1909, adjourned from Saturday, the 28th day of August, 1909.

Mr. Everett says: The further taking of these depositions is objected to for the reason heretofore stated.

John King, being first duly sworn, deposes and says as follows:

Examined by Mr. Lewis.

Q. Mr. King, will you state your name and residence?

A. John King, Suffolk, Va.

Q. Mr. King, are you a stockholder in the Merchants & Truckers Bank?

A. Yes, sir.

Q. How long have you been a stockholder in the Merchants & Truckers Bank?

A. About twelve (12) months.

Q. Mr. King, are you a director of the Merchants & Truckers Bank?

A. Yes, sir.

Q. Will you please state when you became a director of the Merchants & Truckers Bank?

A. I became a director four days prior to the assignment.

Q. Mr. King, will you kindly state whether or not, at a meeting held on Apr. 3rd, 1909, you were elected a director of the bank by the stockholders then present?

A. I know nothing about that. I was not present at that meeting. I was informed next day by Mr. Withers and Mr. Myers that I had been elected a director.

Q. Mr. King, will you kindly state whether or not, when you were so informed by Mr. Myers and Mr. Withers, as you

say you were, of your election as a director of the Merchants & Truckers Bank, Inc., you accepted the position as director of the bank?

A. I did accept it under certain conditions.

Q. Will you kindly state those conditions?

A. One was that I should have the privilege to make a thorough examination of the financial affairs and if I found them unsatisfactory to me I should be allowed to withdraw or resign.

Q. Mr. King, were you allowed to make this investigation, of which you spoke, before you qualified as director?

A. No, sir. I qualified as director with the understanding that should I find the affairs not satisfactory to me that my resignation should be accepted at once.

Q. Will you please state whether or not you found the affairs satisfactory to you?

A. They were very unsatisfactory. I immediately offered my resignation.

Q. Was your resignation accepted?

A. It was not.

Q. Did you, after offering your resignation, of which you have just spoken, did you then, despite your resignation, go and qualify as a director of the said bank?

A. I had already qualified.

Q. Then, Mr. King, after you offered your resignation and the same was not accepted, did you consider yourself at that time a director of the bank?

A. Yes, sir.

Q. Of what effect did you consider your resignation?

A. It had no effect. I considered myself a director until after the resignation had been accepted.

Q. Do you not know, Mr. King, that when a director of a bank or any other institution attempts to sever his connection with same by handing in his resignation that he can then release

himself from all obligation as to its affairs by bringing the same to the attention of the stockholders of the said bank?

A. I did not hand in a written resignation, but I asked to resign: asked the President and Mr. Withers, as a director, the privilege of resigning, and Mr. Withers insisted that I should hold on until the next day, that the bank would be closed up in proper shape. The next morning I was called in to a meeting of the directors and found a deed transferring all the property to the trustee.

Q. Do I then understand you, Mr. King, to say that it was at Mr. Withers' request that you hold over until the next day as a director of the bank before handing in a written resignation, that you did so?

A. Yes, sir.

Q. Mr. King, did Mr. Withers give you any reason for your holding over until the next day?

A. Nothing, only that matters would be settled.

Q. Did you at that time know in what mode the bank matters would be adjusted?

A. I did not.

Q. Then, Mr. King, in spite of your better judgment in the matter, in order to accommodate Mr. Withers, you held over?

A. Well, I did as I understood he was also attorney for the bank and acting in the best way to manage the affairs.

Q. Mr. King, do you know whether, as a matter of fact, Mr. Withers at that time was also acting as personal counsel for Mr. Myers?

A. I do not. I understood he was attorney for the bank; I didn't know that of any positive information.

Q. Mr. King, has it not since come to your knowledge that Mr. Withers' only reason for having you hold over as a director of the bank until the next day, of which you speak, was in order to have you make a deed of assignment of the entire ef

facts of the bank to him as Trustee?

A. Well, it appears that way to me, but I don't know that positively.

Q. Can you think of any other purpose for having you so hold over, Mr. King?

A. I cannot, unless they would not be in position to dispose of the bank without a full board and they only had two directors at that time; all of the other directors, as I understood it, had resigned, and that is the only reason I accepted the place at first, it was to help them.

Q. Mr. King, as a matter of fact, did Mr. Withers tell you at the time that he made the request that you hold over as a director of the bank that as there were only three directors, including himself, Mr. Myers and yourself, that it would be necessary for him to have you in office at the time in order to make a proper deed of assignment?

A. No, sir. He did not. He told me, when I was informed that I had been made a director the night before, and I made a heavy protest against such a course of procedure, that it was necessary to have the full board as all the other directors had resigned and they could not continue the bank without a board, and that if I would agree to accept they thought they would be able to straighten the affairs satisfactorily to the stockholders as well as the depositors, and that I would be of great service to them for a few days.

Q. Mr. King, do you not know at present that, as a matter of fact, Mr. Withers could not have made the deed of assignment with any show of authority unless you had been a party to same, and it was for that reason entirely he desired you to hold over until next day?

A. I know that he could not have made a deed of assignment without my signature, but I didn't know that that was his purpose in insisting on my remaining a day longer as a director.

Q. Do you not know that was his purpose now, Mr. King?

A. I do not know that now, but I believe so. Before signing this deed of assignment I understood that there were two or three other lawyers representing clients that had claims against the bank and I asked if all of these clients had been satisfied or if they had been informed that this deed of assignment was to be made, and I was informed by both Mr. Myers and Mr. Withers that they had all read the assignment and were satisfied to that course of procedure.

Q. Mr. King, will you say whether or not Mr. Withers, when he asked you to hold over as a director of the bank, inform you that Mr. Harris and Mr. Chandler - who, as well as yourself, Mr. Withers and Mr. Myers, had been elected a director of the bank at the meeting held on April 3rd of the stockholders of the bank - refused to serve as directors?

A. He told me the next morning, after I was informed of their having been a director, that Chandler and Harris had refused to serve, when I protested against accepting the office.

Q. Mr. King, will you please state whether or not at any subsequent meeting of the directors of the bank, after you had qualified as a director of same, that any gentleman or ^{were} any one elected by either of the directors, the stockholders or any one else to fill the vacancies caused by the refusal of Mr. Chandler and Mr. Harris to serve on the Board of Directors?

A. There were no other directors elected to fill the place of these gentlemen at any meeting held by the President and the two directors, which were Mr. Withers and myself.

Q. Then, Mr. King, at that time there were only three directors who had qualified as directors or who had accepted positions as directors, having charge of the affairs of the Merchants & Truckers Bank, Inc?

A? Yes, sir.

Q. Who were these three directors?

A. Mr. Myers, Mr. Withers and myself.

Q. Mr. King, was it brought to your attention at any time after you had accepted the position as director of the Merchants & Truckers Bank, and before the deed of assignment was executed by the bank or by yourself and Mr. Myers to Mr. Withers, acting for the bank, that the Articles of Association of the bank require that there be five directors of the bank?

A. No, it was not. I am not familiar with the requirements of the law in reference to conducting banks and this is my first experience as an officer, which I regret very much.

Q. Mr. King, will you kindly state whether or not, at a meeting of Mr. Myers, Mr. Withers and yourself, claiming to be directors of the bank, on April 5th, 1909, on motion of yourself, Mr. W. R. Myers was nominated President and F. G. Mitchell as acting Cashier to hold office at the will of the President of the Merchants & Truckers Bank, Inc?

A. Yes. These minutes were all written out when I got in the office, and as Mr. Myers was the principal stockholder I was simply trying to carry out as near as I could his request, and at the same time trying to save a few depositors.

Q. Mr. King, you stated in answer to a former question that you examined the affairs of the bank before you qualified as a director of same?

A. No, sir. I didn't mean to convey that idea. I qualified as director and then they allowed me the privilege of examining the affairs.

Q. Had you examined the affairs of the bank prior to Apr. 5th, 1909, at which time you allowed the minutes of the meeting held on that date to be written up, which said minutes recite that on your motion Mr. Myers was nominated President of the bank?

A. I had not examined the affairs at that time.

Q. Then at that time, Mr. King, you did not know of frauds connected with the management of the bank by its President, which have since come to life?

A. I knew nothing of the affairs of the bank, and had I known that the conditions were so serious I should have even walked on the other side of the street rather than gone inside to have accepted the position or had any connection with it whatever.

Q. Mr. King, did I not understand you to say in answer to a former question that these minutes of which I spoke, viz. of the meeting of yourself, Mr. Myers and Mr. Withers, held on Apr. 5th, 1909, that the minutes of the said meeting were written up when you came into the room?

A. I think they were.

Q. Do you know who wrote up those minutes, Mr. King?

A. I think they were written by Mr. Withers at the suggestion of Mr. Myers, as he stated afterwards that this was his desire that Mr. Mitchell should become temporary cashier and that this change in the officers was his desire alone.

Q. Then it was in order to accommodate Mr. Myers that you and Mr. Withers agreed to the same?

A. I agreed to it in order to accommodate Mr. Myers; I suppose he did, but I don't know that.

Q. Mr. King, will you kindly state whether or not at a meeting of yourself, Mr. Myers and Mr. Withers, claiming to be directors of the Merchants & Truckers Bank, held on April 5th, 1909, on your motion, seconded by Mr. Withers, it was agreed that the President of the bank, Mr. Myers, be authorized and directed to rediscount or hypothecate as collateral any or all of their bills receivable, stock, bonds, mortgage or other assets of the bank with such bank or banks as he might select?

A. Yes, sir. We saw that it was impossible to reorganize

the bank and we tried to pursue this course that it might continue on in business.

Q. Mr. King, is it not a fact that at that time, which was ten days after the meeting on April 5th, about which you have been examined, and the day before the assignment of the affairs of the bank to Mr. Withers by yourself and Mr. Myers, you had made a thorough investigation of the affairs of the bank?

A. Yes, sir.

Q. After making this investigation of the affairs, Mr. King, you and Mr. Withers, having knowledge of the frauds which had taken place in the management of this bank, put and left its entire affairs in the hands of Mr. Myers?

A. We didn't know that these were frauds perpetrated by Mr. Myers, as his verbal explanation to us seemed satisfactory, and he also stated that he was in a position at any time, or could be in shape in ten days or fifteen days to retire his personal notes, and in order to save the bank he stated that it would be only necessary to raise \$6,000.00 to pay off the entire deposits, and claimed also that he had sufficient pull with Petersburg and Richmond banks to borrow the money sufficient to pay off the depositors if they should attempt to make a run, and at that time some checks had been protested and we thought that this was the only thing to do to save the bank and help the few depositors get their money, as well as the stockholders.

Q. Mr. King, at a meeting of the bank, held on Apr. 16, 1909, at which meeting Mr. Myers, Mr. Withers and yourself were present, was it resolved or not and ordered in pursuance of said resolution that an assignment of all the assets and property of the corporation be assigned to Mr. Withers to secure the payment of the indebtedness of the bank?

A. It was. Before signing this deed of trust I took the

liberty to consult outside counsel as to the best course to pursue to wind up the affairs of the bank, and I was informed by a disinterested attorney that he thought this was the best and most economical plan to close up the affairs of the bank.

Q. Mr. King, will you state whether or not, of your own knowledge, the stockholders of the bank were given any legal or a legal notice of the meeting of yourself, Mr. Myers and Mr. Withers, purporting to be a meeting of the Board of Directors of the bank, held on Apr. 15th, 1909?

A. There was no official notice given by the acting Board that I know of, but the majority of the stock holders were holding secret meetings outside of the bank for two or three days prior to this assignment, and we had notice from their attorney that they would ask the court to appoint a receiver, unless something was done quickly, and as this deed of trust was written out at the request of Mr. Myers, so far as I know, and he being the principal owner in the bank, and also at the advice of Mr. Withers, who was acting as attorney, I signed these minutes appointing Mr. Withers Trustee and turning over the affairs of the bank to him. It is my opinion that Mr. Myers was very anxious to continue the bank as he seemed to have hopes of bringing it to life again, but the depositors and stockholders were pushing him so hard he knew no better course to pursue.

Mr. Lewis turns the witness over to Mr. Everett with the request that he cross-examine him if he cares so to do.

The taking of these depositions is adjourned to the 9th day of September at 10.00 o'clock A. M. for the purpose of taking the depositions of Mr. Freeman and others and also introducing other evidence in this cause.

Counsel for the defendants declines to cross-examine this witness and insists that these depositions should not be taken or read.

National Exchange
Bank of Balto. &c

v2 } Chauncy
(Depositions)

Merchants & Traders

Bank, Inc. & als

National Exchange Bank of Baltimore Md., a corporation,
who sues for itself as well as others, Stockholders, Depositors and Creditors, who may come in and make themselves parties to this suit.

VS.

The Merchants & Truckers Bank, Inc., W. R. Myers,
President of the Merchants & Truckers Bank, Inc., John King,
acting as Secretary of Board of Directors of Merchants &
Truckers Bank, Incorporated.

W. R. Myers
Robert W. Withers
John King
Robert W. Withers, Trustee.

TO THE HONORABLE JAMES L. MCLEMORE, JUDGE OF THE CIRCUIT
COURT OF NANSEMOND COUNTY.

Your complainant, the National Exchange Bank of Baltimore, Maryland, respectfully represents:

First- That the National Exchange Bank of Baltimore Md., is the pledgee of Fifty (50) shares of the Capital Stock of the Merchants & Truckers Bank, Inc. of Suffolk, Va. which said stock is issued in the name of W. R. Myers, formerly of Suffolk, Va., but now of Chesterfield County, Va. and is now held by your complainant as collateral security for a loan of Thirty-Five Hundred Dollars made by your complainant to the said W. R. Myers; that no part of the said loan has been in any wise paid by the said W. R. Myers *and the same is still due and owing to your complainant:*

Second.- That the said Merchants & Truckers Bank, Inc., was chartered under the laws of the State of Virginia on August 1st, 1906, and that immediately thereafter the said bank began to do a general banking business in the town of Suffolk, Virginia, that early in the year 1909 the said Merchants & Truckers Bank, Inc., opened a branch of the said bank in the town of Branchville, Southampton County, Virginia, under the same name; that the said parent bank at Suffolk and the said branch bank at Branchville did a general banking business from the date of their respective organizations until April 15th, 1909, when both the Suffolk Bank and Branchville branch end of the said bank stopped receiving deposits, discounting paper, paying checks and drafts and meeting any claims whatsoever.

Third.- That in the month of March, 1909, Wilkerson Jones, who at that time was serving as the duly elected Cashier

of the said Merchants & Truckers Bank, Inc., at its Suffolk branch, became cognizant of the fact that the bank was being outrageously managed by its President, W. R. Myers, though, at that time, he was not aware of the extent to which the said mismanagement had gone; that the said Wilkerson Jones, Cashier, communicated to the Board of Directors of the said bank his knowledge of the affairs of said bank on March _____, 1909; that after obtaining knowledge of the affairs of the said Merchants & Truckers Bank, Inc., the following Directors of the said bank, to-wit: Edgar Brett, R. O. Chandler, C. B. Vick, W. T. Grizzard and T. E. Potts, met in the counting room of the said bank on March 27th, 1909 and requested the said W. R. Myers, President of said bank, to give them a statement of the affairs of the said bank, which he, the said W. R. Myers, refused to do; whereupon the said Directors decided to have the affairs of the said bank examined by an expert accountant, and also passed a resolution ordering that the books, papers, bonds, bills, notes and cash and all other affairs of the bank be placed in the sole custody and control of F. Wilkerson Jones, Cashier, until said auditor submit his report, a copy of the minutes of which said meeting is hereto attached marked Exhibit "A", and prayed to be read as a part of this bill; that the said W. R. Myers became incensed at the action of the Directors in regard to employing an expert accountant and divesting him of the control of said bank, and called a meeting of the stockholders of the said bank for April 3rd, 1909.

Fourth-- Your complainants are informed and believe, and therefore allege, that some time before the 3rd day of April, 1909, the date for which the said above mentioned meeting of stockholders was called, all the stock of the said W. R. Myers in the said Merchants & Truckers Bank, Inc., had been hypothecated by him, the said W. R. Myers; that the purpose of

the said meeting was to give to him, the said W. R. Myers, the opportunity to oust the Board of Directors which had on March 27th, 1909 voted to employ expert accountants to examine and report upon the affairs of the said bank and had divested him of the control of the said bank, and to elect a new Board of Directors which he, the said W. R. Myers, could control and dictate to; that he, the said W. R. Myers, in pursuance of his said purpose, decided to elect Robt. W. Withers as one of the Directors of the said bank, and it became necessary in order so to do for him, the said Robt. W. Withers, to be a stockholder in said bank; that in order for him, the said W. R. Myers, to secure a share of the said bank stock that he might therewith constitute Robt. W. Withers a stockholder of the bank for the purpose of qualifying the said Robt. W. Withers as a Director of said bank, he, the said W. R. Myers, borrowed from A. W. Oliver of Suffolk, Va., a share of stock which the said A. W. Oliver owned in the said Merchants & Truckers Bank, Inc., giving the said A. W. Oliver as surety for the return of said stock a note of his, the said W. R. Myers, for \$100.00, to the order of A. W. Oliver, payable ten days after date, which said note A. W. Oliver presented at the said Merchants & Truckers Bank, Inc., before the maturity thereof, asking that the same be discounted at said bank; and that the said note was accepted by the said W. R. Myers, without any endorsement of the same to the bank's order or in blank by the said A. W. Oliver; that the face value of the said note, without any interest being deducted therefrom, was credited on the pass-book of the said A. W. Oliver by W. R. Myers himself, who was then acting as Cashier, but the said note is shown on the books of the bank as charged to the account of the said A. W. Oliver, and now appears as an overdraft of the said A. W. Oliver; and your complainants therefore allege that the said Robt. W. Withers has never

been duly qualified as a shareholder in said bank.

Fifth--- That the said third articles of the Articles of Association of the said Merchants & Truckers Bank, Inc., contains a provision that the Board of Directors of said bank is to consist of not less than five shareholders, a copy of which Articles of Association is hereto attached marked Exhibit "B", and prayed to be read as a part of this bill; that at the above mentioned meeting of the stockholders of said bank, which was called for and held on Apr. 3rd, 1909, at which meeting there was represented 167 shares of the capital stock, 135 shares of which was voted by W. R. Myers, the Board of Directors of said bank, which at that time consisted of T. B. Peete, R. O. Chandler, W. R. Sykes, W.T. Grizzard, E. Brett, J. D. Dickerson and W. R. Myers, was, ~~Robert W. Withers, R. O. Chandler, W. R. Myers, G. A. Harris, and John King~~, dismissed from office and the following stockholders were elected Directors to serve until their successors were elected:- Robt. W. Withers, R. O. Chandler, W. R. Myers, G. A. Harris, and John King, a copy of the minutes of which meeting is hereto attached marked Exhibit "C", and prayed to be read as a part of this bill; that the said R. O. Chandler and G. A. Harris refused to accept the position of directors of said bank, and they have never qualified as directors of the said bank in any way whatsoever; that upon their refusal no directors were elected, either by the stockholders or by the Board of Directors, to fill the vacancies in the Board caused by their refusal to accept positions as directors; that at that time there was no duly constituted Board of Directors of said bank, as required by its Articles of Association.

Sixth--- That for the reason mentioned in Section Four (4) above of this your complainant's bill, the said Robt. W. Withers was not qualified as a shareholder of said bank, and, therefore, could not be legally qualified as a Director

of same; that for the reason mentioned in Section Three (3) above of this your complainant's bill, the said W. R. Myers' stock in said bank being at the date of meeting held on April 3rd, 1909 hypothecated by him, the said W. R. Myers, the said W. R. Myers could not therefore be legally qualified as a Director of the said bank.

Seventh .- That soon after the said last mentioned meeting was held "The Baltimore Audit Company," ^{who} in pursuance of the decision of the former Board of Directors, were employed to make a report of the bank's affairs, submitted their report, a copy of which said report is herewith filed marked Exhibit "D", and prayed to be read as a part of this bill. From the said report it will be seen that the bank was insolvent at the time the said report was made; that large sums of its money were borrowed by W. R. Myers, the President of the said Merchants & Traders Bank, Inc., amounting in the aggregate to the sum of \$34,000.00; that this money was taken or borrowed from the said bank on paper discounted by W. R. Myers himself and is represented by his own notes and those of his wife, Mrs. W. R. Myers; that the said notes were never discounted by any Board of Directors or any Discount Committee whatever, nor was the matter of the advisability of the discounting of the said notes by the bank ever passed upon by any one in authority at the said bank, save and except the said W. R. Myers himself; that a Discount Committee is provided for by Section 2 of the by-laws of the said bank, a copy of which said by-laws is hereto attached marked Exhibit "E", and prayed to be read as a part of this bill; that the said notes were very improperly secured, a great part of the security tendered for them being of an unknown and worthless character; that many of the bills receivable due the said bank were re-discounted at other banks by said President, W. R. Myers, without any knowledge or

authority of any Board of Directors or any meeting of stockholders, and without any authority of law whatever.

Eighth-- That W. R. Myers, the said President of the Merchants & Truckers Bank, Inc., is still largely indebted to the said bank.

Ninth-- That on the 5th day of April, 1909, at a ^{Board of} so-called Directors' Meeting, consisting of John King, Robt. W. Withers and W. R. Myers, held at the Merchants & Truckers Bank Building, on motion of John King, W. R. Myers was nominated President of the said bank and F. G. Mitchell as Acting Cashier to hold office at the will of the President, a copy of the minutes of which said meeting is hereto attached marked Exhibit "A", and prayed to be read as a part of this bill.

Tenth-- That on the 10th day of April, 1909, at a so-called ^{Board of} Directors' Meeting, held at the office of the bank, consisting of W. R. Myers, John King and Robert W. Withers, at which said meeting W. R. Myers presided and Robert W. Withers acted as Secretary, it was, on the motion of John King, seconded by Mr. Withers, agreed that the President of the bank, W. R. Myers, be authorized and directed to rediscount or hypothecate as collateral any or all of their bills receivable, stock, bonds, mortgages or other assets of the bank with such bank or banks as he might select; that the bank thereafter decline to discount any paper and decline to accept deposits, and further that the officers of the said bank, as speedily as possible, without disturbing public confidence, and in the usual course of trade, proceed to liquidate its indebtedness to its depositors, a copy of the minutes of which said meeting is hereto attached marked Exhibit "B", and prayed to be read as a part of this bill.

Eleventh-- That on the 15th day of April, 1909, at a meeting of the so-called ^{Board of Directors} ~~bank~~ directors of the Merchants &

Truckers Bank, Inc., who had accepted their election as directors, consisting of W. R. Myers, John King and Robt. W. Withers, at which said meeting W. R. Myers was made Chairman and John King Secretary, it was resolved and ordered that an assignment of all the assets and property of the said Merchants & Truckers Bank, Inc., be made by a deed of trust to Robt. W. Withers, Trustee, in trust to secure the payment of its entire indebtedness, a copy of the minutes of said meeting is hereto attached marked Exhibit ~~A~~, and prayed to be read as a part of this bill.

Twelfth-- That said last above mentioned meeting was called for the purpose of dissolving the said bank, and of making a deed of assignment of all of the property of the said bank to Robt. W. Withers, Trustee, that there was no published notice of said meeting given to the stockholders, nor any formal notice of any kind given to them; and that the act of said de facto Board of Directors calling said meeting without any notice to the stockholders, for the purpose of causing the dissolution of said corporation is without any authority of law whatever.

Thirteenth-- That said Deed of Trust above mentioned was executed by W. R. Myers, President of the Merchants & Truckers Bank, Incorporated, and was attested by John King, as secretary, and W. R. Myers, Chairman of said above mentioned meeting, without any notice to the stockholders and without *and without the authorization of a legally constituted board of directors* their sanction or approval, and is therefore void, a copy of which said Deed of Trust is hereto attached marked Exhibit ~~B~~, and prayed to be read as a part of this bill.

Fourteenth--- That Robert W. Withers, under such deed of assignment, has taken charge and is administering the assets of said bank.

Fifteenth--- In tender consideration whereof, and foras much as your complainants are remediless in the premises, have by the aid of a Court of Equity, your complainants pray that the Merchants & Truckers Bank, Incorporated, W. R. Myers, President of Merchants & Truckers Bank, Inc., John King, acting as Secretary of Board of Directors of Merchants & Truckers Bank, Inc., W. R. Myers, Robert W. Withers, John King and Robert W. Withers, Trustee, may be made parties to this bill and required to answer the several allegations thereof, however, an answer under oath is hereby waived, that proper process issue and the proper orders and decrees be made, inquiries directed and accounts taken; that the deed of assignment from the Merchants & Truckers Bank, Inc., to Robt. W. Withers, Trustee may be declared void and

set aside; that a receiver or receivers, may be appointed to take charge of all the assets of said bank and its said books of accounts, notes, etc., and proceed to collect its debts, ascertain the rights of all parties interested and divide the proceeds among the complainants and other parties entitled thereto; that an accounting be rendered by the said Robert W. Withers Trustee, since he has had charge of the affairs of the bank under the above mentioned deed of assignment; that the said Merchants and Truckers Bank of Suffolk, Virginia, W. R. Myers President of the said Merchants and Truckers Bank, Incorporated, John King acting as Secretary of the board of directors of Merchants and Truckers Bank, Inc., W.R. Myers, Robert W. Withers, John King and Robert W. Withers Trustee be required to surrender possession of all the assets and property of every kind and description in their hands belonging to the said Merchants and Truckers Bank, Incorporated and that they be restrained from interfering with the possession of the receiver, or receivers.

That all such further and general relief may be afforded your complainants as the nature of their case may require or to equity shall seem meet.

Notice is hereby given that the Court will be asked to allow a reasonable counsel fee to complainants counsel conducting the cause.

And your complainants will ever pray, etc.,

National Exchange Bank of Baltimore
by Lloyd R. Freeman
Counsel

State of Virginia,

*Corporation of
City of Norfolk*

To-Wit:

This day Lloyd R. Freeman, of Counsel for National Exchange Bank of Baltimore, personally appeared before me,

J D Haub a Notary Public in and for the *Corporation* and State aforesaid, and made oath that the statements contained in the foregoing bill are true so far as made upon his own knowledge and so far as made upon information of others he believes them to be true.

Given under my hand this *21st* day of *Sept.* 1909

My term of office expires Sept. 16, 1911.

J D Haub

Notary Public.

Mch. 27,

EXHIBIT A.

At a called meeting of the Board of Directors of the Merchants & Truckers Bank, of Suffolk and Branchville, Va. was held at the Banking rooms of the said Merchants & Truckers Bank, March 27th, 1909 the following members were present.

Edgar Brett, R. O. Chandler, C. B. Vick, W. T. Grizzard, T. E. Peete. Director Sykes acknowledged reasonable service of notice, but could not attend for business reason, J. D. Dickerson having this day handed in his resignation, the V. P. and Chairman states that the object of this meeting is to have an investigation of the affairs of the Bank made and appoint competent auditors to do so.

On motion it was ordered that the books and affairs of this bank be immediately audited by an auditor appointed by this board and that the said auditor be required to submit his report to this board of Directors.

On motion it was further ordered that the books, papers, bonds, bills notes and cash and all other affairs of the Bank be placed in the sole custody and control of F. W. Jones, Cashier of the Bank until said auditor submit his report.

On motion it was moved and seconded that Mr. Apitz be employed to make an audit of all the affairs of this Bank with an assistant if necessary and submit said report to Mr. R. O. Chandler who is advise Cashier Jones that this report is ready.

It was moved and seconded that no other business being offered the meeting adjourned, same being moved and seconded.

(Signed)

Frank W. Jones

Secy.

EXHIBIT B.

1st.

The name and title of this association shall be "The Merchants and Truckers Bank, Incorporated."

2nd.

The place where its office or banking house shall be located and its operations of discount and deposit carried on and its general business conducted shall be in the town of Suffolk, Virginia.

3rd-

The board of directors shall consist of not less than 5 nor more than 20 shareholders. The first meeting of the shareholders for the election of directors shall be held at Suffolk, Va. on the 23rd day of July, 1906.

4th

The regular annual meetings of the shareholders for the election of directors shall be held at the Banking house of this Association on the 23 day of July of each year; but if no election shall be held on that day it may be held on any other day designated by the board of directors of this association.

5th

The capital stock of this association shall be 1000,000.00 thousand dollars, to be divided into shares of \$100.00 each each all of the same class.

In the event of an increase of the capital stock of this association, each shareholder shall have the privilege of subscribing for such number of shares of the proposed increase of the capital stock as he may be entitled to according to the number of shares owned by him before the stock is increased.

6th.

The board of directors, a majority of whom shall be a quorum to do business, shall elect one of its members president of this association, who shall hold his office (unless he shall be disqualified, or sooner be removed by a two-thirds vote of all the members of the board), for the term for which he was elected a director, the directors shall have power to elect a vice-president, who shall also be a member of the board of directors, and who shall be authorized in the absence or inability of the president from any cause to perform all acts and duties pertaining to the office of president except such as the president only by law is authorized to perform; and to elect a Cashier, said cashier to employ necessary clerks to transact the business of this association, board of directors to fix the salaries to be paid them.

The directors shall have the power to require bonds of all officers and clerks and to fix the penalty thereof.

7th

This association shall continue for an indefinite period from the date of the execution of its organization certificate, unless sooner placed in voluntary liquidation by the act of its shareholders owning at least one-twentieth of its stock, or otherwise dissolved by authority of law.

8th.

These articles of association may be changed or amended at any time by shareholders owning a majority of the stock of the association in any manner not inconsistent with law; and the board of directors or any three shareholders, may call a meeting of the shareholders for this or any other purpose, not inconsistent with law, by publishing notice thereof for thirty days in a newspaper published in the town, city or county where the bank is located, or by mailing to each shareholder notice in writing thirty days before the time fixed for the meeting.

EXHIBIT B., Continued.

In witness whereof we have hereunto set our hands this the
25rd day of July, nineteen hundred and six.

W. R. Myers	Suffolk, Va.
G. A. Harris	" "
H. J. Bowen	" "
T. H. Debnam	" "
D. K. Joyner	" "

EXHIBIT "C."

1909.

April 2-

At a called meeting of the stockholders of the Merchants & Truckers Bank held at the call of the stockholders holding more than one tenth of the capital stock after publication thereof six times a week for two successive weeks in the Suffolk Herald a newspaper published in the home town of the bank.

Stockholders present holding the following shares attended:

R. C. Harrell	2 shares
Chas. F. Taylor	5 "
Mr. Mitchell	1 share
Mr. R. W. Withers	1 "
T. J. Smith	1 "
R. O. Chandler	2 Shares
W. R. Myers	<u>155</u> "

167 shares.

Mr. Myers presided, Mr. Withers acted as secretary.

On motion the bylaws of the bank were amended so as to read as follows:

"This bank with the approval of a majority of the directors may open at Branchville, Va. a branch of this bank and managed by such employees as the board may appoint."

On motion duly seconded the old board of directors were dismissed from office and the following stockholders elected directors to serve until their successors are elected, to-wit:

Robt. W. Withers	of Suffolk, Va.
R. O. Chandler	" "
W. R. Myers	" "
G. A. Harris	" "
John King.	" "

Those voting in the negative being Mess. Smith, Chandler and Harrell.

On motion of the stockholders meeting was adjourned to meet again at the office of the bank in Suffolk at 8 o'clock Monday, April 5th.

(Signed)

Robt. W. Withers,
Secretary pro tem.

EXHIBIT " E "

BY LAWS OF THE Merchants and Truckers Bank, Incorporated, organized under the laws of the commonwealth of Virginia to carry on the business of banking.

- 1-- The regular annual meeting of stockholders of this bank for the election of directors and for the transaction of other legitimate business shall be held between the hours of ten o'clock A.M. and four o'clock P.M. on the day specified in the articles of association, and the thirty days notice of the time and object of such meetings thereby required shall be given by the president, vice-president or cashier by publication in newspaper or by written notice sent each and every stockholder through U. S. mail. The board of directors shall, within one month previous to the date ~~set~~ fixed for such meetings, appoint three stockholders to be judges of the election for directors, who shall hold and conduct the election, and who shall, under their hands, notify the person acting as cashier of this bank of the result thereof as soon as ascertained, and of the names of the directors-elect.
- 2-- The directors elected shall meet in executive session immediately after adjourning of stockholders' meeting, to name a committee of five from the directorate to accept or reject as in their opinion it may be to the best interests of this bank, all paper offered for discount.
- 3-- If the annual election for directors should not be held on the day fixed by the articles of association, the directors in office shall order a special ~~notice~~ election, of which notice shall be given, judges appointed, and returns made and recorded upon the minute book; and the directors chosen thereat shall be certified to under the signature of the cashier.
- 4-- The officers of this bank shall be a president, vice-president and cashier, and such other help as may be required from time to time for the prompt and orderly transaction of its business.
- 5-- The president and cashier shall hold their offices for the current year for which the board of which they shall have been elected members, unless they should resign, become disqualified, or be removed, and any vacancy occurring to the office of president, cashier, or in the board of directors, said vacancy shall be filled by a majority vote of the board of directors.
- 6-- The cashier of this bank shall be responsible for all the moneys, funds, and valuables of the bank, and shall give bond in favor of the stockholders of this bank in the sum of \$5,000 conditioned for the faithful and honest discharge of his duties as such cashier.
- 7-- The president of this bank shall give bond in the sum of \$5,000, payable to the stockholders of this bank, conditioned for faithful and honest discharge of his duties as such president.
- 8-- The board of directors of this bank shall hold regular meetings in the bank for the transaction of business daily of each week at 12:30 o'clock P.M. The board may also hold special called meetings by the cashier, and whenever there shall not be a quorum at regular or special meetings the same may be adjourned until there is a quorum present.

9--

9-- No officer or clerk of this bank shall pay any check drawn upon it, or pay out money on any order, unless the drawer of such check or order shall, at the time of the presentation thereof, have on deposit in the bank funds sufficient to meet such check or order.

10-- The stock of this bank shall be assignable and transferable only on the books of this bank, subject to the restriction and provisions of the banking laws, and a transfer book shall be provided, in which all assignments and transfers of stock shall be made.

11-- Transfers of stock shall not be suspended preparatory to the declaration of dividends; and unless an agreement to the contrary shall be expressed in the assignments, dividends shall be paid to the stockholders in whose name the stock shall stand at the date of the declaration of the dividends.

12-- Certificates of the stock signed by the president and cashier shall be issued to stockholders, and the certificates shall state upon their face that the stock is transferable only on the books of the bank.

W. R. Myers

Suffolk, Va.

July 22, 06.

G. A. Harris

"

"

"

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H. J. Bowen

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T. H. Debnam

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D. K. Joyner

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"

EXHIBIT " F "

At a meeting of the Board of Directors held at the bank building on Monday, April 5th, 1909 there being a quorum present, it was, on motion agreed, as follows:

On motion of John King W. R. Myers was nominated president and F. G. Mitchell as acting cashier to hold office at the will of the president. Which was unanimously agreed to.

Said officers being ~~duly~~ declared duly elected, and were instructed to take charge of the affairs of the bank at once.

(Signed)

Robt. W. Withers,

Secretary pro tem.

EXHIBIT " G "

At a meeting of the board of directors held at the office of the bank on April 15th, 1909.

Present, Mr. Myers, Mr. King, Mr. Withers Mr. Myers presiding, Mr. Withers acting as secretary.

On motion of Mr. King seconded by Mr. Withers, it was agreed that the president of this bank be and is hereby authorized and directed to rediscount or hypothecate as collateral any or all of their bills receivable, stocks bonds, mortgage or other assets of this bank, with such bank or banks as he may select.

Be it further resolved, that this bank hereafter decline to discount any paper and decline to accept deposits and further that the officers of this bank, as speedily as possible without disturbing public confidence and in the usual course of trade, proceed to liquidate its indebtedness to its depositors.

There being no further business offered the meeting adjourned.

(Signed)

Robt. W. Withers,

Secretary Pro tem.

EXHIBIT " H "

At a meeting of the board of directors held at the office of the bank on April 15th 1909.

Present. Mr. Myers, Mr. King and Mr. Withers.

On motion Mr. Myers presided and Mr. King acted as secretary.

On motion it was unanimously resolved to be expedient that this corporation go into liquidation and to that end it was further resolved, and ordered that an assignment of all of the assets and property of said corporation of every kind be made by a deed of trust to Robt. W. Withers, Trustee, in trust to secure the payment of the indebtedness of said corporation to all of its creditors pro rata, except R. H. Rawles, who is to be paid in full 100.00 and Baltimore Audit Co. who is to be paid in full 150.00. , said trustee to be given all necessary powers in the premises for the proper execution of the trust and that the said deed be executed for and in behalf of said corporation by its president and attested by the chairman and secretary of this meeting.

There being no further business the meeting on motion was adjourned.

(Signed)

John King,

Secretary Pro tem.

EXHIBIT "I. "

DEED OF ASSIGNMENT.

Whereas, on the 16th day of April, 1909, at a duly called and lawfully organized meeting of the Board of Directors of the Merchants & Truckers Bank, a corporation chartered under the laws of Virginia, on motion ~~of~~ W. R. Myers was made chairman and John King Secretary, and on further motion it was resolved to be expedient that said corporation go into liquidation and to that end it was further resolved and ordered that an assignment of all the assets and property of said corporation of every kind be made by deed of trust to Robert W. Withers, Trustee, in trust to secure the payment of the indebtedness of said corporation to all of its creditors pro rata with all necessary power in the premises for the proper execution of the said trust and that the said deed be executed for and in behalf of said Corporation by its president and attested by the chairman and secretary of said meeting.

This deed, therefore, made this 16th day of April, 1909, between the said Merchants & Truckers Bank of the one part and Robt. W. Withers of the other part chosen as trustee for the purposes herein set forth,

WITNESSETH:- That the said Merchants & Truckers Bank does hereby grant with general warranty unto the said Robert W. Withers Trustee, as aforesaid the following property, to wit:

All the assets and property of every kind whatsoever real/ personal and mixed of said Merchants & Truckers Bank, including all the notes, bonds, bills, accounts, credits, stocks, moneys, leases and office furniture and all other real and personal property of every kind and description of said corporation.

In Trust, to secure the payment, first, of all the costs and expense in connection with the execution of the trust first created by this deed including the said trustee 7-1/2 per cent. commissions upon the gross proceeds of all sales he may make in pursuance and by authority hereof and upon all sums of money he may collect or receive by virtue hereof and also the payment of such fees of counsel as may be necessary to incur and pay for services rendered said trustee in connection with the preparation and execution of this deed or the execution of the trust hereby created; and after the payment of such costs and expenses and commissions and fees, then to secure payment to Baltimore Audit Co. \$150.00 and to R. H. Rawles \$100.00, and then to secure the payment pro rata of the indebtedness of said corporation, the said Merchants & Truckers Bank, to all its creditors, share and share alike as such indebtedness may appear by the books of the said corporation or certificates of deposit issued by it or other evidence of its indebtedness.

And the said trustee is hereby authorized and empowered to take charge of all the property and assets hereby conveyed and to collect, demand, sue for, recover and receive all and every such sum or sums of money, debts or demands whatsoever as now are or during the continuance of this trust shall become due and owing unto the said the Merchants & Truckers Bank and in default of payment thereof, to have, use and take all lawful ways and means for the recovery thereof by action, suit or any manner of legal process or otherwise and on receipt thereof to make and deliver acquittances or other sufficient discharges for the same.

And the said trustee is also authorized and empowered to sell any real estate or personal property, other than the choses

in action or other evidence of indebtedness to said bank hereby conveyed by public auction for cash, after due advertisement of the time, place and terms of the sale for a reasonable time according to law and to convey the same by proper deed or deeds of bargain and sale; and until sale thereof, the said trustee is further authorized to let said real estate or personal estate or any lease hold interest therein, for such reasonable and proper rents as the same may be worth, but the letting thereof shall not be for such unreasonable or unnecessary lengths of time as to interfere with the sale thereof at the time when a judicial sale thereof may be effected.

And the said trustee whenever sufficient funds or money shall have been collected or realized by him under and by virtue of this deed shall first pay off and discharge in full the debt due Baltimore Audit Company of \$150.00 and due R. H. Rawles of \$100.00 and then shall make dividends of ten per cent. or more on account of the indebtedness, the payment of which is hereby assured to said creditors of said bank, and from time shall continue to pay out and distribute the said money he may collect or receive under and by virtue of this deed until all the money that may be due said creditors shall have been collected and paid to said creditors as aforesaid, and whatsoever remains after the payment of all the said expenses, commissions and debts, the said trustee shall pay pro rata to the stockholders in said bank from time to time.

And the said trustee is further authorized and empowered to employ such clerks, agents or other servants and employees as may be necessary to enable him to carry out the trust hereby created and to perform the duties hereby required of him, and

to pay them such reasonable compensation as their services may be worth or as is usually paid for such services as they may render, the trustee shall employ at his own expense at least one clerk.

Before the said trustee shall proceed to execute the trust hereby created or to perform any of the duties hereby required of him he shall execute a bond in some fidelity company, the premium of which is to be paid from the funds of the bank, in the penalty of ten thousand dollars conditioned for the faithful performance of his duties under this deed and payable to the Commonwealth of Virginia, for the benefit of the creditors of said bank secured by this deed, which said bond shall be filed when executed in the Clerk's office of the Circuit Court of Hansemond County.

In witness Whereof the said The Merchants & Truckers Bank has caused its corporate name and seal to be hereto affixed and this deed to be signed by W. R. Myers, its president, and attested by W. R. Myers, Chairman, and John King, Secretary of its Board of Directors this 16th day of April, 1909.

The Merchants & Truckers Bank (SEAL)

By W. R. Myers, President.

Attest: W. R. Myers, Chairman.

John King, Secretary.

Virginia,

Nansemond County, to wit:

I, J. H. Newton, a Notary Public in and for the county aforesaid, do certify that W. R. Myers, President of the Merchants & Truckers Bank, whose name is signed to the writing above, bearing date the 16th day of April, 1909, has acknowledged the same before me in my county aforesaid and has also acknowledged that he executed the same as President of the said bank for it and in its behalf as its act and deed having as such President signed his name thereto and the corporate name of said bank and caused its seal to be affixed thereto in pursuance of authority conferred upon him by the board of directors of said bank as therein stated.

And I, the said Notary Public do also certify that W. R. Myers Chairman and John King Secretary whose names are signed to the said writing above have each this day before me in my said county acknowledged that in pursuance of the authority conferred upon them by the board of directors of said bank as stated in such writing they had severally attested the said writing for said Bank and signed their names to said attestation.

Given under my hand this 16th day of April, 1909.

J. H. Newton,

Notary Public.

My commission expires the 25 day of September, 1910.

Virginia:

In the Clerk's Office of the Circuit Court of Nan-
semond County, to wit:

This deed with the certificate annexed was this day presented
and admitted to record this 17th day of April, 1909, at 12:40
o'clock.

Teste:

R. R. Smith, Clerk,

By A. P. Gomer, D. C.

A C^opy,

Teste:

National Exchange
Bank of Baltimore
vs} Bill
Merchants and Traders
Bank & others.

H. STUART LEWIS,
ATTORNEY AT LAW,
POST OFFICE BUILDING,
SUFFOLK, VA.

National Exchange Bank
of Baltimore
vs } In Chancery
~~The Merchants & Traders Bk~~

1909 Sept 18th. Process issued returnable
to Sept Rules 3rd Monday

" " 20th. Process returned executed
on defendants. Bill
filed and decree nisi
vs them.

" Oct 14th. Decree nisi confirmed
and cause set for hearing.

Chancery

Notes.

National Exchange
Bank of Baltimore &c

N. J. Chancery

The Merchants &

Traders Bank &c.

Exhibit "D"

DEED OF ASSIGNMENT.

Whereas, on the 16th day of April, 1909, at a duly called and lawfully organized meeting of the Board of Directors of the Merchants & Truckers' Bank, a corporation chartered under the laws of Virginia, on motion ~~of~~ W. R. Myers was made chairman and John King Secretary, and on further motion it was resolved to be expedient that said corporation go into liquidation and to that end it was further resolved and ordered that an assignment of all of the assets and property of said corporation of every kind be made by a deed of trust to Robert W. Withers, trustee, in trust to secure the payment of the indebtedness of said corporation to all of its creditors pro rata with all necessary powers in the premises for the proper execution of said trust and that the said deed be executed for and in behalf of said Corporation by its president and attested by the chairman and secretary of said meeting.

This deed, therefore, made this 16th day of April, 1909 between the said The Merchants & Truckers Bank of the one part and Robert W. Withers of the other part chosen as trustee for the purposes herein set forth,

WITNESSETH:- That the said The Merchants & Truckers Bank does hereby grant with general warranty unto the said Robert W. Withers, Trustee as aforesaid the following property, to wit:

All the assets and property of every kind whatsoever real, personal and mixed of said The Merchants & Truckers Bank, including all the notes, bonds, bills, accounts, credits, stocks, moneys, leases and office furniture and all other real and personal prop-

erty of every kind and description of said corporation.

In Trust, to secure the payment, first, of all the costs and expenses in connection with the execution of the trust first created by this deed including the said trustee $3\frac{1}{2}$ per cent. commissions upon the gross proceeds of all sales he may make in pursuance and by authority hereof and upon all sums of money he may collect or receive by virtue hereof and also the payment of such fees of counsel as may be necessary to incur and pay for services rendered said trustee in connection with the preparation and execution of this deed or the execution of the trust hereby created; and after the payment of such costs and expenses and commissions and fees, then to secure payment to Baltimore Audit Company \$150.00 and to R. H. Rawles \$100.00, and then to secure the payment pro rata of the indebtedness of said corporation, the said The Merchants & Truckers Bank, to all its creditors, share and share alike as such indebtedness may appear by the books of the said corporation or certificates of deposit issued by it or other evidence of its indebtedness.

And the said trustee is hereby authorized and empowered to take charge of all the property and assets hereby conveyed and to collect, demand, sue for, recover and receive all and every such sum or sums of money, debts or demands whatsoever as now are or during the continuance of this trust shall become due and owing unto the said The Merchants & Truckers Bank and in default of payment thereof, to have, use and take all lawful ways and means for the recovery thereof by action, suit or any manner of legal process or otherwise and on receipt thereof to make and deliver acquittances or other sufficient discharges for the same.

And the said trustee is also authorized and empowered to sell any real estate or personal property, other than the choses in action or other evidence of indebtedness to said bank hereby conveyed by public auction for cash, after due advertisement of the time, place and terms of the sale for a reasonable time according to law and to convey the same by proper deed or deeds of bargain and sale; and until sale thereof, the said trustee is further authorized to let said real or personal estate or any lease hold interest therein, for such reasonable and proper rents as the same may be worth, but the letting thereof shall not be for such unreasonable or unnecessary lengths of time as to interfere with the sale thereof at the time when a judicial sale thereof may be affected.

And the said trustee whenever sufficient funds or money shall have been collected or realized by him under and by virtue of this deed shall first pay off and discharge in full the debt due Baltimore Audit Co. of \$150.00 and due R. H. Rawles of \$100.00 and then shall make dividends of ten per cent. or more on account of the indebtedness, the payment of which is hereby secured to said creditors of said Bank, and from time to time shall continue so to pay out and distribute the said money he may collect or receive under and by virtue of this deed until all the money that may be due said creditors shall have been collected and paid to said creditors as aforesaid, and whatsoever remains, after the payment of all the said expenses, commissions and debts, the said trustee shall pay pro rata to the stockholders in said bank from time to time.

And the said trustee is further authorized and empowered to employ such clerks, agents or other servants and employees as may be necessary to enable him to carry out the trust hereby created and to perform the duties hereby required of him, and to pay them such reasonable compensation as their services may be worth or as is usually paid for such services as they may render, the trustee shall employ at his own expense at least one clerk.

Before the said trustee shall proceed to execute the trust hereby created or to perform any of the duties hereby required of him he shall execute a bond in some fidelity company, the premium of which is to be paid from the funds of the bank, in the penalty of ten thousand dollars conditioned for the faithful performance of his duties under this deed and payable to the Commonwealth of Virginia, for the benefit of the creditors of said bank secured by this deed, which said bond shall be filed when executed in the Clerk's Office of the Circuit Court of Nansemond County.

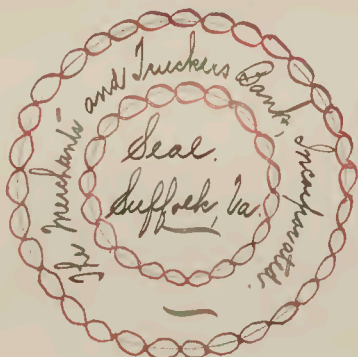
In Witness Whereof the said The Merchants & Truckers Bank has caused its corporate name and seal to be hereto affixed and this deed to be signed by W. R. Myers, its president, and attested by W. R. Myers, Chairman and John King, Secretary of its Board of Directors this 16th day of April, 1909.

The Merchants & Truckers Bank (SEAL)

By W. R. Myers, President.

Attest: W. R. Myers, Chairman.

John King, Secretary.



Virginia,

Nansemond County, to wit:

I, J. H. Newton, a Notary Public in and for the county aforesaid, do certify that W. R. Myers, President of The Merchants & Truckers Bank whose name is signed to the writing above, bearing date the 16th day of April, 1909, has acknowledged the same before me in my county aforesaid and has also acknowledged that he executed the same as president of said Bank for it and in its behalf as its act and deed having as such President signed his name thereto and the corporate name of said bank and caused its seal to be affixed thereto in pursuance of authority conferred upon him by the board of directors of said bank as therein stated.

And I, the said Notary Public do also certify that W. R. Myers Chairman and John King Secretary whose names are signed to the said writing above have each this day before me in my said county acknowledged that in pursuance of the authority conferred upon them by the board of directors of said bank as stated in such writing they had severally attested the said writing for said Bank and signed their names to said attestation.

Given under my hand this 16th day of April, 1909.

J. H. Newton,

Notary Public.

My commission expires on the 25 day of September, 1910.

66-
Virginia:

Clerk's Office of the
In the [^]Circuit Court of Nansemond County, to wit:

This deed with the certificate annexed was this day presented and
admitted to record this 17th day of April, 1909, at 12.40 O'clock.

Teste:

R. R. Smith, Clerk,

By A. P. Gomer, D. C.

A Copy,

Teste:

R. R. Smith, Clerk
By M. M. Watkins D.C.

The Merchants & Truckers

Bank, Inc.

To } Deed of Assignment.

Robt. W. Withers, Trustee.

A Copy.

Exhibit "A"

At a meeting of the board of directors held at the office of the bank on April 16th 1909.

Present. Mr. Myers, Mr. King and Mr. Withers.

On motion Mr. Myers presided and Mr. King acted as secretary.

On motion it was unanimously resolved to be expedient that this corporation go into liquidation and to that end it was further resolved, and ordered that an assignment of all of the assets and property of said corporation of every kind be made by a deed of trust to Robt. W. Withers Trustee in trust to secure the payment of the indebtedness of said corporation to all of its creditors pro rata, except R. H. Rawles who is to be paid in full 100.00 and Baltimore Audit Co. who is to be paid in full 150.00. said trustee to be given all necessary powers in the premises for the proper execution of the trust and that the said deed be executed for and in behalf of said corporation by its president and attested by the chairman and secretary of this meeting.

There being no further business the meeting on motion was adjourned.

(Signed)

John King,

Secretary Pro tem.

" "

~~Exhibit~~ - 1

At a meeting of the Board of Directors held at the office of the bank on April 15th, 1909.

Present, Mr. Myers, Mr. King Mr. Withers Mr. Myers presiding, Mr. Withers acting as secretary.

On motion of Mr. King seconded by Mr. Withers, it was agreed that the president of this bank be and he is hereby authorized and directed to rediscount or hypothecate as collateral any or all of their bills receivable, stocks bonds, mortgage or other assets of this bank, with such bank or banks as he may select.

Be it further resolved, that this bank hereafter decline to discount any paper and decline to accept deposits and further that the officers of this bank, as speedily as possible without disturbing public confidence and in the usual course of trade, proceed to liquidate its indebtedness to its depositors.

There being no further business offered the meeting adjourned.

(signed)

Robt. W. Withers,

Secretary Pro tem.

Exhibit "H".

At a meeting of the Board of Directors held at the bank building on Monday April 5th, 1909 there being a quorum present, it was, on motion agreed, as follows

On motion of John King W. R. Myers was nominated president and F. G. Mitchell as acting cashier to hold office at the will of the president. Which was unanimously agreed to. Said officers being declared duly elected, and were instructed to take charge of the affairs of the bank at once.

(Signed)

Robt. W. Withers,

Secretary pro tem.

Exhibit "E"

BY-LAWS OF THE Merchants and Truckers Bank, Incorporated, organized under the laws of the commonwealth of Virginia to carry on the business of banking.

1-- The regular annual meeting of stockholders of this bank for the election of directors and for the transaction of other legitimate business, shall be held between the hours of ten o'clock A.M. and four o'clock P.M. on the day specified in the articles of association, and the thirty days' notice of the time and object of such meeting thereby required shall be given by the president, vice-president or cashier by publication in newspaper or by written notice sent each and every stockholder through U.S. mail. The board of directors shall, within one month previous to the date fixed for such meetings, appoint three stockholders to be judges of the election for directors, who shall hold and conduct the election, and who shall, under their hands, notify the person acting as cashier of this bank of the result thereof as soon as ascertained, and of the names of the directors-elect.

2-- The directors elected shall meet in executive session immediately after adjourning of stockholders' meeting, to name a committee of five from the directorate to accept or reject as in their opinion it may be to the best interests of this bank, all paper offered for discount.

3-- If the annual election for directors should not be held on the day fixed by the articles of association, the directors in office shall order a special election of which notice shall be given, judges appointed, and returns made and recorded upon the minute-book; and the directors chosen thereat shall be certified to under the signature of the cashier.

4-- The officers of this bank shall be a president, vice-president, and cashier, and such other help as may be required from time to time for the prompt and orderly transaction of its business.

5-- The president and cashier shall hold their offices for the current year for which the board of which they shall have been elected members, unless they should resign, become disqualified, or be removed; and any vacancy occurring to the office of president, cashier, or in the board of directors, said vacancy shall be filled by a majority vote of the board of directors.

6-- The cashier of this bank shall be responsible for all the moneys, funds, and valuables of the bank, and shall give bond in favor of the stockholders of this bank in the sum of \$5,000, conditioned for the faithful and honest discharge of his duties as such cashier.

7-- The president of this bank shall give bond in the sum of \$5,000, payable to the stockholders of this bank, conditioned for faithful and honest discharge of his duties as such president.

8-- The board of directors of this bank shall hold regular meetings in the bank for the transaction of business daily of each week at 12:30 o'clock P.M. The board may also hold special called meetings by the cashier, and whenever there shall not be a quorum at regular or special meetings the same may be adjourned until there is a quorum present.

9-- No officer or clerk of this bank shall pay any check drawn upon it, or pay out money on any order, unless the drawer of such check or order shall, at the time of the presentation thereof, have on deposit in the bank funds sufficient to meet such check or order.

10 The stock of this bank shall be assignable and transferable only on the books of this bank, subject to the restriction and provisions of the banking laws, and a transfer book shall be provided, in which all assignments and transfers of stock shall be made.

11--Transfers of stock shall not be suspended preparatory to the declaration of dividends; and unless an agreement to the contrary shall be expressed in the assignments, dividends shall be paid to the stockholders in whose name the stock shall stand at the date of the declaration of dividends.

12-- Certificates of stock signed by the president and cashier shall be issued to stockholders, and the certificates shall state upon their face that the stock is transferable only on the books of the bank.

W. R. Myers	Suffolk, Va.,	July 22, 06.
G. A. Harris	" "	" " "
H. J. Bowen	" "	" " "
T. H. Debnam	" "	" " "
D. K. Joyner	" "	" " "

Exhibit "C"

1909. April 3-

At a called meeting of the stockholders of the Merchants and Truckers Bank held at the call of the stockholders holding more than one-tenth of the capital stock after publication thereof six times a week for two successive weeks in the Suffolk Herald a newspaper published in the home town of the bank.

Stockholders present holding the following shares attended:

R. C. Harrell	2 shares
Chas. F. Taylor	5 shares
Mr. Mitchell	1 share
Mr. R. W. Withers	1 "
T. J. Smith	1 "
R. O. Chandler	2 "
W. R. Myers	<u>155 "</u>
	167 shares.

Mr. Myers presided, Mr. Withers acted as secretary.

On motion the by laws of the bank were amended so as to read as follows:

"This bank with the approval of a majority of the directors may open at Branchville, Va. a branch of this bank to be under the general supervision of the directors of this bank and managed by such employees as the board may appoint."

On motion duly seconded the old board of directors were dismissed from office and the following stockholders elected directors to serve until their successors are elected, to-wit:

Robt. W. Withers	of Suffolk, Va.
R. O. Chandler	" " "
W. R. Myers	" " "
G. A. Harris	" " "
John King	" " "

Those voting in the negative being Mess. Smith, Chandler and Harrell.

On motion the stockholders meeting was adjourned to meet again at the office of the bank in Suffolk at 8 o'clock Monday April 5th.

(Signed) Robt. W. Withers,
Secretary proten.

Exhibit "B" contin.

In witness whereof we have hereunto set our hands this the 23th day of July, nineteen hundred and six.

W. R. Myers	Suffolk, Va.
G. A. Harris	" "
H. J. Bowen	" "
T. H. Debnam	" "
D. K. Joyner	" "

Exhibit "B"

ARTICLES OF ASSOCIATION.

1st. The name and title of this association shall be "The Merchants and Truckers Bank, Incorporated."

2nd. The place where its office or banking house shall be located and its operations of discount and deposit carried on and its general business conducted shall be in the town of Suffolk, Virginia.

3rd. The board of directors shall consist of not less than 5 nor more than 20 shareholders. The first meeting of the shareholders for the election of directors shall be held at Suffolk, Virginia, on the 23th day of July 1906.

4th. The regular annual meetings of the shareholders for the election of directors shall be held at the banking house of this association on the 23 day of July of each year; but if no election shall be held on that day it may be held on any other day designated by the board of directors of this association.

5th. The capital stock of this association shall be 100,000.00 thousand dollars, to be divided into shares of \$100.00 each each all of the same class.

In the event of an increase of the capital stock of this association, each shareholder shall have the privilege of subscribing for such number of shares of the proposed increase of the capital stock as he may be entitled to according to the number of shares owned by him before the stock is increased.

6th. The board of directors, a majority of whom shall be a quorum to do business, shall elect one of its members president of this association, who shall hold his office (unless he shall be disqualified, or be sooner removed by a two-thirds vote of all the members of the board), for the term for which he was elected a director; the directors shall have power to elect a vice-president, who shall also be a member of the board of directors, and who shall be authorized, in the absence or inability of the president from any cause to perform all acts and duties pertaining to the office of president except such as the president only by law is authorized to perform; and to elect a cashier, said cashier to employ necessary clerks to transact the business of this association, board of directors to fix the salaries to be paid them.

The directors shall have the power to require bonds of all officers and clerks and to fix the penalty thereof.

7th. This association shall continue for an indefinite period from the date of the execution of its organization certificate, unless sooner placed in voluntary liquidation by the act of its shareholders owning at least one-twentieth of its stock, or otherwise dissolved by authority of law.

8th. These articles of association may be changed or amended at any time by shareholders owning a majority of the stock of the association in any manner not inconsistent with law; and the board of directors or any three shareholders, may call a meeting of the shareholders for this or any other ~~purpose~~ purpose, not inconsistent with law, by publishing notice thereof for thirty days in a newspaper published in the town, city or county where the bank is located, or by mailing to each shareholder notice in writing thirty days before the time fixed for the meeting.

Mch. 27.

Exhibit A

At a called meeting of the board of directors of the Merchants and Truckers Bank, of Suffolk, and Branchville, Va. was held at the Banking rooms of the said Merchants and Truckers Bank, March 27th, 1909 the following members were present:

Edgar Brett, R. O. Chandler, C. B. Vick, W. T. Grizzard, T. E. Peete. Director Sykes acknowledged reasonable service of notice, but could not attend for business reason, J. D. Dickerson having this day handed in his resignation, the V. E. and Chairman states that the object of this meeting is to have an investigation of the affairs of Bank made and appoint competent auditors to do so.

On motion it was ordered that the books and affairs of this bank be immediately audited by an auditor appointed by this board and that said auditor be required to submit his report to this board of Directors.

On motion it was further ordered that the books, papers, bonds, bills notes and cash and all other affairs of the Bank be placed in the sole custody and control of F. W. Jones, Cashier of the Bank until said auditor submit his report.

On motion it was moved and seconded that Mr. Apitz be employed to make an audit of all the affairs of this Bank with an assistant if necessary and submit said report to Mr. R. O. Chandler who is advise Cashier Jones that this report is ready.

It was moved and seconded no other business being offered the meeting adjourned, same being moved and seconded.

(Signed)

Frank W. Jones

Secy.

To be attached to page one of the bill
filed in this suit and to constitute after
the title of the suit the first paragraph of said bill

Your complainant, the National Exchange Bank of Baltimore
Maryland, is the pledgee of Fifty (50) shares of the Capital Stock
of the Merchants and Truckers Bank, Inc., of Suffolk, Virginia,,
which said stock is issued in the Name of W. R. Myers, formerly of
Suffolk but now of Chesterfield County, Virginia, and is now held by
your complainant as collateral security for a loan of Thirty- Five
Hundred Dollars made by your complainant to the said W. R. Myers, and
~~your complainant respectfully represents:~~

July 21st 1909 Filed
at 10 2 AM

Natl Exchange
Bank of Balto

vs } Chancery

Merchants &
Truckers Bank of Suffolk
Inc. corp.

Filed July 31st - 1909

at 10 O'clock a.m.

A. P. Gomey, D.C.

National Exchange Bank of Baltimore, Md., a corporation of Maryland, who sue for themselves as well as others, Stockholders, Depositors and Creditors, who may come in and make themselves parties to this suit.

VS.

The Merchants & Truckers Bank, Inc., W. R. Myers, President of The Merchants & Truckers Bank, Inc., John King, acting as Secretary of Board of Directors of Merchants & Truckers Bank, Incorporated.

W. R. Myers .

Robert W. Withers.

John King.

Robert W. Withers, Trustee.

TO THE HONORABLE JAMES L. MCLEMORE, JUDGE OF THE CIRCUIT COURT OF NANSEMOND COUNTY.

Your complainant, The National Exchange Bank of Baltimore, Maryland, respectfully represents:

FIRST.- That the said Merchants & Truckers Bank, Inc., was chartered under the laws of the State of Virginia on August 1st, 1906 and that immediately thereafter the said bank began to do a general banking business in the Town of Suffolk, Virginia; that early in the year 1909 the said Merchants & Truckers Bank, Inc., opened a branch of the said bank in the Town of Branchville, Southampton County, Virginia under the same name; that said parent bank at Suffolk and said branch bank at Branchville did a general banking business from the date of their respective organizations until April 15th, 1909, when both the Suffolk ^{Bank} and Branchville ^{Branch} end of the said bank stopped receiving deposits, discounting paper, paying checks and drafts and meeting any claims whatsoever.

SECOND.- That in the month of March, 1909 Wilkerson Jones, who at that time was serving as the duly elected Cashier

of the said Merchants & Truckers Bank, Inc., at its Suffolk branch, became cognizant of the fact that the bank was being outrageously managed by its President, W. R. Myers, ^{al} though, at that time, he was not aware of the extent to which the said mismanagement had gone; that the said Wilkerson Jones, Cashier, communicated to the Board of Directors of the said bank his knowledge of the affairs of said bank on March _____, 1909; that after obtaining knowledge of the affairs of the said Merchants & Truckers Bank, Inc., the following Directors of the said bank, to-wit: Edgar Brett, R. O. Chandler, C. E. Vick, W. T. Grizzard and T. E. Peete, met in the counting room of the said bank on March 27th, 1909 and requested the said W. R. Myers, President of said bank, to give them a statement of the affairs of the said bank, which he, the said W. R. Myers, refused to do; whereupon the said Directors decided to have the affairs of the said bank examined by an expert accountant, and also passed a resolution ordering that the books, papers, bonds, bills, notes and cash and all other affairs of the bank be placed in the sole custody and control of F. Wilkerson Jones, Cashier, until said auditor submit his report, a copy of the minutes of which said meeting is hereto attached marked Exhibit "A", and prayed to be read as a part of this bill; that the said W. R. Myers became incensed at the action of the Directors in regard to employing an expert accountant and divesting him of the control of said bank, and called a meeting of the stockholders of the said bank for April 3rd, 1909.

THIRD.- Your complainants ^{is} ~~are~~ informed and believe^s, and therefore allege^s, that some time before the 3rd day of April, 1909, the date for which the said above mentioned meeting of stockholders was called, all the stock of the said W. R. Myers in the said Merchants & Truckers Bank, Inc., had been hypothecated by him, the said W. R. Myers; that the purpose of

the said meeting was to give to him, the said W. R. Myers, the opportunity to oust the Board of Directors which had on March 27th, 1909 voted to employ expert accountants to examine and report upon the affairs of the said bank and had divested him of the control of the said bank, and to elect a new Board of Directors which he, the said W. R. Myers, could control and dictate to; that he, the said W. R. Myers, in pursuance of his said purpose, decided to elect Robt. W. Withers as one of the Directors of the said bank, and it became necessary in order so to do for him, the said Robt. W. Withers, to be a stockholder in said bank; that in order for him, the said W. R. Myers, to secure a share of the said bank stock that he might therewith constitute Robt. W. Withers a stockholder of the bank for the purpose of qualifying the said Robt. W. Withers as a Director of said bank, he, the said W. R. Myers, borrowed from A. W. Oliver of Suffolk, Va., a share of stock which the said A. W. Oliver owned in the said Merchants & Truckers Bank, Inc., giving the said A. W. Oliver as surety for the return of said stock a note of his, the said W. R. Myers, for \$100.00, to the order of A. W. Oliver, payable ten days after date, which said note A. W. Oliver presented at the said Merchants & Truckers Bank, Inc., before the maturity thereof, asking that the same be discounted at said bank; and that the said note was accepted by the said W. R. Myers, without any endorsement of the same to the bank's order or in blank by the said A. W. Oliver; that the face value of the said note, without any interest being deducted therefrom, was credited on the pass-book of the said A. W. Oliver by W. R. Myers himself, who was then acting as Cashier, but the said note is shown on the books of the bank as charged to the account of the said A. W. Oliver, and now appears as an overdraft of the said A. W. Oliver; and your complainants therefore allege that the said Robt. W. Withers has never

been duly qualified as a shareholder in said bank.

FOURTH.- That the said third articles of the Articles of Association of the said Merchants & Truckers Bank, Inc., contains a provision that the Board of Directors of said bank is to consist of not less than five shareholders, a copy of which Articles of Association is hereto attached marked Exhibit "B", and prayed to be read as a part of this bill; that at the above mentioned meeting of the stockholders of said bank, which was called for and held on Apr. 3rd, 1909, at which meeting there was represented 167 shares of the capital stock, 155 shares of which was voted by W. R. Myers, the Board of Directors of said bank, which at that time consisted of T. E. Peete, R. O. Chandler, W. R. Sykes, W.T. Grizzard, E. Brett, J. D. Dickerson and W. R. Myers, was, without any cause shown, contrary to law, dismissed from office and the following stockholders were elected Directors to serve until their successors were elected:- Robt. W. Withers, R. O. Chandler, W. R. Myers, G. A. Harris, and John King, a copy of the minutes of which meeting is hereto attached marked Exhibit "C", and prayed to be read as a part of this bill; that the said R. O. Chandler and G. A. Harris refused to accept the position of directors of said bank, and they have never qualified as directors of the said bank in any way whatsoever; that upon their refusal no directors were elected, either by the stockholders or by the Board of Directors, to fill the vacancies in the Board caused by their refusal to accept positions as directors; that at that time there was no duly constituted Board of Directors of said bank, as required by its Articles of Association.

FIFTH.- That for the reason mentioned in Section Four (4) above of this your complainant's bill, the said Robt. W. Withers was not qualified as a shareholder of said bank, and, therefore, could not be legally qualified as a Director

of same; that for the reason mentioned in Section Three (3) above of this your complainant's bill, the said W. R. Myers' stock in said bank being at the date of meeting held on April 3rd, 1909 hypothecated by him, the said W. R. Myers, the said W. R. Myers could not therefore be legally qualified as a Director of the said bank.

SIXTH.- That soon after the said last mentioned meeting was held "The Baltimore Audit Company," in pursuance of the decision of the former Board of Directors, ^{who} were employed to make a report of the bank's affairs, submitted their report, a copy of which said report is herewith filed marked Exhibit "D", and prayed to be read as a part of this bill. From the said report it will be seen that the bank was insolvent at the time the said report was made; that large sums of its money were borrowed by W. R. Myers, the President of the said Merchants & Truckers Bank, Inc., amounting in the aggregate to the sum of \$34,000.00; that this money was taken or borrowed from the said bank on paper discounted by W. R. Myers himself and is represented by his own notes and those of his wife, Mrs. W. R. Myers; that the said notes were never discounted by any Board of Directors or any Discount Committee whatever, nor was the matter of the advisability of the discounting of the said notes by the bank ~~passed~~ passed upon by any one in authority at the said bank, save and except the said W. R. Myers himself; that a Discount Committee is provided for by Section 2 of the by-laws of the said bank, a copy of which said by-laws is hereto attached marked Exhibit "E", and prayed to be read as a part of this bill; that the said notes were very improperly secured, a great part of the security tendered for them being of an unknown and worthless character; that many of the bills receivable due the said bank were re-discounted at other banks by said President, W. R. Myers, without any knowledge or

authority of any Board of Directors or any meeting of stockholders, and without any authority of law whatever.

SEVENTH.- That W. R. Myers, the said President of the Merchants & Truckers Bank, Inc., is still largely indebted to the said bank.

EIGHTH.- That on the 5th day of April, 1909, at a so-called Directors' Meeting, consisting of John King, Robt. W. Withers and W. R. Myers, held at the Merchants & Truckers Bank Building, on motion of John King, W. R. Myers was nominated President of the said bank and F. G. Mitchell as Acting Cashier to hold office at the will of the President, a copy of the minutes of which said meeting is hereto attached marked Exhibit "F", and prayed to be read as a part of this bill.

NINTH.- That on the 15th day of April, 1909, at a so called Directors' Meeting, held at the office of the bank, consisting of W. R. Myers, John King and Robert W. Withers, at which said meeting W. R. Myers presided and Robert W. Withers acted as Secretary, it was, on the motion of John King, seconded by Mr. Withers, agreed that the President of the bank, W. R. Myers, be authorized and directed to rediscount or hypothecate as collateral any or all of thier bills receivable, stock, bonds, mortgages or other assets of the bank with such bank or banks as he might select; that the bank thereafter decline to discount any paper and decline to accept deposits, and further that the officers of the said bank, as speedily as possible, without disturbing public confidence, and in the usual course of trade, proceed to liquidate its indebtedness to its depositors, a copy of the minutes of which said meeting is hereto attached marked Exhibit "G", and prayed to be read as a part of this bill.

TENTH.- That on the 16th day of April, 1909, at a meeting of the so-called three directors of the Merchants &

Truckers Bank, Inc., who had accepted their election as directors, consisting of W. R. Myers, John King and Robt. W. Withers, at which said meeting W. R. Myers was made Chairman and John King Secretary, it was resolved and ordered that an assignment of all the assets and property of the said Merchants & Truckers Bank, Inc., be made by a deed of trust to Robt. W. Withers, Trustee, in trust to secure the payment of its entire indebtedness, a copy of the minutes of said meeting is hereto attached marked Exhibit "H", and prayed to be read as a part of this bill.

ELEVENTH.- That said last above mentioned meeting was called for the purpose of dissolving the said bank, and of making a deed of assignment of all of the property of the said bank to Robt. W. Withers, Trustee; that there was no published notice of said meeting given to the stockholders, nor any formal notice of any kind given to them; and that the act of said de facto Board of Directors calling said meeting without any notice to the stockholders, for the purpose of causing the dissolution of said corporation is without any authority of law whatever.

TWELFTH.- That said Deed of Trust above mentioned was executed by W. R. Myers, President of the Merchants & Truckers Bank, Incorporated, and was attested by John King, as secretary, and W. R. Myers, Chairman of said above mentioned meeting, without any notice to the stockholders and without *and also without the authorization of a legally constituted body of directors.* their sanction or approval, and is therefore void, a copy of which said Deed of Trust is hereto attached marked Exhibit "I", and prayed to be read as a part of this bill.

THIRTEENTH.- That Robert W. Withers, under such deed of assignment, has taken charge and is administering the assets of said bank.

FOURTEENTH.- In tender consideration whereof, and foras much as your complainants are remediless in the premises, save by the aid of a Court of Equity, your complainants pray that the Merchants & Truckers Bank, Incorporated, W. R. Myers, President of Merchants & Truckers Bank, Inc., John King, acting as Secretary of Board of Directors of Merchants & Truckers Bank, Inc., W. R. Myers, Robert W. Withers, John King and Robert W. Withers, Trustee, may be made parties to this bill and required to answer the several allegations thereof, however, an answer under oath is hereby waived; that proper process issue and the proper orders and decrees be made, inquiries directed and accounts taken; that the deed of assignment from the Merchants & Truckers Bank, Inc., to Robt. W. Withers, Trustee may be declared void and

set aside; that a receiver or receivers, may be appointed to take charge of all the assets of said bank and its said books of accounts, notes, etc., and proceed to collect its debts, ascertain the rights of all parties interested and divide the proceeds among the complainants and other parties entitled thereto ; that an accounting be rendered by the said Robert W. Withers Trustee, since he has had charge of the affairs of the bank under the above mentioned deed of assignment; that the said Merchants and Truckers Bank of Suffolk, Virginia, W. R. Myers President of the said Merchants and Truckers Bank, Incorporated, John King acting as Secretary of the board of directors of Merchants and Truckers Bank, Inc., W.R. Myers, Robert W. Withers, John King and Robert W. Withers Trustee be required to surrender possession of all the assets and property of every kind and description in their hands belonging to the said Merchants and Truckers Bank, Incorporated and that they be restrained from interfering with the possession of the receiver, or receivers.

That all such further and general relief may be afforded your complainants as the nature of their case may require or to equity shall seem meet.

Notice is hereby given that the Court will be asked to allow a reasonable counsel fee to complainants counsel conducting the cause.

And your complainants will ever pray, etc.,

National Exchange Bank of Baltimore
by Lloyd L. Freeman
Counsel

State of Virginia,

County of Hanover

To-Wit:

This day Lloyd R. Freeman, of Counsel for National Exchange Bank of Baltimore personally appeared before me *J. E. B. Hendry* a Notary Public in and for the *County* and State aforesaid, and made oath that the statements contained in the foregoing bill are true so far as made upon his own knowledge and so far as made upon information of others he believes them to be true.

Given under my hand this 19th day of July, 1909.

J. E. B. Hendry

Notary Public.

My Commission expires
June 30th 1910 -

(4)

No.

National Exchange Bank
of Baltimore etc, et als

vs

Merchants & Traders Bank
Incorporated et als.

- Bill -

H. STUART LEWIS,
ATTORNEY AT LAW,
POST OFFICE BUILDING,
SUFFOLK, VA.

ALVAN BUSHNELL CO., LAW STATIONERS, 942 MARKET ST., PHILADELPHIA, PA.

Filed Aug 30 1884

National Ex Bank Baltimore
vs } Chancery
The Mer & Truckee Bank

1909 June 18th. Process issued returnable to
June Rules 3rd Monday.

" " 21st Process returned executed on
R W Withers, R W Withers Trustee John King &
John King Secy of the Board of Directors
of the Merchants & Truckee Bank.

" July 8. Alias process issued vs Merchants and
Truckee Bank Incorp. W R Mein Presdt of
the Merchants & Truckee Bank & W R Myers
returnable to July Rules 3rd Monday.

" " 19 Process returned executed on each of
the defendants. Bill filed and
decree nisi vs them.

" Aug 2. Decree nisi Confirmed and
cause set for hearing.

Chancery
Notes.

2 bills

No de crees,
answer

A Stewart Lewis per
National Exchange
of Baltimore &c
per } branches
The Merchants &
Truckers Bank &c

26

Cost	
Wash	364
Fry	150
Oil	280

Stuart Lewis 189

Watt Ex BK. Baltimore

vs In Chancery

The M & T Bk. v. others

End
Ch. 1 20
Pay 250
By Cash 150
Balance 50
1878