

V 2.—Recapitulation of stocks held by the banks of Illinois.

BANKS.	Deposited.		Withdrawn.		Remaining on deposit November 29, 1856.	
	Amount.	Cash value.	Amount.	Cash value.	Amount.	Cash value.
Virginia.....	\$1,583,500 00				\$867,500 00	
Missouri.....	6,028,000 00		\$725,000 00		4,580,000 00	
Louisiana.....	719,500 00		72,000 00		647,500 00	
Tennessee.....	507,000 00		83,000 00		424,000 00	
North Carolina.....	85,000 00				85,000 00	
South Carolina.....	123,000 00		55,000 00		68,000 00	
Georgia.....	128,500 00		100,000 00		28,500 00	
Ohio.....	152,500 00		74,000 00		78,500 00	
Kentucky.....	52,000 00		41,000 00		11,000 00	
Wyconsin.....	30,000 00		30,000 00			
Illinois liquidation.....	12,000 00				12,000 00	
Illinois new internal improvement.....	1,077,355 55		856,750 76		220,604 79	
Illinois new internal improvement interest.....	709,533 64		386,912 71		312,620 93	
Illinois and Michigan Canal.....	260,000 00		25,000 00		235,000 00	
Illinois and Michigan Canal interest certificates.....	247,813 38		181,999 06		65,814 32	
Total.....	11,791,752 77	\$9,846,152 43	4,146,163 53	\$3,182,763 43	7,645,980 94	\$6,653,389

V 3.—A statement of the amount of circulating notes outstanding of the banks that have been closed by protest; also of those that have withdrawn their stock and the amount of specie deposited with the auditor, treasurer, and banks, November 29, 1856.

Name of bank.	Circulating notes outstanding November 29, 1856.	Specie deposited with auditor.	Specie deposited with treasurer.	Specie deposited with banks.	Name of banks in which the deposits are made.
The City Bank.....	1,539	1,537 40			
The Farmers' Bank.....	634	492 85			
The Merchants and Farmers' Bank.....	2,791	2,787 15			
The Farmers' Bank.....	415	413 40			
The Union Bank.....	1,011	1,608 67			
The Bank of Lucas and Sunders.....	283			\$283	Northland bank, Merchants and Traders' Bank of Illinois.
The Quincy City Bank.....	220			442	
Exchange Bank of H. A. Tucker & Co.....	673		\$673		
Merchants and Mechanics' Bank of Chicago.....	2,065		2,065		
Southern Bank of Illinois, Belleville.....	2,065		2,065		
Total.....	13,661	8,439 40	4,746	725	

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EXTRACT FROM THE MESSAGE OF HIS EXCELLENCY JOSEPH A. WRIGHT GOVERNOR OF INDIANA, JANUARY 9, 1857.

W 1.

On reference to the report of the auditor of State, it will be seen that, under the restrictions of the amended statute, the currency of the free banks is amply secured, and fully entitled to public confidence. If banks of issue be necessary at all, they should be as free as possible from the feature of monopoly; and, in this respect, therefore, the system of free banking is entitled to our approbation. To perfect the system, however, a banking department should be created, separate and distinct from all others, but subject to the inspection and supervision of the executive officers and the legislature. The concise and the able report of the auditor of State, and his valuable suggestions, in this department, are commended to your consideration.

While to other subjects we apply the rigid test of sound, practical common sense, upon the subject of currency we cherish the shadow and reject the substance. Not content with such issues as are tolerated by law, the solvency of which has been guaranteed by legal enactments, we have encouraged and fostered the spurious and fraudulent emissions of individuals, plank roads, and insurance companies; all having an origin in our own State, and existing in defiance of law and sound public sentiment. In addition to this, Indiana has been the great field for the circulation of the worthless and fraudulent issues of other States, sent here by unprincipled speculators, who amass fortunes at the expense of the unwary and credulous. In all these cases, when the bubble bursts, the worthless rags are found in the hands of the poor and laboring classes. The result of a toleration of this policy is to make the rich richer and the poor poorer.

It is in your power to apply the remedy, to protect your constituents from imposition and loss, to prohibit the circulation of an irresponsible currency by severe penalties, and to prevent, as soon as practicable, the diffusion among our people of any currency but that which is constitutional, or such as may be promptly convertible into coin. It will be a most fortunate day when we shall have learned the simple truth that we can never have steadiness and permanent prosperity in the business of the country so long as we shall continue to encourage any system that converts promises to pay into money.

It was the intention of the framers of the constitution, and they expressed it in language too plain to be misunderstood, that there should be but one State bank in Indiana at the same time; and yet, in the face of this provision, four years before the expiration of the legal existence of the State Bank of Indiana, the legislature of 1855 chartered a new State bank under the name and style of the Bank of the State of Indiana.

It is the spirit of our constitution that the people are the source of all political power; and, therefore, all legislation affecting their interests or the character of the State should emanate directly from them. But, in the case of the charter of the Bank of the State of

Indiana, the subject was sprung upon the legislature without previous discussion, without notice, without investigation, without any expression of the popular will, and without any indication of public sentiment in favor of the measure. If such legislation were valid and constitutional two years before the expiration of the charter of the State Bank, what is there to prevent the present or any succeeding legislature from extending the monopoly of the business of banking for another period of twenty years to the same or other more important corporations? If such is to be the interpretation of our constitution, and the practice under it, it is the sheepest mockery to talk of a government of the people. One mischievous, reckless, or ignorant legislature, in an age, might thus inflict upon the State a catalogue of evils which would require the wisdom of an age for their removal; involving, among other evils, the destruction of one of the main supports of public virtue, the supremacy of the voice of the people at the ballot-box.

The means and appliances brought to bear to secure the passage of this charter would, if exposed to the public gaze, exhibit the darkest page of fraud and corruption that ever disgraced the legislature of any State. While men of pure and honorable sentiment were led into its support in the belief that the approaching close of the existing bank required them, thus early, to provide a successor, others supported it upon promise of stock, equivalents in money, or pledges as to the location of particular branches. To make up the constitutional vote in its favor, the names of members were recorded in its passage who were, at that moment, absent, and many miles distant from the capital. But if fraud and corruption marked the passage of the bill, the enormities practised in the location of the branches and the distribution of the stock were still more glaring, and, if possible, more deserving of public condemnation. The location of the branches, the privileges of subscribing to its stock, in short, the franchises of the bank, were bought and sold like other marketable commodities. In some of the branches the books for the subscription of stock were kept open but a few minutes, and were then only accessible to parties to the fraud; in other instances, they were opened in out-of-the-way places, known only to a few; and in scarcely any instance was full and free opportunity given for citizens generally to subscribe. In two or three cases suits were brought by those who felt aggrieved, but their complaints were stifled by the potent agency of money. In this manner a majority of the stock, in the seventeen branches first organized, was subscribed by twenty-eight individuals, the largest portion of whom have never been engaged in the business of banking, and have already disposed of their stock to others at enormous premiums.

It would be interesting and instructive to have, for comparison, the names of the original and the present stockholders. The sudden transfer of stock would convince the most incredulous that the charter was procured, not for purposes of banking, but for speculations; for the benefit of the few to the exclusion of the many. The premiums thus realized by the original stockholders are believed to be not less than one quarter of a million of dollars; all of which must be reimbursed by the laboring and producing classes. Had the State

exactd such a bonus from the corporations, to be paid into her treasury, it might, at least, have been said that, in this respect, the whole people were benefited.

Having a knowledge of these facts, and regarding the charter as a direct violation of the constitution, I caused two suits to be brought—one in my own name, and one in the name of the State—for the purpose of testing its validity. The first has been decided, without touching any of the great points involved in the issue. The second is still pending, and will, in its progress, fully test the rights of the corporation. The supreme court have already intimated such an opinion, in regard to the adoption of amendments to bills upon the passage, as must, inevitably, render the charter a nullity.

In view of all these facts, it is my solemn conviction that public credit and confidence can never be given to an institution of this character. I recommend, therefore, that the charter be expunged from the statute books; or, failing in this effort, that all connexion between the bank and the State, either by deposit of funds or otherwise, be prohibited, and that it be prevented from reissuing the notes of the present State Bank by the penalty of a forfeiture of the securities received therefor.

The charter should be promptly and absolutely repealed, so that no sanction whatever to its legal existence shall appear upon your statute books. The safety of the public funds should also admonish you to prohibit the reception of its issues for public dues.

The legislature owe it to themselves, to the cause of honesty and justice, to the credit of the State, and to the constituents they represent, to take prompt and decisive action in the premises. When the present State Bank shall have been entirely wound up, and all its affairs liquidated, should the people then desire another institution to succeed it, their representatives will come instructed to that end, and can frame a charter which, guarding the rights of all, shall not be subservient to the purposes of private speculation. If it be good, the whole people should be permitted to participate in its benefits; if it be otherwise, it should be promptly suppressed.

It may be said that the new institution is now in the hands of safe and responsible men, and that their rights of property should not be disturbed. In answer, it may be stated that they purchased the stock with full knowledge of the frauds; that the stock, instead of passing into the hands of our citizens, our farmers, merchants, and mechanics, as in the former bank, is being transferred to men beyond our limits, who have no other interest in the prosperity of our State than to make it the theatre of their speculations. Nor have we any guaranty or assurance that, however solvent the present stockholders, the stock may not, in the first moment of disaster, be transferred to others, without character or responsibility.

With the extended powers and privileges conferred on this institution—its right to issue post notes, to discount upon deposits, and to defy the scrutiny or control of the legislature—it is believed that no prudent capitalist would ever invest his money in it.

VT. 2.

REPORT OF THE PRESIDENT OF THE STATE BANK OF INDIANA.

OFFICE OF THE STATE BANK OF INDIANA,
Indianapolis, December 30, 1856.

SIR: In behalf of the Board of Directors, I herewith submit the annual report of the condition of the State Bank of Indiana, and of each branch thereof, on the 31st day of October, 1856.

Compared with the statement of the bank at the time of my last report, a year since, the following changes are presented in the leading items, an examination of which will show that the general uniformity which has heretofore characterized the management of this institution, and which has exercised so beneficial an influence on the general prosperity of the State, has continued to its closing year of active business.

The amount of notes and bills discounted is four millions six hundred and ninety thousand six hundred and thirty-five dollars, (\$4,690,635,) corresponding with the amount of loans at the same date last year, with the increase of \$11,855.

The amount of circulation is three millions three hundred and eighty-one thousand eight hundred and six dollars, (\$3,381,806,) being an increase of \$46,080.

The amount of gold and silver is one million one hundred and nineteen thousand four hundred and sixty-nine dollars, (1,119,469,) being a decrease of \$103,731, which decrease is, however, nearly balanced by the increase of eastern means, which are seven hundred and ninety-eight thousand seven hundred and thirty-five dollars, (\$798,735.)

The amount of surplus fund is one million two hundred and sixty-five thousand two hundred and three dollars, (\$1,265,203,) being an increase of \$36,902.

The following dividends of profit on the capital stock of the State and individuals, in the several branches, have been made in the year 1856:

To the branch at Lawrenceburgh.....	22½	per cent.
To the branches at Indianapolis, Evansville, and South Bend.....	21	per cent.
To the branches at Richmond and Fort Wayne.....	20	per cent.
To the branches at Terre Haute and Michigan City.....	19	per cent.
To the branches at Madison and New Albany.....	18	per cent.
To the branch at Vincennes.....	16	per cent.
To the branch at Bedford.....	13	per cent.
To the branch at Lafayette.....	11	per cent.

This is deemed an appropriate time to survey the operations of the bank, from its organization up to this time.

The charter was approved on the 28th day of January, 1834. The first section provides that the bank shall be known as the State Bank

of Indiana, and shall continue until the 1st day of January, 1859. By the charter, the State was to own one-half of the stock, and she was to raise the means with which that part of the stock was to be paid for, as per the 103d section of the charter, by a loan of money. That money was to be borrowed, to the amount of say \$1,390,000, by issuing the bonds of the State, drawing an interest of five per cent. per annum, redeemable at the option of the State after twenty and within thirty years from the date of their issue. These bonds were issued in the years 1834, '35 and '36, and will consequently fall due absolutely in 1864, '65 and '66. A board of sinking fund commissioners were provided for by the charter, as a body independent of the bank, and they, *as such*, were charged with the payment of the semi-annual interest accruing on these bonds, and ultimately with the payment of the principal of the bonds. By the 113th section of the charter it is provided: "There shall be created a fund to be called the sinking fund, which shall consist of all unapplied balances of the loan or loans procured on the part of the State for its stock in the State bank, or for the purpose of being loaned to stockholders, to enable them to meet their stock instalments in the bank, the semi-annual payments of interest on the State loans to stockholders, and the sums that shall be received in payment of said loans; the dividends that shall be declared and paid by the State bank on the State stock, and other stockholders as shall have been paid for by the loan on the part of the State, and which shall not have been repaid by such stockholders." And by the 114th section it is provided: "The principal and interest of said sinking fund shall be reserved and set apart for the purpose of *liquidating and paying off the loan or loans*, and the interest thereon, that shall be negotiated on the part of the State for the payment of its stock in the State Bank, and the second and third instalment on the shares of the other stockholders in said bank, and shall not be expended for any other purpose, until said loan or loans, and the interest thereon, and incidental expenses, shall have been fully paid; and after the payment of said loan or loans, the interest and expenses, the residue of said fund shall be a permanent fund, and appropriated to the cause of common school education in such manner as the general assembly shall hereafter direct." In pursuance of the provisions of said sections, the bank has, semi-annually, ever since her organization, paid over to the commissioners of the sinking fund the dividends accruing to the State on her stock as soon as declared, and the commissioners of the sinking fund have, on their part, promptly and punctually appropriated these dividends to the payment of the interest on the outstanding bank bonds, (as the bonds of the State issued for bank capital are usually called,) and as the dividends usually largely exceeded the interest on the bonds, the excess was thrown into the sinking fund, and loaned by the sinking fund commissioners to the people of the State, and appropriated as provided by law. In this manner the sinking fund has accumulated until it amounts, with its own accumulations, November 3, 1856, exclusive of the bank stock, to the sum of \$1,955,461 59. Notwithstanding the bank has no interest in, or control over, this sinking fund, and has at no time had, (as has

been by some erroneously supposed,) save the duty of paying over the dividend every six months to the sinking fund commissioners, yet it is no more than justice to hers: If to refer to it, as it shows that the money that was borrowed by the State, and intrusted in the shape of bank stock to her keeping, has paid its own interest and accumulated a fund of \$1,955,461 59, whilst the principal, in the shape of bank stock, remains untouched, and when converted into money will, it is not doubted, more than pay the outstanding bonds, leaving the above amount and its accumulations to be appropriated to educational purposes. It is quite true that the faith of the State is, by the sections of the charter referred to, pledged that no appropriation of said fund shall be made by the legislature until the bank bonds are all paid off; but that fact need cast no cloud upon the pleasing reflection arising from the fact that the bank stock is between it and danger—that is to say, the bank stock, when converted into money, will be sufficient to pay off the bonds and leave the sinking fund, exclusive of that, undiminished. It will be a noble legacy to bequeath to the rising generation, if the faith of the State remain inviolate, and it ultimately go to the purposes of education, to which it was originally dedicated, notwithstanding it must remain untouched for any other purpose whatever till the bonds are paid. It must, till then, stand as security for the bonds, however well grounded the hope is that the security will not have to pay the debt; for so it is written in the charter, so it is written in the bond.

This subject is merely referred to in this connexion because it is thought proper that the representatives of the people should know what the bank has really earned for the ultimate purposes of education. The condition of the sinking fund will doubtless be fully laid before the legislature by the commissioners of that fund, whose appropriate duty it is, which report will doubtless verify the correctness of what is above stated; hence it is deemed only necessary to add, that the fund not converted into bank stock or loaned to the State, instead of being in the control of the bank, as some have supposed, has been by the commissioners loaned to the people on mortgages of real estate, valued, exclusive of perishable improvements, at double the amount of the loan. It is believed to have been loaned with so much care as to be entirely safe.

Will the stock of the State in the bank, on its conversion into money within the coming two years, yield a sum sufficient to take up the outstanding bonds, without resorting to the sinking fund *proper*, is a question that presents itself.

It is understood that a considerable amount of these bonds have already been retired by the sinking fund commissioners, but the solution to the above inquiry is the same as if that was not the case. The whole amount of bonds issued amount to \$1,390,000. The stock held by the State in the bank, at par, amounts to \$1,013,754 27; which, divided into shares of fifty dollars each, would make a fraction over twenty thousand two hundred and seventy-five shares. It is true that what these shares are worth is somewhat conjectural, and cannot be arrived at with mathematical certainty until the affairs of the bank are closed. It is known that they are in value considerable above par.

This results from the surplus fund that has been accumulating for the last twenty years, under the 54th section of the bank charter, by which it is provided that the bank shall create and keep up a surplus fund that shall never be less than one-sixteenth of the capital stock of each branch. The fund has been created, and the section requiring it complied with, by reserving from the State and from the private stockholder a like proportion from the dividends at the semi-annual declaration of dividends. It amounts, October 31, 1856, to the sum of \$1,265,202 67, as will be seen from the following exposé or tabular statement. If, by reason of the surplus fund, the stock in the bank should yield 50 per cent. above par, which is regarded by some who are thought capable of judging a very safe calculation, each share of stock would yield \$75, and the twenty thousand two hundred and seventy-five shares owned by the State, would yield the sum of \$1,520,635, which exceeds the par amount of the bonds issued by \$130,630. At sixty-nine dollars to the share, the bank stock would yield a little above the par amount of the bonds.

These results are, of course, only based on an hypothesis, and are not at this time susceptible of exact mathematical demonstration. Still it will enable others to see the theory upon which it is based, who can in turn make their own calculations and form their own opinions. The reason why exact accuracy is not attainable will readily be seen. It is because, during the coming two years, the assets of the bank, consisting of bills, notes, judgments, real estate, &c., &c., must be converted into money. What loss may be sustained cannot, of course, at this time, be known. Independent of the suspended debt, (which, it will be seen from the foregoing exposé, is less than one-fourth the amount of the surplus fund,) it is thought that the losses on the notes and bills will be inconsiderable. From the item which is called "suspended debt," something, perhaps one-half, may be realized. It consists of judgments, notes, bills, balances, mostly of long standing, not considered as worth one hundred cents to the dollar, though many of them have, from time to time, been collected in full.

In banking, where the surplus principal prevails, a bank otherwise sound is regarded in a healthy condition when the surplus equals the suspended debt; how much more so, then, when the surplus fund, as is the case with this bank, is four-fold greater than that debt. Some there are, not so wise as serpents, nor yet so harmless as doves, whose amazing astuteness has enabled them to discover that this surplus all belongs to the State, but has inured solely to the benefit of the private stockholder; but it is scarcely necessary to say that, in this surplus fund, the State and the individual stockholder are equally interested, as incident to their stock, and that it has, like all other means of the bank, been constantly employed in the discounting of notes, the buying of bills, &c., thus swelling the general profits of the bank and benefitting alike the State and the individual stockholder. It is now in bills, notes, &c., like the other means of the bank, to be collected, called in, and reduced to cash by the bank during the coming two years, as all her other means. The State's part is then paid over *in cash*, as stock reduced to cash.

Though, as has already been seen, the 1st section of the charter

Provides that the bank shall continue until the 1st day of January, 1859, yet, as will be seen from the 111th section, she cannot discount after the 1st of January, 1857, or do any other banking business, except such as may be necessary to enable her to wind up her affairs; still no period of the existence of the bank has been fraught with more important duties than is that part of her charter life yet to come. The most important functions under the charter are yet to be executed. She must convert her assets, consisting of bills, notes, judgments, real estate, &c., into money. She must pay her debts. Her creditors are billholders, depositors, stockholders, &c. Neither the State nor any other stockholders can be paid in part or whole until the bank has paid all her other debts. As in the settlement of an estate, the heir is entitled to nothing till the creditors are paid, so the stockholder in a bank has no claim except in what may remain after the debts are paid. To accomplish all this, the charter provides that the organization of the bank remains intact till January 1, 1859. The branches must still continue to elect directors and officers, and hold their meetings; for there are duties incumbent upon them which, if neglected, would jeopard the most vital interest of creditor and stockholder. The bank is the trustee of both, and continues such by the charter for two years yet to come. The whole capital of the bank is a trust fund, to be applied first to the debts of the corporation, and the remainder to be returned to the stockholder. As already said, the trust in favor of the latter cannot be executed till all the demands against the bank are satisfied. The branches must still make their monthly, semi-monthly, quarterly, and annual reports to the State board; for, as all the branches are liable in case of the insolvency of any one, they have a right to demand all the vigilance, checks, and safeguards, to the last day that has been required heretofore, and accordingly the charter has so provided.

The present legislature must elect four directors on the part of the State: for though the term of service of a portion of the State directors does not expire this year, the period for which any of them were elected will expire before the meeting of another assembly.

Very important duties will also devolve upon the State board during the coming two years. This body acts as a board of control over the branches, meets every three months, or oftener, declares the amount of dividends in each branch, receives and examines the semi-monthly statements required from each, examines the condition of the branches semi-annually through some of its members, and takes such action on those reports as may be deemed necessary. It may suspend a branch and appoint a receiver for cause, and may do many things in restraint of the local board to keep them within safe limits. In short, the powers and obligations of the bank, as restricted by the 111th section of the charter, are just as inviolate after as before the 1st of January, 1857, because they are conferred by the charter, and can neither be taken away, abridged, nor altered.

The charter of the State Bank of Indiana is somewhat anomalous; it not only provides the manner in which she shall wind up her affairs, but it appoints the receivers to receive from the bank what may be due to the State on account of her stock after the bank has reduced

her assets to cash, and paid her other creditors. These receivers are the sinking fund commissioners, to whom the charter provides the bank shall pay the amount due the State on account of her stock, and that they shall apply it to the taking up of the outstanding bonds of the State issued for bank capital, and that the surplus, if any, shall go into a permanent sinking fund, which is dedicated forever to the purposes of education; but the faith of the State is solemnly pledged that no appropriation of any part of the sinking fund shall be made by the legislature till the bonds are paid. John F. Carr, Beattie McClelland, P. M. Parks, and Joseph V. Bemusdaffer, are the present commissioners. That board has charge of the sinking fund proper, exists independent of the bank, and will continue to exist after the bank ceases to be.

To that board the bank has paid the semi-annual dividends due the State every six months since the first organization of the bank, and with the money thus received they have paid the interest on the outstanding bank bonds, and with the amounts not required for that purpose and its own increase, built up the sinking fund heretofore referred to, to be appropriated to educational purposes after the bonds are paid off.

It may so happen that the bank may be able to convert her means into cash faster than the creditor may present his demand. In such case she cannot pay the stockholder, because, as already seen, the claim of the creditor is not only paramount, but a preferred debt. Should such a state of things exist, a large amount of capital might in the mean time remain unproductive. Would it not be well to provide for such a contingency? Could not the legislature, with the consent of the bank, provide that in such case the money might be invested in State bonds of interest-paying States or bank bonds at their market value? These bonds would draw interest, and could be converted at any moment into cash, to meet the obligations of the bank.

In that way the means of the bank would continue to be productive to the last moment. The State and the private stockholder would reap equally the advantages. Should it be deemed necessary to guard against abuse of such privileges, it could be provided that it should not be exercised without the unanimous consent of the directors elected by the legislature. It has been suggested that inasmuch as, after the 1st of January, 1859, there may be billholders or creditors of the bank who have not presented their demands, and debts due the bank still uncollected, that some legislation was necessary to meet such contingency. It is believed that no such legislation is required, or, rather, that the case is already provided for—that is to say, that the 6th section of the act establishing general provisions respecting corporations, meets the supposed case. It is only deemed necessary to add, that the bank is believed to be in a sound and healthy condition, and that on the 1st day of January, 1859, she will expire, as she has lived, faithful to the trust confided.

All of which is respectfully submitted.

His Excellency Joseph A. Wright.

E. DUMONT, *President.*

Statement of the State Bank of Indiana, October 31, 1856.

RESOURCES.		LIABILITIES.	
Bills discounted.....	\$834,708 20	Capital stock of the State of Indiana.....	\$1,008,038 00
Bills of exchange.....	3,855,937 51	Capital stock of individuals.....	1,142,069 44
Suspended debt.....	304,388 32	Surplus fund.....	1,265,202 67
Banking houses and furniture.....	150,186 08	Profit and loss since last dividend.....	207,793 43
Other real estate.....	24,458 89	Unclaimed dividends.....	4,658 16
Remittances, bank stock, and other items.....	366,192 16	Commissioners of the sinking fund.....	11,346 07
Eastern funds.....	798,734 79	School fund tax and other items.....	20,728 68
Balances in banks other than eastern.....	279,507 79	Balances due other banks.....	
Branch balances.....	10,000 41	Individual deposits.....	
Notes of other banks.....	221,624 00	Reserve circulation.....	
Gold and silver.....	1,119,469 49	Circulation—under fives.....	473,447 00
		Circulation—five and upwards.....	3,007,784 00
		Less branch notes on hand.....	3,475,731 00
			93,925 00
			3,381,806 00
			7,966,187 64

JAMES M. RAY, Cashier.

Statement of the condition of each branch of the State Bank of Indiana, October 31, 1856.

RESOURCES.

Branch.	Bills discounted.	Bills of exchange.	Suspended debt.	Banking houses.	Other real estate.	Furniture.	Branch balances.	Eastern balances.	Other bank balances.	Remittances.	Other items.	Other branch notes.	Other bank notes.	Specie.
Indianapolis.....	\$110,137 07	\$445,513 52	\$14,493 06	\$13,241 81	\$1,709 00	\$711 24	\$3,615 88	\$119,019 15	\$19,480 03		\$11,777 22	\$9,186	\$21,822	\$105,217 95
Lawrenceburgh.....	32,007 91	375,331 18	67,564 93	6,841 86			1,352 02	7,244 38	27,394 17	\$8,365 00	209,000 47		11,781	102,108 92
Richmond.....	105,390 64	350,056 16	15,295 16	1,841 80		500 00	649 20	20,832 55	17,292 12			3,330	9,570	131,324 19
Madison.....	67,927 76	332,794 19	91,961 54	16,938 16	4,143 94	983 15	9,215 38	70,034 52	17,137 90	20,211 70	11,429 40	2,274	20,688	74,698 87
New Albany.....	53,987 49	264,229 10	16,818 40	13,841 80	458 00		1,193 72	70,576 02	14,009 68	2,741 71	23,970 25	25,083	2,572	63,943 19
Evansville.....	21,896 41	309,243 08	7,859 70	21,841 80			2,023 49	47,976 34	33,537 98		5,014 78	25,865	42,358	76,217 44
Vincennes.....	100,518 60	143,037 84	11,316 57	16,841 80	8,071 77	1,024 56	11,388 68	140,948 47	20,353 01	711 15	10,575 00	10,700		83,684 33
Bedford.....	3,709 22	186,441 50	13,896 42	3,341 80			2,779 39	43,090 11	5,999 59		1,297 68	156	3,569	47,126 33
Terre Haute.....	51,752 91	372,036 81	7,001 58	9,811 80	6,351 25	550 00	10,682 00	87,094 38	56,660 81	30 00	5,270 33		52,509	121,060 04
Lafayette.....	175,650 31	299,672 36	32,810 15	15,741 10	105 66		5,513 68	32,184 38	3,761 22	483 00	21,545 18	8,876	969	86,841 67
Fort Wayne.....	72,745 95	266,669 77	24,219 08	8,841 80	1,274 34		65 50	83,916 68	30,499 67	525 33	24,614 98	6,500	22,893	74,360 75
South Bend.....	2,391 00	264,637 00	1,151 73	7,264 80	2,344 93	500 00	21 69	33,355 22	8,883 99		7 57	457	1,322	74,878 70
Michigan City.....	37,500 00	246,225 00		8,716 80			803 52	60,467 63	31,367 61		2,421 21	1,296	29,591	85,976 11
Total.....	831,708 20	3,855,937 51	304,388 32	145,857 13	24,458 89	4,328 95	49,284 43	798,734 79	279,507 79	33,067 89	333,124 27	93,925	221,624	1,119,469 49

LIABILITIES.

Branch.	Capital stock.	Profit and loss.	Surplus fund.	Unclaimed dividends.	Commiss'rs of sinking fund.	Other items.	Branch balances.	Other bank balances.	CIRCULATION.			School fund.	
									Individual deposits.	Under \$5.	\$5 and upwards.		Suspense circulation.
Indianapolis.....	\$219,970 00	\$22,847 58	\$128,246 19	\$778 22		\$1,941 00	\$17,579 55	\$13,638 83	\$89,529 16	\$57,720 00	\$311,745 50	\$15,587 00	
Lawrenceburgh.....	215,000 00	22,311 77	165,251 88		\$77 00	1,198 22	2,024 92	2,457 61	62,168 75	85,319 00	277,943 00	15,238 00	
Richmond.....	167,000 00	16,271 22	115,070 58	103 66			46 73	8,521 02	13,475 63	29,638 00	277,320 00	11,837 00	
Madison.....	212,550 00	17,228 61	129,493 48		7,170 84	2,022 60	2,017 96	11,811 29	61,796 34	16,634 00	261,402 00	15,065 00	\$316 37
New Albany.....	163,850 00	13,931 12	87,842 27	1,001 71		418 10	4,345 76	49,252 29	40,765 01	46,101 00	131,275 00	11,614 00	
Evansville.....	151,866 27	17,646 70	75,753 66		199 98	2,458 30		11,670 86	30,592 86	18,618 00	270,011 00	10,765 00	
Vincennes.....	147,200 00	12,545 15	63,206 96	195 88			2,724 26	29,502 86	31,473 67	12,460 00	247,900 00	10,000 00	
Bedford.....	91,762 50	7,471 63	31,017 81	690 00		125 15	1,480 00		16,521 62	13,116 00	150,235 00	6,503 00	
Terre Haute.....	225,000 00	18,330 93	114,313 42			3,068 05		6,161 05	110,914 55	33,181 00	358,573 50	11,152 00	
Lafayette.....	187,750 00	18,613 63	126,451 18			1,958 16	4,414 43	19,553 95	43,824 43	57,198 00	217,936 50	13,986 00	
Fort Wayne.....	145,888 00	14,275 23	100,676 33	1,306 29		297 50	2,930 47	3,969 00	32,798 35	31,440 00	234,732 50	9,796 00	\$43 24
South Bend.....	102,340 67	11,923 16	62,132 15	582 40		127 00		1,347 59	28,022 01	21,821 50	160,824 50	5,737 00	200 00
Michigan City.....	120,000 00	13,796 53	73,744 78		1,703 05			19,044 53	39,996 70	50,202 00	177,206 00	6,566 00	
Total.....	2,150,107 00	207,793 43	1,265,202 67	4,658 16	11,546 07	19,960 07	38,294 02	176,221 91	601,922 28	473,446 50	3,002,224 50	143,198 00	759 61

W 4.

EXTRACT FROM THE ANNUAL REPORT OF THE AUDITOR OF THE STATE OF INDIANA, NOVEMBER 1, 1856.

FREE BANKING OPERATORS.

Annexed is an abstract of the present condition of the suspended free banks, as compared with their condition at the time of my last annual report. By the recapitulation of this abstract, it will be seen that the outstanding circulation of these banks at that time, was..... \$155,818 00
 Since which there has been redeemed..... \$101,769 00
 Less excess on Plymouth Bank, New York
 Stock Bank, and Traders' Bank Terre Haute..... 1,130 00
 Leaving yet outstanding..... 55,189 00

The circulation of the following banks, as shown on the books of my predecessor to have been outstanding at the time of my assuming the duties of this office, has all been redeemed, and the securities and other assets turned over to me, for the redemption of the circulation then shown to have been outstanding, have been all exhausted, viz:

- Government Stock Bank.
- Merchants' Bank at Lafayette.
- Merchants' Bank at Springfield.
- State Stock Bank at Logansport.
- Public Stock Bank at Newport.
- Steuben County Bank.
- Bank of Rensselaer.
- Bank of Fort Wayne.
- Wabash River Bank at Newville.
- Traders' at Terre Haute.
- Greene County Bank at Bloomfield.
- Farmers and Mechanics' Bank at Rensselaer.
- Upper Wabash Bank.
- Perry County Bank.
- Starke County Bank.
- Wabash River Bank at New Corydon.
- Wabash River Bank at Jasper.

SPECIE-PAYING FREE BANKS.

The tabular statement No. 10 gives the kind and amount of bonds on deposit by each of the specie-paying free banks remaining under the general banking law of May 28, 1852, and the amount of circulating notes outstanding. By this it will be seen that the circulation of these banks is but seven hundred and seventy-seven thousand and

thirty-nine dollars, while the securities on deposit, consisting of the very best of State stocks, amount, at their par value, to nine hundred and three thousand nine hundred and ninety-four dollars.

These securities consist of the following State stocks, viz :

Indiana 5 per cent.....	\$288,000 00
Indiana 2½ per cent.....	139,449 00
Virginia 6 per cent.....	95,500 00
Louisiana 6 per cent.....	134,500 00
Missouri 6 per cent.....	142,000 00
Georgia 6 and 7 per cent.....	62,500 00
Kentucky 6 per cent.....	13,000 00
Tennessee 6 per cent.....	12,000 00
North Carolina 6 per cent.....	2,000 00
Gold Bank of Warsaw.....	15,045 00
	<hr/>
	903,994 00

The law under which these banks were organized permitted Indiana bonds deposited as securities "to be, or be made to be, equal to stocks producing 5 per cent. per annum." And as a large portion of these securities consisted of Indiana stocks so estimated, and their market value was so much below the said estimate, it was deemed necessary—to inspire public confidence in these banks—to require them to surrender an amount of their issues, or deposit additional bonds to make their securities at the lowest market value, to cover their circulation dollar for dollar. With this requisition there was a ready compliance on the part of most of these banks. And it will be perceived that now their securities, at their present market value—with but one or two exceptions—are sufficient to redeem their outstanding circulation *at par*. This class of banks "have until the 1st day of March, 1857, to wind up or accept the provisions" of the general banking law as amended and passed March 3, 1855.

The only violation of the spirit of the general banking law, which has come to my knowledge, was in the case of the Sarings Bank at Connersville. This bank assumed the right to have its original plate of the denomination of ten dollars so altered as to leave therefrom the words "Auditor of State" and "Register," and had printed thereon, as appears by the statement of the engraver, 2,000 impressions. No authority was given for such alteration and for the printing of such notes; and the bank proceeded to issue the same—unknown to me—and without having deposited any securities for the redemption of the same, although said notes bore upon their face the words "secured by pledge of public stocks," which was liable to deceive the receivers thereof. It is very evident that it was never intended by the law that such a right should be assumed by the banks organized under it, as it opens a wide door for deception and fraud, and there should be some provision, with heavy penalty, to guard against such an occurrence in future. It is due to this bank to state, that when its attention was called to this objectionable procedure, and remonstrated with against it, that the most positive and satisfactory assurances were given that these

notes would be called in. And so far as I have learned, this pledge is being complied with, and the bank in every instance has continued to redeem all its notes in specie upon presentation. Had not this assurance been given, and all the notes of the bank presented promptly redeemed, I should have proceeded against said bank as directed in sec. 47 of the general banking law as amended.

Statement No. 11 gives, in detail, the condition of each of the specie-paying free banks which have complied with, and organized under, the general banking law, as amended and passed March 3, 1855; showing the kind and amount of securities on deposit, the rate at which the same were taken, as certified to by the treasurer of State, and the aggregate *par value* of the bonds deposited as securities for the redemption of their circulating notes is one million three hundred and twenty-two thousand five hundred and sixty-seven dollars; the aggregate market value of which is one million eighty-nine thousand nine hundred and eighty-seven dollars, while the circulation issued amounts to but nine hundred and eighty-eight thousand and twenty-one dollars. The whole circulation of the specie-paying free banks is as follows:

Banks remaining under the law of May 28, 1852..... \$777,039 00
Banks organized under the amended law of March 3, 1855..... 988,021 00

Total..... 1,765,060 00
Secured by stocks amounting, at their par value, to 2,226,561 00

The free bank experiment marks an important era in the history of Indiana, and the lessons therein taught will be valuable in the future, not only to ourselves, but to the citizens of other States who may have in contemplation similar schemes of finance and speculation. While the system of free banking, combining the features of equality of privilege and adequate security, is in itself correct, and perhaps the best and wisest ever originated, it is yet true that, in the form it first appeared upon our statute books, it was most cruelly and loosely framed, and, instead of affording the people adequate and undoubted security, it opened facilities for swindlers and speculators to plunder community and escape detection.

Within the first two years of its operation nearly one hundred banks were organized in the State, with an aggregate circulation of over nine and a half millions of dollars. A large proportion of the capitalists who selected Indiana as the theatre of their transactions were citizens of other States, who detected in the loose meshes of the law the opportunities of speculation and the loop-holes of escape. Their sagacity was manifested in the selection of their points for business—points almost inaccessible to the broker, where neither commercial, mercantile, nor mechanical pursuits existed to require their assistance. To what extent the mania of free banking would have been carried, but for the bursting of the bubble in 1854, can only be imagined, but we may well suppose that, at the rate it progressed, Indiana could have furnished the commercial world with currency. The decline of the sys-

tem was quite as rapid as its rise. In little more than two years from the issue of the first free bank note, more than one-half of the circulation was returned and cancelled, leaving at the commencement of my official term a balance of \$4,581,833 still outstanding, while the par value of the securities placed in my hands was \$4,941,515. So far as the banks were owned by citizens of the State, a creditable exertion was made to protect the bill holder from loss, and most of the institutions thus held sustained themselves with honor, and are still solvent and specie-paying. Those still remaining under the law of 1852, having securities sufficient, at the lowest market value, to redeem their circulation *at par* in any emergency, while those which have complied with, and have organized under, the law as amended in 1855, have had retained, as will be seen by the accompanying table, 10 per cent. of the *market value* of their securities, thus placing the specie-paying free banks of Indiana upon the most safe and reliable basis. Those held by foreign capitalists were generally abandoned to their fate, the holders of its notes being compelled to exchange them for depreciated bonds or accept a *pro rata* of the proceeds when sold. In no case, as applied to foreign bankers, was the principle of individual liability resorted to by the bill holder, and the value of that feature, therefore, cannot be estimated.

The amended act of 1855, while it discourages the operations of speculators and swindlers, affords the public ample guaranty of security. With a strict and vigilant execution of the law, there can be no recurrence of the calamity of 1854-5. The present banks are believed to be solvent, and shown to be fully able to redeem all their circulation at par, and are known to be in the hands of men of honor and responsibility.

The operations under the amended act will be found in the accompanying exhibit. Further legislation may be necessary in regard to some of the details of the system, but nothing more is required to insure its safety and security.

The new State Bank is authorized to issue twelve millions of dollars; and, as the free banks are restricted to six, the public have in this feature a guaranty of safety against any excessive issue quite as effectual as any other restrictions that can be placed upon the banker. Thus a total issue of eighteen millions of dollars is provided for—a sum sufficient for the commercial transactions of the State.

The interests of community and the rights of our own people would seem also to require that the privilege of free banking should be extended only to citizens of the State. Such a restriction would give character to the circulation at home, and prevent another invasion of straw capitalists, whose only vocation is to plunder the public.

W 5.—Abstract of a statement exhibiting the condition of the Indiana free banks for the six months preceding the first Monday of July, 1856.

Name.	Place.	Capital.	Loans and discounts.	Stocks.	Real estate.	Other investments.	Due by other banks.	Notes of other banks.	Specie funds.	Specie.	Circulation.	Deposits.	Due to other banks.	Other liabilities.
Bank of the Capitol.....	Indianapolis.....	\$25,930	\$98,988	\$36,950	.....	\$2,271	\$41,776	\$31,854	.....	\$8,350	\$12,388	\$110,475	\$55,362	\$3,750
Bank of Elkhart.....	Elkhart.....	32,349	21,332	32,349	.....	.....	2,479	.....	.....	8,981	25,498	7,041	.....	2,327
Bank of Goshen.....	Goshen.....	25,000	51,029	58,425	.....	1,515	.....	3,480	.....	8,284	52,308	42,321	.....	384
Bank of Indiana.....	Michigan City.....	50,123	47,106	50,000	.....	730	.....	.....	.....	8,002	49,993	15,222	.....	.....
Bank of Mount Vernon.....	Mount Vernon.....	23,053	13,801	66,651	.....	.....	.....	.....	.....	5,414	59,500	11,834	.....	.....
Bank of Paoli.....	Paoli.....	50,000	63,320	61,500	.....	549	29,165	.....	.....	16,633	49,991	29,460	5,205	.....
Bank of Rockville.....	Wabash.....	51,530	27,838	64,098	.....	1,871	17,471	4,333	.....	6,789	32,145	12,263	3,462	46,091
Bank of Syracuse.....	Syracuse.....	9,221	.....	41,776	.....	875	.....	.....	.....	4,953	34,379	.....	4,000	.....
Bank of Warsaw.....	Warsaw.....	45,335	47,325	31,365	.....	500	.....	4,500	.....	5,920	97,177	13,085	.....	.....
Brookville Bank.....	Brookville.....	77,500	95,800	21,000	.....	.....	.....	2,250	.....	4,550	18,000	29,900	6,000	.....
Canal Bank.....	Evansville.....	100,000	138,331	50,000	.....	.....	21,042	23,011	.....	12,872	40,000	39,087	273	.....
Cambridge City Bank.....	Cambridge City.....	100,000	97,794	30,000	.....	.....	.....	13,781	.....	12,000	25,000	23,778	.....	.....
Crescent City Bank.....	Evansville.....	70,100	58,962	98,000	\$10,119	1,103	1,145	33,139	.....	15,757	59,306	79,952	8,419	.....
Fayette County Bank.....	Connersville.....	43,100	91,335	21,000	9,155	420	6,728	2,359	.....	4,888	16,500	36,164	.....	39,363
Farmers' Bank.....	Westfield.....	52,272	10,223	52,272	.....	.....	20,300	.....	.....	12,467	42,152	.....	.....	.....
Granary Bank.....	Lafayette.....	50,000	75,077	50,000	.....	.....	.....	20,317	.....	5,796	31,385	44,806	.....	25,000
Hosier Bank.....	Logansport.....	51,000	89,596	54,270	.....	.....	.....	21,367	.....	16,505	49,965	73,601	24	.....
Huntington County Bank.....	Huntington.....	12,000	8,897	20,000	.....	200	.....	534	\$182	2,603	19,985	4,188	1,722	.....
Indian Reserve Bank.....	Kokomo.....	25,000	32,487	26,280	.....	.....	.....	50,574	.....	3,025	23,616	16,286	.....	.....
Indiana Bank.....	Madison.....	121,500	138,290	68,700	10,413	.....	.....	19,458	.....	18,074	55,300	176,372	221	.....
Indiana Farmers' Bank.....	Franklin.....	67,830	38,761	50,350	4,214	.....	.....	10,413	.....	13,448	39,310	16,839	.....	.....
Indiana Stock Bank.....	Laporte.....	44,704	18,248	50,000	5,118	.....	32,192	10,103	.....	8,541	41,816	34,971	218	.....
Kentucky Stock Bank.....	Columbus.....	50,000	67,768	62,332	600	.....	.....	2,579	.....	7,011	46,151	46,319	.....	.....
Lagrange Bank.....	Lima.....	30,000	34,918	71,449	.....	1,783	.....	3,784	.....	8,882	60,013	28,463	.....	.....
Merchants and Mechanics' Bank.....	New Albany.....	163,725	188,105	42,162	.....	150	.....	.....	.....	*1,770	39,998	30,763	3,857	25,800
Bank of North America.....	Clinton.....	15,720	.....	15,720	.....	.....	.....	75	12,200	80	15,720	.....	.....	.....
Rockville Bank.....	Rockville.....	67,730	79,411	68,883	.....	1,281	.....	6,468	.....	10,153	60,245	38,219	.....	67
Shawnee Bank.....	Terre Haute.....	200,000	148,438	180,000	9,245	.....	.....	68,845	.....	28,162	123,420	154,266	.....	.....
Savings Bank of Indiana.....	Attica.....	11,933	9,717	11,935	.....	.....	.....	10,158	.....	3,451	11,935	11,991	.....	.....
Salem Bank.....	Connersville.....	54,650	58,137	9,150	.....	.....	.....	8,389	.....	4,305	7,000	19,179	1,581	2,950
Southern Bank of Indiana.....	Salem.....	50,000	69,645	57,500	3,891	1,241	.....	5,863	.....	9,244	52,000	25,000	.....	.....
Southern Bank of Indiana.....	Terre Haute.....	200,000	191,154	144,500	.....	.....	10,760	21,009	.....	24,216	116,085	73,064	.....	.....
Total of 32 banks.....	.....	1,972,982	2,044,667	1,694,357	52,955	14,719	260,176	335,614	68,508	300,607	1,349,299	1,241,162	96,591	145,036

* Vault account.

† Gold and eight exchange.

Statement of the names and location of the specie-paying free banks of Indiana, organized and remaining under the general banking law approved May 28, 1852, the kind and amount of securities on deposit, and the amount of circulating notes outstanding November 15, 1856.

Banks.	Location.	Indiana 5 per cent. stocks.	Indiana 10 per cent. stocks.	Virginia 6 per cent. stocks.	Louisiana 8 per cent. stocks.	Missouri 9 per cent. stocks.	Georgia 6 and 7 per cent. stocks.	Kentucky 6 per cent. stocks.	Tennessee 6 per cent. stocks.	North Carolina 6 per cent. stocks.	Total amount of stocks deposited—par value.	Amount of circulation issued upon said stocks.
Indiana Stock Bank	Laporte	\$50,000									\$50,000	\$46,000
Traders' Bank	Indianapolis		\$3,000								3,000	40,000
Canal Bank	Evansville	50,000		\$14,500							50,000	14,500
Fayette County Bank	Connersville										14,500	13,000
Bank of Indiana	Michigan City	55,000									55,000	49,998
Indiana Bank	Madiison	500	41,077	2,000		\$35,000					55,500	55,300
New York and Virginia State Stock Bank	Evansville			3,000							3,000	1,954
Brookville Bank	Brookville	12,000		9,000							21,000	19,201
Bank of Goschen	Goschen	21,000			\$29,500				\$9,000		59,500	52,233
Hoosier Bank	Logansport			1,000		16,000					51,000	49,825
Bank of Syracuse	Syracuse	1,000	60,100	2,500							63,600	34,764
Bank of Elkhart	Elkhart	30,500									30,500	25,497
Farmers' Bank of Westfield	Westfield	26,000	22,272	4,000							52,272	42,159
Bank of Warsaw	Warsaw										15,045	14,817
Mechanics' and Merchants' Bank	New Albany	4,000				\$20,000		\$13,000	3,000		40,000	39,998
Bank of Mount Vernon	Mount Vernon					42,500				\$2,000	44,500	41,644
Indiana Reserve Bank	Kokomo			25,000							25,000	23,616
Bank of Salem	Salem					76,000					76,000	73,994
Salem Bank	Goschen	14,500		5,000	41,000						60,500	52,000
Shawnee Bank	Atiaca	1,000			12,500						13,500	11,936
Huntington County Bank	Huntington			18,000							18,000	17,995
Bank of Monticello	Monticello			10,000							10,000	9,550
Bank of the Capitol	Indianapolis		13,000								13,000	7,040
Bank of North America	Clifton	7,000		4,000		6,000					17,000	15,720
Savings Bank	Connersville			2,000	1,000	2,000					5,000	4,000
Granbury Bank	Lafayette	15,550		2,000	10,000	7,000					34,550	31,381
Grand total		288,000	139,440	95,500	134,500	142,000	62,500	13,000	12,000	2,000	903,991	777,039

Statement of the specie-paying free banks of Indiana which have complied with, and organized under, the general banking law, as amended and passed March 3, 1855, showing the kind and amount of securities on deposit, the rates at which the same were taken, as certified to by the treasurer of the State, and the circulation issued thereon.

PRAIRIE CITY BANK.	
\$1,000 Missouri 6 per cent. at 96	\$960
1,000 North Carolina 6 per cent.	1,000
1,000 Virginia 6 per cent. at 98	980
5,000 Virginia 6 per cent. at 95	4,750
1,500 Virginia 6 per cent. at 94	1,410
1,000 Virginia 6 per cent. at 93	930
500 Louisiana 6 per cent. at 95½	477
163,000 Indiana 5 per cent. at 85	138,550
10,000 Indiana 2½ per cent. at 55	5,500
184,000	154,557
Eleven per cent. off	14,051
Circulation issued	\$140,506
	139,254
SOUTHERN BANK OF INDIANA.	
\$37,000 Missouri 6 per cent. at 94	\$34,780
23,000 Virginia 6 per cent. at 98½	22,650
15,000 Virginia 6 per cent. at 95	14,250
68,000 Indiana 5 per cent. at 85	57,800
1,500 Louisiana 6 per cent. at 94	1,410
144,500	130,890
Eleven per cent. off	11,899
Circulation issued	118,991
	18,995
CRESCENT CITY BANK.	
\$75,600 Indiana 5 per cent. at 83	\$62,748
2,500 Kentucky 6 per cent.	2,500
78,100	65,248
Eleven per cent. off	5,931
Circulation issued	59,317
	59,306

CONDITION OF THE BANKS

CENTRAL BANK.

\$10,000	Missouri 6 per cent. at 88.....	\$8,800
30,000	Indiana 5 per cent. at 82.....	25,500
1,000	Indiana 5 per cent. at 86.....	850
15,000	Indiana 6 per cent.....	15,000
1,000	Indiana 6 per cent. at 95 $\frac{1}{2}$	957
825	Indiana 2 $\frac{1}{2}$ per cent. at 55.....	453
57,825		50,560
	Eleven per cent. off.....	4,687
		\$40,873

LAGRANGE BANK.

\$14,000	Indiana 5 per cent. at 83.....	\$11,620
22,050	Indiana 2 $\frac{1}{2}$ per cent. at 55.....	12,127
5,000	Tennessee 6 per cent. at 95.....	4,750
13,000	Kentucky 6 per cent. at 100.....	13,000
5,000	North Carolina 6 per cent. at 100.....	5,000
21,000	Louisiana 6 per cent. at 93.....	19,530
80,050		66,027
	Eleven per cent. off.....	6,002
	Circulation issued.....	60,025
		60,026

CAMBRIDGE CITY BANK.

\$51,334	Indiana 2 $\frac{1}{2}$ per cent. at 55.....	\$28,233
43,500	Indiana 5 per cent. at 83.....	36,100
2,000	Virginia 6 per cent. at 92 $\frac{1}{2}$	1,850
96,834		66,183
	Eleven per cent. off.....	6,016
	Circulation issued.....	60,169
		53,975

BANK OF ROCKVILLE.

\$54,000	Louisiana 6 per cent. at 90.....	\$48,600
5,000	Missouri 6 per cent. at 88.....	4,400
5,000	Missouri 6 per cent. at 87.....	4,350
1,000	Missouri 6 per cent. at 90.....	900
65,000		58,250
	Eleven per cent. off.....	5,295
	Circulation issued.....	52,955
		52,990

THROUGHOUT THE UNION.

KENTUCKY STOCK BANK.

\$11,000	Louisiana 6 per cent. at 95.....	\$10,450
6,500	Georgia 6 per cent. at 95.....	6,175
4,000	Missouri 6 per cent. at 87.....	5,480
14,000	Kentucky 6 per cent.....	14,000
29,500	Indiana 5 per cent. at 83 $\frac{1}{2}$	24,583
10,000	Missouri 6 per cent. at 88.....	8,800
5,000	Indiana 2 $\frac{1}{2}$ per cent. at 55.....	2,750
80,000		70,238
	Eleven per cent. off.....	6,385
	Circulation issued.....	\$63,853
		63,900

BANK OF PAOLI.

\$27,500	Louisiana 6 per cent. at 93.....	\$25,575
6,000	Louisiana 6 per cent. at 90.....	5,400
27,000	Missouri 6 per cent. at 90.....	24,300
10,000	Missouri 6 per cent. at 89.....	8,900
31,000	Missouri 6 per cent. at 90.....	27,900
171,500		92,075
	Eleven per cent. off.....	8,370
	Circulation issued.....	83,705
		83,856

PARKE COUNTY BANK.

\$100,000	Indiana 5 per cent. at 83 $\frac{1}{2}$	\$83,333
1,000	Indiana 2 $\frac{1}{2}$ per cent. at 55.....	550
101,000		83,883
	Eleven per cent. off.....	7,626
	Circulation issued.....	76,257
		76,255

BLOOMINGTON BANK.

\$100,000	Missouri 6 per cent. at 90.....	\$90,000
	Eleven per cent. off.....	8,181
	Circulation issued.....	81,819
		81,827

CONDITION OF THE BANKS

INDIANA FARMERS' BANK.

\$8,000 Missouri 6 per cent. at 88.....	\$7,040
51,000 Indiana 5 per cent. at 85.....	43,350
59,000	50,390
Eleven per cent. off.....	4,580
Circulation issued.....	\$45,810
	45,810

EXCHANGE BANK.

\$5,000 Indiana 6 per cent.....	\$5,000
2,000 Indiana 5 per cent. at 85.....	1,700
1,000 Pennsylvania 5 per cent. at 85.....	850
85,758 Indiana 2½ per cent. at 55.....	47,166
4,500 Louisiana 6 per cent. at 94.....	4,230
98,258	58,946
Eleven per cent. off.....	6,358
Circulation issued.....	53,588
	53,585

TIPPECANOE BANK.

\$5,000 Missouri 6 per cent. at 88.....	\$4,400
1,000 Missouri 6 per cent. at 90.....	900
1,000 Louisiana 6 per cent. at 90.....	900
7,000 Louisiana 6 per cent. at 93.....	6,510
46,000 Indiana 2½ per cent. at 55.....	25,300
1,500 Indiana 5 per cent. at 82.....	1,230
15,000 Indiana 5 per cent. at 83½.....	12,500
76,500	51,740
Eleven per cent. off.....	4,703
Circulation issued.....	47,037
	46,612

THROUGHOUT THE UNION.

Statement of the specie-paying free banks of Indiana which have complied with and organized under the general banking law, as amended and passed March 3, 1855; showing the kind and amount of securities on deposit, the market value of the same, and the circulation issued thereon.

Banks.	Indiana 5 per cent. stocks	Indiana 6 per cent. stocks	Virginia 6 per cent. stocks	Missouri 6 per cent. stocks	Georgia 6 per cent. stocks	Kentucky 6 per cent. stocks	Tennessee 6 per cent. stocks	Pennsylvania 5 per cent. stocks	North Carolina 6 per cent. stocks	Market value	paid in	circulation in payment	Circulation issued
Prairie City Bank.....	\$163,000	\$10,000	\$8,500	\$500	\$1,000				\$1,000	\$184,000	\$14,051	\$140,506	\$139,254
Southern Bank of Indiana.....	88,000		38,000	1,500	37,000					144,500	11,899	118,991	118,995
Crescent City Bank.....	75,600					\$2,500				78,100	5,231	59,317	59,306
Central Bank.....	47,000	925			10,000					57,925	4,687	46,873	46,630
Lagrange Bank.....	14,000	22,050		21,000		13,000	\$5,000		5,000	80,050	6,002	60,025	60,026
Cambridge City Bank.....	43,500	51,324	2,000							96,824	6,016	69,187	69,975
Bank of Rockville.....				54,000	11,000					65,000	5,285	63,853	63,900
Kentucky Stock Bank.....	29,500	5,000		11,000	14,000	\$6,500	14,000			80,000	7,626	76,257	76,255
Bank of Paoli.....				31,500	68,000					101,500	8,370	83,705	83,856
Parke County Bank.....	100,000	1,000								101,000	8,181	81,819	81,827
Bloomington Bank.....				100,000						100,000	4,580	45,810	45,810
Indiana Farmers' Bank.....	51,000			8,000						59,000	5,358	53,588	53,585
Exchange Bank.....	7,000	85,758		4,500				\$1,000		98,258	4,703	47,037	46,612
Tippecanoe Bank.....	16,500	46,000		8,000						76,500			
	615,100	221,967	48,500	134,000	225,000	6,500	29,500	5,000	1,000	1,322,567	1,089,987	99,084	990,903