

BANKS OF LOUISIANA.

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Documents, &c., relative to the investigation on banks, by the joint committee of the Senate and House of Representatives of the State of Louisiana.

Fellow-citizens of the Senate and of the House of Representatives:

Once more you have assembled to watch over and protect the interests confided to you; and while laying before you, as required by my duty, a general view of the condition of our State, if I have to express my deep regret at the unhealthiness which has marked the past season, it is highly gratifying to me to have it in my power to congratulate you, at the same time, upon the abundant products of our soil. Never have the labors of the husbandman been crowned with more success: the fruits of agriculture—fount of the wealth of nations—have in Louisiana, as well as throughout the Union, surpassed the most sanguine expectations of the cultivator.

Yet, in the midst of this copiousness of all the original sources of opulence, unprecedented distress and embarrassment pervade every class of society. Commerce, that necessary agent between the producer and consumer, lies prostrated; and our rich products, so liberally lavished, deprived of their natural exchange, remain dormant, or are sold at ruinous prices. The remedial power is, unfortunately, not within the reach of the Legislature of Louisiana. It forms part of the rights belonging to Congress. To that body alone has been delegated the power of regulating commerce, the very life of which is the circulating medium required for the exchange of commodities.

Those who for the last ten years have swayed the destinies of the Union have considered as useless and dangerous the national institution which had most effectually succeeded to check over-issues and to maintain in every State a circulation always equivalent to specie, by exercising an efficient control over our local institutions, in requiring of them specie for all balances created against them, over a certain amount. They have assailed the Bank of the United States on account of its too extended powers, and, instead of placing them within more reasonable bounds—instead of correcting the imperfections of its charter, as pointed out by experience—they have preferred to destroy it. They have pretended that, through the agency of the State banks, all the wants of the community, for domestic exchanges and circulation, could be fully met; and that the “considerations on which the Bank of the United States rested its claim to the public favor were imaginary and groundless.” Their will has become the law of the land, and the national bank has ceased to exist. The State banks, from that time no more restrained, and freed from the control that prevented their increase when wanting the basis of solid capital, began to multiply in every part of the Union; they extended their discounts beyond measure, and have since inundated the Union with an unprotected paper currency. Extravagant speculations were the necessary result of this new order of things; all classes of society were hurried along—no project was too vast or chimerical not to be attempted by individuals, corporations, and even legislatures. The facility with which new loans were negotiated, stimulated the spirit of commercial enterprise, and caused a startling difference between export-

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 tations and importations—a difference which in the two years of 1835 and 1836 amounted to eighty-nine million five hundred and nineteen thousand one hundred and sixty dollars. This immense debt, due to foreign countries, occasioned a constant demand for the precious metals piled in the vaults of our banks. England, whose interests were the most connected with our own, and who, until then, had been lavish of her loans to different States of the Union, or for individual commerce, found it necessary for her own safety to oppose the further extension of American credit; and the Bank of England, in order to accelerate the importation of gold and silver, proscribed the paper of the strongest American houses. This hostility between the bankers of the two most commercial nations of the world was followed by disasters to both. The first suspension of our banks was one of the results.

Our General Government, failing in their financial experiment, did not profit by the lesson of experience; and, instead of attributing the faults of the State banks to their real cause—the want of a regulator to their issues—they seem desirous to inflict punishment upon these institutions, because, in obeying their own directions, they had undertaken more than they could perform; and those very banks, which were formerly designated as alone able to furnish a healthy circulation, are now endeavored to be made subject to public indignation as monopolists. The effective services that these corporations have formerly rendered, and can again render; the stimulus and increase that they have given to the national property, and that render them so essential to the industry of the country, that their destruction is impossible without general confusion and ruin:—all these considerations are disregarded, and the abuses are alone considered, to which banks are as subject as all other human institutions. Instead of seeking to remedy the circulation of the Union, the Government, if I can comprehend the views of the President, believes itself dispensed from this obligation; leaves to commerce to regulate its exchanges as it can; “and desires to confine itself to the mere collection and disbursement of the revenue;” unmindful that, by the derangement of the circulating medium, all classes of productive industry are injured—that the mechanic and farmer suffer with the merchant: and thus the strange anomaly is presented, of a popular Government discharging itself from the duty of attending to the interests and welfare of the people.

The State banks, after having with much difficulty resumed specie payments in 1838, under the exhaustion caused by the heavy commercial losses, of which they had to bear so large a share, saw taken from them quantities of the precious metals, either to pay for foreign goods introduced with such profusion before the suspension, or to reimburse the capital or interest of the loans made on bonds emitted by some States, with perhaps equally blamable excess. Finding themselves gradually deprived of their active means, they have, most of them, within the latter part of the year, again suspended specie payments. This course, first adopted by the banks of Pennsylvania, was followed by those of New Orleans on the 19th of October.

Our banks, having thus ceased to pay their obligations in specie, and refused to execute those conditions, in consideration of which their charters were granted to them, have again incurred the forfeiture of those charters. They are therefore all at the disposition of the Legislature, in whom will soon be the right to order the institution of such proceedings as may be

necessary to put them in a state of liquidation. The exercise, however, of this power against all of those institutions at once, even where it would be justified by their conduct, would eventually be contrary to the public interest; not only because the present circulation would be at once destroyed, but also because the State, having a direct interest in those banks which have borrowed their capitals upon its bonds, cannot destroy them without rendering itself immediately responsible for the amount thereof. Nor can I believe that there is any member of this General Assembly who would deem it advisable to urge such a measure, before considering, with great care, if the suspension had been caused by the unfaithful administration of all or any of said banks, or if it depended on causes over which these institutions had no control, or that they could in any way avert.

The particular examination which you will doubtless consider it necessary to make of the condition of our banks, I feel assured, will convince you that if in every other respect there be any in the Union as solid as our own, there are certainly none so well furnished with specie to ultimately redeem their obligations. A too great issue of their paper was not the cause of their destruction; for at this moment the difference between the dollar in silver and our bank-note is but three per cent., and exchange on London is at nine per cent., which is equivalent to par; the greater part of them were what would have been considered in ordinary times as in a most sound condition. The state of the others, as you will easily perceive in the course of your examination, is not so favorable; but, whatever loss the stockholders may suffer, all, without exception, are able to meet their circulation.

The critical situation of our banks imposes grave duties upon you. Your fellow-citizens, after having sustained the late crisis with a moderation, prudence, and firmness, which have done them honor, now turn to you. They know that you cannot entirely change the present posture of affairs; but they await, with confidence, as the result of your wisdom and patriotism, such measures as may be within your constitutional power, that may assist in sustaining the value of the paper currency, which has been emitted and received by virtue of laws enacted by yourselves.

The capital of a bank belongs to its stockholders, and should be left to their exclusive control. Not so with the paper it issues, for this has become the representative of value. The Legislature, in confiding to the banks one of the highest prerogatives of sovereignty—the issue of a circulating medium—has contracted the obligation towards the public to guard it against all undue fluctuations. The immediate resumption of specie payments cannot take place, without exposing the country as well as the banks to ruinous sacrifices; for if every bearer of a bank-note has the right to exact instant payment in specie, so, in return, must the bank exercise the same right towards its debtor. You will therefore probably consider it for the interest of the State to relieve from the penalty of forfeiture which they have incurred, such of the banks as can furnish sufficient guaranty to the public for future moderation in their issues.

In the absence of a national bank to control their operations, you, at your last session, have obliged the banks to check themselves, by requiring from one another their balances in specie. This check having become nugatory by the suspension, it is now necessary to require from them other guaranties against such excessive issues as might retard or postpone indefinitely the resumption of specie payments.

One of the most efficacious measures to hasten this desirable event, would

be, to put into liquidation such banks as have not sufficient active capital to be of service to the public; for if the banks are all in good condition as to their circulation, it is not so with some as to their capital. At that period of illusion, when to make bank paper was supposed to increase the capital of the country, some banks were chartered, burdened with the task of making improvements too expensive and hazardous for individuals to undertake. The result has been, that, as these enterprises produced no sufficient returns of interest upon the capital employed, they have been as onerous to the banks as they would have been to individuals. The Legislature, by requiring an exact and detailed statement of the cost of administration of all, will, I think, discover that there are some who cannot cover their expenses, but by an emission of paper which will not be in proportion to their active means. The continuation of these institutions impedes the establishment of a sound circulation, and will be injurious to the country. A solidarity exists among all moneyed institutions. Those who are now strong cannot come to the relief of the community, and be preparing themselves to resume specie payments, if they are forced to weaken themselves by dragging along other institutions that are not in a condition to sustain themselves.

To arrive at the liquidation of these banks, without danger to the public, they might be dispensed with the completion of such enterprises as they evidently cannot execute; and be permitted to exact a higher rate of interest than now allowed, upon condition that they grant such of their debtors, as can give satisfactory security, a delay of from one to three years.

Justice can in this way be meted to their stockholders and their debtors, while our circulation will at the same time safely rise to the point of extension demanded by the exigencies of the commerce of the State.

The situation of our public treasury claims likewise your attention. In January, 1838, the amount due to the banks by the State was three hundred and fifty-five thousand dollars. This debt was extinguished by that portion of the surplus revenue of the General Government received by Louisiana. In January, 1839, our debt to the banks was \$75,000, borrowed by my predecessor to meet the expenses of the State during the preceding year. It now amounts to \$575,000. Of this sum, \$250,000 have been borrowed to complete that of \$600,000, due upon the bonds issued by the State, for the Bank of Louisiana. The balance has been employed in payment of new appropriations of funds made during your last session, and of such as had been ordered by the preceding Legislature, and which had remained without effect for want of money in the treasury. They are all satisfied by means of the law passed by you, authorizing a loan from the banks, of sufficient amount to pay all appropriations ordered by the Legislature. This rapid and considerable increase of our debt indicates the necessity of infusing the most rigid economy in the administration of our public funds. According to the estimate of the treasurer, our expenses, (supposing no new appropriation during the present session) will exceed our income, during the coming year, by \$157,000, which will increase our debt at its close to \$732,000.

These facts are only required to be stated to you, to demonstrate the necessity of your providing the means of increasing the revenue of the State to such an extent as may enable it to meet the demands upon the treasury. New loans from the banks can easily cover the deficit; but as these must be finally repaid, it is evident that each new loan renders an increase of taxes the more indispensable.

My desire to see our expenditures and revenues so regulated as to move harmoniously, has induced me to retain some bills which were sent to me at so late a period of the last session that it was not within my power to return them to you in time with my objections. Allow me, at the opening of the present session, to call your particular attention to the system which it would seem from these bills that you desired to adopt. These bills ordered the appropriation of a sum of \$67,900 for the opening of divers bayous, canals, or roads, and the completion of levees. These works may be extremely useful; and I believe them so, having been designated as such by you. But the amounts allowed cannot be those precisely necessary for their execution, because they have been voted, by approximation, without any plan, and without examination of the difficulties to surmount. If the sum appropriated is not enough, the work cannot be done; if too much, the amount will, nevertheless, be drawn from the Treasury; for the commissioners charged with the enterprise will demand the precise sum that it is known the State has destined to these works.

In 1831, a committee of finance, examining into the expenses occasioned by improvements, ordered in the same manner as those which we are now considering, declared, in a report which was unanimously adopted by both Houses, that, "as guardians of the people's money, the Legislature ought at least to be satisfied by some rational evidence—first, that the object is desired; second, that it has been ascertained, by actual survey, to be practicable; and, third, that the amount asked for is neither too much nor too little. Yet the committee believe that few, if any, of the various appropriations that have been made, have been supported by sufficient evidence on either of these points. The result condemns, more strongly than words can do, the injudiciousness of the course; it shows totally inadequate benefit for very large expenditures."

I was then Governor of this State; and, having the same views as the committee, I deemed it my duty to refuse my sanction to bills which were subsequently passed by the same Legislature, without reference to the conclusions they had themselves adopted. A board of public works was afterwards created, to direct our internal improvements and regulate those expenses. This board still exists. What it has effected last year, with the feeble means at its disposal, fully demonstrates its utility; and it seems to me that it is under the control of this board that the Legislature ought to place all funds appropriated to our internal improvements. The board could cause them to be directed by one of their engineers, or by commissioners, when the intervention of an engineer would not be deemed necessary. From this disposition would result some regularity in the works, and more economy in our finances.

It is always with regret that I oppose my individual opinion to that of the General Assembly; and it is a consolation to me that the subjects of difference between us are so few in number. The observations I now submit to you are the consequence of principles I have always retained in relation to our internal improvements. My opinions upon this subject have long since been known to your constituents, and I do not see any reason to change them. It is also upon our internal improvements that I have differed with you at the close of the last session. I thought then, and think still, that the discredit and ruin of the State would be the consequence of a considerable emission of bonds in favor of incorporated companies for the undertaking of public works, if the uncertain profits of these companies

were to be the only guaranty given to the State against taxes, which the people would have to pay, to meet the bonds, should the results not be conformable to the hopes of the undertakers of these works. I judged also that the danger would be not less when a bank was interposed between these companies and the State; because a loss to the bank, which might result from these undertakings, would always, in the end, throw the responsibility upon the State. In again assembling, after the interval of a year, during which so many events have occurred to demonstrate the dangers which result from an excessive issue of paper, both to banks and to States, I believe that you will rejoice with me that the obligations already contracted by the State have not been increased.

The financial crisis in the midst of which we find ourselves has so much affected in Europe all American credits, that the sales of State bonds have become impracticable. When the storm shall have ceased, and affairs have resumed their ordinary course, our bonds must be in immediate demand; for there are none that offer better security. The greater number of the States have effected their loans upon their credit, without a special fund for the payment of the interests and reimbursing of the capital. Some among them will be obliged to have recourse to direct taxation, to pay the interest of the debts they have contracted; and they will be forced to increase it much more when they are to repay the principal. The result is inevitable; for to issue bonds, without at the same time providing for means to meet them, is to vote a tax that the people cannot escape from. Until now, it is not so with Louisiana. All other bonds, with the exception of a number fortunately few, have been issued with guaranties for the payment of the interests, and are sustained by sinking funds which gradually accumulate the sums necessary for the reimbursement of the capital when due. The State will soon reap the labor of her prudence. The profits, which go to her credit in the banks in which she is interested, will furnish her with funds for internal improvements. These profits, which already amount to more than \$1,500,000, can now, as I stated last year, form a sinking fund for the issue of \$2,000,000 of new bonds that the State can emit, from time to time, in favor of the board of public works, provided that no issue exceed \$500,000 in the same year. It is in this manner that, while sustaining the credit and faith of the State, we will succeed in establishing our system of improvements upon a permanent basis, without the risk of burdening the people with additional taxes therefor. The greater part of the public works are languishing in our State for want of funds sufficient to complete them. The Legislature can by this means contribute, by liberal subscriptions, to the success of those that are considered the most useful to the country; and thus establish the great line of communication which ought to be opened to procure to the products of the interior parishes an easy access to the Mississippi.

The financial situation of the State appeared to me so much to need your attention, that I deemed it my duty to make it the special subject of the observations that I submit to you to-day; reserving for future communications that I shall have the honor to address to you in the course of the session, other subjects of public interest which I think of sufficient importance to the welfare of the State to recommend to your consideration.

A. B. ROMAN.

NEW ORLEANS, January 7, 1840.

RESOLUTION.

Resolved, That a committee be appointed, composed of seven members of the House and five members of the Senate, whose duty it shall be to examine into the situation of the different banks in this city, and to procure all practicable information with regard to the management of said institutions, which may be deemed important in regulating the action of the Legislature in relation thereto; particularly whether any (and which) of said banks have suspended specie payments, and the cause or causes of suspension, since the adjournment of the Legislature in March last; and whether or not said suspension still continues; and whether any (and which) of said banks have neglected to comply with the provision of the 3d section of the law entitled "An act to relieve such of the banks of this State, whose charters may have been forfeited by a suspension of specie payment, from such forfeiture," which requires said banks to make weekly payment of their balances in gold or silver, and to make monthly publications of the amount of their circulation, deposits, and amount of specie on hand; and also to report to this House what measures would, in their opinion, be best calculated to remedy the present embarrassments of the banks, and to prevent the recurrence thereof; and that said committee be authorized to send for persons and papers, and to examine such persons under an oath, in writing, which shall be administered by the chairman of said committee, or by some member thereof.

And that the committee be authorized to employ any person or persons as assistants in the examination of books and accounts, and keeping the minutes of proceedings of said committee, and perform all other duties required by the committee.

RESOLUTION.

Be it resolved by the Senate and House of Representatives in General Assembly convened, That the joint committee to examine the banks of New Orleans be instructed to inquire of the Citizens' Bank what amount of their bonds remain at this time unsold; and the reason that the branches, required by an act approved March 13, 1839, have not been established.

Proceedings of the joint committee of both Houses appointed to examine into the situation of the banks of New Orleans, &c.

On the part of the Senate, were present Messrs. Winn, Hoa, Downs, Ducros, Bossier.

On the part of the House, were present Messrs. C. M. Conrad, Lockett, Winchester, Guion, Morse, Kenner, Pichot.

On motion, Mr. Winn was unanimously appointed president *pro tempore*; whereupon he designated Mr. Bossier to act as such.

And, on motion, it was also unanimously

Resolved, That A. W. Pichot do act as secretary *pro tempore*.

Mr. Winchester introduced the following resolution:

Resolved, That the joint committee named to investigate the banks of the State have the right to elect their chairman.

On the motion for the adoption of the resolution, the yeas and nays were called for; when it appeared that Messrs. Ducros, Conrad, Guion, Lockett, Pichot, and Winchester, had voted in the affirmative—6 yeas; and that

Messrs. Bossier, Downs, Hoa, Winn, Kenner, and Morse, had voted in the negative—6 nays; whereupon, it was declared that the resolution was rejected.

Mr. Ducros introduced the following resolution:

Resolved, That the chairman of the committee of the Senate has the right of presiding in this joint committee.

Mr. Hoa offered the following amendment: after the word "right," to add "through custom."

On motion, the yeas and nays were called for; when it appeared that Messrs. Bossier, Downs, Hoa, Kenner, Morse, and Winn, had voted in favor of the amendment—6 yeas; and that Messrs. Conrad, Ducros, Lockett, Pichot, Winchester, and Guion, had voted in the negative—6 nays; whereupon the said amendment was rejected.

The yeas and nays were called for on the resolution of Mr. Ducros; when it appeared, that Messrs. Downs, Hoa, Kenner, Morse, and Winn, had voted in the affirmative—5 yeas; and that Messrs. Bossier, Conrad, Ducros, Guion, Lockett, Pichot, and Winchester, had voted in the negative—7 nays; wherefore the resolution was rejected.

Mr. Guion introduced the following resolution:

Resolved, That the committee shall appoint a member to draught the report which may be agreed upon by a majority of said committee.

The yeas and nays being called for,

It appeared that Messrs. Bossier, Downs, Ducros, Hoa, Winn, Conrad, Guion, Kenner, Lockett, Morse, Pichot, and Winchester, had voted in the affirmative; and the resolution was consequently adopted.

On motion of Mr. Kenner,

Resolved, That the chairman of each committee do act as president of the joint committee; and in the absence of either, the other shall act.

Mr. Ducros introduced the following resolution:

Resolved, That no question shall be propounded, unless directed by a majority of the committee; when Mr. Kenner offered the following substitute:

Resolved, That if any question, after being propounded, shall be objected to by a member of this committee, the majority of the committee present shall determine if said question is proper and shall be answered.

The resolution of Mr. Ducros being withdrawn, and the question being put upon the substitute, the yeas and nays were called for; when it appeared that Messrs. Conrad, Ducros, Kenner, Lockett, and Winchester, had voted in the affirmative—5 yeas; and that Messrs. Winn, Bossier, Downs, Hoa, Guion, Morse, and Pichot, had voted in the negative—7 nays. The substitute was consequently rejected.

Mr. Guion introduced the following resolution:

Resolved, That all interrogatories which may be agreed upon by a majority of this committee should be propounded by the chairmen, as emanating from the committee; and all interrogatories put by individual members of the committee, not agreed to by a majority, shall be propounded as such by the chairmen.

Said resolution was unanimously adopted.

On motion of Mr. Hoa,

Resolved, That all questions propounded by the chairmen of the committee to the banks, shall be answered under oath by the president and cashier of each bank; said oath to be taken before any competent magistrate of the city.

On motion,
Resolved, That both chairmen conjointly do draught the form of the oath to be taken by the president and cashier of each bank.

On motion, the committee adjourned until to-morrow, at 5 o'clock, P. M.

JANUARY 24, 1840.

The committee met, according to adjournment; and a call of the committee being made, it appeared that Mr. Ducros on the part of the Senate, and Messrs. Conrad, Lockett, Kenner, Winchester, and Pichot, on the part of the House, were present.

Whereupon, there being no quorum, the members present adjourned till next Monday evening, at 5½ o'clock, P. M.

A. W. PICHOT,
Secretary pro tempore.

JANUARY 27, 1840.

The joint committee met, according to adjournment; when it appeared that Messrs. Winn, Hoa, Ducros, Bossier, and Downs, on the part of the Senate, and Messrs. Kenner, Guion, Morse, Winchester, and Pichot, on the part of the House, were present.

The proceedings of the last meeting were read and approved.

On motion of Mr. Kenner, seconded, Mr. Whitehead was unanimously nominated secretary of the joint committee.

On motion of Mr. A. W. Pichot, the following resolution was unanimously adopted:

Resolved, That the following interrogatories be propounded to the Citizens' Bank:

Was ever any combination entered into between the directors of the Citizens' Bank, or any of them, to reject the paper of any directors of another bank of New Orleans, which would have rejected the paper of any commercial firm, or director of the Citizens' Bank?

If yea, state at what time, and who were the directors who so acted.

State who are the present directors on the part of the State, at what time they were elected, and whose vacancy they have filled.

Resolved, further, That any director, either on the part of the stockholders or of the State, who have served during the year 1839, be required to answer under oath to the preceding interrogatories.

Mr. Downs presented the following resolution, which was unanimously adopted:

Resolved, That the cashier of the Citizens' Bank furnish to the committee all resolutions, minutes, correspondence, protests, or other documents or information concerning the Nolte affair on purchase of cotton during the year 1839, the votes of the directors, their names, and the written reason, if any appear.

Mr. Morse presented the following resolution:

Resolved, That all the presidents and cashiers of the banks of this city do answer to the following interrogatory:

What amount was due on the 19th of October to the institution of which you are president or cashier, from either of the three municipalities of the city of New Orleans? What amount is now due?

On motion, the committee adjourned until called by the chairmen, or any three members of the committee.

A. W. PICHOT,
Secretary pro tempore.

JANUARY 29, 1840.

A meeting of the joint committee was held this day at the State House: present, on the part of the Senate, Messrs. Winn, Hoa, Downs, and Bossier; on the part of the House, Messrs. Conrad, Lockett, Morse, Guion, and Pichot.

J. Whitehead, appointed secretary to the committee at its last meeting, assumed his duties.

Mr. Conrad submitted a draught of the interrogatories to be put to, and statements required from, the banks, in a classed or condensed form; the reading of which was interrupted by discussion, and finally by a motion made by Mr. Pichot, that the secretary be directed to make out the interrogatories in the order they now stand, and as adopted at the first meeting of this committee; and when approved and signed by the chairmen, to deliver a copy to each of the seventeen banks in this city and State: which was seconded. When a call was made for the yeas and nays thereon, Messrs. Winn, Downs, Hoa, Bossier, Conrad, Pichot, and Guion, voted in the affirmative; Messrs. Morse and Lockett in the negative—Yeas 7, nays 2.

Said resolution was consequently adopted.

Mr. Conrad proposed as a substitute for the question No. 16, which calls "for the amount of accommodation paper, when granted, how and when payable; with names and residence of drawers and endorsers, the following:

A statement of all loans made since February 1837, of ten thousand dollars and upwards, designating the amount of each loan separately.

The yeas and nays being called thereon, Messrs. Hoa, Winn, Bossier, Downs, Pichot, and Morse voted in the negative; Messrs. Conrad, Lockett, and Guion, in the affirmative—Yeas 3, nays 6.

The said substitute was consequently rejected.

Mr. Pichot proposed the two following interrogatories to be propounded by the committee to the Citizens' Bank:

1. Was there a resolution passed last year, by your board, denying the right of the Legislature to investigate, without any exception, all the affairs, books, and documents of the bank? If yea, please to state what directors voted *pro and con*, and furnish a copy of the resolution, and of a protest, if there be any.

2. Did the attorney general, by a letter dated May 17, 1838, and addressed to the president of the Citizens' Bank, give his opinion as to the right of the bank to purchase produce? And if so, furnish a copy of said letter.

Which were unanimously adopted.

Mr. Downs proposed the following interrogatory to be propounded to all the banks, which was unanimously adopted:

State the amount of loans made at each of your branches, distinguishing

those on mortgage from personal security, and showing the capital of each branch by law.

On motion, the committee adjourned until again summoned to convene by the chairmen.

FEBRUARY 8, 1840.

A meeting of the joint committee was called, at the desire of several of its members, to take place at 5 P. M. in the Senate chamber.

Mr. Ducros, on the part of the Senate, and Messrs. Conrad, Pichot, and Winchester, on the part of the House, attended; but as a quorum was not present, after waiting more than an hour, the said members retired.

FEBRUARY 10, 1840.

A meeting of the joint committee was called, at the request of several of its members.

Present, on the part of the Senate, Messrs. Winn, Hoa, Ducros, and Downs.

On the part of the House, Messrs. Kenner, Lockett, and Winchester.

The proceedings of the last meeting were read and approved.

Mr. Hoa proposed the following interrogatories, to be propounded to the Citizens' Bank, which, on motion, were put separately to the committee:

1. Was it not proposed to pay a further sum of fifteen dollars per share to the stockholders, some time in the month of April, 1839? If yea, was not the matter referred to a committee? If yea, please give a copy of said report.

Said interrogatory was adopted unanimously.

2. Was not the further sum of fifteen dollars subsequently placed at the disposal of the stockholders? If yea, how was the board divided upon the subject? Did not some of the stockholders protest against this further payment? If yea, please give said protest.

Said interrogatory was adopted unanimously.

3. Have any of the directors of the bank been in the habit of endorsing for one another? If yea, give the names of said directors; the amount of such mutual endorsements; and what person, if any, is now under protest.

Objections being made to this query, the yeas and nays thereon were called; when Messrs. Winn, Hoa, and Downs voted in the affirmative; and Messrs. Ducros, Kenner, Lockett, and Winchester, in the negative—3 yeas, 4 nays.

4. Have not certain queries been propounded to the cashier of the Citizens' Bank by Mr. Henry Bry, one of the State directors? If yea, give a copy of such queries, and the answers thereto.

Objections being made to this query, the yeas and nays were called thereon. The vote was the same as to interrogatory 3.

5. How many vacancies have occurred among the State directors during the last year?

Which query was unanimously adopted.

6. Were the State directors regularly notified of such vacancies previous to their being filled?

Which query was unanimously adopted.

7. Who were the State directors present when said vacancies were filled? Which query was unanimously adopted.

8. Was not a State director elected, who had shortly before applied to the bank for time, and obtained it? and did not the same State director shortly after again suspend his payments? If yea, name him, and the directors who elected him.

Objections being made to this query, and the yeas and nays being called, the vote was the same as to the 3d and 4th queries.

9. Did not the bank remain without a book-keeper for several weeks during the last year? State the reason. Has it not been because the directors were equally divided in their choice between Mr. Le Beau and Mr. Duralde?

Objections being made to this query, the yeas and nays were called thereon, and the result of the vote was the same as to queries 3d, 4th, and 8th.

10. Have not the books of the bank, under the charge of the book-keeper afterwards elected, been thrown in the greatest state of confusion?

Objections to this query being made, the yeas and nays were called; when Messrs. Winn, Hoa, Downs, Kenner, and Lockett voted in the affirmative; and Messrs. Ducros and Winchester in the negative—5 yeas, 2 nays.

11. Did not over-drafts take place to a considerable amount? If yea, please state the amounts overdrawn, when, and the causes.

Said query was unanimously adopted.

12. Have the books under the charge of said book-keeper ever been balanced? and why not?

Objections to this query being made, the yeas and nays were called; when Messrs. Winn, Hoa, Downs, Kenner, and Lockett voted in the affirmative; Mr. Winchester in the negative—6 yeas, 1 nay.

13. Are you not compelled to open a new set of books, in order to find out the errors in the previous set?

No objection was made to this query.

14. Have not your bankers in London retired the credit they had opened to your institution?

No objection was made to said query.

15. What amount of State bonds have you in the hands of said bankers?

No objection was made to said query.

16. Has there been any private correspondence between the president of the bank and your European agents during the year 1839? If yea, please furnish said correspondence, or certified copies thereof.

To said query no objection was made.

17. Was not the bank bound by contract to consider all Government deposits as special? If so, give a copy of such contract.

To which query no objection was made.

18. Was not a resolution offered by a director on the part of the stockholders to make all such deposits special? If yea, give a copy of said resolution, with the vote thereon.

To which query no objection was made.

Mr. Winn proposed the following interrogatory to be propounded to all the banks:

Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest.

Objections being made to this interrogatory, the yeas and nays thereon

were called; when Messrs. Winn, Hoa, and Downs voted in the affirmative; and Messrs. Ducros, Kenner, Lockett, and Winchester in the negative—3 yeas, 4 nays. Said interrogatory, consequently, was not adopted by the committee.

On motion, adjourned.

FEBRUARY 24, 1840.

A meeting of the joint committee was held this day in the Senate chamber, called by the chairman, at which all its members were present.

The reading of the minutes of the last meeting was agreed to be dispensed with.

The committee took into consideration a communication, with accompanying statements, received from the City Bank, whose answer to No. 2 of the series of interrogatories propounded on the 30th ult. was decided by a majority to be only "partially answered." Nos. 3, 4, and 10 of same series were found "not answered;" and No. 5 was declared "not answered satisfactorily." The yeas and nays being called upon the question, "Is the answer to said interrogatory No. 5 satisfactory?" Messrs. Ducros and Lockett voted in the affirmative; and Messrs. Conrad, Downs, Guion, Hoa, Kenner, Pichot, Winn, and Winchester in the negative—2 yeas, 8 nays.

Mr. Hoa submitted this question: "Is the requisition for statement No. 3 fully complied with, or not?"

The yeas and nays were called on said question; when Messrs. Bossier, Conrad, Downs, Guion, Hoa, Kenner, Lockett, Morse, Pichot, Winn, and Winchester voted in the negative; and Mr. Ducros was excused from voting.

The requisition for said statement was consequently decided not to have been fully complied with.

The question was then put, "Shall any further compliance with said 3d requisition be required by the committee, owing to the want of the same called for?" On which the yeas and nays were called; when Messrs. Bossier, Downs, Guion, Hoa, Kenner, Morse, Pichot, and Winn voted in the affirmative; and Messrs. Conrad, Ducros, Lockett, and Winchester in the negative—8 yeas, 4 nays.

It was consequently decided to return said statement to the City Bank, to be made more full, as required originally.

Mr. Downs, at the request of Mr. Winn, offered the following preamble and resolution:

Whereas, at the first meeting of the joint committee on banks, a resolution was adopted in these words:

"Resolved, That all interrogatories which may be agreed upon by a majority of the committee shall be propounded by the chairman as emanating from the committee; and all interrogatories put by individual members of the committee, not agreed to by the majority, shall be propounded as such by the chairmen."

And whereas, under the sanction of this resolution, Mr. Winn submitted the following question: "Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsement, and which of them have come under protest;" which he had a right to do, under said resolution: And whereas the president of the City Bank, in a letter

addressed to the chairman, under date February 18, 1840, hereto annexed, has refused to answer said interrogatory:

Resolved, That the said letter of refusal is not admitted as satisfactory; and that a copy of this preamble and resolution be furnished by the secretary to the said president, for his information as to the authority by which said question was propounded by the chairmen, and that his response be again called for.

Mr. Conrad moved to amend said resolution, by striking out the words "that the said letter of refusal is not admitted as satisfactory." The yeas and nays on said amendment were called; when Messrs. Conrad, Ducros, Lockett, Pichot, and Winchester voted in the affirmative; and Messrs. Bossier, Downs, Guion, Hoa, Kenner, Morse, and Winn in the negative—5 yeas, 7 nays.

The amendment was consequently rejected. The question was then put on the adoption of the preamble and resolution. The yeas and nays were called; when Messrs. Bossier, Downs, Guion, Hoa, Kenner, Morse, Pichot, and Winn voted in the affirmative; and Messrs. Conrad, Ducros, Lockett, and Winchester in the negative—8 yeas, 4 nays.

Said preamble and resolution were consequently adopted. The secretary was directed to write out, opposite to each interrogatory propounded by the committee, the separate answer thereto of each and all of the banks; and, also, to prepare condensed statements from those received, for the convenience of the committee. And then, on motion, adjourned.

Copy of a letter from S. J. Peters, Esq., president, referred to in the foregoing preamble and resolution.

CITY BANK, New Orleans, February 18, 1840.

GENTLEMEN: Your communication containing the following question, which you state is "propounded by Mr. Winn," has been received: "Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest."

In reply, I beg leave most respectfully to observe, that I do not recognise any right in Mr. Winn to propound any question to the president and directors of this institution, unless authorized by your honorable committee, believing that no such power has been delegated to that gentleman by the Legislature; and that, consequently, I have not submitted said question to the board of directors.

Any question propounded by the honorable committee of which you are the organs, will meet with the most respectful consideration of

Your obedient servant,

SAM. J. PETERS, President.

Messrs. WINN and CONRAD,
Chairmen, &c., &c.

MARCH 7, 1840.

A meeting of the committee took place this day at 10 A. M., in the Senate chamber.

Present: Messrs. Bossier, Conrad, Downs, Ducros, Hoa, Kenner, Lockett, Pichot, Morse, and Winchester.

The minutes of the last meeting of this committee were read and approved. A letter from S. J. Peters, president of the City Bank, dated 6th instant, containing further reasons for the refusal of said bank to answer the interrogatory propounded by Mr. Winn, was read.

The additional answers from the City Bank (dated 6th instant) to the interrogatories propounded by the joint committee were read, and decided to be satisfactory.

Mr. Downs moved that the committee shall report to both Houses of the General Assembly the letters of S. J. Peters, Esq., president of the City Bank, declining to answer a question propounded by Mr. Winn, with copies of the correspondence and the votes of this committee thereon; also, the original resolution on the same subject.

Said resolution was unanimously agreed to.

On motion of Mr. Morse, a committee of three was appointed to wait on the Citizens' Bank, for its explanation to the answer to interrogatory No. 4, dated 30th January, 1840; in which answer reasons are given for the non-establishment of banks, which are imposed on said bank by law.

Messrs. Morse, Downs, and Winchester were appointed said committee.

On motion, it was

Resolved, That a sub-committee of five be appointed to draught a report on the condition of the banks, and a bill for their regulation, to be submitted to the joint committee; said committee to be composed of the two chairmen, and Messrs. Downs, Hoa, and Winchester.

The secretary was directed to report to the committee, on Monday evening next, all such banks as refuse to answer the interrogatories propounded to them, or furnish the statements required by the committee; and all such as have not fully complied with said requisitions, and what their delinquencies are.

The committee adjourned, to meet again on Tuesday next, the 10th inst.

MARCH 10, 1840.

A meeting of the joint committee on banks was held this day in the Senate chamber.

Present: Messrs. Bossier, Conrad, Downs, Ducros, Hoa, Lockett, Morse, Winn, and Winchester.

The minutes of the last meeting were read and approved.

The answers and statements received from all the banks, omitting those in relation to the country branches, were read, and declared to be satisfactory, with the exception of those furnished by the Canal and Banking Company, in which the following statements are deficient:

1. The requisition in statement No. 3, of the name of the person having the largest loan on stock.

2. Statement No. 19; requiring a detailed list of all expenses of the bank, from July 1, 1837, to August 1, 1838.

3. No. 21, in which is required amount of specie drawn out of the local banks, and amount paid out, in detail, since January 1, 1839.

4. No. 25, in which is required a statement of all loans made at the country branches, designating the amount loaned on mortgage and on personal security.

5. And, also, a statement of all liabilities of the presidents and directors of the country branches, to said branches, as well as to the mother bank. And, also, with the exception of those furnished by the Gas Light and Banking Company, which do not report the name of the person having the largest loan on stock, as required in statement No. 3; and which are not sworn to, the officers of said bank refusing, as this committee are informed, to make oath thereto.

Mr. Morse submitted the following resolution:

Resolved, That the two chairmen report to both Houses of the General Assembly all the banks which refuse to comply with the requisitions of the joint committee, to answer interrogatories, furnish statements, or make oath to the same.

Which resolution was unanimously adopted.

Mr. Morse, chairman of the sub-committee, appointed at the last meeting to wait on the Citizens' Bank, to receive some proffered explanation of one of its answers, made a verbal report.

The majority of the sub-committee of five, appointed at the last meeting for that duty, reported a bill as follows, entitled "An act amendatory to the bank charters of this State, and for other purposes:"

SEC. 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana, in General Assembly convened*, That on the first Monday of the month of _____ in each and every year, or as soon thereafter as possible, it shall be the duty of the Governor, by and with the advice of the Senate, to appoint three competent persons to constitute a board to be denominated "the Board of Currency of the State of Louisiana." The qualifications of the members of the board of currency shall be as follows, viz: first, to have been citizens of the United States, and inhabitants of the State of Louisiana, for at least _____ years previous to their appointment; not to be a director or commercial partner of any bank director; not to be a money broker.

SEC. 2. *Be it further enacted*, That as soon as possible after their appointment, the members of the board shall elect one of their number for their president, and he shall continue in office, as well as the other members of the board, until the second Monday of _____ in the year following their appointment, or until their successors be qualified to act; and whenever a vacancy shall occur in the board, by resignation, death, or otherwise, said vacancy shall be filled by the Governor, or by the Governor and Senate, as the case may be. The members of the board, except the president thereof, shall be entitled to a salary of \$2,500 a year each; and the said board shall have power to appoint a secretary, to whom, as well as to their president, they shall grant such compensation as they may deem reasonable and proportionate to the services by them rendered; and all expenses attending the organization and operations of the board shall be paid by the banks accepting this act, as hereinafter specified, *pro rata* their capital paid in: *Provided*, that the total amount of the expenses of the said board, including the salary of their members, shall never exceed \$14,000 per annum, and shall be paid quarterly, on the order of the president, accompanied by a statement of said quarterly expenses.

SEC. 3. *Be it further enacted*, That each member of the board of currency shall, before entering upon the discharge of his duties as such, take and subscribe, before the parish judge of the parish of Orleans, the following oath, to wit: "I, A B, do solemnly swear that I will faithfully perform all the duties incumbent on me as a member of the board of currency of the State of Louisiana, to the best of my abilities, and agreeably to an act entitled 'An act amendatory of the bank charters of this State, and for other purposes;' that I am now, and have been for the last years, a citizen of the United States, and a resident in the State of Louisiana; that I am not a director, or commercial partner of any bank director, nor a money broker, nor will I be placed in any one of these positions while I remain in office; which oath shall be deposited in the archives of the Secretary of State, and each member of the board, before entering upon the duties of his office, shall give bond with at least two securities, payable to the Governor of the State, and his successors in office, in the sum of \$20,000, for the faithful performance of his duties under this act; which bond shall be received and filed away in his office by the Secretary of State.

SEC. 4. *Be it further enacted*, That the board of currency is hereby authorized to investigate, out of banking hours, as often as it may deem it expedient, all the affairs of the banks of this State, whether in operation or liquidation; to call for papers and persons, and to demand every information it may judge necessary to carry into full effect the provisions of this act: *Provided*, they shall not have the power to transfer the books and papers out of the bank.

SEC. 5. *Be it further enacted*, That it shall be the duty of the board of currency, immediately after its organization, and on the last Saturday of December in each year, to ascertain, as accurately as possible, the true condition of every banking institution in this State, and to require of each the following statements, certified by its president and cashier, and made up to the close of the same day: First, a full and detailed statement of the affairs of the bank. Second, a detailed statement of its cash responsibilities and of its specie on hand, which statement shall be duly recorded in a book to be kept for that purpose. And on the last day of each month it shall also be the duty of the board of currency to require the following statement from every bank, certified as above, viz: a statement of its deposits, designating the kind of money; of its circulation, designating the kind of paper; of its cash, designating the kind of money.

And from and after the it shall be the duty of the board of currency to average, quarterly, the amount of specie in each bank during the previous quarter, (say on the first Mondays of April, July, October, and January, in each year,) and to publish the same; and the statements and quarterly averages above required shall also be recorded; that it shall be the duty of the board of currency, on the first Monday of each month, to publish, in French and English, in at least two of the papers printed in New Orleans, of which the State gazette shall be one, a condensed statement of the circulation of each bank, of its deposits, and of its specie; that it shall also be the duty of the board of currency, on the second Monday of January in each year, to transmit, under a sealed cover, to the address of each House of the Legislature, a report of its operations during the preceding year, and a condensed statement of the condition of the banks made up to the close of the same day, together with the record book required by this section; and the Governor of this State, or a committee of either branch of

the Legislature appointed for that purpose, shall have the power to examine, as often as they may deem it expedient, the record of the said board of currency, and to demand copies of any documents they may require.

SEC. 6. *Be it further enacted*, That all banks accepting this act shall be authorized—

1. To emit notes; said notes not to be of a lower denomination than \$, and not to exceed, together with all emissions by any bank, the following proportion of the capital now paid in; *i. e.*

	per cent.
The Union Bank	" "
The Citizens' Bank	" "
The Commercial Bank	" "
The Consolidated Association	" "
The City Bank	" "
The Carrollton Railroad and Banking Company	" "
The Louisiana State Bank	" "
The Improvement and Banking Company	" "
The Gas Light and Banking Company	" "
The Merchants' Bank	" "
The Exchange and Banking Company	" "
The Mechanics and Traders' Bank	" "
The Atchafalaya Railroad Company	" "
The Bank of Orleans	" "
The Bank of Louisiana	" "
The Canal and Banking Company	" "
The Clinton and Port Hudson Railroad Company	" "

And it shall be lawful to use as post-notes the present bank notes not under the above denomination, provided they be stamped as hereinafter directed.

2. To charge on all notes having less than four months to run, six per cent.; having more than four and less than six months, seven per cent.; having more than six and less than nine months, seven and a half per cent.; having more than nine months, eight per cent. per annum: It being well understood that this increase of interest is not to extend to loans to stockholders of the property banks, (banks based upon the mortgage of property,) guarantied by their stock.

That it shall be the duty of the banks accepting this act, to exchange between themselves every day, on opening their doors, their respective bills, so far as practicable; and from and after the resumption of specie payments, each of said banks shall actually pay out and use its own notes for all its daily transactions and payments, when demanded.

SEC. 7. *Be it further enacted*, That as soon as the circulation of every bank in this State shall have been ascertained by the board of currency, as provided by the 5th section of this act, the banks having a larger circulation than that prescribed by the 6th section shall be notified by the said board to curtail said circulation, so that it may be within the amount by the , and the banks having a less circulation shall be authorized to make up the difference.

That the president and directors of the banks having a larger circulation than that prescribed by this act, and increasing said circulation, shall be liable, *in solido*, to a fine of \$5,000 per month until they shall have reduced the same to the amount ascertained as above by the board of currency; and

it shall be the duty of the attorney general to sue for said fine on the application of said board: *Provided, however,* That the protest or note in the negative of any director against such increase or circulation shall exonerate said director from the penalty above stipulated.

SEC. 8. *Be it further enacted,* That each bank shall be bound to have in its vaults an amount in gold and silver at least one-tenth of its capital paid in, on or before the That from and after the it shall be the duty of every bank to have in its vaults an amount in gold and silver equal to at least one-third of its circulation and deposits; and the directors of any bank having on the, and on the quarterly average provided by this act, less than the required proportion of metallics, shall be fined \$5,000 for each offence.

That from and after the no bank shall be permitted to emit any bank note not payable on demand.

That it shall be the duty of every bank in the city of New Orleans, from and after the, to settle its balances weekly with the other banks in said city, and to pay, or require the payment (as the case may be) in specie, of any balance due to or by it, and to reject the paper of any bank neglecting or refusing to effect such settlement; and it shall also be the duty of every bank located out of the city to settle its balances in the same manner, at least once a month, either in specie, or by sight checks on the city banks. That from and after the protests made by a notary public, after due demand and refusal of payment of any bank or post note, unless declared a forgery, shall constitute the forfeiture of the charter of said bank, notice of which protest shall be served by the notary on the president of the board of currency; and it shall be the duty of the board of currency to convene, as soon thereafter as practicable, a meeting of the stockholders of said bank, for the purpose of appointing commissioners to liquidate the concerns of said bank; and the holders of all bank or post-notes of any such bank shall hereafter be entitled to ten per cent. per-annum interest, until paid.

SEC. 9. *Be it further enacted,* That any bank forfeiting its charter under this act, shall be compelled, after calling in, *pro rata* the amount due by each debtor, a sufficient amount to cover the cash responsibilities of said bank, and the bonds of the State falling due within two years; to grant to its debtors, if required, one, two, and three years, in equal instalments, at eight per cent. interest per annum, provided such debtors shall furnish good and sufficient security to the satisfaction of the commissioners of liquidation; and in case the said commissioners and debtors cannot agree upon the sufficiency of the security, the opinion of the board of currency created by this act shall decide thereupon.

SEC. 10. *Be it further enacted,* That no bank in this city shall receive as cash, in payment of debts due it or on deposit, checks drawn by individuals, companies, or corporations, upon any other local bank.

That from and after the no notes of a less denomination than \$10 shall be issued by any bank in this State; that the capital paid in of each bank, the property banks excepted, on the shall be considered as the full capital of said bank.

That the notes of the banks that shall not accept this act shall be refused by the other banks in payment of debts or otherwise, and the president and directors of said banks are hereby prohibited from issuing any bank note not payable on demand, under the penalty of \$500 for every note or post note

thus emitted, each penalty to be sued for on application of the board of currency; and the notes of such banks shall not be received in payment of any State, parish, city, or corporation dues, by any collector or receiver thereof; and all public officers are hereby prohibited from receiving the notes of such banks in their official capacity, under any circumstances, or in any case; and if any collector, receiver, or other public officer shall infract, or in any manner evade, the provisions of this section, he shall, on conviction thereof, suffer fine and imprisonment, at the discretion of the court, and be removed from office.

That no person shall be permitted to vote on any shares which shall have been transferred to him for the purpose of entitling him to vote thereon at the election then to be held; nor upon any shares which he shall previously have agreed to sell or transfer after the election, upon any condition, agreement, or understanding, in relation to his manner of voting at such election.

That every person offering to vote may be challenged by any other person authorized to vote at the same election; and to every person so challenged one of the inspectors shall administer the following oath: "You do swear (or affirm, as the case may be,) that the shares on which you now offer to vote do not belong to any other person whatsoever; that such shares were not transferred to you for the purpose of entitling you to vote thereon at this election, and that you have not agreed to sell or transfer them upon any condition, agreement, or understanding, in relation to your manner of voting at this election."

That no person shall be permitted to vote upon the proxy of a stockholder, unless he shall produce, annexed to his proxy, an affidavit of such stockholder, stating the facts to which the oath of said stockholder might have been required upon, if challenged, had he offered to vote in person on the shares mentioned in the proxy.

That if any person duly challenged shall refuse to take the proper oath, his vote shall be rejected, and shall not afterwards be received at the same election. If he shall take the oath, his vote shall be received.

That when the election or appointment of part of the directors is left to the Legislature, or the Executive and Senate, it shall be lawful to elect or appoint such directors from among persons who are not stockholders.

That no one shall be a bank director unless he be a citizen of the United States, and has resided in this State at least years before his election or appointment.

That every director, officer, agent, or clerk, of a banking institution, who shall make any false statement, or false entry, in the books of said institution, or who shall exhibit any false paper with intent to deceive, as to the condition of such institution, shall be deemed guilty of felony, and shall be subject to imprisonment in the penitentiary of this State for a term not exceeding three years.

SEC. 12. *Be it further enacted,* That immediately on the resumption of specie payments, public notice to that effect given in the State paper; and the clauses contained in the 6th and 7th sections of this act, limiting the circulation, shall be *ipso facto* repealed: *Provided,* That this section shall not be construed so as to apply to the clause limiting the capital of all banks to the capital paid in on

SEC. 13. *Be it further enacted,* That it shall be the duty of the banks of this State, within five days after the promulgation of this act, to call a meeting of their respective stockholders, by a notice inserted daily to

that effect, in French and English, in the State paper, and one other paper published in the city of New Orleans; and said meeting shall take place not less than twenty, and not more than ninety days after its first publication; and the approval or refusal of this act shall be decided in said meeting by the majority in number and amount of the stockholders present, or duly represented; a record of which, signed by all the stockholders present agreeing thereto, shall be transmitted to the board of currency, whose duty it shall be to record the said proceedings in a book to be kept to that effect, and to deposit the original in the archives of the Secretary of State, and to publish a list of all such banks as shall have accepted this act, in the State paper, in French and English.

SEC. 14. *Be it further enacted*, That it shall be the duty of the board of currency to direct the attorney general to examine critically the charters of all the banks refusing to accept this act, or who shall not have accepted it within ninety days after its promulgation, and to sue them for the forfeiture of said charters on the violation of any of the conditions therein contained, whether this violation be anterior or posterior to the promulgation of this act.

SEC. 15. *Be it further enacted*, That all fines and penalties under this act shall be sued for by the attorney general; and all sums received shall be paid over by him, after a deduction of ten per cent. for his own services, to the president of the Charity Hospital of New Orleans, for the use of said hospital.

SEC. 16. *Be it further enacted*, That at least two fifths in amount of all the sums hereafter let out by any of the banks of the State, whether as loans or discounts, renewals accepted to the extent of half the capital now paid in, or to be hereafter paid in, of any of the banks of this State, shall be loaned to persons residing out of the incorporated limits of the cities of New Orleans and Lafayette, and without requiring the guaranty or endorsement of a resident of the said cities; and the loans to the extent of the two-fifths shall be so distributed as to give to the citizens of every part of the State, residing out of the incorporated limits of the cities of New Orleans and Lafayette a just proportion thereof; and it is made a part of the special duty of the board of currency to see that the provisions of this section are carried into effect, according to the spirit and true intent and meaning thereof: *Provided*, That such banks as now have, or hereafter may have branches, shall transmit said two-fifths to the said branches, in proportion to the respective capital of such branches, to be loaned out by the directors thereof. And it shall be the duty of the board of currency, on the second Monday of December in each year, to obtain from each bank a statement, which the said board shall verify, of the amounts loaned to the citizens of each parish, or transmitted to the branches by each of the banks, in conformity to the provisions of this section; which statement shall be condensed into one general tableau by the said board, and one hundred copies thereof printed for the use of the General Assembly, by the first Monday of January of each year; and the said statements shall be recorded by the said board in the book provided for in this act; and all loans on mortgage, or long paper, hereafter to be made by any of the banks of this State, except to residents of the parish and city of Orleans and Lafayette, shall, if required, be renewable for five successive years on payment of one-fifth, with interest on the balance annually, except such banks as are, by their charters, bound to allow a further delay.

And such banks as are bound by their charters to invest a part of their

capital in buildings or other improvements, shall be bound to loan to the country one-half of their surplus capital paid in, or hereafter to be paid in, after deducting the cost of said improvements or other investments: *Provided*, That nothing in this act shall be so construed as to impose upon any bank the obligation to loan to persons residing in the country more than one-half of its capital paid in, or to be hereafter paid in: *And provided further*, That every bank shall be bound to have loaned, on or before the full proportion of the capital allotted to persons residing out of the cities of New Orleans and Lafayette.

SEC. 17. *Be it further enacted*, That at all the committees of the different boards of directors, charged with the negotiation of bills of exchange, there shall always be at least three members present; and their transactions in exchange shall be recorded, as explicitly as possible, in the minute-book of said board of directors.

SEC. 18. *Be it further enacted*, That hereafter all loans, discounts, and accommodations made by any bank, shall be made in such manner as to give to every individual, as far as practicable, and consistent with the security of the banks, a just and fair share of such loans, discounts, or accommodations; and with the view of obtaining this object, no loan by any bank to any individual, company, or corporation, on personal security, shall ever exceed, as drawer \$20,000, and as endorser or discounters \$50,000, and on mortgages \$50,000; and all loans, discounts, or accommodations to any individual, company, or corporation, except the city of New Orleans, and the three municipalities in their corporate capacities, shall never exceed \$100,000 in any one bank at one time, unless on *bona fide* exchange operations: *Provided*, That the provisions of this section shall not affect the existing rights of the stockholders of the property banks.

SEC. 19. *Be it further enacted*, That if any officer or officers of any bank shall refuse permission, or throw in any manner or let a hindrance in the way of any committee or commissioners appointed by the Legislature for the purpose of examining into the condition of the banks, or shall neglect to afford them all reasonable facility for effecting the examination they may desire, such officer or officers shall incur for each offence a penalty of not less than \$500, nor more than \$5,000, at the discretion of any court of competent jurisdiction.

SEC. 20. *Be it further enacted*, That in future no branch shall be withdrawn unless the profits arising therefrom shall fall short of six per cent. per annum on the capital sum advanced thereto, for at least two years in succession.

SEC. 21. *Be it further enacted*, That in all cases wherein penalties are provided by this act against presidents and directors of all banks for contravening any of the provisions thereof, those of the directors who shall vote against measures tending to contravene such provisions, shall be exempt from such penalties, provided he or they shall, at the time of voting, have the same recorded in the minutes of the proceedings of the board; which vote, so recorded, shall be full and conclusive evidence of the fact.

SEC. 22. *Be it further enacted*, That hereafter the boards of directors of all such banks which, by their charters, are now bound to elect more than twelve directors, shall be reduced to that number, exclusive of branch directors; whereof in the Union Bank, the Consolidated Association of Planters, and in the Bank of Louisiana and Citizens' Bank, six shall be appointed by the Governor and Senate, or by the Governor, as the case may

be; and in all other banks of the State, the Governor and Senate, or Governor, as the case may be, shall appoint three directors; which twelve directors shall be elected at the time prescribed by the several charters of the banks; and no person shall be eligible as director, who shall be director or commercial partner of any director of any other bank; and no one shall be director of any bank during the term for which he may have been elected to either branch of the General Assembly. That a quorum, constituted according to their respective charters, shall be present for the transaction of any kind of business; and no bill of exchange, note, or paper of any kind, shall be purchased or discounted, if one-fourth of the directors present shall object: *Provided*, That no more than three directors, not stockholders, shall in any case be appointed by the State in any bank: *And provided further*, That when the city of New Orleans now has the right to appoint directors in any bank, said city shall continue to exercise such right, and the number of directors to be appointed by the State shall be reduced accordingly; and in case of a vacancy among the directors appointed by the city, the right to fill up the said vacancy shall remain in the city.

SEC. 23. *Be it further enacted*, That it shall be the duty of the attorney general, on the affidavit of two or more respectable persons, of the non performance by any member of the board of currency of the duties imposed on said board by this act, to prosecute such member before any court of competent jurisdiction; and if any member of said board shall fail to perform any of the duties required by this act, or shall violate any of its provisions, he shall moreover, on conviction, be fined and imprisoned at the discretion of the court.

SEC. 24. *Be it further enacted*, That hereafter no bank shall be entitled to any other remedy, nor shall adopt any other mode of proceeding, for the sale of mortgaged property, nor enjoy any other privilege for the sale thereof, than is allowed by the existing laws to private individuals: *Provided*, That this section shall not apply to property mortgaged for the security of the payment of any bonds for which the faith of the State is pledged: *And provided further*, That it shall not apply to any existing contracts.

SEC. 25. *Be it further enacted*, That no bank shall ever apply any of its funds, directly or indirectly, to the purchase of shares of its own stock, nor shall receive any such shares as payment or satisfaction of any debt due to the bank.

It shall be lawful for any bank to lend on pledge of stock, of which the full amount has been paid in, thirty per cent. on the amount thereof, and no more; and that such loans or accommodations as shall have been heretofore made on the pledge of stock shall be reduced to the amount above stated by the *Provided*, That this section shall not be so construed as to affect the rights heretofore conferred upon the stockholders of the property banks.

SEC. 26. *Be it further enacted*, That it shall be the duty of every bank, on the first Monday of every month during the suspension of specie-payments, and every three months after the resumption of the same, to furnish the board of currency with a statement of all its debtors on personal security over \$10,000, giving the names of such debtors alphabetically arranged, and of their securities; also a statement of such paper as may have been under protest for more than ten days, giving the names of the drawers and endorsers of such paper. And it shall be the duty of said board of

currency to condense, as soon thereafter as practicable, said statements; and to furnish a copy thereof to each bank.

SEC. 27. *Be it further enacted*, That the exception contained in the 15th section of the act entitled "An act to determine the form and effects of the election of domicile with regard to promissory notes made in favor of the banks of the State, and for other purposes," approved March 13, 1818, be, and the same is hereby, repealed; and hereafter no bank shall enjoy the privilege of suing any person or company out of his actual place of domicile, except in the cases provided for by the civil code and code of practice, or by acts of the Legislature subsequently passed.

SEC. 28. *Be it further enacted*, That the several banks of this State shall be, and are hereby, relieved from any and all consequences resulting from heretofore failing to perform the duties and requirements of their charters, whether by suspending specie-payments or otherwise, by accepting and acting under and in conformity to the provisions of this act: *Provided*, That those which may have suspended specie-payments shall resume the payment of specie on all their notes, bills, and other liabilities, on or before the

SEC. 29. *Be it further enacted*, That hereafter no bank shall make any dividend of profits during a suspension of the payment of its obligations, or any part thereof, in specie, under the penalty of a fine of dollars against each and every director thereof who shall vote to declare such dividend.

SEC. 30. *Be it further enacted*, That whenever any bank shall have suspended specie-payments, or the directors shall have passed a resolution to that effect, such bank shall not be considered to have resumed until notice thereof shall have been given, stuck up in some conspicuous place outside of the door of the banking-house of such bank for one week, and published during the same space of time, in French and English, in a newspaper printed in the city of New Orleans.

SEC. 31. *Be it further enacted*, That, in all judicial proceedings which may be had under or by virtue of this act, the books and records of the bank shall be admitted as evidence in the cause.

SEC. 32. *Be it further enacted*, That any bank which shall surrender its charter or banking privileges, and which shall, in conformity with its charter, have constructed any public works or improvements, such bank may retain its corporate powers, and all the other privileges conferred by its charter, so far only as the continuance of such powers and privileges may be necessary to enable it to retain the property in such works or improvements, and to manage and carry on the same, until the termination of the period fixed by its charter.

SEC. 33. *Be it further enacted*, That all the banks of this State are prohibited from buying, selling, bartering, or trading for cotton, sugar, or any other produce, and from selling or bartering away specie; and for every infraction of this section, the bank so offending shall forfeit and pay the sum of dollars, and the directors assenting to the same shall be fined and imprisoned at the discretion of the court.

SEC. 34. *Be it further enacted*, That this act shall be in force from and after its publication in the State gazette.

On the question of submitting the foregoing bill to the two Houses of the General Assembly, the yeas and nays were called upon each section, which resulted as follows:

On sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 22, 23, 26, and 28, the vote on each section was 5 yeas and 4 nays: Messrs. Bossier, Downs, Hoa, Morse, and Winn having voted in the affirmative; and Messrs. Conrad, Ducros, Lockett, and Winchester, in the negative.

On section 16, Messrs. Bossier, Downs, Morse, and Winn, voted in the affirmative; and Messrs. Conrad, Ducros, Lockett, Hoa, and Winchester in the negative—4 yeas, 5 nays.

On section 25, the vote was 6 yeas and 3 nays, viz: Messrs. Bossier, Conrad, Downs, Hoa, Morse, and Winn having voted in the affirmative; and Messrs. Ducros, Lockett, and Winchester in the negative.

On sections 17, 19, 20, 21, 24, 27, 29, 30, 31, 32, 33, and 34, the votes were unanimous.

Whereupon said bill was ordered to be reported by the chairman as the result of the deliberations of a majority of the joint committee present at this session, reserving to the minority of the committee the right to report any other.

On motion, it was

Resolved, That Mr. Winn be appointed to draught the report of the majority of the committee, in conformity to the resolution of this committee at its session on 22d January last.

And then, on motion, adjourned.

Attest:

J. WHITEHEAD,
Secretary to the Committee on Banks.

Circular.

NEW ORLEANS, January 30, 1840.

GENTLEMEN: We are instructed by the joint committee on banks to call on you for answers to the following interrogatories:

1. Have any of the directors of your bank, or their firms, been under protest as drawers or endorsers since 1837? If yea, did such directors continue members of the board? and give their names.

2. Has the bank of which you are president and cashier shipped any gold or silver to any places out of this State? If yea, state the dates and amount of such shipments, where and to whom shipped, and for what purpose.

3. Has the bank of which you are president and cashier accepted or acted under the act entitled "An act to relieve such of the banks of this State, whose charters may have been forfeited by a suspension of specie-payments, from such forfeiture," approved March 14, 1839?

4. Has the bank of which you are president and cashier complied with the requisitions of the 3d section of said act? and, if yea, since what period has it been done; and how long?

5. Has the bank of which you are president and cashier paid any thing to any editor, proprietor, or publisher of any newspaper, or to any one for them, directly or indirectly, since the 4th March, 1837? and, if yea, state how much, to whom, when, and for what purposes.

6. Has the bank of which you are president and cashier, either directly or indirectly, bought or sold any gold or silver since the 4th March, 1837? If yea, state the periods and amounts.

7. Has the bank of which you are president and cashier, either directly or indirectly, purchased cotton or other produce since the 1st January, 1837? If yea, state—1st. The dates and amounts of such purchases; 2d. The result of such purchases, where the produce has been sold, showing the profit or loss; 3d. The amount not yet realized; 4th. Amount of commissions paid to any bank director or directors, either directly or indirectly, on purchases of cotton or other produce; 5th. Give the names of those directors who voted in favor of authorizing the bank to purchase cotton or other produce.

8. Has or not the bank of which you are president and cashier borrowed money of other banks? If yea, when was the loan made; what was the amount borrowed; how was it secured; has any, and what, portion of it been paid?

9. What was the amount of the gross proceeds of the operations of your bank during the year ending on the 31st December, 1839?

10. When did the bank of which you are president and cashier last declare a dividend; and what was the amount of it?

11. Has or not the bank of which you are president and cashier suspended specie-payments since the month of March, 1839? If yea, at what time did it so suspend? Does or not said suspension still continue? If not, when did it resume payment?

12. What amount was due on the 19th October, 1839, to the institution of which you are president and cashier, from either of the three municipalities of the city of New Orleans? What amount is now due?

The foregoing interrogatories are to be answered, under oath, by the president and cashier of each bank; the form whereof is herewith furnished by the undersigned.

We are, respectfully, your obedient servants,

RICHARD WINN,
Chairman on the part of the Senate.
C. M. CONRAD,

Chairman on the part of the House of Representatives.

To the PRESIDENT and CASHIER
of the Bank, New Orleans.

Circular.

NEW ORLEANS, January 30, 1840.

GENTLEMEN: We are instructed by the joint committee appointed by the General Assembly to investigate the banks, to call on you for statements of your institution, made up to the close of the 31st January, 1840, showing—

1. Real estate; specifying, in a note, the property, and where situated.
2. Other investments; specifying, in a note, of what they consist.
3. Loans on pledge of stock, and loans the security for which is partly stock; specifying, in a note, the largest loan of this kind to any one individual or company, with the name of such party.
4. Loans on real estate; specifying the amount thus loaned to the citizens of each congressional district separately.
5. Loans on notes and bills originating in this State; with the specification as required in No. 4.

6. Loans on bills originating out of this State.
7. Balances due to or by foreign bankers.
8. Balances due to or by banks in other States; specifying, in a note, the balance due to or by the Pennsylvania Bank of the United States, either directly or indirectly.
9. Amount of domestic bills held by your bank.
10. Amount of notes of banks of other States held by your bank.
11. Balances due to or by local banks; specifying, in a note, the amount due to or by each bank.
12. Liabilities other than those specified; indicating in detail, in a note, the character and description thereof.
13. Amount of post-notes issued, and amount thereof now due by your bank.
14. Protested paper on hand and in suit; specifying separately the amount in suit.
15. Amount of business-paper payable at maturity without defalcation.
16. Amount of accommodation-paper; when granted; how and when payable; with names and residences of drawers and endorsers.
17. Amount of all other loans and assets.
18. A detailed statement of house-rent, salaries of president, cashiers, clerks, stationary, and all other yearly expenses.
19. A detailed statement of all expenses from July 1, 1837, to August 1, 1838; specifying the items.
20. Amount of debts due the bank; what proportion of this debt is under protest; what portion you consider good; what portion doubtful; what portion bad.
21. Amount of specie drawn from other local banks, and amounts paid out, in detail, since 1st January, 1839.
22. A comparative statement of specie, and other assets, of circulation, deposits, and other liabilities, at the time of the suspension on the 19th October, 1839, and the present time; specifying the amounts of specie, circulation, and deposits, separately.
23. A general statement of the affairs of the bank of which you are president and cashier, made after the close of the 31st January, 1840; showing—
 - 1st. Amount of gold and silver in the vaults actually owned by the bank.
 - 2d. Amount of circulation.
 - 3d. Amount of local bank-notes on hand; specifying, in a note, the amount of notes of each bank.
 - 4th. Amount of notes of other banks of the United States on hand; specifying, in a note, the amount of notes of each bank.
 - 5th. Amount of deposits; specifying the amount of deposits by individuals, by corporations, and by public officers.
 - 6th. Amount of special deposits; designating amount in gold and silver.
 - 7th. Amount of cotton and other produce purchased.
 - 8th. Amount of notes under discount.
24. A statement showing—
 - 1st. The nominal capital.
 - 2d. The capital paid up.
 - 3d. Amount of loans on pledge of bank stock, or where stock forms any part of the security.
 - 4th. Amount of stock held in this State, indicating amount held in each congressional district; amount held by individuals in other States; amount

held by corporations in other States; specifying names of the corporations, amount held by individuals, companies, and corporations out of the United States.

25th. A statement of all loans made at each of your branches, distinguishing those on mortgage and on personal security, and showing the capital of each branch by law.

The foregoing required statements are to be rendered under oath by the president and cashier of each bank, the form whereof is herewith furnished by the undersigned.

We are, respectfully, your obedient servants,
 RICHARD WINN, }
 C. M. CONRAD, } *Chairmen.*

To the PRESIDENT and CASHIER
 of the ——— Bank, New Orleans.

Affidavit to be annexed to the statements.

We do solemnly swear that the foregoing statements exhibit the truth, the whole truth, and nothing but the truth, in reference to the matters therein stated, to the best of our knowledge and belief: so help us God.

Affidavit to be annexed to the answers to interrogatories.

We do solemnly swear that the foregoing answers to the several interrogatories of the bank committee therein answered contain the truth, the whole truth, and nothing but the truth, to the best of our knowledge and belief: so help us God.

The above forms of affidavits are approved.

RICHARD WINN, }
 C. M. CONRAD, } *Chairmen.*

NEW ORLEANS, January 30, 1840.

GENTLEMEN: The joint committee appointed by the General Assembly of this State to investigate the affairs of the banks, have adopted the following resolutions; by whom we are instructed to furnish you a copy, viz:

"Resolved, That the following interrogatories be propounded to the Citizens' Bank:

"Was ever any combination entered into between the directors of the Citizens' Bank, or any of them, to reject the paper of any directors of another bank of New Orleans, who would have rejected the paper of any commercial firm or director of the Citizens' Bank? If yea, state at what time, and who were the directors who so acted.

"State who are the present directors on the part of the State, at what time they were elected, and whose vacancy they have filled?"

"Resolved, further, That any director, either on the part of the stockholders or of the State, who has served during the year 1839, be required to answer, under oath, to the preceding interrogatories."

You will please answer to the interrogatories propounded in the foregoing resolutions (hereby certified by us to be a true copy from the minutes of the said joint committee) as soon as may be practicable, under oath, the form whereof is herewith furnished by the undersigned.

We are, respectfully, your obedient servants,

RICHARD WINN,

Chairman on the part of the Senate.

C. M. CONRAD,

Chairman on the part of the House of Representatives.

To the PRESIDENT and DIRECTORS

of the Citizens' Bank of New Orleans.

NEW ORLEANS, *January 30, 1840.*

GENTLEMEN: We are instructed by the joint committee, appointed by the General Assembly of this State to investigate the affairs of the banks, to request your answers, so soon as may be practicable, to the following interrogatories propounded by said committee to the Citizens' Bank:

1. Was there a resolution passed last year by the board, denying the right of the Legislature to investigate, without any exception, all the affairs, books, and documents of the Citizens' Bank? If yea, please to state what directors voted *pro* and *con*; and furnish a copy of the resolution, and of a protest, if there be any.

2. Did the attorney general, by a letter dated 17th May, 1838, addressed to the president of the Citizens' Bank, give his opinion as to the right of the bank to purchase produce? and if so, furnish a copy of said letter.

3. What amount of the State bonds remains at this time unsold?

4. For what reason have not the branches been established, required by an act approved 13th March, 1839? and at what time is it expected that the said branches will be established?

We are also instructed by the said committee to request the president and cashier of the Citizens' Bank to furnish to the said committee all resolutions, minutes, correspondence, protests, or other documents or information concerning the Nolte affair, on purchase of cotton during the year 1839; the votes of the directors, their names, and the written reason, if any appear.

Your answers to the foregoing interrogatories to be made under oath, the form whereof is hereby furnished by the undersigned.

We are, respectfully, your obedient servants,

RICHARD WINN,

Chairman on the part of the Senate.

C. M. CONRAD,

Chairman on the part of the House of Representatives.

To the PRESIDENT and CASHIER

of the Citizens' Bank of New Orleans.

NEW ORLEANS, *February 5, 1840.*

GENTLEMEN: The General Assembly of this State yesterday passed the following resolutions:

"Resolved by the Senate and House of Representatives, &c., That the bank committee be required to ascertain if the Union Bank did loan the sum

of eighty thousand dollars, or any other sum, to Frederick Frey, the present cashier of that bank, to make him eligible to the office, or for any other purpose, at or near the time of his appointment; and how the payment was secured; and whether the State directors are concerned in the loan, or which of them.

"Resolved, That the bank committee be required to ascertain the number of suits instituted by the branch of the Union Bank at Covington; how many names are put in suit, and what the amount sued for is; and whether there were not at the time of the suits other person or persons under protest, on a mortgage or mortgages, and the amount of those mortgages; and if those mortgage or mortgages are not still under protest, and not in suit." The joint committee, appointed by the Legislature to examine the affairs of the banks, request you will furnish the information called for in said resolutions with as little delay as possible, under oath, the form of which has been already handed you, with other interrogatories.

We are, respectfully, your obedient servants,

RICHARD WINN,

C. M. CONRAD,

} *Chairmen.*

To the PRESIDENT and DIRECTORS

of the Union Bank, New Orleans.

NEW ORLEANS, *February 11, 1840.*

GENTLEMEN: We are instructed by the joint committee, appointed by the General Assembly of this State to investigate the affairs of the banks, to request your answers, so soon as may be practicable, to the following interrogatories, propounded by said committee to the Citizens' Bank, viz:

1. Was it not proposed to pay a further sum of \$15 per share to the stockholders some time in the month of April, 1839? If yea, was not the matter referred to a committee? If yea, please give a copy of said report.

2. Was not the further sum of \$15 subsequently placed at the disposal of the stockholders? If yea, how was the board divided upon the subject? Did not some of the stockholders protest against this further payment? If yea, please give said protest.

3. How many vacancies have occurred among the State directors during the last year?

4. Were the State directors regularly notified of such vacancies previous to their being filled?

5. Who were the State directors present when said vacancies were filled?

6. Have not the books of the bank, under the charge of the book-keeper afterwards elected, been thrown in the greatest state of confusion?

7. Did not overdrafts take place to a considerable amount? If yea, please state the amounts overdrawn, when, and the causes.

8. Have the books under the charge of said book-keeper ever balanced? and why not?

9. Are you not compelled to open a new set of books, in order to find out the errors in the previous set?

10. Have not the bankers in London retired the credit they had opened to your institution?

11. What amount of State bonds have you in the hands of said bankers?

12. Has there been any private correspondence between the president of

the bank and your European agents during the year 1839? If yea, please furnish said correspondence, or certified copies thereof.

13. Was not the bank bound by contract to consider all Government deposits as special? If so, give a copy of such contract.

14. Was not a resolution offered by a director, on the part of the stockholders, to make all such deposits special? If yea, give a copy of said resolution, with the vote thereon.

And, at the request of Mr. Hoa; he following additional interrogatories are propounded by him to your bank, viz:

1. Have any of the directors of your bank been in the habit of endorsing for one another? If yea, give the names of said directors, the amount of such mutual endorsements, and what person, if any, is now under protest?

2. Have not certain queries been propounded to the cashier of the Citizens' Bank by Mr. Henry Bry, one of the State directors? If yea, give a copy of such queries, and the answers thereto.

3. Was not a State director elected who had shortly before applied to the bank for time, and obtained it? and did not the same State director shortly after again suspend his payments? If yea, name him, and the directors who elected him.

4. Did not the bank remain without a book-keeper for several weeks during last year? State the reason. Was it not because the directors were equally divided in their choice between Mr. Le Beau and Mr. Duralde?

You will please make your responses to the foregoing interrogatories under oath, with the form of which you have already been furnished.

We are, respectfully, your obedient servants,

RICHARD WINN,
C. M. CONRAD,
Chairmen.

To the PRESIDENT and DIRECTORS
of the Citizens' Bank, New Orleans.

NEW ORLEANS, February 11, 1840.

GENTLEMEN: The joint committee, appointed by the General Assembly of this State to investigate the affairs of the banks, direct us to request your reply to the following interrogatory, propounded by Mr. Winn, viz:

"Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest?"

Which please make under oath, the form of which has been previously furnished you.

We are, respectfully, your obedient servants,

RICHARD WINN,
C. M. CONRAD,
Chairmen.

To the PRESIDENT and DIRECTORS
of the Bank, New Orleans.

NEW ORLEANS, February 13, 1840.

GENTLEMEN: Understanding that you are waiting for returns from your branches in the country to enable you to furnish some of the information

called for by the general committee to examine the banks, we are authorized by said committee to request you to furnish said information as soon as possible, and as far as you can do so without waiting for such returns, or as far as you have them.

We have the honor to be, your obedient servants,

RICHARD WINN,
C. M. CONRAD,
Chairmen.

The PRESIDENT and CASHIER
of the Bank, New Orleans.

NEW ORLEANS, February 17, 1840.

GENTLEMEN: The joint committee on banks, appointed by the General Assembly of this State, direct us to communicate to your institution the following resolution of the Senate, viz:

"Resolved, That the bank committee be requested to ascertain what amount the president and directors of the branches of the different banks in the country have obtained by loans, discounts, or bills of exchange. Also, what are their liabilities in the mother banks of this city."

And to request that the information which said resolution calls for may be furnished said committee as soon as your convenience, and so far as the returns last received from your branches, will permit.

We are, respectfully, your obedient servants,

RICHARD WINN,
C. M. CONRAD,
Chairmen.

The PRESIDENT and CASHIER
of the Bank, New Orleans.

NEW ORLEANS, February 25, 1840.

SIR: I have the honor to communicate to you the following preamble and resolution adopted by the joint committee on banks, at its session last evening:

Whereas, at the first meeting of the joint committee on banks, a resolution was adopted in these words:

"Resolved, That all interrogatories which may be agreed upon by a majority of the committee shall be propounded by the chairmen as emanating from the committee; and all interrogatories put by individual members of the committee not agreed to by the majority, shall be propounded as such by the chairmen."

And whereas, under the sanction of this resolution, Mr. Winn submitted the following question:

"Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest?"—which he had a right to do, under said resolution:

And whereas, the two chairmen, under the authority of said resolution, did propound the said interrogatory: and whereas the president of the City Bank, in a letter addressed to the chairmen, under date February 18, 1840, hereto annexed, has refused to answer said interrogatory:

Resolved, That the said letter of refusal is not admitted as satisfactory, and that a copy of this preamble and resolution be furnished by the secretary to the said president, for his information as to the authority by which said question was propounded by the chairmen; and that his response be again called for.

Respectfully, your most obedient servant,

J. WHITEHEAD, *Secretary.*

SAMUEL J. PETERS, Esq.,
President of the City Bank.

NEW ORLEANS, *February 25, 1840.*

GENTLEMEN: We have received your communication of the 17th instant, with accompanying documents, which have been submitted to the joint committee on banks, by whom we are directed to state that said papers do not contain your answers to interrogatories propounded under date of 30th ultimo, Nos. 3, 4, and 10; that in your answer to No. 2, you omit naming the persons to whom specie was shipped; and that your answer to No. 5 is not satisfactory. Also, that in the statements furnished in compliance with our No. 3, relative to loans, you have omitted giving the name of the individual required. And that you have only partially furnished the details required in Nos. 4 and 5.

We are, respectfully, your most obedient servants,

RICHARD WINN,
C. M. CONRAD,
Chairmen.

The PRESIDENT and CASHIER
of the City Bank of New Orleans.

NEW ORLEANS, *March 5, 1840.*

GENTLEMEN: I am directed by the joint committee on banks to communicate to your institution the following preamble and resolution, adopted by both Houses of the Legislature of this State:

"Whereas the General Assembly distinctly recognise the right of this Legislature to examine into the affairs of the different banks of this State: therefore,

"*It is resolved, &c.*, That the joint committee on banks be, and they are hereby, instructed to report immediately to both branches of the Legislature any bank which may refuse a full and satisfactory investigation of their affairs: *Provided*, That their failure to answer (within three days from the notification of this resolution) the interrogatories propounded to them by the bank committee shall be considered as a refusal on their part.

I have the honor to be, very respectfully, your most obedient servant,

J. WHITEHEAD,
Secretary to Bank Committee.

The PRESIDENT and CASHIER
of the Bank, New Orleans.

CITY BANK, NEW ORLEANS,
February 18, 1840.

GENTLEMEN: Your communication, containing the following question, which you state is "*propounded by Mr. Winn*," has been received:
"Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest."

In reply, I beg leave most respectfully to observe, that I do not recognise any right in Mr. Winn to propound any question to the president and directors of this institution, unless authorized by your honorable committee, believing that no such power has been delegated to that gentleman by the Legislature; and that, consequently, I have not submitted said question to the board of directors.

Any question propounded by the honorable committee of which you are the organs, will meet with the most respectful consideration of

Your obedient servant,

SAMUEL J. PETERS, *President.*

Messrs. WINN and CONRAD,
Chairmen, &c., &c., &c.

CITY BANK, NEW ORLEANS,
February 26, 1840.

GENTLEMEN: The communication of the secretary of your honorable committee, in reference to the question propounded by Mr. Winn, has been received.

The resolution adopted by you at your meeting on Monday evening, I have before me. It states that your honorable committee had adopted a resolution, by which your chairmen were authorized to transmit to the banks interrogatories agreed upon by a majority of the committee; and, also, interrogatories not agreed to—or, in other words, disapproved of by your committee; that those questions coming under this last description should be sent as such by the chairmen. In said resolution your honorable committee is pleased to declare, that, in virtue of this rule, Mr. Winn had a right to propound the question alluded to; and that my reasons for refusing to submit it to the board are unsatisfactory.

I trust it is understood that I have made no objection to the question itself, but merely to the illegal manner in which, in my humble opinion, it has been propounded to the president and directors of the City Bank.

Entertaining the most profound respect for your honorable committee, and being as desirous to give every information as to the condition of the City Bank as your honorable committee could be to receive it, it was with great regret I felt myself compelled by a sense of duty to the institution over which I preside, to decline recognising the right of an individual member to propound a question, which, from the manner of its transmission to me, seemed not to be a question of a majority of the committee. The motives which then influenced me are strengthened by your resolution now before me; for it distinctly states that the question propounded by Mr. Winn was one that had been disapproved of by you, and that it was transmitted as such by your chairmen.

I am now called on by you to answer a question which presupposes that

the directors of the City Bank, or some of them, are under protest; and that they are now, in violation of law, occupying seats at the board: which question you inform me is of a class of those disapproved of by you, and which, nevertheless, you say Mr. Winn had the right to propound, under a general rule adopted by your committee; and that, consequently, it is assumed that I am bound to answer it.

To this I most respectfully reply, that, in my opinion, a rule that leads to such consequences is not sanctioned by the joint resolution of the Senate and House of Representatives under which you act; and that the power vested in your honorable committee by said resolution cannot, by any rule you can adopt, be delegated to one-twelfth of your number; and that, beyond all doubt, you can adopt none by which you can vest in Mr. Winn a right to do that which a majority of your honorable committee have deliberately decided ought not to be done. I am, therefore, compelled, in the conscientious performance of what I consider my duty, to declare, that, until said question shall be approved of by your committee as a proper one to be propounded to the president and directors of the City Bank, (thereby reversing your present decision,) I cannot submit it to the board. When you shall have so decided, a prompt and satisfactory reply will immediately be furnished.

I trust that it is unnecessary for me to add, that, in assuming the position I have, no disrespect is intended to your honorable committee, or to the honorable gentleman who propounded the question which has led to this correspondence.

I have the honor to be, very respectfully, your obedient servant,
SAMUEL J. PETERS, *President.*

HON. JOINT COMMITTEE
of Senate and House of Representatives, &c., &c., &c.

RESOLUTIONS.

From the Journal of the House of Representatives, January 30, 1840.

Resolved, &c. That the bank committee be required to ascertain if the Union Bank did loan the sum of eighty thousand dollars, or any other sum, to Frederick Frey, the present cashier of that bank, to make him eligible to the office, or for any other purpose, at or near the time of his appointment; and how the payment was secured, and whether the State directors concurred in the loan, or which of them.

Resolved, That the bank committee be required to ascertain the number of suits instituted by the branch of the Union Bank at Covington; how many names are put in suit, and what the amount sued for is; and whether there were not, at the time of the suits, other person or persons under protest on a mortgage or mortgages, and the amount of those mortgages; and if those mortgage or mortgages are not still under protest and not in suit.

UNION BANK OF LOUISIANA,
New Orleans, February 7, 1840.

GENTLEMEN: To your communication under date of 5th instant, we make the following reply:

Mr. Frederick Frey was unanimously elected cashier of this bank on the 18th April, 1839.

Present: C. Adams, jr., John F. Miller, Thos. W. Chinn, G. B. Milligan, James H. Leverich, J. Bermudez, G. Preval, Wm. M. Beal, L. A. Ducros, Chas. Deblanc, Jas. P. Freret.

The board on the same day granted a loan of \$70,000 (say seventy thousand dollars) for one year to Mr. Frey, to be secured by mortgage on city property, considered by them sufficient for the amount.

The loan was made to Mr. Frey for the purpose of securing his services, which were deemed important to the bank, owing to his personal knowledge of the operations of the bank for a series of years, during which he was an efficient director. The situation of the affairs of the bank required imperiously from the cashier this knowledge for the several years past, and of placing him in a situation to devote his time to the institution, and not for the purpose of favoring Mr. Frey.

We will immediately call for the information required in relation to the branch at Covington, and communicate it to you with the least possible delay.

Respectfully, your obedient servants,

C. ADAMS, jr. *President.*
CHAS. DEBLANC,
JAS. P. FRERET,
J. H. LEVERICH,
J. BERMUDEZ.

To RICHARD WINN, Esq., *Chairman of the committee
on the part of the Senate.*

To C. M. CONRAD, Esq., *Chairman of the committee
on the part of the House of Representatives.*

We do solemnly swear that the foregoing answers to the several interrogatories of the bank committee therein answered, contain the truth, the whole truth, and nothing but the truth, to the best of our knowledge and belief: so help us God.

C. ADAMS, jr.,
CHAS. DEBLANC,
J. P. FRERET,
J. H. LEVERICH.

Sworn to and subscribed before me this 7th day of February, 1840.
J. BERMUDEZ, *Judge.*

*Copy of mortgage passed before A. Mazureau, notary public, on the 9th
May, 1839, by Frederick Frey and his wife, in favor of the Union Bank
of Louisiana.*

Before me, Adolphe Mazureau, a notary public in and for the parish and city of New Orleans, duly commissioned and sworn, and in the presence of the undersigned witnesses, personally appeared Frederick Frey, Esq., of this city, and Mistress Marie Celeste Coralie Fabre Daunoy, his wife, by him duly authorized and assisted; who declared that they are truly and justly in-

debted unto the Union Bank of Louisiana in the sum of seventy thousand dollars, being the amount of a loan of money to them this day granted by the said bank, and which said sum of money they do by these presents acknowledge to have received from the said bank, and bind themselves to pay and reimburse the same in one year from the date hereof, to the said institution, at the domicile of said bank in this city; and to this effect the said Frederick Frey and Mistress Marie Celeste Coralie Fabre Daunoy, his wife, have immediately subscribed their joint obligation in favor of said Union Bank of Louisiana, for the said sum of seventy thousand dollars, payable on the eighth day of May, eighteen hundred and forty, fixed at the said Union Bank of Louisiana; which said obligation has been duly inscribed "*ne varietur*," and countersigned by the undersigned notary, to certify its identity with these presents.

Now, therefore, in order to secure the full and punctual payment of said obligation at maturity, the said Frederick Frey and Mistress Marie Celeste Coralie Fabre Daunoy, his wife, do hereby, jointly and *in solido*, mortgage and hypothecate, in favor of the Union Bank of Louisiana, the following described property, to wit:

1. A certain lot of ground, together with all the buildings and improvements thereon, situated in this city, in Royal street, between Bienville and Custom-house street, measuring thirty feet front on said Royal street, by one hundred and eighteen feet six inches in depth, French measure; bounded on one side by property of David Olivier, and on the other side by property of Alfred Hennen; said property being the same which said F. Frey acquired from G. R. Stringer, by an act passed before William Christy, a notary public of this city, on the second day of December, eighteen hundred and thirty-four.

2. A certain lot of ground, number six, in square number thirty-two, situated in faubourg Annunciation, forming the corner of Annunciation and Richard streets, measuring sixty feet on Annunciation street, by one hundred and twenty feet deep and front on Richard street, all French measure; together with the buildings and improvements thereon.

3. A certain lot of ground, number five, situated in same square and faubourg, forming the corner of Pacanniers and Richard streets, measuring sixty feet front on Pacanniers street, by one hundred and twenty feet deep and front on Richard street, all French measure; with the buildings thereon.

4. A certain half lot of ground, number seven, situate in same square and faubourg, measuring thirty feet front on Annunciation street, by one hundred and twenty feet deep, all French measure; bounded on one side by the other half of said lot, and on the other side by lot number eight, and in the rear by lot number four; together with the buildings and improvements thereon.

5. A certain half lot of ground, number seven, situate in same square and faubourg, measuring thirty feet front on Annunciation street, by one hundred and twenty feet deep, French measure; bounded on one side by the other half of said lot, on the other side by lot number six, and in the rear by lot number four; together with all the buildings and improvements thereon.

6. A certain lot of ground, number eight, situate in same square and faubourg, measuring sixty feet front on Annunciation street, by one hundred and twenty feet deep, all French measure; bounded on one side by lot number seven, on the other side by lot number nine, and in the rear by lot number three; together with the buildings and improvements thereon.

7. A certain half lot of ground, being part of lot number one, in square number forty-three, situate in the same faubourg, forming the corner of Annunciation and Richard streets, measuring sixty feet front on Annunciation street by sixty feet deep and front on Richard street, all French measure; together with the buildings and improvements thereon.

8. A certain half lot of ground, being part of lot number one, in square number forty-three, situate in the same suburb, measuring sixty feet front on Richard street, by sixty feet deep, all French measure; bounded on one side by the other half of said lot, on the other side by lot number four, and in the rear by lot number two; together with the buildings and improvements thereon.

The said Frederick Frey, and Mistress Marie Celeste Coralie Fabre Daunoy, hereby promising not to sell, alienate, deteriorate, or encumber the said mortgaged premises, to the prejudice of this mortgage, and hereby confessing judgment for the said sum of money to be paid as aforesaid.

By reference to the annexed certificate of the recorder of mortgages in this city, of even date herewith, it appears that on the lot and buildings situate in Royal street, there are no other mortgages standing in the name of said Frederick Frey, than those he granted to secure two hundred and fifty-five shares of the stock of said bank, as follow, viz.: One hundred and sixty shares, secured by an act passed before the undersigned notary on the twenty-first day of January, eighteen hundred and thirty-five; forty shares secured by an act passed before the same notary on the thirteenth day of February, eighteen hundred and thirty-five; and fifty-five shares secured by an act passed before the same notary on the eighth day of September, eighteen hundred and thirty-six.

And from said certificate it appears that said property, together with other property, was mortgaged by an act passed before the undersigned notary on the thirty-first day of December, eighteen hundred and thirty-eight, to secure a loan of the sum of nine thousand nine hundred dollars, being fifteen per cent. on the whole amount of the stock held by him in said bank; and also to secure the payment of his original stock-note, identified with said mortgage.

And from said certificate it also appears, that on the other described lots of ground the only mortgages which appear against said Frederick Frey are the assumptions standing in his name by virtue of an act passed before William Young Lewis, a notary public of this city, dated the twenty-third day of May, eighteen hundred and thirty-seven; which mortgages, according to said act, stood in full force for sixteen thousand dollars, and according to said certificate are now reduced to seven thousand six hundred and sixty-six dollars sixty-six cents and two-thirds.

And as a further security for the payment of said loan of seventy thousand dollars, the said Frederick Frey does hereby pawn and pledge to the said Union Bank of Louisiana the two hundred and fifty-five shares of the capital stock of the Union Bank of Louisiana, to which he is entitled on said property, together with his undivided interest of the profits of said bank, already accumulated and to be accumulated.

And to these presents personally appeared mistress Ann Offut, of this city, widow of the late Jean Miramond, and now the wife of Frank Perrett, Esq. of this city, and by him duly authorized and assisted; who declared, that for and in consideration of the sum of eleven thousand dollars to her in hand well and truly paid by the said Frederick Frey, out and by means of the

loan by him obtained, as aforesaid, from the said Union Bank of Louisiana, the receipt whereof she hereby acknowledges,—the said sum of eleven thousand dollars being the amount in capital and interest of a loan by her made to Charles F. Zimpel, and secured by a special mortgage, as it appears from an act passed before Louis T. Caire, a notary public of this city, on the seventeenth day of March, eighteen hundred and thirty-seven, on a certain parcel of ground forming the corner of Polhymnie street and Cours des Dryades, in suburb Annunciation, having (English measure) one hundred and ninety-one feet nine inches and seven lines front on Polhymnie street, and five hundred and eighty-four feet seven inches and six lines front on Cours des Dryades, together with the buildings thereon—she does by these presents, with the consent and special authorization of the said Frederick Frey, who wishes to give ample security to said Union Bank of Louisiana for the payment of the abovementioned loan of seventy thousand dollars, subrogate the said Union Bank of Louisiana to all her mortgage claims and privileges resulting from the act aforesaid, and hereby transfers to said bank all her rights growing out of the said act of the seventeenth day of March, eighteen hundred and thirty seven; hereby authorizing the said bank to exercise and enjoy the same, in the same manner as she might have done, and for the recovery of said sum of eleven thousand dollars; and to enforce the payment thereof, she empowers said bank to have recourse to and use the same legal means and remedy that she was entitled to by virtue of all the clauses and stipulations contained in said act of mortgage; which said mortgage has preference and priority over all other debts, mortgages, and claims whatsoever, as it appears from the certificate of the recorder of mortgages hereto, for reference annexed, establishing the proof that said mortgage is the first inscribed mortgage on the property above described, against the said Charles F. Zimpel.

And the said Frederick Frey declared that he guaranties to the said Union Bank of Louisiana the payment of the said sum of eleven thousand dollars, and hereby acknowledges that it is with his special authorization and consent that the foregoing subrogation has been made and executed, and that he will at all times hereafter sustain the validity of said subrogation.

This act is accepted by Christopher Adams, junior, president of the Union Bank of Louisiana, herein acting in his said capacity.

Thus done and passed in my office, at the city of New Orleans, on this ninth day of May, eighteen hundred and thirty-nine, in the presence of Messrs. John Cragg and Léonce Hebrard, competent witnesses, who have signed these presents, with the parties and me, notary, after reading the whole.—(Signed in the original) Daunoy Frey, Frederick Frey, C. Adams, jr., president, Frank Perrett, A. Perrett, J. Cragg, L. Hebrard, A. Mazureau, notary public.

The undersigned, recorder of mortgages for the city and parish of New Orleans, certifies that the foregoing act of mortgage has been recorded in his office, on the 11th May inst., in book 41, folio 173; that, since the date of the certificate mentioned in said act of mortgage, no other mortgage than the one granted by the same act has been recorded in the name of said Frederick Frey and wife, on the property therein described; and that the subrogation made by Mrs. F. Perrett to the Union Bank of Louisiana has been mentioned in the margin of the act of the 17th March, 1837.

P. LANDREAUX.

NEW ORLEANS, May 13, 1839.

I certify the foregoing to be a true copy of the original act, extant in my current register of notarial acts.

In testimony whereof, I grant these presents under my signature, and the impress of my seal of office, at New Orleans, on this 11th day of March, eighteen hundred and forty. The word "annexed" interlined.

Approved :

A. MAZUREAU, *Notary Public.*

No. 1.—Statement of mortgage bonds protested and put in suit at the Branch of the Union Bank of Louisiana at Covington, from June 1, 1839, to date.

670

Principals on bonds.	Balance due.	Remarks.	Original amount of principal.
John Macdonald and wife	\$700 00	In train of settlement	\$1,400 00
John and Benjamin Zacharie and wives	350 00	Nothing yet done by attorney	1,200 00
John Edwards and wife	400 00	Paid	400 00
William Brumfield and wife	1,212 50	In train of settlement	2,500 00
William Shaberl and wife	600 00	In train of settlement	1,200 00
William Hance	400 00	Property sold	400 00
John Macdonald and wife	937 50	In train of settlement	1,500 00
William Marbury, jr.	347 50	Paid	550 00
	4,947 50		9,150 00

Doc. No. 111.

The above list shows eight bonds which were put in suit, leaving a balance of principal in the aggregate due thereon of \$4,947 50. After notification before and after protest, and patiently waiting on the abovenamed parties to come forward for the purpose of making a settlement, but they still keeping aloof, suits were instituted.

COVINGTON, LOUISIANA, February 7, 1840.

No. 2.—Statement of mortgage bonds protested at the Branch of the Union Bank of Louisiana at Covington, on which suits have not yet been instituted.

Principals on bonds.	Balance due.	Remarks.	Original amount of principal.
Moses Eastman and wife	\$12,000 00	Cash deposited in part payment, and a note and a kiln of bricks pledged	\$12,000 00
Burlin Childress and wife	6,000 00	Cannot induce a settlement	6,000 00
Jacob Charles and Margaret Ott	1,500 00	Payment expected this day—amount in hands of agent	4,000 00
Abraham Penn and wife	1,875 00	Cannot induce a settlement	2,500 00
John Kellar and wife	375 00	Cash deposited in part, time given on balance	1,000 00
William Collingsworth and wife	5,000 00	Cash deposited in part, time given on balance	5,000 00
Thomas Kennedy and wife	750 00	Acceptance of Finley & Co., taken of executor	2,000 00
S. M. Bankston and wife	1,050 00	Cash deposited in part, time given on balance	1,200 00
	28,550 00		33,700 00

Doc. No. 111.

The first bond in the above list was under protest when others were handed for suit; and suit was not instituted on it, as the principal made every exertion to settle it, and did what he could to that effect, as the note in reference thereto sets forth. Under such circumstances, this institution never sues. Dogged obstinacy and protracted inattention to notices given of obligations lying under protest, have alone induced the institution of a suit; then, where the sense of a moral obligation has become callous, other means must be resorted to, to enforce the obligation.

A disposition has been shown to settle all the others, with the exception of two, (that of Burlin Childress, judge of the parish of Livingston, and Abraham Penn, of this parish,) deposits for nearly the amounts due on them having been made in this institution.

COVINGTON, LOUISIANA, February 7, 1840.

671

No. 3.—List of notes discounted and protested at the Branch of the Union Bank of Louisiana at Covington, on which suits have been instituted.

672

Drawers.	Endorsers.	Amounts.	When protested.	Remarks.
1839.				
Paris Childress	Robert Duncan, James Settoon	\$1,200 00	Feb. 20	Judgment obtained.
Wm. L. Breed	G. T. Raoul, B. Childress	820 00	Mar. 7	Judgment obtained.
John Killian	Joseph Killian, jr., Joseph Killian	300 00	May 8	Judgment obtained.
Robt. S. Finley	Thomas C. Terry, John C. Terry	327 50	May 22	No court held that day.
J. M. Morris	S. M. Bankston, A. Courtney	500 00	May 31	Curtailment paid. Note renewed.
Hezk. Wheat	William Wheat, Joseph Killian	800 00	June 9	Judgment obtained.
Jas. Settoon	B. Childress, G. T. Raoul	200 00	June 26	Curtailment paid. Note renewed.
S. G. Parsons	Levi Speller, William Akers	320 00	June 26	Curtailment paid. Note renewed.
Jos. Killian	John Killian, Joseph Killian, jr.	500 00	July 3	Judgment obtained.
Samuel Settoon	William Westmoreland, B. Childress	155 00	July 10	Curtailment paid. Note renewed.
Stephen Wheat	Hezekiah Wheat, T. G. Davidson	296 00	July 21	Judgment obtained.
Jonas S. Parker	T. G. Davidson, T. Tompkins, B. Childress	600 00	Aug. 1	Judgment obtained.
S. M. Viers	William Venables, J. K. Gorman	500 00	Aug. 2	Judgment obtained.
S. G. Parsons	T. G. Davidson, G. T. Raoul	632 00	Sept. 7	Curtailment paid. Note renewed.
Robt. Burton	John Killian, R. Duncan, L. Briggs	375 00	Sept. 12	Judgment obtained.
S. G. Parsons	D. W. Wall, George McMichael	190 00	Sept. 18	Curtailment paid. Note renewed.
Adville Atkins	John Boykin, W. Burton, James Boykin	265 00	Sept. 18	Curtailment paid. Note renewed.
John Killian	Joseph Killian, Joseph Killian, jr.	800 00	Sept. 25	Judgment obtained.
T. W. Kellum	William Batterson	100 00	Oct. 1	Paid.
		8,880 50		

Doc. No. 111.

From the above list it appears there were nineteen notes put in suit, having thereon fifty-nine names, and amounting in the aggregate to \$8,880 50.

BRANCH OF UNION BANK OF LOUISIANA, Covington, February 7, 1840.

No. 4.—List of notes discounted, protested—branch Union Bank of Louisiana, Covington, on which suits are not yet instituted.

Drawers.	Endorsers.	Amount.	When protested.	Remarks.
Corporation of Covington		\$600 00	May 27, 1839	
Corporation of Covington		648 00	June 4, 1839	
Corporation of Covington		675 00	June 4, 1839	
N. B. Mitchell		50 00	September 14, 1839	
Meredith Reneau	Walthall Burton, H. Thompson	136 00	October 2, 1839	
David Clough	S. G. Parsons, Elijah Settoon	175 00	October 12, 1839	
Walthall Burton	M. Reneau, William Collingsworth	400 00	October 16, 1839	
James S. Bickham	Thomas Bickham, M. G. Penn	3,532 00	October 16, 1839	
T. G. Davidson	M. G. Penn	843 00	November 14, 1839	
Francis Bickham	E. P. Ellis	500 00	November 21, 1839	
John Carkern	Stephen R. Carkern, Thomas Webb	81 39	November 23, 1839	
Monette Parent	Louis Seymon, M. G. Penn	1,337 50	November 25, 1839	
William Bickham	M. G. Penn, L. Briggs	842 94	November 28, 1839	
Meredith Reneau	Walthall Burton, H. Thompson	224 00	December 18, 1839	Due December 25, protested December 24.
M. J. Bickham	Thomas Bickham	309 25	December 25, 1839	Due December 25, protested December 24.
James S. Bickham	William M. Bickham	400 00	December 25, 1839	
John Bickham	James S. Bickham, A. C. Bickham	950 00	December 28, 1839	Due Jan. 1, 1840, protested Dec. 31, 1839.
W. M. Bickham	A. C. Hosmer	125 00	January 1, 1840	Due Jan. 1, 1840, protested Dec. 31, 1839.
Walthall Burton	Eras. Williams, H. Thompson	340 00	January 1, 1840	
Moses Eastman	Wm. A. Read, cashier, with collateral	1,400 00	January 7, 1840	
A. C. Bickham	M. G. Penn, T. T. Terry	130 00	January 8, 1840	Due January 8, protested January 7.
J. W. Steagatt	Walthall Burton, Hezh. Thompson	2,000 00	January 8, 1840	Due January 8, protested January 7.
R. Mercer	George Richardson, William Akers	200 25	January 8, 1840	Due January 8, protested January 7.
W. M. Bickham	John Bickham, M. G. Penn, L. Briggs	1,386 00	January 15, 1840	
Thomas Bickham	E. P. Ellis	206 00	January 29, 1840	

Doc. No. 111.

N. B.—The four first notes were in hand protested when others were handed for suit, but retained for sufficient reasons.

BRANCH OF UNION BANK OF LOUISIANA, Covington, February 7, 1840.

We, the undersigned, David B. Morgan, president, and William A. Read, cashier, of the branch of the Union Bank of Louisiana, at Covington, do solemnly swear that the statements hereunto annexed, marked numbers 1, 2, 3, and 4, prepared in answer to interrogatories of the bank committee, appointed by the Legislature of this State, contain the truth, the whole truth, and nothing but the truth, to the best of our knowledge and belief: so help us God.

DAVID B. MORGAN, President.
WM. A. READ, Cashier.

Sworn and subscribed before me, this 8th day of February, A. D. 1840.
LYMAN BRIGGS, Judge of the Parish of St. Tammany, Louisiana.

673

Proceedings in both Houses relative to the refusal of certain banks to answer the interrogatories of the joint committee.

[From the Journal of the House of Representatives, March 11, 1840.]

Mr. C. M. Conrad, on behalf of the bank committee, reported several documents, showing the neglect or refusal of the Canal and Banking Company, and of the City Bank of New Orleans, to answer to certain interrogatories propounded to them by said committee.

Ordered that said documents be printed.

[From the Journal of the Senate, March 13, 1840.]

Whereas the Senate heretofore passed a resolution authorizing the bank committee to punish, as for contempt, the refusal of their officers to respond to the inquiries submitted to them:

And whereas one of the leading grounds for the adoption of said resolution of the Senate was the impracticability of the Houses acting in concert in inflicting the punishment for contempt against both Houses:

And whereas the House of Representatives refused to concur in said resolution, but instructed the committee to report such cases of refusal to both Houses:

And whereas the bank committee have reported the refusal of S. J. Peters, the president of the City Bank, and the president and cashier of the Canal and Banking Company, and of the Gas Light and Banking Company, (as per reports from the committee of the 9th and 10th of March will more fully appear) to answer some of the interrogatories propounded to them:

Resolved, That the Senate approve of the course adopted by the joint committee in ordering the questions propounded, to be answered, and all the proceedings of the committee on the subject.

Resolved, That the Senate has no power, as a separate body of the Legislature, to punish as a contempt an act equally a contempt against both Houses, without the consent of the House; and that the action of the committee on the subject, as reported to the Senate, be entered on the journals; and that the Senate take no further order in the matter, unless some further measure be suggested by the House.

Mr. Winn called for the yeas and nays on its adoption.

For the adoption, Messrs. Bossier, Downs, Dupre, Hoa, Porche, Scott, of Baton Rouge, Scott of Feliciana, and Winn—8 yeas.

Against it, Messrs. Ducros and Thibodeaux—2 nays. Adopted.

The following act, introduced by the majority of the joint committee on banks, passed the Senate:

AN ACT amendatory of the bank charters of this State, and for other purposes.

SEC. 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana in General Assembly convened*, That, immediately after the promulgation of this fact, and on the first Monday of the month of February in each and every year, or as soon thereafter as possible, it shall be the duty of the Governor, by and with the advice of the Senate, to appoint three competent persons to constitute a board, to be denominated "the Board of Currency of the State of Louisiana." The qualifications of the members of the board of currency shall be as follows, viz: first, to have been citizens of the United States, and inhabitants of the State of

Louisiana, for at least five years previous to their appointment; not to be a director or commercial partner of any bank director; not to be a money broker.

SEC. 2. *Be it further enacted*, That, as soon as possible after their appointment, the members of the board shall elect one of their number for their president, and he shall continue in office, as well as the other members of the board, until the second Monday of February in the year following their appointment, or until their successors be qualified to act; and whenever a vacancy shall occur in the board, by resignation, death, or otherwise, said vacancy shall be filled by the Governor, or by the Governor and Senate, as the case may be. The members of the board, except the president thereof, shall be entitled to a salary of \$2,500 a year each; and the said board shall have power to appoint a secretary, to whom, as well as to their president, they shall grant such compensation as they may deem reasonable and proportionate to the services by them rendered; and all expenses attending the organization and operations of the board shall be paid by the banks accepting this act, as hereinafter specified, *pro rata* their capital paid in: *Provided*, the total amount of the expenses of the said board, including the salary of their members, shall never exceed \$14,000 per annum, and shall be paid quarterly, on the order of the president, accompanied by a statement of said quarterly expenses.

SEC. 3. *Be it further enacted*, That each member of the board of currency shall, before entering upon the discharge of his duties as such, take and subscribe, before the parish judge of the parish of Orleans, the following oath, to wit: "I, A B, do solemnly swear that I will faithfully perform all the duties incumbent on me, as a member of the board of currency of the State of Louisiana, to the best of my abilities, and agreeably to an act entitled 'An act amendatory of the bank charters of this State, and for other purposes;' that I am now, and have been for the last five years, a citizen of the United States, and a resident of the State of Louisiana; that I am not a director, or commercial partner of any bank director, nor a money broker; nor will I be placed in any one of these positions while I remain in office." Which oath shall be deposited in the archives of the Secretary of State; and each member of the board, before entering upon the duties of his office, shall give bond, with at least two securities, payable to the Governor of the State and his successors in office, in the sum of \$20,000, for the faithful performance of his duties under this act; which bond shall be received and filed away in his office by the Secretary of State.

SEC. 4. *Be it further enacted*, That the board of currency is hereby authorized to investigate, out of banking-hours, as often as it may deem it expedient, all the affairs of the banks of this State, whether in operation or liquidation; to call for papers and persons; and to demand every information it may judge necessary to carry into full effect the provisions of this act: *Provided* they shall not have the power to transfer the books and papers out of the bank.

SEC. 5. *Be it further enacted*, That it shall be the duty of the board of currency, immediately after its organization, and on the last Saturday of December in each year, to ascertain as accurately as possible the true condition of every banking institution in this State, and to require of each the following statements, certified by its president and cashier, and made up to the close of the same day: First, a full and detailed statement of the affairs of the bank; second, a detailed statement of its cash responsibili-

ties and of its specie on hand : which statement shall be duly recorded in a book to be kept for that purpose ; and on the last day of each month it shall also be the duty of the board of currency to require the following statement from every bank, certified as above, viz : a statement of its deposits, designating the kind of money ; of its circulation, designating the kind of paper ; of its cash, designating the kind of money.

And from and after the first Monday of April, 1841, it shall be the duty of the board of currency to average, quarterly, the amount of specie in each bank during the previous quarter, (say on the first Monday of April, July, October, and January, in each year,) and to publish the same ; and the statements and quarterly averages above required shall also be recorded. That it shall be the duty of the board of currency, on the first Monday of each month, to publish, in French and English, in at least two of the papers printed in New Orleans, (of which the State Gazette shall be one,) a condensed statement of the circulation of each bank, of its deposits, and of its specie. That it shall also be the duty of the board of currency, on the second Monday of January in each year, to transmit, under a sealed cover, to the address of each house of the Legislature, a report of its operations during the preceding year, and a condensed statement of the condition of the banks, made up to the close of the same day, together with the record book required by this section ; and the Governor of this State, or a committee of either branch of the Legislature appointed for that purpose, shall have the power to examine, as often as they may deem it expedient, the records of the said board of currency, and to demand copies of any documents they may require.

SEC. 6. *Be it further enacted*, That all banks accepting this act shall be authorized—

1. To emit post-notes, payable on the first Monday of April, 1841 ; said post-notes not to be of a lower denomination than \$20, and not to exceed, together with all emissions by any bank, the following proportion of the capital now paid in ; *i. e.* :

The Union Bank	20	per cent.
The Citizens' Bank	20	" "
The Commercial Bank	30	" "
The Consolidated Association of the Planters of Louisiana	35	" "
The City Bank	35	" "
The Carrollton Railroad and Banking Company	35	" "
The Louisiana State Bank	35	" "
The Improvement and Banking Company	40	" "
The Gas Light and Banking Company	35	" "
The Merchants' Bank	45	" "
The Exchange and Banking Company	45	" "
The Mechanics and Traders' Bank	35	" "
The Atchafalaya Railroad and Banking Company	45	" "
The Orleans Bank	50	" "
The Bank of Louisiana	25	" "
The Canal and Banking Company	25	" "
The Clinton and Port Hudson Railroad Company	50	" "

And it shall be lawful to use as post-notes the present bank-notes not under the above denomination, provided they be stamped as hereinafter directed.

2. To charge on all notes having less than four months to run, six per cent. ; having more than four and less than six months, seven per cent.

having more than six and less than nine months, seven and a half per cent. ; having more than nine months, eight per cent. per annum. It being well understood that this increase of interest is not extended to loans to stockholders of the property banks, (banks based upon the mortgage of property,) guarantied by their stock.

That it shall be the duty of the banks accepting this act to exchange between themselves every day, on opening their doors, their respective post-notes and bills, as far as practicable ; and from and after the resumption of specie payments, each of said banks shall actually pay out and use its own notes for all its daily transactions and payments when demanded.

SEC. 7. *Be it further enacted*, That as soon as the circulation of every bank in this State shall have been ascertained by the board of currency, as provided by the 5th section of this act, the banks having a larger circulation than that prescribed by the 6th section shall be notified by the said board to curtail gradually said circulation, so that it may be within the amount by the first of December, 1840 ; and the banks having a less circulation shall be authorized to make up the difference, by issuing post-notes, which notes shall be stamped by the board of currency, "post-notes payable first Monday of April, 1841, (signed A B, president board of currency,)" and it shall be the duty of said board to receipt for the notes received for stamping, to keep a record of the same, and to require a receipt from the respective banks on their delivery, which delivery shall be made as soon as practicable.

That the president and directors of the banks having a larger circulation than that prescribed by this act, and increasing said circulation, shall be liable, *in solido*, to a fine of \$5,000 per month, until they shall have reduced the same to the amount ascertained as above by the board of currency ; and it shall be the duty of the attorney general to sue for said fine, on the application of said board : *Provided, however*, That the protest or vote in the negative of any director against such an increase of circulation, shall exonerate said director from the penalty above stipulated.

SEC. 8. *Be it further enacted*, That each bank shall be bound to have in its vaults, on or before the first of July, 1840, in gold and silver, at least one-tenth of its capital paid in. That from and after the first Monday of April, 1840, it shall be the duty of every bank to have in its vaults an amount in gold and silver equal to at least one-third of its circulation and deposits ; and the directors of any bank having on the first of July, 1840, and on the quarterly average provided by this act, less than the required proportion of metallics, shall be fined, *in solido*, \$5,000 for each offence.

That from and after the first Monday of April, 1841, no bank shall be permitted to emit any bank-note not payable on demand.

That it shall be the duty of every bank in the city of New Orleans, from and after the first Monday of April, 1841, to settle its balances weekly with the other banks in said city, and to pay, or require the payment (as the case may be) in specie, of any balance due to or by it, and to reject the paper of any bank neglecting or refusing to effect such settlement ; and it shall also be the duty of every bank located out of the city, to settle its balances in the same manner, at least once a month, either in specie, or by sight checks on the city banks. That from and after the first Monday of April, 1841, the protests made by a notary public, after due demand and refusal of payment of any bank or post-note, unless declared and proved to be a forgery, shall constitute the forfeiture of the charter of such bank ; notice of

which protest shall be served by the notary on the president of the board of currency. And it shall be the duty of the board of currency to convene, as soon thereafter as practicable, a meeting of the stockholders of said bank, for the purpose of appointing commissioners to liquidate the concerns of said bank; and the holders of all bank or post notes of any such bank shall hereafter be entitled to ten per cent. per annum interest, until paid.

SEC. 9. *Be it further enacted*, That any bank forfeiting its charter under this act, shall be compelled, after calling in *pro rata* the amount due by each debtor, a sufficient amount to cover the cash responsibilities of said bank, and the bonds of the State falling due within two years, to grant to its debtors, if required, one, two, and three years, in equal instalments, at eight per cent. interest, provided such debtors shall furnish good and sufficient security to the satisfaction of the commissioners of liquidation; and in case the said commissioners and debtors cannot agree upon the sufficiency of the security, the opinion of the board of currency created by this act shall decide thereupon.

SEC. 10. *Be it further enacted*, That no bank in this city shall receive as cash, in payment of debts due it, or on deposit, checks drawn by individuals, companies, or corporations, upon any other local bank.

That from and after the first Monday of April, 1844; no notes of a less denomination than \$10 shall be issued by any bank in this State; that the capital paid in of each bank (the property banks excepted) on the first Monday of April, 1841, shall be considered as the full capital of said bank.

That the notes of the banks that shall not accept this act shall be refused by the other banks in payment of debts or otherwise; and the president and directors of such banks are hereby prohibited from issuing any bank-note not payable on demand, under the penalty of \$500 for every note or post-note thus emitted, each penalty to be sued for on application of the board of currency; and the notes of such banks shall not be received in payment of any State, parish, city, or corporation dues, by any collector or receiver thereof. And all public officers are hereby prohibited from receiving the notes of such banks, in their official capacity, under any circumstances, or in any case; and if any collector, receiver, or other public officer, shall infract, or in any manner evade the provisions of this section, he shall, on conviction thereof, suffer fine and imprisonment at the discretion of the court, and be removed from office.

SEC. 11. *Be it further enacted*, That no person shall be admitted to vote on any shares which shall have been transferred to him for the purpose of entitling him to vote thereon at the election then to be held, nor upon any shares which he shall previously have agreed to sell or transfer after the election, upon any condition, agreement, or understanding in relation to his manner of voting at such election.

That every person offering to vote may be challenged by any other person authorized to vote at the same election; and to every person so challenged one of the inspectors shall administer the following oath: "You do swear or affirm (as the case may be) that the shares on which you now offer to vote do not belong to any other person whatever; that such shares were not transferred to you for the purpose of entitling you to vote thereon at this election; and that you have not agreed to sell or transfer them upon any condition, agreement, or understanding, in relation to your manner of voting in this election."

That no person shall be permitted to vote upon the proxy of a stock-

holder, unless he shall produce, annexed to his proxy, an affidavit of such stockholder stating the facts to which the oath of said stockholder might have been required, upon a challenge, had he offered to vote in person on the shares mentioned in the proxy.

That if any person duly challenged shall refuse to take the proper oath, his vote shall be rejected, and shall not afterwards be received at the same election. If he shall take the oath, his vote shall be received.

That where the election or appointment of part of the directors is left to the Legislature, or the Executive and Senate, it shall be lawful to elect or appoint such directors from among persons who are not stockholders.

That no one shall be a bank director, unless he be a citizen of the United States, and has resided in this State at least five years before his election or appointment.

That every director, officer, agent, or clerk of a banking institution, who shall make any false statement, or false entry, in the books of said institution; or who shall exhibit any false paper with intent to deceive as to the condition of such institution, shall be deemed guilty of felony, and shall be subject to imprisonment in the penitentiary of this State for a term not exceeding three years.

SEC. 12. *Be it further enacted*, That, immediately on the resumption of specie payments, public notice to that effect shall be given in the State gazette; and the clauses contained in the 6th and 7th sections of this act, limiting the circulation, shall be *ipso facto* repealed: *Provided*, That this section shall not be construed so as to apply to the clause limiting the capital of all banks to the capital paid in on the first Monday of April, 1841.

SEC. 13. *Be it further enacted*, That it shall be the duty of the banks of this State, within five days after the promulgation of this act, to call a meeting of their respective stockholders, by a notice inserted daily to that effect, in French and English, in the State paper, and one other paper published in the city of New Orleans; and said meeting shall take place not less than twenty, and not more than ninety days after its first publication; and the approval or refusal of this act shall be decided in said meeting by the majority in number and amount of the stockholders present or duly represented; a record of which, signed by all the stockholders present agreeing thereto, shall be transmitted to the board of currency, whose duty it shall be to record the said proceedings in a book to be kept to that effect, and to deposit the original in the archives of the Secretary of State, and to publish a list of all such banks as shall have accepted this act, in the State paper, in French and English.

SEC. 14. *Be it further enacted*, That it shall be the duty of the board of currency to direct the attorney general to examine critically the charters of all the banks refusing to accept this act, or who shall not have accepted it within ninety days after its promulgation; and to sue them for the forfeiture of said charters, on the violation of any of the conditions therein contained, whether this violation be anterior or posterior to the promulgation of this act.

SEC. 15. *Be it further enacted*, That all fines and penalties under this act shall be sued for by the attorney general, and all sums recovered shall be paid over by him, after a deduction of ten per cent. for his own services, to the president of the Charity Hospital of New Orleans, for the use of the said Charity Hospital.

SEC. 16. *Be it further enacted*, That at least two-fifths in amount of all

the sums hereafter let out by any of the banks of the State, whether as loans or discounts, renewals accepted to the extent of half the capital now paid in, or to be hereafter paid in, of any of the banks of this State, shall be loaned to persons residing out of the incorporated limits of the cities of New Orleans and Lafayette, and without requiring the guaranty or endorsement of a resident of the said cities; and the loans to the extent of the two-fifths shall be so distributed as to give to the citizens of every part of the State, applying therefor, residing out of the incorporated limits of the cities of New Orleans and Lafayette, a just proportion thereof; and it is made a part of the special duty of the board of currency to see that the provisions of this section are carried into effect, according to the spirit and true intent and meaning thereof: *Provided*, That such banks as now have, or hereafter may have branches, shall transmit said two-fifths to the said branches, in proportion to the respective capital of such branches, to be loaned out by the directors thereof. And it shall be the duty of the board of currency, on the second Monday of December in each year, to obtain from each bank a statement, which the said board shall verify, of the amounts loaned to the citizens of each parish, or transmitted to the branches by each of the banks, in conformity to the provisions of this section; which statement shall be condensed into one general tableau by the said board, and one hundred copies thereof printed for the use of the General Assembly, by the first Monday of January of each year; and the said statements shall be recorded by the said board in the book provided for in this act. And all loans on mortgage, or long paper, hereafter to be made by any of the banks of this State, except to residents of the parish and city of Orleans and Lafayette shall, if required, be renewable for five successive years, on payment of one-fifth, with interest on the balance annually, except such banks as are by their charters bound to allow a further delay.

And such banks as are bound by their charters to invest a part of their capital in buildings or other improvements, shall be bound only to loan to the country one-half of their surplus capital paid in, or hereafter to be paid in, after deducting the cost of said improvements or other investments: *Provided*, That nothing in this act shall be so construed as to impose upon any bank the obligation to loan to persons residing in the country more than one-half of its capital paid in, or to be hereafter paid in.: *And provided further*, That every bank shall be bound to have loaned on or before the 30th of November, 1841, the full proportion of the capital allotted to persons residing out of the cities of New Orleans and Lafayette.

SEC. 17. *Be it further enacted*, That, at all committees of the different boards of directors charged with the negotiation of bills of exchange, there shall always be at least three members present; and their transactions in exchanges shall be recorded, as explicitly as possible, in the minute-book of said board of directors.

SEC. 18. *Be it further enacted*, That hereafter, all loans, discounts, and accommodations made by any bank, shall be made in such manner as to give to every individual, as far as practicable and consistent with the security of the banks, a just and fair share of such loans, discounts, or accommodations; and, with the view of obtaining this object, no loan by any bank to any individual, company, or corporation, on personal security, shall ever exceed as drawer \$20,000, and as endorser or discounteer \$50,000, and on mortgages \$50,000; and all loans, discounts, or accommodations to any individual, company, or corporation, except the city of New Orleans and

the three municipalities in their corporate capacities, shall never exceed \$100,000 in any one bank at any one time, unless on *bona fide* exchange operations: *Provided*, That the provisions of this section shall not affect the existing rights of the stockholders of the property banks.

SEC. 19. *Be it further enacted*, That, if any officer or officers of any bank shall refuse permission, or throw in any manner or let a hindrance in the way of any committee or commissioners appointed by the Legislature, or either branch thereof, for the purpose of examining into the condition of the banks, or shall neglect to afford them all reasonable facility for effecting the examination they may desire, such officer or officers shall incur, for each offence, a penalty of not less than \$500, nor more than \$5,000, at the discretion of any court of competent jurisdiction.

SEC. 20. *Be it further enacted*, That in future, no branch shall be withdrawn, unless the profits arising therefrom shall fall short of six per cent. per annum on the capital sum advanced thereto, for at least two years in succession.

SEC. 21. *Be it further enacted*, That in all cases wherein penalties are provided by this act against presidents and directors of banks for contravening any of the provisions thereof, those of the directors who shall vote against measures tending to contravene such provisions shall be exempt from such penalties, provided he or they shall at the time of voting have the same recorded in the minutes of the proceedings of the board; which vote, so recorded, shall be full and conclusive evidence of the fact.

SEC. 22. *Be it further enacted*, That hereafter, the boards of directors of all such banks as by their charters are now bound to elect more than twelve directors, shall be reduced to that number, exclusive of branch directors: whereof in the Union Bank, the Consolidated Association of Planters, the Bank of Louisiana, the Citizens' Bank, and the Louisiana State Bank, six shall be appointed by the Governor and Senate, or by the Governor, as the case may be; and in all other banks of the State, the Governor and Senate, or Governor, as the case may be, shall appoint three directors: which twelve directors shall be elected at the time prescribed by the several charters of the banks, and no person shall be eligible as director, who shall be director, or commercial partner of any director of any other bank. And no one shall be director of any bank during the term for which he may have been elected to either branch of the General Assembly. That a quorum constituted according to their respective charters, shall be present for the transaction of any kind of business; and no bill of exchange, note, or paper of any kind, shall be purchased or discounted, if one-fourth of the directors present shall object: *Provided*, That no more than three directors, not stockholders, shall in any case be appointed by the State in any bank: *And provided, further*, That where the city of New Orleans now has the right to appoint directors in any bank, said city shall continue to exercise such right, and the number of directors to be appointed by the State shall be reduced accordingly; and in case of a vacancy among the directors appointed by the city, the right to fill up the said vacancy shall remain in the city.

SEC. 23. *Be it further enacted*, That it shall be the duty of the attorney general, on the affidavit of two or more respectable persons of the non-performance by any member of the board of currency, of the duties imposed on said board by this act, to prosecute such member before any court of competent jurisdiction; and if any member of said board shall fail to

perform any of the duties required by this act, or shall violate any of its provisions, he shall, moreover, on conviction, be fined and imprisoned at the discretion of the court.

SEC. 24. *Be it further enacted*, That hereafter, no bank shall be entitled to any other remedy, nor shall adopt any other mode of proceeding for the sale of mortgaged property, nor enjoy any other privilege for the sale thereof, than is allowed by the existing laws to private individuals. *Provided*, That this section shall not apply to property mortgaged for the security of the payment of any bonds for which the faith of the State is pledged: *And provided, further*, That it shall not apply to any existing contracts.

SEC. 25. *Be it further enacted*, That no bank shall ever apply any of its funds, directly or indirectly, to the purchase of shares of its own stock, nor shall receive any such shares as payment or satisfaction of any debt due to the bank. It shall be lawful for any bank to lend on pledge of stock, of which the full amount has been paid in, thirty per cent. on the amount thereof, and no more; and that such loans or accommodations as shall have been heretofore made on the pledge of stock, shall be reduced to the amount above stated by the first Monday of April, 1844: *Provided*, That this section shall not be so construed as to affect the rights heretofore conferred upon the stockholders of the property banks.

SEC. 26. *Be it further enacted*, That it shall be the duty of every bank, on the first Monday of every month during the suspension of specie payments, and every three months after the resumption of the same, to furnish the board of currency with a statement of all its debtors on personal security over \$10,000, giving the names of such debtors, alphabetically arranged, and of their securities; also, a statement of such paper as may have been under protest for more than ten days, giving the names of the drawers and endorsers of such paper. And it shall be the duty of said board of currency to condense, as soon thereafter as practicable, said statements; and to furnish a copy thereof to each bank.

SEC. 27. *Be it further enacted*, That the exception contained in the 5th section of the act entitled "An act to determine the form and effects of the election of domicile with regard to promissory notes, made in favor of the banks of the State, and for other purposes," approved March 13, 1818, be, and the same is hereby, repealed; and hereafter no bank shall enjoy the privilege of suing any person or company out of his place of actual domicile, except in the cases provided for by the civil code and code of practice, or by acts of the Legislature subsequently passed.

SEC. 28. *Be it further enacted*, That the several banks of this State shall be, and are hereby, relieved from any and all consequences resulting from heretofore failing to perform the duties and requirements of their charters, whether by suspending specie payments or otherwise, by accepting and acting under and in conformity to the provisions of this act: *Provided*, That those which may have suspended specie payments shall resume the payment of specie on all their notes, bills, and other liabilities, on or before the first Monday of April, 1841.

SEC. 29. *Be it further enacted*, That hereafter no bank shall make any dividend of profits during a suspension of the payment of its obligations (or any part thereof) in specie, under the penalty of a fine of two thousand dollars against each and every director thereof who shall vote to declare such dividend.

SEC. 30. *Be it further enacted*, That whenever any bank shall have suspended specie payments, or the directors shall have passed a resolution to that effect, such bank shall not be considered to have resumed until notice thereof shall have been given, stuck up in some conspicuous place outside of the door of the banking-house of such bank for one week, and published during the same space of time, in French and English, in a newspaper printed in the city of New Orleans.

SEC. 31. *Be it further enacted*, That, in all judicial proceedings which may be had under or by virtue of this act, the books and records of the banks shall be admitted as evidence in its cause.

SEC. 32. *Be it further enacted*, That any bank which shall surrender its charter or banking privileges, and which shall, in conformity with its charter, have constructed any public works or improvements, such bank may retain its corporate powers, and all the other privileges conferred by its charter, so far only as the continuance of such powers and privileges may be necessary to enable it to retain the property in such works or improvements, and to manage and carry on the same, until the termination of the period fixed by its charter.

SEC. 33. *Be it further enacted*, That all the banks of this State are prohibited from buying, selling, bartering, or trading for cotton, sugar, or any other produce, and from selling or bartering away specie; and for every infraction of this section, the bank so offending shall forfeit and pay the sum of two thousand dollars, and the directors assenting to the same shall be fined and imprisoned at the discretion of the court.

SEC. 34. *Be it further enacted*, That this act shall be in force from and after its publication in the State gazette.

Report of the minority of the Joint Committee on the Banks, with the accompanying documents.

To the Hon. the Senate and House of Representatives in General Assembly convened:

The undersigned, members of the committee appointed under a joint resolution, directed "to examine into the situation of the several banks in this city, and to procure all practicable information in regard to the management of said institutions, which may be deemed important in regulating the action of this Legislature in relation thereto—particularly whether any (and which) of said banks have suspended specie payments, since the adjournment of the Legislature in March last, and the causes of said suspension; and whether or not said suspension still continues; and whether any (and which) of said banks have neglected to comply with the provision of the 3d section of the law, entitled 'An act to relieve such of the banks of this State whose charters may have been forfeited by suspension of specie payments, from such forfeiture,' which requires said banks to make weekly payments of their balances in gold or silver; and to make monthly publications of the amount of their circulation, deposits, and amount of specie on hand; and, also, to report to this House what measures would, in their opinion, be best calculated to remedy the present embarrassment of the banks, and to prevent the recurrence thereof,"—having differed from some of the views taken by others of said committee, beg leave to make on their part the following report:

That, as the most speedy and effectual way of accomplishing their task,

the committee propounded a series of questions to the presidents and cashiers of the different banks in this city, and requested them to furnish certain statements containing such information as was desired by the committee. They regret that the great delay which occurred before the answers and statements were furnished to the committee should have prevented them from reporting the result of their inquiries at an earlier period of the session.

The answers and statements furnished to the committee, containing an immense mass of matter, are laid before the two Houses for their inspection; and we will therefore confine ourselves to a brief view of the information contained in them, and of the subjects submitted to their attention.

On the 19th day of October, 1839, all the banks in this city, except the Merchants' Bank, did suspend specie payment; and said suspension has continued up to the present time. The boards of two or three of the banks did, it seems, *pass resolutions* to resume; but as these resolutions do not appear to have been known to the other banks or to the public, and their notes, like those of the other banks, always continued to be below par, we consider such resummptions as merely nominal; and they were probably only intended (whether effectually or not, it is needless to inquire) as the means of averting the forfeiture of their charters, which resulted from the continuance of the suspension during a certain period.

We would most willingly have abstained from all discussion of the causes which occasioned this suspension. It is a subject complicated in its nature, and on which those who are best informed (and we do not profess to be of that number) are found to differ in opinion.

But, as the resolution appointing the committee directed it to report on this point, we can only give the conviction which the testimony adduced, facts of historical notoriety, and our own reflections have concurred in producing on our minds.

As soon as it was ascertained that the charter of the Bank of the United States would not be renewed, most of the States thought it necessary to fill the void occasioned by the withdrawal of its capital, by creating State banks. As each State acted in this matter without reference to what had been done in others, an augmentation unexampled in rapidity and amount took place in the paper currency of the country.

The removal of the Government funds, which took place about the same time, to the vaults of State banks, and on which those institutions proceeded to operate as if it formed a part of their permanent capital, contributed to swell still more the overflowing current of circulation. Unfortunately, the only check to excessive issues, which had yet been found effectual, (to wit, a national bank,) was withdrawn at the very moment when its salutary operation was most required. The consequences are well known—a rapid expansion of the currency; a consequent rise of every description of property; extravagant speculations; an immense increase of foreign and domestic debt; created from one extent of the country to the other: a state of apparent but delusive prosperity, which concealed from the most penetrating eyes the abyss into which it was destined shortly to be plunged.

As the supply of specie must, from its very nature, be limited, and cannot increase *ad infinitum*; to meet the increasing exigencies of paper circulation, of which it is the indispensable basis, the suspension of 1837, however it may have startled us when it occurred, cannot surprise us now. Many experienced persons believe that the resumption of 1838 was prema-

ture, as the banks were still in a weak and exhausted state, and hardly able, under the most favorable circumstances, to maintain themselves.

But a number of causes contributed to increase the difficulty of permanent resumption. We were largely indebted to Europe—particularly to England. Owing to the great depression of our chief staple commodity, a smaller portion of this debt was paid in, than we had reason to expect. At the moment when these discouraging facts were known, it was also ascertained that an immense exportation of the precious metals was taking place from England to the continent, for the purchase of grain. The consequence was, that a large amount of coin was suddenly abstracted from the vaults of our banks, and exported to Europe. Distrust and alarm succeeded, which were greatly increased by the recollection that the General Government, so far from aiding our tottering institutions to sustain themselves, would exult in their downfall, if not endeavor to precipitate their ruin. Is it surprising that the banks were unable to withstand the shock occasioned by such a concurrence of causes? As soon as it was known here that the banks in Philadelphia (particularly an important institution which has usurped the name, but has none of the attributes, of a Bank of the United States.) had suspended payment, a meeting of the presidents of some of our banks was held, at which it was determined that it was expedient for the banks in this city also to suspend. We are of opinion that this course was the one which prudence, and perhaps even necessity, dictated.

The example of the banks of Philadelphia having been speedily followed by those in the States adjoining our own, and in the west, with which we have the most intimate commercial intercourse, the alternative was presented to the banks in this city—either to suspend specie payment, or be drained of every dollar in their vaults, and then close their doors until the state of the commercial world would enable them to resume their operations. If the distress of every class of the community is great at present, what would it have been had the latter course been pursued? As to the best means of preventing a recurrence of this calamity, we doubt whether any such lie within the compass of State legislation. As the causes are not local, no local remedy can effectually remove them.

Nothing, indeed, can be more obvious, than that when twenty-six different States possess the unlimited power of creating and conducting these institutions, and no controlling power is anywhere vested, inevitable confusion must follow.

These States are so intimately connected by their social, commercial, and political relations, that each one is almost as much affected by what is done by the others, as by what is done within its own limits. Thus the banks and the commerce of Louisiana are embarrassed at this moment by the depreciation of the currency in the adjoining States; and any circumstance calculated to weaken public confidence in the banks of New York and Philadelphia, would be felt like an electric shock from one extremity of the Union to the other. Until, therefore, the General Government shall have discharged the duty reposed in it by the constitution, of regulating (either by the establishment of a national bank, or in some other manner) the currency of the country, we are afraid that the monetary institutions of the country can never rest on a solid and permanent basis. But although we are of opinion that no State Legislature can ever effectually prevent these convulsions, we nevertheless believe that a wise and judicious management of the banks will tend to diminish both their frequency and their violence.

A bank may be viewed in three characters very distinct in their natures:

1st. As an association of individuals with a sole view to profit.

2d. As an auxiliary to the commerce and industry of a country, by the facilities which it affords; and,

3d. As a furnisher of a circulating medium.

In the first of these characters, neither the community at large, nor the State in its sovereign capacity, has any direct interest. In the second it is otherwise; inasmuch as the public have a right to expect that institutions chartered for the benefit of all, should not be so managed as to redound to the exclusive benefit of a few.

Although, therefore, we can scarcely hope that, as long as they are managed by men having the ordinary infirmities of nature, a rigid impartiality shall preside over their administration, any regulation which can effectually prevent a monopoly of their favors must be equally beneficial both to the public and to the stockholders.

But it is as the furnisher of paper currency that the banks possess the most important character, and most demand the attention of the Legislature. Viewed in this light, every man in the community, from the richest to the poorest, has a direct interest in them. By their contractions or expansions, the value of property and the price of labor are enhanced or diminished; by their insolvency, every one may be a direct loser.

There is little danger of their not emitting paper enough. To guard against over-issues, and to insure the ultimate redemption of their notes, are the objects to which legislation should be principally directed.

In the absence of a national bank, it is believed that the best safeguards against over-issues are frequent settlements and payment of their balances *in specie*. To insure this object, the Legislature, at its last session, passed an act entitled "An act to relieve such of the banks of this State, whose charters may have been forfeited by a suspension of specie payments, from such forfeiture;" the 3d section of which enacts—

"That it shall be the duty of the banks of the city of New Orleans to settle and pay the balances due by them to each other, every Monday morning, in gold or silver: and they shall, on the first Monday of each month, publish, in at least one of the newspapers of the city of New Orleans, a statement showing the amount of their circulation, deposits, and amount of the specie in their vaults."

The committee have, by the resolution appointing them, been directed to report whether the banks have complied with the requisitions of this section. To ascertain this fact, interrogatories were addressed to the president and cashier of each of the banks, who have all answered in the negative.

Some say they were not aware of its existence; others seem to suppose that it did not apply to them, because their banks had not forfeited their charters; others assign no reason whatever for the omission.

We need only observe that this provision was one which the Legislature had a right to enact; even in relation to banks whose charters were not forfeited. It involved no violation of vested rights, no alteration of the charters—on the contrary, it was intended to carry out the objects of the charters, and to protect the rights of the stockholders, as well as those of the public. The language of the section evidently shows that the Legislature intended to apply it to all the banks in the State; and whether their charters had been forfeited or not, we cannot refrain from expressing our astonishment and regret that a provision of such obvious utility should have

been totally disregarded by those whose duty it was to enforce it; and we recommend that a pecuniary penalty be attached to its infraction.

As the law of 1839 is applicable only when the banks are paying specie, there is no check or limitation whatever to their emissions when they have suspended, except the discretion of the directors. That this is not in itself always a sufficient guaranty, is proved by the frightful depreciation which has taken place in the currency of some of the States, and by the inequality which prevails in this respect among our own banks.

Taken as a whole, the management of banks in this city, since the suspension of specie payments in October last, appears to us to have been cautious and prudent. In a period of great commercial distress, it requires more than ordinary firmness in a board of directors to withstand the temptation to make excessive issues; and if this State has not been flooded with irredeemable paper, and the banks themselves and the community thereby involved in inextricable difficulties, it is due to the intelligence and firmness of the boards of directors of some of the banks.

By a comparative statement, made out by the secretary of the committee, of the aggregate amount of notes in circulation on the 19th October, 1839, (the date of the suspension,) and on the 31st January, 1840, it appears by statement No. 6 that the amount at the former period was \$4,412,693 00

At the latter period - 6,993,704 00

Showing an increase of circulation of - - - - - 2,549,511 00

This augmentation appears at first sight to be large; but when it is recollected that the first period is one when the business of this city is almost totally suspended, and the last is one of the greatest commercial activity, it will not seem immoderate.

It is to be observed, too, that there has been in the same period an increase of specie of about - - - - - \$432,000 00

And a diminution of balances due to banks of other States, of about - - - - - 440,000 00

The total amount of specie now on hand is - - - - - 3,397,379 00

By the same statement, it will appear that the banks have not all pursued the same course in this respect; some have curtailed their circulation, while others have greatly and disproportionately enlarged it; and this difference does not appear to have been at all governed by the principle which should govern the banks in regulating their course in this respect—that is, to increase their circulation in proportion to their available capital.

In such a state of things, some banks will always naturally seek to push their circulation to its utmost limits, while others will pursue a more cautious and correct course. If all were to pursue the former course, great depreciation of the currency, and consequent ruin and confusion, would inevitably follow. If all do not pursue that course, a few may do it with impunity and profit, and will thereby monopolize the circulation and the profits, which should be equally apportioned among all.

We hope that the clause in the bill which requires periodical settlements of balances, even during the suspension, will tend to diminish this evil.

There are some other abuses in the management of the banks, which we think the present a favorable moment to correct. Some of them have purchased and shipped cotton, or made advances on bills drawn against it, without any regard to the ability of the drawer, but relying solely on the cotton for their payment. Such a practice is unquestionably as illegal as

it is dangerous, as all confidence in banks must cease if they are permitted to embark in the hazard of commercial operations.

It is true that the shipments have, with a few exceptions, been confined to cases where the object was to provide for the payment of bonds, or interest on bonds, payable in Europe; and the extraordinary derangement of the exchanges between this country and Europe is certainly some apology for this departure from the legitimate sphere of their business; but we consider the practice as too dangerous to suffer it to pass unnoticed.

Some of the banks have made dividends while under suspension. This appears both unjust and impolitic, as the stockholders of a bank ought not to divide profits when it is not paying its debts.

Some gentlemen of the committee, supposing it possible that the funds of the banks might sometimes have been applied to promote political purposes, through the medium of the public press, a question calculated to elicit information on that point was addressed by the committee to the presidents and cashiers of the different banks; and, unless we discredit their uniform testimony, the result of this inquiry must be an honorable acquittal of all of them from a suspicion which, if well founded, would be equally discreditable to them and to the press.

We will conclude by observing, that, in our opinion, it is highly desirable that some three or four of the banks in this city should go into immediate liquidation. Such a measure would tend greatly to restore public confidence in the remainder, to remove from them a weight with which they are now encumbered, and thereby facilitate their resumption of specie payment. The operation, while it would be beneficial to the other banks, would be attended with no embarrassment to the public, as the circulation of the liquidating banks would be immediately replaced by that of other and sounder ones. Provision might also be made to prevent the operation from falling too heavily on the debtors of those banks; by prolonging the time allowed them for the payment of their debts. Nor would the stockholders be the losers by it.

That there has been, for several years past, a redundancy of banking capital in this State, is a fact generally admitted. The aggregate capital of all the banks paid in at this time, is \$41,737,691; the circulation, on the 31st January, 1840, was \$6,998,704. So great a disproportion between the aggregate capital of the banks and their aggregate circulation, indicates that a large amount of this capital must be unprofitable both to the stockholders and to the public. As a further illustration of this fact, we will state, that the gross amount of profits of all the banks, without allowing for bad debts, or losses in other ways, during the year ending on the 31st January, 1840, was \$3,724,884; the total amount of their expenses, according to statement No. 12, is—say (in round numbers) about \$700,000, including interest on the cost of banking houses, &c.; leaving (also in round numbers) about \$3,000,000 as the net profits, or at the rate of about $7\frac{1}{2}$ per cent. on the capital paid in. If we deduct from this profit the interest paid by the three property banks on their bonds, to wit: about \$980,000 per annum, (as per statement No. 12,) the net profits will be reduced to about \$2,020,000 on the whole banking capital of the State—only about $4\frac{1}{4}$ per cent. on the whole capital paid in.

It may be admitted that the present year has been an unfavorable one, and does not furnish a fair criterion; nevertheless, after making every fair allowance, it must still be conceded that there is, at present, a larger amount

of capital invested in banking than is necessary for the public or advantageous to the stockholders; and that the sooner some of the banks close their doors, the better.

If we considered that the withdrawal of the charters would be a detriment to the stockholders, we should feel great reluctance in recommending any measure that would look like a punishment for what has been a misfortune, rather than a fault; and, at all events, would experience great difficulty in discriminating, where all had been equally blameless or equally culpable. But believing, as we do, that the stockholders would be benefitted rather than injured by the operation, we feel less hesitation in recommending it. As to the situation of the banks, the statements which accompany this report will enable the Legislature to determine, at a glance, those which afford the least guaranty or benefit to the public, and the least probable advantage to the stockholders.

If the Legislature should deem it proper not to resort to coercive measures, then all that remains to be done is, to enact such laws as will enable such as should determine voluntarily to go into liquidation (two have already petitioned the Legislature to be allowed to do so) to withdraw, with the least possible loss to the stockholders and inconvenience to the public; and to prescribe such regulations to those which shall wish to continue in operation, as will tend to preserve the public from further depreciation of their paper; which, under the present critical circumstances, could not fail to be the consequence of a rash or injudicious management of their affairs.

Such provisions as our own reflections or the experience of others has suggested as most likely to conduce to this end, will be submitted in several bills framed by members of the committee, and in one introduced at your last session by the judiciary committee, entitled "An act to provide for the settlement of insolvent corporations, and for other purposes."

All which is respectfully recommended to your consideration:

C. M. CONRAD,
H. LOCKETT,
GEORGE S. GUION,
BEN. WINCHESTER.

Extracts from the minutes of the joint committee on banks.

NEW ORLEANS, January 23, 1840.

The joint committee, appointed by both Houses of the General Assembly to examine into the situation of the banks of this State, met at the State-house this day.

On the part of the Senate were present: Messrs. Winn, Hoa, Downs, Ducros, and Bossier.

On the part of the House were present: Messrs. C. M. Conrad, Lockett, Winchester, Guion, Morse, Kenner, and Pichot.

On motion of Mr. Kenner, it was

Resolved, That the chairman of each committee do act as president of the joint committee; and in the absence of either, the other shall act.

Mr. Guion introduced the following resolution:

Resolved, That all interrogatories which may be agreed upon by a majority of this committee should be propounded by the chairmen, as emanating

ting from the committee; and all interrogatories put by individual members of the committee, not agreed to by a majority, shall be propounded as such by the chairmen.

Said resolution was unanimously adopted.

FEBRUARY 10, 1840.

A meeting of the joint committee was called, at the request of several of its members.

Present, on the part of the Senate: Messrs. Winn, Hoa, Ducros, and Downs.

On the part of the House: Messrs. Kenner, Lockett, and Winchester.

Mr. Winn proposed the following interrogatory, to be propounded to all the banks:

Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest?

Objections being made to this interrogatory, the yeas and nays thereon were called; when Messrs. Winn, Hoa, and Downs voted in the affirmative; and Messrs. Ducros, Kenner, Lockett, and Winchester in the negative—3 yeas, 4 nays.

Said interrogatory, consequently, was not adopted by the committee.

NEW ORLEANS, February 11, 1840.

GENTLEMEN: The joint committee appointed by the General Assembly of this State to investigate the affairs of the banks, direct us to request your reply to the following interrogatory, propounded by Mr. Winn, viz:

Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest.

Which please make under oath, the form of which has been previously furnished you.

We are, respectfully, your obedient servants,
RICHARD WINN, }
C. M. CONRAD, } Chairmen.

To the PRESIDENT and CASHIER
of the City Bank, New Orleans.

CITY BANK,
New Orleans, February 18, 1840.

GENTLEMEN: Your communication, containing the following question, which, you state, is "propounded by Mr. Winn," has been received:

"Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest."

In reply, I beg leave most respectfully to observe, that I do not recognise any right in Mr. Winn to propound any question to the president and directors of this institution, unless authorized by your honorable committee, believing that no such power has been delegated to that gentleman by the

Legislature; and that, consequently, I have not submitted said question to the board of directors. Any question propounded by the honorable committee of which you are the organ, will meet with the most respectful consideration of your obedient servant,

SAM. J. PETERS, *President.*

Messrs. WINN and CONRAD, *Chairmen, &c.*

FEBRUARY 24, 1840.

A meeting of the joint committee was held this day, in the Senate chamber, called by the chairmen, at which all its members were present.

Mr. Downs, at the request of Mr. Winn, offered the following preamble and resolution:

Whereas, at the first meeting of the joint committee on banks, a resolution was adopted in these words: "Resolved, That all interrogatories which may be agreed upon by a majority of the committee should be propounded by the chairmen, as emanating from the committee; and all interrogatories put by individual members of the committee, not agreed to by the majority, shall be propounded as such by the chairmen;" and whereas, under the sanction of this resolution, Mr. Winn submitted the following question: "Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest;"—which he had a right to do under said resolution: and whereas the president of the City Bank, in a letter addressed to the chairmen, under date of February 18, 1840, hereto annexed, has refused to answer said interrogatory:

Resolved, That the said letter of refusal is not admitted as satisfactory; and that a copy of this preamble and resolution be furnished by the secretary to the said president, for his information as to the authority by which said question was propounded by the chairmen, and that his response be again called for.

Mr. Conrad moved to amend said resolution by striking out the words "that the said letter of refusal is not admitted as satisfactory."

The yeas and nays on said amendment were called; when Messrs. Conrad, Ducros, Lockett, Pichot, and Winchester voted in the affirmative; and Messrs. Bossier, Downs, Guion, Hoa, Kenner, Morse, and Winn in the negative—5 yeas, 7 nays.

The amendment was consequently rejected.

The question was then put on the adoption of the preamble and resolution.

The yeas and nays were called, when Messrs. Bossier, Downs, Guion, Hoa, Kenner, Morse, Pichot, and Winn voted in the affirmative; and Messrs. Conrad, Ducros, Lockett, and Winchester in the negative—8 yeas, 4 nays.

Said preamble and resolution were consequently adopted.

NEW ORLEANS, February 25, 1840.

SIR: I have the honor to communicate to you the following preamble and resolution, adopted by the joint committee on banks, at its session last evening:

Whereas, at the first meeting of the joint committee on banks, a resolution was adopted in these words: "*Resolved*, That all interrogatories which may be agreed upon by a majority of the committee shall be propounded by the chairmen, as emanating from the committee; and all interrogatories put by individual members of the committee, not agreed to by the majority, shall be propounded as such by the chairmen;" and whereas, under the sanction of this resolution, Mr. Winn submitted the following question: "Have any of the directors of your bank endorsed for each other? If yea, state the amount of such mutual endorsements, and which of them have come under protest;"—which he had a right to do, under said resolution: and whereas the chairmen, under the authority of said resolution, did propound the said interrogatory: and whereas the president of the City Bank, in a letter addressed to the chairmen, under date of February 18, 1840, hereto annexed, has refused to answer said interrogatory:

Resolved, That the said letter of refusal is not admitted as satisfactory; and that a copy of this preamble and resolution be furnished by the secretary to the said president, for his information as to the authority by which said question was propounded by the chairmen; and that his response be again called for.

Respectfully, your most obedient servant,

J. WHITEHEAD, *Secretary*.

SAM. J. PETERS, Esq.,
President of the City Bank.

CITY BANK,
New Orleans, February 26, 1840.

GENTLEMEN: The communication of the secretary of your honorable committee, in reference to the question propounded by Mr. Winn, has been received.

The resolution adopted by you at your meeting on Monday evening I have before me. It states that your honorable committee had adopted a resolution, by which your chairmen were authorized to transmit to the banks interrogatories agreed upon by a majority of the committee; and also interrogatories not agreed to, or, in other words, disapproved of by your committee: that those questions coming under this last description should be sent as such by the chairmen. In said resolution, your honorable committee is pleased to declare that, in virtue of this rule, Mr. Winn had a right to propound the question alluded to, and that my reasons for refusing to submit it to the board are unsatisfactory.

I trust it is understood that I have made no objection to the question itself; but merely to the illegal manner in which, in my humble opinion, it has been propounded to the president and directors of the City Bank.

Entertaining the most profound respect for your honorable committee, and being as desirous to give every information as to the condition of the City Bank as your honorable committee could be to receive it, it was with great regret I felt myself compelled, by a sense of duty to the institution over which I preside, to decline recognising the right of an individual member to propound a question which, from the manner of its transmission to me, seemed not to be a question of a majority of the committee. The motives which then influenced me, are strengthened by your resolution now before me; for it distinctly states that the question propounded by Mr.

Winn was one that had been disapproved of by you, and that it was transmitted *as such* by your chairmen.

I am now called on by you to answer a question which presupposes that the directors of the City Bank, or some of them, are under protest; and that they are now, in violation of law, occupying seats at the board: which question you inform me is of a class of those disapproved of by you, and which, nevertheless, you say Mr. Winn had the right to propound, under a general rule adopted by your committee; and that, consequently, it is assumed that I am bound to answer it.

To this I most respectfully reply, that, in my opinion, a rule that leads to such consequences is not sanctioned by the joint resolution of the Senate and House of Representatives under which you act; and that the power vested in your honorable committee by said resolution cannot, by any rule you can adopt, be delegated to one-twelfth of your number; and that, beyond all doubt, you can adopt none by which you can vest in Mr. Winn a right to do that which a majority of your honorable committee have deliberately decided ought not to be done. I am therefore compelled, in the conscientious performance of what I consider my duty, to declare, that, until said question shall be approved of by your committee as a proper one to be propounded to the president and directors of the City Bank, (thereby reversing your present decision,) I cannot submit it to the board. When you shall have so decided, a prompt and satisfactory reply will immediately be furnished.

I trust that it is unnecessary for me to add, that, in assuming the position I have, no disrespect is intended to your honorable committee, or to the honorable gentleman who propounded the question which has led to this correspondence.

I have the honor to be, very respectfully, your obedient servant,
SAM. J. PETERS, *President*.

To the honorable the JOINT COMMITTEE
of the Senate and House of Representatives, &c.

MARCH 7, 1840.

A meeting of the committee on banks took place this day, at 10 A. M., in the Senate chamber.

Present: Messrs. Bossier, Conrad, Downs, Ducros, Hoa, Kenner, Lockett, Pichot, Morse, and Winchester.

A letter from S. J. Peters, president of the City Bank, dated 6th instant, containing further reasons for the refusal of said bank to answer the interrogatory propounded by Mr. Winn, was read; on which

Mr. Downs moved that the committee shall report to both Houses of the General Assembly the letters of S. J. Peters, Esq., president of the City Bank, declining to answer a question propounded by Mr. Winn, with copies of the correspondence, and the votes of this committee thereon; also the original resolution on the same subject.

Said resolution was unanimously agreed to.

NEW ORLEANS, *March 9, 1840.*

I certify that the foregoing eleven [Ms.] pages contain true and correct copies made by me from the original records and documents in my possession.

sion, as secretary to the joint committee appointed by the General Assembly of the State of Louisiana, to investigate the affairs of the banks.

J. WHITEHEAD,

Secretary of the Bank Committee.

At a meeting of the joint committee of both Houses of the General Assembly appointed to examine into the situation of the banks of New Orleans—

On the part of the Senate were present: Messrs. Hoa, Downs, Ducros, and Bossier.

On the part of the House were present: Messrs. Conrad, Lockett, Winchester, Guion, Morse, Kenner, and Pichot.

Mr. Ducros introduced the following resolution:

Resolved, That no question shall be propounded unless directed by the majority of the committee;

When Mr. Kenner offered the following substitute:

Resolved, That if any question, after being propounded, shall be objected to by a member of this committee, the majority of the committee present shall determine if said question is proper and shall be answered.

The resolution of Mr. Ducros being withdrawn,

The question being put upon the substitute, the yeas and nays were called for; when it appeared that Messrs. Conrad, Ducros, Kenner, Lockett, and Winchester, had voted in the affirmative—5 yeas; and that Messrs. Winn, Bossier, Downs, Hoa, Guion, Morse, and Pichot, had voted in the negative—7 nays.

The substitute was consequently rejected.

Mr. Guion introduced the following resolution:

Resolved, That all interrogatories which may be agreed upon by a majority of this committee should be propounded by the chairmen as emanating from the committee; and all interrogatories put by individual members of the committee, not agreed to by a majority, shall be propounded as such by the chairmen.

Said resolution was unanimously adopted.

NEW ORLEANS, March 11, 1840.

I certify that the foregoing are true and correct extracts from the minutes of the proceedings of the joint committee on banks, made by me from the original record in my possession.

J. WHITEHEAD,

Secretary to the Bank Committee.

NEW ORLEANS, March 10, 1840.

A meeting of the joint committee on banks was held this day in the Senate chamber.

Present: Messrs. Bossier, Conrad, Downs, Ducros, Hoa, Lockett, Morse, Winn, and Winchester.

The answers and statements received from all the banks (omitting those in relation to the country branches) were read, and declared to be satisfac-

tory, with the exception of those furnished by the *Canal and Banking Company*; in which the following statements are deficient:

1. The requisition, in statement No. 3, of the name of the person having the largest loan on stock.
 2. Statement No. 19, requiring a detailed list of all expenses of the bank from July 1, 1837, to August 1, 1838.
 3. Statement No. 21; in which is required the amount of specie drawn from the local banks, and the amount paid out, in detail, since 1st January, 1839.
 4. Statement No. 25; in which is required a statement of all loans made at the country branches; designating the amount loaned on mortgage, and on personal security.
 5. And also a statement of all liabilities of the presidents and directors of the country branches to said branches, as well as to the mother bank.
- And also with the exception of those furnished by the *Gas Light and Banking Company*, which do not report the name of the person having the largest loan on stock, as required in statement No. 3, and which are not sworn to; the officers of said bank refusing, as this committee are informed, to make oath thereto.

Mr. Morse submitted the following resolution:

Resolved, That the two chairmen report to both Houses of the General Assembly all the banks who refuse to comply with the requisitions of the joint committee, to answer interrogatories, furnish statements, or make oath to the same.

Which resolution was unanimously adopted.

NEW ORLEANS, March 11, 1840.

I certify that the foregoing extracts are true, and correctly copied by me from the original records of the proceedings of the joint committee on banks now in my possession.

J. WHITEHEAD,

Secretary to the Bank Committee.

The following bill was introduced into the House by C. M. Conrad, on behalf of the minority of the committee on banks:

AN ACT relative to the banks of this State.

SEC. 1. *Be it enacted, &c.*, That as soon as the banks in the city of New Orleans, or a majority of them, shall have resumed specie-payments, the cashier of any bank that shall fail or neglect to comply with the provisions of the 3d section of an act entitled "An act to relieve such of the banks of this State as may have forfeited their charters by a suspension of specie-payments, from such forfeiture," approved March 14, 1839, shall be subject to a fine which shall not exceed _____ dollars for each and every offence.

SEC. 2. *Be it further enacted*. That until said banks, or a majority of them, shall have resumed specie-payments, and during any future suspension, the banks in said city shall be bound to make, on the first and last Monday of each month, a settlement of their respective accounts, and to pay up their respective balances, or secure the same to the satisfaction of the creditor

banks; and if any banks should fail or refuse to make such settlement, and to pay or secure the balance due by it to any other bank, the notes of the bank so failing or refusing shall no longer be received in payment or in deposit by the other banks, under the penalty of a fine which shall not exceed dollars for each offence, on the cashier of any bank that shall fail to comply with the provisions of this section.

SEC. 3. *Be it further enacted*, If it should appear that the neglect or refusal of any officer of a bank to comply with the provisions of the preceding section of this act, or of the 3d section of the act of March 14, 1839, aforesaid, had been ordered or authorized by any vote or resolution of the board of directors of such bank, the members of the board who voted in favor of such resolution shall each of them be fined in a sum which shall not exceed dollars, and shall not be less than dollars, for each and every offence; and shall, moreover, be responsible for all damages which the stockholders may sustain thereby.

SEC. 4. *Be it further enacted*, That no officer of the State, or of any parish or municipal corporation, shall receive, in payment of public dues, or for moneys collected in his official capacity, the notes of any bank that shall, to his knowledge, have failed to comply with the provisions of said third section of the act of March 14, 1839, aforesaid, or of the second section of this act, under penalty of a fine, which shall not exceed \$500 for each offence.

SEC. 5. *Be it further enacted*, That until the banks of this city, or a majority thereof, shall have resumed specie payments, no bank in the city of New Orleans shall directly or indirectly pay out any notes, except its own, under penalty of a fine, which shall not be less than and shall not exceed on each and every person concerned in such payment.

SEC. 6. *Be it further enacted*, That hereafter no bank shall make any dividend of profits during a suspension of the payment of its obligations (or any part thereof) in specie, under the penalty of against each and every director thereof who shall vote to declare such dividend.

SEC. 7. *Be it further enacted*, That whenever any bank shall have suspended specie payments, or the directors shall have passed a resolution to that effect, such bank shall not be considered to have resumed specie-payments until notice thereof shall have been stuck up in some conspicuous place in the banking-house of such bank for one week, and published during the same space of time, in French and English, in a newspaper printed in the city of New Orleans.

SEC. 8. *Be it further enacted*, That hereafter no bank shall purchase any shares of its capital stock, or receive any such shares in payment, either in part or in whole, of a debt due to it. All such transactions shall be null; and each and every director who shall vote in favor of, or shall be in any manner concerned therein, shall be subject to a fine of twenty per cent. on the amount of such transaction.

SEC. 9. *And be it further enacted*, That no bank shall hereafter loan, on a pledge of shares of its own stock, more than thirty per cent. on the amount paid on said shares, so long as the stock of said bank is below its par value, under penalty of a fine of twenty per cent. on the amount of such loan, on each and every director who shall vote in favor of such loan, or on the cashier who shall permit the same, if done without the vote of the board of directors.

SEC. 10. *Be it further enacted*, That the capital stock of any bank whereof the capital shall not have been paid up in full on or before the first day of January, 1841, shall be, and the same is hereby, reduced to the amount which shall have been paid up on that day.

SEC. 11. *Be it further enacted*, That whenever the attorney general, or the district attorney of the first judicial district, shall be informed, or have reasons to believe, or suspect, that any one of the provisions of this act has been violated, it shall be his duty to cause an investigation to be made therein; and for that purpose may summon any of the officers of the bank, or other persons, before any magistrate, and may examine him under oath, touching said violation; and may moreover cause such books of the banks as he may deem necessary to be produced before such magistrate, and examine the same.

SEC. 12. *Be it further enacted*, That in all judicial proceedings had under or by virtue of this act, the books and records of the bank shall be admissible in evidence, for and against it and its officers.

SEC. 13. *Be it further enacted*, That all fines imposed by this act shall be sued for by the attorney general or district attorney of the first district, and the amount received, after deducting ten per cent. thereof for his compensation, shall be paid over to the Charity Hospital of New Orleans.

SEC. 14. *Be it further enacted*, That at all committees of the different boards of directors charged with the negotiation of bills of exchange, there shall always be at least three members present; and their transactions in exchanges shall be recorded as explicitly as possible in the minute book of the directors.

SEC. 15. *Be it further enacted*, That hereafter no bank shall loan, discount, or grant accommodations in any form whatever, to any individual, company, or corporation, (except the three municipalities of the city of New Orleans,) that shall ever exceed at any one time, in any one bank, more than \$100,000: *Provided, however*, That this clause shall not apply to *bona fide* exchange operations, or to loans made to the stockholders of the property banks, to which they are entitled on their stock.

That hereafter it shall be the duty of the cashiers of the several banks in the city of New Orleans to make out, and transmit to each of the other banks, a certified list of all persons whose debts for money borrowed of such bank shall exceed, at the date of said list, the sum of \$10,000; and any cashier who shall neglect to comply with the requisitions of this act, shall be subject to a fine of \$1,000 for each offence.

SEC. 16. *Be it further enacted*, That no bank shall elect more than twelve directors, and no member of the General Assembly shall be a director in any bank.

SEC. 17. *Be it further enacted*, That the directors appointed on the part of the State, in all banks, shall be appointed by the Governor, by and with the consent and approbation of the Senate.

SEC. 18. *Be it further enacted*, That hereafter no bank shall be entitled to resort to any other remedy or mode of proceeding for the sale of property, or the recovery of debts, than is allowed to individual creditors.

SEC. 19. *Be it further enacted*, That the Legislature shall have the right to examine into the affairs and situation of all the banks in this State, either by committees, or by commissioners appointed for that purpose, or in such other manner as they may deem fit and proper; and any officer of any bank who shall refuse to permit such examination, or wilfully throw

any obstruction or difficulty in the way thereof, shall be fined in a sum not exceeding \$10,000, and imprisoned for a term not exceeding months: *Provided*, That this section shall not be so construed as to interfere with the right of either branch of the General Assembly to punish such an offence as a contempt, if it be such.

SEC. 20. *Be it further enacted*, That all the banks in this State, whose charters may at any time before the passage of this act have been forfeited, whether by suspending the payment of their notes or obligations in specie, or by any other act or omission whatever, are hereby released from such forfeiture, on accepting the provisions of this act: *Provided, however*, That this release shall not apply to such of said banks as shall not have actually resumed the payment of their notes, deposits, or obligations, on or before the day of 1841.

SEC. 22. *Be it further enacted*, That this acceptance shall be made within days after the passage of this act; and if, at the expiration of said time, the stockholders of any bank shall have neglected or refused to accept this act, in the manner pointed out in the foregoing section, it shall be the duty of the Governor to transmit to the attorney general, and to the district attorney of the first district, the name of such bank; and it shall be the duty of both or either of said officers to take forthwith the necessary steps to procure a decree of forfeiture against such bank.

SEC. 23. *Be it further enacted*, That the neglect or refusal of any bank to accept this act shall not prevent the operation of such of the provisions thereof as are binding on them without the acceptance, particularly those contained in the 1st, 2d, 3d, 5th, 6th, 7th, and 8th sections thereof.

SEC. 24. *Be it further enacted*, That at the expiration of the time fixed by this act for a resumption of specie-payments by the banks, it shall be the duty of the Governor to ascertain whether any of said banks have failed so to do; and if there be any such, to report the same to the attorney general, or the district attorney of the first judicial district, whose duty it shall be to institute the necessary proceedings to have a decree of forfeiture pronounced against such bank or banks.

SEC. 25. *Be it further enacted*, That any bank which shall surrender its charter, or banking privileges, within six months from the passage of this act, and proceed to liquidate its affairs, and shall moreover consent and agree that all its debtors who can furnish the requisite security by mortgage, shall be entitled to an extension of time not to exceed one, two, three, and four years, for the payment of their respective debts, shall be entitled to the following privileges, to wit:

1. To be relieved from the payment of any bonus to the State, or to corporations; or from the further performance of any public work or improvement not yet completed, imposed by its charter: *Provided*, That this privilege shall not apply to the banks in which the State is a stockholder, or for the debt or obligations for which the State is liable.

2. To charge interest at the rate of nine per cent. per annum on all sums, the term of payment of which shall be thus extended from the date when such debts originally fell due.

SEC. 27. *Be it further enacted*, That in case any bank should accept the provisions of the foregoing act, such acceptance shall be evidenced by a written declaration to that effect, of the majority in number and amount of the stockholders, after they shall have been duly convened for that purpose; which declaration shall be made by authentic act.

SEC. 28. *Be it further enacted*, That the commissioners or syndics appointed to liquidate the affairs of a bank, shall judge of the sufficiency of the security offered by a debtor under the section. But if a debtor shall fail to pay any instalment of debt when it shall fall due, the whole amount of the debt remaining unpaid at the time shall be immediately demandable.

SEC. 29. *Be it further enacted*, That any bank which shall surrender its charter or banking privileges, and which shall, in conformity with its charter, have constructed any public works or improvement, such bank may retain its corporate powers, and all the other privileges conferred by its charter, so far only as the continuance of such powers and privileges may be necessary to enable it to retain the property in such works or improvements, and to manage and carry on the same until the termination of the period fixed by its charter.

The following bill was introduced into the House by Mr. Lockett:

AN ACT providing for the resumption of specie payments by the banks of this State, and for other purposes.

Whereas experience has proved the importance of a safe currency to the agricultural and commercial interests of Louisiana, and that such a currency has been, to this period, furnished by our banking institutions: and whereas, from causes beyond their control, the banks of this State, in common with nearly all the banks in the southern and middle States of this Union, have been compelled temporarily to suspend their payments in specie, by which those important interests have been fostered, at a period of great and unprecedented pecuniary distress; while, at the same time, said banks have maintained the value of their currency to nearly the value of that of specie: and whereas a premature and forced resumption of specie payments by the banks, during the continuance of the present unsettled and deranged state of the currency of the country, and the general pecuniary distress resulting therefrom, would be highly prejudicial to the best interests of the State; while at the same time the public welfare requires that salutary restrictions should be enforced, by which a redundancy of irredeemable currency will be prevented, and a resumption of specie payments effected, consistently with the interests of the community:

SEC. 1. *Be it therefore enacted by the Senate and House of Representatives of the State of Louisiana, in General Assembly convened*, That, during the continuance of the suspension of specie payments by the banks of this State, the presidents of said banks shall constitute a permanent board of control—two-thirds of whom shall have the power to fix the amount of circulation which may be allotted to each bank: *Provided*, That the aggregate amount shall not exceed twenty-five per cent. on the total amount of capital of all the banks paid in, exclusive of the profits made and reserved: *And provided*, That, during the suspension of specie payments, it shall not be lawful for any bank to divide among its stockholders any portion of its accumulated profits. And such presidents may, by such number of two-thirds, make such arrangements and adopt such rules for the settlement of balances among the banks, and by laws for their own government, as to them may seem proper: *Provided*, That the banks shall settle their balances at least once in every month.

SEC. 2. *Be it further enacted*, That once in every month statements of the condition of all the banks shall be published, in tabular form, showing the circulation, deposits, and other liabilities, and all the assets of each bank, in at least two newspapers in New Orleans, in English and French; the statement of each to be certified by its president and cashier, and to be deposited with the board of presidents.

SEC. 3. *Be it further enacted*, That all the banks in this State shall, on or before the first Monday of January, 1842, (unless the banks of the middle and western States, or a majority of them, shall previously resume,) resume the payment of all their obligations in specie, and in default of which they shall be liable to all the penalties and forfeitures to which, by law, they are or may be subjected, for the violation of the condition of their charters, by having failed to pay their obligations in the current money of the United States.

SEC. 4. *Be it further enacted*, That this act shall not be construed to impair, in any manner, the right of individuals to demand, at all times, the payment of specie from said banks; nor to release such banks, so refusing to pay such demands on them in specie, from the pecuniary penalties to which they are, or may be, by their respective charters, subjected.

SEC. 5. *Be it further enacted*, That the amount now paid up in each of the banks of this State, shall be deemed to be the capital of such bank, and no further instalments shall be called for.

SEC. 6. *Be it further enacted*, That any bank refusing to act under this law, shall not be entitled to any relief in virtue of its provisions.

Proceedings of the House of Representatives in relation to the "Act amendatory of the bank charters of this State, and for other purposes," in its sittings of the 24th, 25th, and 27th March, 1840.

The House took up the bill from the Senate entitled "An act amendatory of the bank charters of this State."

Mr. Davidson offered the following as a substitute to the first section of said bill:

Be it enacted, &c., That during the continuance of the suspension of specie-payments by the banks of this State, the presidents of said banks shall constitute a permanent board of control, two-thirds of whom shall have a power to fix the amount of circulation which may be allotted to each bank: *Provided*, That the aggregate amount shall not exceed twenty-five per cent. on the total amount of capital of all the banks paid in, exclusive of the profits made and reserved: *And provided*, That during the suspension of specie-payments it shall not be lawful for any bank to divide among its stockholders any portion of its accumulated profits. And said presidents may, by such number of two thirds, make such arrangements, and adopt such rules for the settlement of balances among the banks, and by-laws for their own government, as to them may seem proper: *Provided*, That the banks shall settle their balances at least once in every month.

On the question for the adoption of said substitute, Mr. Kenner called for the yeas and nays; when it appeared that Messrs. Bergeron, Brashear, Claiborne, Cousin, Davidson, Dunbar, Laforest, Lockett, Pichot, and Pugh, had voted in the affirmative—10 yeas.

And that Messrs. Baillio, Byrne, Boudousquié, Carr, C. M. Conrad, F. D. Conrad, Clark, Dupuy, Farmer, Gaienné, Godberry, Kenner, Killian, Morse, Muse, Preston, Ratliff, Rogers, Thomas, Wadsworth, Wilson, and Winchester, had voted in the negative—22 nays.

Said substitute was consequently rejected.

Mr. Davidson offered the following as a substitute to the whole bill: *Be it enacted, &c.*, That the banks of this State, now under suspension, shall be required to resume specie-payments within 90 days from the passage of this act; and that if they fail so to do, it shall be the duty of the attorney general to prosecute the said banks for a forfeiture of their charters: *And provided*, That if they ever suspend specie-payments again, they shall lose the right to collect their dues by law.

On the question for the adoption of said substitute, the same member called for the yeas and nays; when it appeared that Messrs. Davidson, Farmer, Killian, Morse, Preston, and Ratliff, had voted in the affirmative—6 yeas.

And that Messrs. Baillio, Bergeron, Brashear, Byrne, Boudousquié, Carr, Claiborne, C. M. Conrad, Cousin, Clark, Dunbar, Dupuy, Gaienné, Godberry, Kenner, Laforest, Lockett, Muse, Pichot, Pugh, Rogers, Thomas, Wadsworth, Wilson, and Winchester, had voted in the negative—26 nays.

The said substitute was consequently rejected.

Mr. Muse offered the following as a substitute for the first section of said bill:

Be it enacted, &c., That as soon as the banks in the city of New Orleans, or a majority of them, shall have resumed specie payments, any bank that shall fail or neglect to comply with the provisions of the third section of an act entitled "An act to relieve such of the banks of this State as may have forfeited their charters by a suspension of specie-payments, from such forfeiture," approved March 14, 1839, shall be subject to a fine, which shall not exceed \$_____ for each and every offence.

Mr. Davidson having moved to postpone the consideration of said bill indefinitely—

On the question for the adoption of said motion, Mr. Baillio called for the yeas and nays; when it appeared that Messrs. Brashear, Byrne, Davidson, Farmer, Killian, Lockett, and Preston, had voted in the affirmative—7 yeas.

And that Messrs. Baillio, Bergeron, Boudousquié, Carr, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Clark, Dunbar, Dupuy, Gaienné, Godberry, Kenner, Laforest, Lavergne, Morse, Muse, Pichot, Pugh, Patten, Ratliff, Rogers, Thomas, Wadsworth, and Winchester, had voted in the negative—26 nays.

So said motion was consequently lost.

Mr. Davidson having moved to fill up the blank in said substitute to the first section of the bill by introducing the words \$100,000: on the question for the adoption of said motion, Mr. Patten called for the yeas and nays; when it appeared that Messrs. Byrne, Davidson, and Ratliff, had voted in the affirmative—3 yeas.

And that Messrs. Baillio, Bergeron, Brashear, Boudousquié, Carr, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Clark, Dunbar, Dupuy, Farmer, Gaienné, Godberry, Kenner, Killian, Laforest, Lavergne, Lockett, Morse, Muse, Pichot, Preston, Pugh, Patten, Rogers, Thomas, Wadsworth, and Winchester, had voted in the negative—30 nays.

Said motion was consequently rejected.

Mr. Muse having moved to fill up said blank by inserting \$10,000;

On the question for the adoption of said motion, Mr. Davidson called for the yeas and nays; when it appeared that Messrs. Baillio, Bergeron, Brashear, Byrne, Boudousquié, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Davidson, Dunbar, Dupuy, Farmer, Godberry, Kenner, Killian, Laforest, Morse, Muse, Pichot, Pugh, Ratliff, Rogers, Wadsworth, Wilson, and Winchester, had voted in the affirmative—26 yeas.

And that Messrs. Carr, Clark, Gaienné, Lavergne, Lockett, Preston, Patten, and Thomas, had voted in the negative—8 nays.

Said amendment was consequently adopted.

On the question of the adoption of said substitute to the first section of said bill as amended, Mr. Morse called for the yeas and nays; when it appeared that Messrs. Baillio, Bergeron, Brashear, Byrne, Boudousquié, Carr, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Clark, Dunbar, Dupuy, Gaienné, Godberry, Kenner, Killian, Laforest, Lavergne, Lockett, Muse, Pichot, Pugh, Patten, Rogers, Thomas, Wadsworth, and Winchester, had voted in the affirmative—28 yeas.

And Messrs. Davidson, Farmer, Morse, Preston, Ratliff, and Wilson, had voted in the negative—6 nays.

Said section was consequently adopted, as amended.

Mr. Muse having moved to reject the balance of the bill from the Senate, and offered a substitute for the several remaining sections of the same, to be taken section by section;

On the question for the adoption of said motion, Mr. Davidson called for the yeas and nays; when it appeared that Messrs. Baillio, Bergeron, Brashear, Byrne, Boudousquié, Carr, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Clark, Dunbar, Dupuy, Gaienné, Godberry, Kenner, Killian, Laforest, Lavergne, Lockett, Muse, Pichot, Pugh, Patten, Rogers, Thomas, Wadsworth, and Winchester, had voted in the affirmative—28 yeas.

And that Messrs. Davidson, Farmer, Morse, Preston, Ratliff, and Wilson, had voted in the negative—6 nays.

Said motion consequently prevailed.

The House took up for its second reading the bill entitled "An act amendatory of the bank charters of this State, and for other purposes," which was under consideration yesterday when the House adjourned.

On the question for the adoption of the second section of the substitute as amended, and which reads as follows:

Sec. 2. *Be it enacted*, That until said banks, or a majority of them, shall have resumed specie payments, and during any future suspension, the banks in said city shall be bound to make, on the first Monday of each month, a settlement of their respective accounts, and to pay up their respective balances, or secure the same to the satisfaction of the creditor banks; and if any banks should fail or refuse to make such settlement, and to pay or secure the balance due by it to any other banks, the notes of the bank so failing or refusing shall no longer be received in payment or on deposit by the other banks, under the penalty of a fine, which shall not exceed \$10,000 for each offence, for any bank that shall fail to comply with the provisions of this section:

Mr. Davidson called for the yeas and nays; when it appeared that Messrs. Baillio, Bergeron, Brashear, Byrne, Carr, Claiborne, C. M. Conrad, F. D.

Conrad, Davidson, Declouet, Dunbar, Farmer, Guion, Killian, Laforest, Lavergne, Lockett, Morse, Muse, Pichot, Pugh, Rogers, Thibodeaux, Thomas, Wadsworth, and Winchester, had voted in the affirmative—26 yeas.

And that Mr. Ratliff had voted in the negative—1 nay.

Said section was consequently adopted, as amended.

Mr. Davidson moved to fill the blank in the 3d section of said substitute, by inserting \$1,500; which reads as follows:

Sec. 3. *Be it further enacted*, If it should appear that the neglect or refusal of any officer of a bank to comply with the provisions of the preceding section of the act of March, 1839, aforesaid, had been ordered or authorized by any vote or resolution of the board of directors of such bank, the members of the board who voted in favor of such resolution shall each of them be fined in a sum which shall not exceed \$5,000, and shall not be less than \$ for each and every offence; and shall moreover be responsible for all damages which the stockholders or creditors of the bank may sustain thereby:

And called for the yeas and nays; when it appeared that Messrs. Baillio, Byrne, Carr, Claiborne, Davidson, Dunbar, Dupuy, Farmer, Godberry, Killian, Lavergne, Lockett, Morse, Pichot, Preston, Pugh, Ratliff, and Wilson, had voted in the affirmative—18 yeas.

And that Messrs. Bergeron, Brashear, Boudousquié, C. M. Conrad, F. D. Conrad, Cousin, Clark, Declouet, Gaienné, Guion, Laforest, Muse, Rogers, Thibodeaux, Thomas, Wadsworth, and Winchester, had voted in the negative—17 nays.

Said motion was consequently adopted.

The section having been adopted as amended, Mr. Claiborne moved to amend the 5th section of the substitute, which provides that until the banks of this city shall have resumed specie payments, no bank shall pay out any notes except its own, under certain penalties, by inserting the word "after," in lieu of "until."

Mr. Morse moved to lay said amendment indefinitely on the table.

The yeas and nays having been called for by Mr. Claiborne on said question, it appeared that Messrs. Baillio, Bergeron, Brashear, Boudousquié, Carr, C. M. Conrad, F. D. Conrad, Clark, Declouet, Farmer, Guion, Morse, Muse, Preston, Pugh, Ratliff, Rogers, Thibodeaux, Thomas, Wadsworth, Wilson, and Winchester, had voted in the affirmative—22 yeas.

And that Messrs. Claiborne, Cousin, Davidson, Dunbar, Dupuy, Gaienné, Godberry, Killian, Laforest, Lockett, and Pichot, had voted in the negative—11 nays.

Said amendment was consequently laid on the table.

Several amendments having been offered, Mr. Morse called for the previous question.

On the question being put, "Shall the main question be now put?"

Mr. Lockett called for the yeas and nays; when it appeared that Messrs. Baillio, Bergeron, Brashear, Boudousquié, C. M. Conrad, F. D. Conrad, Cousin, Clark, Declouet, Dupuy, Farmer, Godberry, Guion, Killian, Morse, Muse, Preston, Pugh, Ratliff, Rogers, Thibodeaux, Thomas, Wadsworth, Wilson, and Winchester, had voted in the affirmative—25 yeas.

And that Messrs. Carr, Claiborne, Davidson, Dunbar, Gaienné, Laforest, Lockett, and Pichot, had voted in the negative—8 nays.

Said motion having prevailed;

On motion,

Ordered, That said section be adopted.

The House resumed the consideration of the bill entitled "An act amendatory of the bank charters of this State," which was under consideration yesterday when the House adjourned.

Mr. Morse having moved to lay said bill on the table, subject to the call of the House—on the question for the adoption of said motion, Mr. Muse called for the yeas and nays; when it appeared that Messrs. Brashear, Byrne, Claiborne, Davidson, Dunbar, Farmer, Killian, Lockett, Pichot, and Preston, had voted in the affirmative—10 yeas.

And that Messrs. Baillio, Boudousquié, Carr, C. M. Conrad, F. D. Conrad, Cousin, Clark, Declouet, Gaiennié, Godberry, Guion, Morse, Muse, Poydras, Pugh, Ratliff, Rogers, Thomas, Wadsworth, Wilson, and Winchester, had voted in the negative—21 nays.

Said motion was consequently lost.

Mr. Wadsworth moved to lay said bill on the table, indefinitely.

On the question for the adoption of said motion, Mr. Guion called for the yeas and nays; when it appeared that Messrs. Brashear, Byrne, Claiborne, Davidson, Dunbar, Farmer, Killian, Lockett, Morse, Preston, Patten, and Wadsworth, had voted in the affirmative—12 yeas.

And that Messrs. Baillio, Boudousquié, Carr, C. M. Conrad, F. D. Conrad, Cousin, Clark, Declouet, Gaiennié, Godberry, Guion, Muse, Pugh, Ratliff, Rogers, Thomas, Wilson, and Winchester, had voted in the negative—18 nays.

Said motion was consequently lost.

Mr. Davidson, for Mr. Carter, offered the following additional section:

SEC. 9. *Be it further enacted, &c.* That hereafter no bank shall be entitled to resort to any other remedy, or mode of proceeding, for the sale of property, or the recovery of debts, than is allowed to individual creditors; and that all mortgage debtors to any banking institution in this State shall be entitled to the same rights and privileges which are now granted to individuals by the existing laws of this State for the appraisalment of their property, upon application to the sheriff, as in ordinary cases of seizure and sale, upon the writ of *feri facias*; and whenever the property thus appraised shall not bring two thirds of the appraisalment in cash, the sheriff shall proceed as in ordinary cases, and sell to the highest bidder, upon a credit of twelve months; and the debtor shall have the privilege (upon written application to the sheriff) to direct the sale of the property either in block, or in smaller parcel or parcels, as he shall deem most conducive to his interest; any law to the contrary notwithstanding.

Said section having been amended,

Mr. Muse moved to strike out all that part of the section after the words "individual creditors," in the first paragraph.

On the question for the adoption of said motion, Mr. Davidson called for the yeas and nays; when it appeared that Messrs. Baillio, Brashear, Carr, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Clark, Declouet, Dunbar, Gaiennié, Godberry, Morse, Muse, Pichot, Preston, Pugh, Thibodeaux, Thomas, and Winchester, had voted in the affirmative—20 yeas.

And that Messrs. Davidson, Farmer, Guion, Killian, Ratliff, Rogers, and Wilson, had voted in the negative—7 nays.

Said motion consequently prevailed.

Mr. Claiborne offered the following proviso:

Provided, That this section shall not be applied to any banks for the redemption of whose bonds the faith of the State has been pledged.

Mr. Davidson moved to lay said proviso on the table indefinitely, and

called for the yeas and nays on that question; when it appeared that Messrs. Baillio, Bergeron, Davidson, Farmer, Guion, Killian, Preston, Thibodeaux, and Wilson, had voted in the affirmative—9 yeas.

And that Messrs. Brashear, Boudousquié, Carr, Claiborne, C. M. Conrad, F. D. Conrad, Clark, Declouet, Godberry, Lockett, Morse, Muse, Pichot, Pugh, Thomas, Cousin, and Winchester, had voted in the negative—17 nays.

Said motion was consequently lost.

On the question for the adoption of said proviso, Mr. Davidson called for the yeas and nays; when it appeared that Messrs. Baillio, Brashear, Boudousquié, Carr, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Clark, Declouet, Gaiennié, Godberry, Lockett, Morse, Muse, Pichot, Thomas, and Winchester, had voted in the affirmative—18 yeas.

And that Messrs. Bergeron, Guion, Preston, Pugh, Thibodeaux, and Wilson, had voted in the negative—6 nays.

There being no quorum in the House, the question remained undecided.*

Resolutions ordering the printing of the documents and statements reported by the joint committee appointed to investigate the situation of the banks of this State.

SENATE, March 18, 1840.

Mr. Hoa obtained leave to introduce the following resolutions:

"Resolved by the Senate and House of Representatives, That one thousand copies, in pamphlet form, of all the documents, questions and answers, statements and correspondence, and generally of all proceedings relative to the investigation of banks made by the joint committee appointed to that effect by the Legislature, be printed by the State printer, under the superintendence and direction of Mr. J. Whitehead, the secretary of said joint committee, whose duty it shall be to deliver twenty copies thereof to each member of the General Assembly, immediately after the printing of said pamphlet.

"Resolved, That Mr. Whitehead, the secretary of said joint committee, be authorized to insert in said pamphlet all answers that may be furnished to him by the banks, during the present month of March.

"Resolved, further, That the State printers shall be entitled to three thousand dollars, as an additional compensation for this extra printing: *Provided* That the sum shall not be paid to him by the State Treasurer, unless the whole number of the pamphlets should have been previously delivered by the State printer to Mr. J. Whitehead, on or before the 1st day of May, 1840, and the receipt of said delivery should have been exhibited to the said treasurer."

Said resolutions underwent their first and second readings; the rules were dispensed with—they underwent their third readings, and passed.

HOUSE OF REPRESENTATIVES, March 28, 1840.

By a message from the Senate, by Mr. Horatio Davis, their secretary, the concurrence of the House is requested in the foregoing resolutions, which were read for the first time.

Mr. Brashear having moved to lay said resolutions on the table indefinitely, On the question for the adoption of said motion, Mr. Morse called for the yeas and nays, when it appeared that

*The discussion was not resumed on this subject on the 28th March, the last day of the session; and this act consequently remains among the unfinished business of the House.

Messrs. Barrow, Bergeron, Brashear, Carter, Claiborne, Davidson, Declouet, Dunbar, Farmer, Guion, Killian, Lockett, Muse, Pichot, Preston, and Pugh, had voted in the affirmative—16 ayes.

And that Messrs. Baillio, Boudousquié, Carr, C. M. Conrad, F. D. Conrad, Cousin, Clark, Gaiennié, Morse, Patten, Railiff, Rogers, Thomas, Wadsworth, and Wilson, had voted in the negative—15 nays.

Said motion having prevailed, the resolutions were consequently laid on the table indefinitely.

EVENING SESSION, March 28, 1840.

On motion, the House reconsidered the vote given this morning on the series of resolutions relative to the printing of the documents, and the reports made by the joint committee on banks.

The two first resolutions having been adopted,

On motion, the House went into a committee of the whole for the consideration of the third resolution ;

Mr. Guion being called to the chair.

The chairman (Mr. Guion) having decided that the resolution could not be entertained by the House, inasmuch as no appropriation of money can be made by a resolution ;

On motion, the committee rose, and the chairman (Mr. Guion) reported that the committee had had said resolution under consideration, and had had no action on the same.

The House took up said resolution.

The Speaker supported the opinion of the chairman of the committee of the whole.

SENATE, Evening Session, March 28, 1840.

Mr. Cuvillier informed the Senate that the House had adopted, with amendments, the resolutions from the Senate relative to the printing of the bank investigations, and had not acted on the third resolution.

Mr. Hoa offered the following resolution, which was adopted :

Resolved, That as the House has taken no action on the third resolution adopted by the Senate on the subject of publishing the documents reported by the bank committee, the Senate conceive that they have no longer any power to act thereon until the House of Representatives take such action that they may deem proper on the last resolution reported to the Senate as not having been disposed of by the House of Representatives.

Said resolution was reported to the House.

Mr. Hoa introduced the following resolution, which was adopted and reported to the House :

Resolved by the Senate and House of Representatives, That it shall be the duty of the State printer to print, in a pamphlet form, all the documents, statements, questions, and answers, relative to the investigation made of the banks by the joint committee appointed to that effect by the Legislature during its present session; and that said pamphlets shall be in number sufficient to furnish ten thereof to each member of the Legislature, to be delivered to the treasurer of the State, at the disposition of each member, on or before the third Monday of May next: that it shall be the duty of Mr. J. Whitehead, the present secretary of the aforesaid committee of investigation,

to assist the State printer in fixing the order of the aforesaid documents, statements, &c., and inspect the printing thereof.

HOUSE, Evening Session, March 28, 1840.

By a message from the Senate by Mr. Horatio Davis, their secretary, the House is informed that the Senate have decided that the resolution in relation to the publishing the documents reported by the investigating bank committee having been adopted by the Senate, the Senate conceive they have no longer any power to act thereon until the House of Representatives take such action that they may deem proper on the last resolution reported to the Senate as not having been disposed of by the House of Representatives.

The House having reconsidered said resolutions,

Mr. Dunbar moved to lay said resolutions on the table indefinitely.

On the question for the adoption of said motion, Mr. C. M. Conrad called for the ayes and nays; when it appeared that

Messrs. Barrow, Bickham, Brashear, Carter, Declouet, Dunbar, Farmer, Morse, Preston, Rogers, Thibodeaux, and Winchester, had voted in the affirmative—12 ayes.

And that Messrs. Bergeron, Boudousquié, Carr, C. M. Conrad, Cousin, Clark, Gaiennié, Godberry, Guion, Lockett, Muse, Pichot, Poydras, Pugh, Patton, Thomas, Wadsworth, Wilson, and F. D. Conrad, had voted in the negative—19 nays.

Said motion was consequently lost.

The Chair having decided that the third resolution was not in order, inasmuch as no appropriation of money can be made by a resolution,

Mr. Muse appealed from that decision.

The question being put, "Shall the decision of the Chair be maintained?" the same member called for the ayes and nays; when it appeared that

Messrs. Barrow, Bickham, Bergeron, Brashear, Boudousquié, Carter, Claiborne, C. M. Conrad, F. D. Conrad, Cousin, Clark, Declouet, Dunbar, Farmer, Gaiennié, Godberry, Guion, Lockett, Morse, Pichot, Poydras, Preston, Pugh, Patten, Rogers, Wadsworth, Wilson, and Winchester, had voted in the affirmative—28 ayes.

And that Messrs. Carr, Muse, and Thomas, had voted in the negative—3 nays.

The decision of the Chair was consequently sustained.

The third resolution having been stricken out, the clerk was directed to inform the Senate thereof.

By the same message, the concurrence of the House is requested in the following resolution, which was read for the first time:

Resolved by the Senate and House of Representatives, That it shall be the duty of the State printer to print, in a pamphlet form, all the documents, statements, questions, and answers, relative to the investigation made on the banks by the joint committee appointed to that effect by the Legislature during its present session; and that said pamphlets shall be in number sufficient to furnish ten thereof to each member of the Legislature, to be delivered to the treasurer of the State, at the disposition of each member, on or before the third Monday of May next. That it shall be the duty of Mr. J. Whitehead, the present secretary of the aforesaid committee of investigation, to assist the State printer in fixing the order of the aforesaid documents, statements, &c., and to inspect the printing thereof.

And, on motion, the same having been taken up, was laid on the table indefinitely.

SENATE, Evening Session, March 28, 1840.

Mr. Cuvillier informed the Senate that the House had adopted the two first resolutions relative to the printing of the bank investigation, and had rejected the third resolution.

On motion, the Senate concurred with the House in the rejection of said resolution.

No. 1.

Statement of the situation of the banks in New Orleans on the 31st January, 1840.

Names of the banks.	Capital.		Capital stock.			Real estate and other investments.	Discounts and loans.		
	Nominal.	Paid up.	Held in Europe.	Held in other States of U. S.	Held in Louisiana.		On pledge of bank stock.	On stock by prop'ty b'ks as required by their charters.	On r. estate and bills & notes, incl'g capital of branches.
New Orleans Canal and Banking Co.	\$4,000,000	\$3,999,750	\$1,920,500	\$1,750,000	\$329,250	a \$1,606,319	\$153,153	-	\$3,203,628
Carrollton Railroad and Banking Co.	3,000,000	1,949,350	298,500	195,650	1,455,200	b 934,518	191,439	-	1,516,649
Citizens' Bank of Louisiana	12,000,000	6,866,666	-	-	6,866,666	239,584	-	\$5,137,181	4,074,721
City Bank of New Orleans	2,000,000	2,000,000	152,100	925,200	922,700	225,923	190,250	-	2,863,815
Commercial Bank of New Orleans	3,000,000	3,000,000	285,000	849,600	1,865,400	c 1,273,133	564,836	-	2,191,198
Consolidated Association	2,833,000	2,450,000	-	-	2,450,000	89,425	-	1,331,935	1,929,360
Exchange and Banking Company	2,000,000	949,070	6,750	273,900	668,420	d 682,919	70,490	-	777,582
Gas Light and Banking Company	6,000,000	1,854,455	2,100	811,590	1,040,765	e 1,653,249	299,886	-	2,271,543
Improvement and Banking Company	2,000,000	1,521,685	-	-	1,521,685	g 1,404,163	317,610	-	675,618
Bank of Louisiana	4,000,000	3,997,560	1,260,300	347,300	2,389,960	109,840	233,660	-	4,996,036
Louisiana State Bank	2,000,000	1,937,120	1,016,280	201,180	629,660	149,106	227,320	-	2,396,222
Mechanics and Traders' Bank	2,000,000	1,998,390	207,200	979,900	811,290	58,232	254,750	-	2,258,071
Merchants' Bank	1,000,000	1,000,000	-	965,000	35,000	258,000	-	-	1,580,605
Bank of Orleans	500,000	424,700	6,370	158,328	260,002	105,721	34,300	3,212,874	617,637
Union Bank of Louisiana	7,000,000	7,000,000	-	-	7,000,000	n 620,192	-	-	6,157,768
Atchafalaya Bank	2,000,000	788,945	-	25,825	763,120	k 417,097	131,669	-	745,124
Total	55,333,000	41,737,691	5,155,100	7,773,473	28,809,118	9,827,421	2,669,363	9,681,990	38,257,577

See p 708

X

No. 1—Continued.

Names of the banks.	Balances due to or from foreign bankers.		Domestic bills and bank notes of other States, held by the banks.		Balances due to or from banks in other States, including checks and post notes.		Liabilities other than those expressed, bills payable, bonds &c., and dividends unpaid.	Assets other than those expressed, bills receivable, municipality notes, &c.
	Dr.	Cr.	Domestic bills.	Bank notes.	Dr.	Cr.		
New Orleans Canal and Banking Co.	-	-	\$167,267	-	\$96,728	-	\$589,760	
Carrollton Railroad and Banking Co.	\$2,083	\$2,594	107,719	\$1,100	30,318	\$31,169	195,858	\$9,369
Citizens' Bank of Louisiana	297,011	21,733	132,146	1,840	372,238	281,053	1,104,600	m 685,182
City Bank of New Orleans	407	16,440	-	1,715	73,030	2	34,528	166,236
Commercial Bank of New Orleans	2,908	9,581	365,773	9,695	317,513	100,899	692,810	p 27,990
Consolidated Association	89,938	12,663	38,947	-	-	7,131	-	220,336
Exchange and Banking Company	-	-	-	-	13,877	428	221,569	62,577
Gas Light and Banking Company	-	1,213	-	-	4,941	850	2,161,753	f 88,645
Improvement and Banking Company	-	-	-	1,965	2	25	299,161	13,764
Bank of Louisiana	-	37,383	-	2,046	166,045	24,656	233,595	125,603
Louisiana State Bank	-	-	-	-	-	-	-	-
Mechanics and Traders' Bank	-	9,434	43,118	5,380	84,663	18,495	357,839	2,250
Merchants' Bank	-	-	-	374,505	5,472,983	4,190,608	281,337	75,135
Bank of Orleans	-	-	164,317	2,121	44,010	35,978	3,333	-
Union Bank of Louisiana	79,140	140,065	183,172	-	207,736	18,351	-	a 478,936
Atchafalaya Bank	-	-	-	-	22,107	33,568	159,387	49,571
Total	471,487	251,106	1,202,459	400,367	6,906,200	5,043,212	6,338,530	2,805,584

No. 1—Continued.

Names of the banks.	Balances due to or from local banks.		Deposits.		Circulation.	Local bank notes on hand.	Specie in the vaults.	Capital gained, and profits undivided.
	Dr.	Cr.	By individuals or corporations.	By public officers.				
New Orleans Canal and Banking Company	\$1,920	-	\$350,003	-	\$410,880	\$164,400	\$163,003	\$583,691
Carrollton Railroad and Banking Company	23,411	-	37,658	-	349,135	99,175	38,142	183,031
Citizens' Bank of Louisiana	125,000	-	1,415,866	\$461,059	308,725	207,195	718,785	544,021
City Bank of New Orleans	59,260	\$51,546	607,221	-	842,400	171,215	164,701	208,580
Commercial Bank of New Orleans	-	116,296	432,861	19,101	665,180	184,720	302,238	322,441
Consolidated Association	-	-	579,558	-	465,195	131,033	197,783	500,000
Exchange and Banking Company	72,613	-	55,054	-	540,520	181,502	113,738	60,907
Gas Light and Banking Company	-	-	81,016	-	67,990	23,335	24,684	174,874
Improvement and Banking Company	-	257,183	199,918	-	872,920	282,915	31,314	31,062
Bank of Louisiana	-	-	525,707	-	261,747	39,775	406,766	786,312
Louisiana State Bank	19,497	6,661	691,208	-	418,105	43,303	332,650	150,342
Mechanics and Traders' Bank	21,110	9,369	166,375	-	161,570	77,815	58,812	344,863
Merchants' Bank	-	-	333,735	-	66,485	431,503	387,330	65,067
Bank of Orleans	8,050	-	157,625	-	308,607	15,046	160,870	176,355
Union Bank of Louisiana	65,896	-	667,573	-	961,630	122,423	237,975	2,187,749
Atchafalaya Bank	43,932	1,180	73,529	-	294,615	18,306	58,579	72,580
Total	430,689	442,235	6,377,907	480,160	6,908,744	2,196,691	3,397,379	6,391,875
Deduct notes held by the different banks on that day					2,196,691			
Actual circulation					4,802,033	Proportion of specie 77½ per cent.		
Deposits					6,858,067	Proportion of specie 23¼ per cent.		
					11,660,100			

No. 3.—Comparative statement of the situation of the New Orleans banks October 19, 1839, and January 31, 1840.

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Doc. No. 111.

Names of the banks.	Assets	Liabilities	Assets	Liabilities	ASSETS.		LIABILITIES.	
	October 19, 1839.	October 19, 1839.	January 31, 1840.	January 31, 1840.	Increase.	Decrease.	Increase.	Decrease.
Atchafalaya Bank	\$1,291,910	\$430,178	\$1,455,095	\$666,150	\$163,185	-	\$235,972	-
New Orleans Canal and Banking Company	5,077,673	1,136,230	5,457,787	1,449,290	380,114	-	313,060	-
Carrollton Railroad and Banking Company	2,802,645	707,547	2,885,109	722,008	82,461	-	14,461	-
Citizens' Bank of Louisiana	11,516,850	4,577,675	11,499,437	4,633,815	-	\$17,412	56,140	-
City Bank of New Orleans	3,431,288	1,218,218	3,851,842	1,616,854	420,554	-	398,616	-
Commercial Bank of New Orleans	4,919,173	1,894,631	5,046,372	2,176,547	127,199	-	281,916	-
Consolidated Association	249,336	739,808	331,816	1,044,752	82,480	-	301,944	-
Exchange and Banking Company	179,047	671,285	325,240	668,186	146,193	-	-	\$3,099
Gas Light and Banking Company	4,315,565	2,438,167	4,362,808	2,493,331	47,243	-	55,164	-
Improvement and Banking Company	61,806	580,483	573,406	1,109,633	511,600	-	520,150	-
Bank of Louisiana	5,639,949	828,011	5,951,111	1,134,918	311,162	-	306,907	-
Louisiana State Bank	3,036,271	1,040,216	3,157,271	1,131,809	121,000	-	91,593	-
Mechanics and Traders' Bank	2,118,101	282,963	2,267,863	418,830	149,762	-	135,867	-
Merchants' Bank	8,487,480	7,508,890	7,244,515	6,131,471	-	1,242,965	-	1,377,419
Bank of Orleans	917,105	293,326	1,155,801	529,123	238,696	-	235,797	-
Union Bank of Louisiana	10,531,184	8,311,368	11,172,725	8,984,975	641,541	-	673,607	-
	64,575,383	32,667,996	66,738,198	34,911,692	3,423,193	1,260,377	3,624,194	1,360,518

ASSETS.		LIABILITIES.	
October 19, 1839	\$61,575,383	October 19, 1839	\$32,667,996
January 31, 1840	66,738,198	January 31, 1840	34,911,692
Increase	2,162,815	Increase	2,243,696
		Total increased assets	2,162,815
		Total increased liabilities	2,243,696
		Excess	80,881

J. WHITEHEAD, Secretary to the Joint Committee on Banks.

No. 4.

Comparative statement of loans by the New Orleans banks on October 19, 1839, and January 31, 1840.

Doc. No. 111.

Names of the banks.	Loans on the 19th October, 1839.			Loans on the 31st January, 1840.			January 31, 1840.	
	On stock.	On other securities.	Total.	On stock.	On other securities.	Total.	Increase.	Decrease.
Atchafalaya Bank	\$130,000	\$189,454	\$619,454	\$131,668	\$635,124	\$766,792	\$147,338	\$8,243
New Orleans Canal and Banking Company	-	-	3,365,021	153,153	3,203,628	3,356,781	-	34,273
Carrollton Railroad and Banking Company	190,000	856,285	1,046,285	191,439	820,574	1,012,013	-	235,355
Citizens' Bank of Louisiana	5,001,301	4,575,102	9,579,403	5,137,181	4,206,867	9,344,048	157,063	-
City Bank of New Orleans	194,000	2,303,000	497,000	190,250	2,463,813	2,654,063	-	17,298
Commercial Bank	557,192	2,590,399	3,147,591	564,836	2,565,457	3,130,293	-	16,628
Consolidated Association	1,269,273	2,088,647	3,277,920	1,331,934	1,929,358	3,261,292	660,571	152,418
Exchange and Banking Company	70,490	437,663	508,153	70,490	509,081	660,571	152,418	-
Gas Light and Banking Company	-	1,858,132	1,858,132	-	1,871,429	1,871,429	13,297	-
Improvement and Banking Company	389,356	619,626	1,008,982	317,610	679,055	992,665	410,997	16,317
Bank of Louisiana	200,000	3,681,699	3,881,699	223,660	4,059,036	4,292,696	410,997	-
Louisiana State Bank	220,000	2,156,975	2,376,975	227,320	2,296,746	2,524,066	147,091	-
Mechanics and Traders' Bank	250,000	1,709,181	1,959,181	251,750	1,801,190	2,055,940	96,759	354,840
Merchants' Bank	-	1,935,453	1,935,453	-	1,580,604	1,580,604	-	-
Bank of Orleans	34,550	693,522	728,072	34,300	781,952	816,252	88,180	-
Union Bank	-	-	7,809,244	3,212,874	4,858,877	8,071,751	262,507	-
	8,509,162	23,915,138	45,508,568	12,051,465	34,339,791	46,391,256	1,475,650	682,962
						45,598,568		
						792,688		

Increase of loans since suspension of October 19, 1839

J. WHITEHEAD, Secretary to the Joint Committee on Banks.

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No. 5.—Comparative statement of deposits in the banks of New Orleans on the 19th of October, 1839, and 31st January, 1840.

Names of the banks.	Amount of deposits October 19, 1839.	Amount of deposits Jan. 31, 1840.	Increase.	Decrease.
Atchafalaya Bank	\$72,302	\$73,529	\$1,227	
New Orleans Canal and Banking Co.	175,858	350,003	174,145	
Carrollton Railroad and Banking Co.	68,007	37,658		\$30,349
Citizens' Bank of Louisiana	1,392,830	1,876,925	484,095	
City Bank of New Orleans	456,990	607,221	150,231	
Commercial Bank of New Orleans	254,193	451,962	197,769	
Consolidated Association	544,173	579,558	35,385	
Exchange and Banking Co.	179,276	55,054		124,222
Gas Light and Banking Co.	32,786	81,016	48,230	
Improvement and Banking Co.	171,950	199,918	27,968	
Bank of Louisiana	337,084	525,707	188,623	
Louisiana State Bank	722,872	694,208		28,664
Mechanics and Traders' Bank	84,903	166,375	81,472	
Merchant's Bank	178,281	333,735	155,454	
Bank of Orleans	52,706	157,625	104,919	
Union Bank	442,070	667,573	225,503	
	5,166,231	6,858,067	1,875,021	183,235
		5,166,231		
Increase of deposits since suspension of Oct. 19, 1839		1,691,786		

J. WHITEHEAD, Secretary to the Joint Committee on Banks.

No. 6.—Comparative statement of circulation of the banks in New Orleans on the 19th of October, 1839, and 31st of January, 1840.

Names of the banks.	Oct. 19, 1839.	Jan. 31, 1840.	Increase.	Decrease.
Atchafalaya Bank	\$154,710	\$294,615	\$139,905	
New Orleans Canal and Banking Co.	303,650	410,880	107,230	
Carrollton Railroad and Banking Co.	277,895	349,135	71,240	
Citizens' Bank of Louisiana	428,450	308,725		\$119,725
City Bank of New Orleans	526,770	842,400	279,130	
Commercial Bank of New Orleans	239,620	665,180	425,560	
Consolidated Association	195,635	465,195	269,560	
Exchange and Banking Company	357,620	540,520	182,900	
Gas Light and Banking Company	72,980	67,990		4,990
Improvement and Banking Company	149,085	872,920	723,835	
Bank of Louisiana	292,722	261,747		30,975
Louisiana State Bank	291,210	418,105	126,895	
Mechanics and Traders' Bank	178,475	161,570		16,905
Merchants' Bank	170,675	66,485		104,190
Bank of Orleans	134,726	308,607	173,881	
Union Bank	638,470	964,630	326,160	
	4,412,593	6,998,704	2,826,296	276,785
			276,785	
Increase of circulation since October 19, 1839			2,549,511	

N. B. If the difference between the amount of local bank notes, held on the aforesaid dates by the 16 city banks, viz: \$1,544,944, be deducted from this amount of \$2,549,511, the net increase of circulation, or the actual amount with the public on the 31st of January, 1840, will be shown to be

The difference was held by the city banks	\$1,004,567
	1,544,944
	<u>2,549,511</u>

J. WHITEHEAD, Secretary to the Joint Committee on Banks.

No. 7.—Comparative statement of specie in the vaults of the New Orleans banks on the 19th of October, 1839, and 31st of January, 1840.

Names of the banks.	Oct. 19, 1839.	Jan. 31, 1840.	Increase.	Decrease.
Atchafalaya Bank	\$37,122	\$58,579	\$21,457	
New Orleans Canal and Banking Co.	120,835	163,003	42,168	
Carrollton Railroad and Banking Co.	35,881	38,142	2,261	
Citizens' Bank of New Orleans	358,201	718,785	360,584	
City Bank of New Orleans	89,000	164,701	75,701	
Commercial Bank of New Orleans	229,100	302,238	73,138	
Consolidated Association	203,874	197,783	-	\$6,091
Exchange and Banking Company	14,065	113,738	99,673	
Gas Light and Banking Company	25,055	24,684	-	371
Improvement and Banking Company	48,169	31,314	-	16,855
Bank of Louisiana	441,966	406,766	-	35,200
Louisiana State Bank	333,464	332,659	-	805
Mechanics and Traders' Bank	56,081	58,812	2,731	
Merchants' Bank	394,229	387,330	-	6,899
Bank of Orleans	44,207	160,870	116,663	
Union Bank	234,300	237,975	3,675	
	2,665,449	3,397,379	798,151	66,221
			66,221	
Increase of specie since suspension, 19th of October, 1839 -			731,930	

J. WHITEHEAD,
Secretary to the Joint Committee on Banks.

No. 8.—Statement of local bank notes held by the New Orleans banks on the 19th of October, 1839, and 31st of January, 1840.

Names of the banks.	Amount held on Oct. 19, 1839.	Amount held on Jan. 31, 1840.
Atchafalaya Bank	\$24,375	\$18,306
New Orleans Canal and Banking Company	93,220	164,400
Carrollton Railroad and Banking Company	11,987	99,175
Citizens' Bank of Louisiana	62,335	207,195
City Bank of New Orleans	70,890	171,215
Commercial Bank of New Orleans	34,095	184,720
Consolidated Association	25,745	134,033
Exchange and Banking Company	131,328	181,502
Gas Light and Banking Company	4,905	23,335
Improvement and Banking Company	13,638	282,945
Bank of Louisiana	33,015	39,775
Louisiana State Bank	37,241	43,303
Mechanics and Traders' Bank	24,125	77,815
Merchants' Bank	34,622	431,503
Bank of Orleans	17,456	15,046
Union Bank	32,770	122,423
	651,747	2,176,691
		651,747
Excess of local bank notes held by the 16 city banks over amount held by them on the 19th of October, 1839		1,524,944

J. WHITEHEAD,
Secretary to the Joint Committee on Banks.

No. 9.—Statement of protested paper held by the New Orleans banks on the 31st of January, 1840.

Names of the banks.	On hand.	In suit.	Total.
Atchafalaya Bank	\$192,182	\$78,432	\$270,614
New Orleans Canal and Banking Company	129,781	—	129,781
Carrollton Railroad and Banking Company	178,294	—	178,294
Citizens' Bank of Louisiana	—	—	624,678
City Bank of New Orleans	—	—	132,819
Commercial Bank of New Orleans	96,898	35,914	543,833
Consolidated Association	—	—	222,234
Exchange and Banking Company	80,921	141,313	67,683
Gas Light and Banking Company	36,350	31,332	443,794
Improvement and Banking Company	266,083	177,711	273,484
Bank of Louisiana	46,817	226,667	211,462
Louisiana State Bank	211,462	—	289,773
Mechanics and Traders' Bank	239,773	—	252,316
Merchants' Bank	252,316	20,417	122,519
Bank of Orleans	74,973	47,539	231,640
Union Bank	117,305	114,335	594,006
	261,755	332,251	
			4,609,332

Total amount of protested paper held by the New Orleans banks on the 31st of January, 1840, \$4,609,332.

J. WHITEHEAD,
Secretary to the Joint Committee on Banks.

No. 10.—Comparative statement of balances due to or from banks in other States on the 19th of October, 1839, and the 31st of January, 1840.

Names of the banks.	Balances 19th October, 1839.		Balances 31st January, 1840.	
	Dr.	Cr.	Dr.	Cr.
Atchafalaya Bank	\$581	\$2,530	\$22,107	\$33,568
New Orleans Canal and Banking Company	67,621	—	96,728	—
Carrollton Railroad and Banking Company	32,998	28,310	30,117	31,157
Citizens' Bank of Louisiana	340,103	120,314	372,228	281,033
City Bank of New Orleans	183,914	6,078	73,038	—
Commercial Bank	209,521	134,110	317,513	100,899
Consolidated Association	1,668	—	—	7,131
Exchange and Banking Company	2,716	—	13,877	437
Gas Light and Banking Company	1,132	3,023	4,941	850
Improvement and Banking Company	2	25	2	25
Bank of Louisiana	141,389	13,981	166,045	24,666
Louisiana State Bank	2,604	—	—	—
Mechanics and Traders' Bank	20,698	—	66,168	11,683
Merchants' Bank	6,934,281	4,863,027	5,472,983	4,190,608
Bank of Orleans	46,640	5,158	44,010	35,978
Union Bank	203,533	21,875	207,735	18,330
	8,189,401	5,198,431	7,287,692	4,736,397
	5,198,431	—	4,736,397	—
	2,990,970	—	2,551,295	—
Diminished balances due to banks in other States, since suspension October 19, 1839	—	—	439,675	—
	2,990,970	—	2,990,970	—

J. WHITEHEAD,
Secretary to the Joint Committee on Banks.

No. 12.—Statement of dividends earned and employed as capital by the property banks, and profits realised and undivided by the other banks; also, of the gross profits of the banks of New Orleans for the year 1839; also, of their expenses for the year 1839.

Names of the banks.	Dividends and profits undivided.	Gross profits in 1839.	Expenses for the year 1839.
Atchafalaya Bank	\$72,580	\$23,097	\$15,098
New Orleans Canal and Banking Company	583,691	255,215	(1) 26,268
Carrollton Railroad and Banking Company	183,031	160,674	14,000
Citizens' Bank of Louisiana	544,021	613,133	(5) 394,694
City Bank of New Orleans	208,580	228,238	20,300
Commercial Bank of New Orleans	322,441	267,799	(2) 37,450
Consolidated Association	500,000	216,943	(6) 152,500
Exchange and Banking Company	60,907	114,917	19,800
Gas Light and Banking Company	174,874	262,140	(3) 34,900
Improvement and Banking Company	31,062	86,001	13,340
Bank of Louisiana	786,312	381,313	(4) 49,303
Louisiana State Bank	150,342	186,963	24,500
Mechanics and Traders' Bank	344,863	153,561	25,521
Merchants' Bank	65,067	119,956	39,000
Union Bank	2,187,749	619,855	(7) 391,999
Bank of Orleans	176,355	35,079	18,860
	6,391,875	3,724,884	1,277,536

(1) This amount includes salaries of canal officers.

(2) This amount includes salaries of water-works officers.

(3) This amount includes salaries of gas-work officers and of country branches.

(4) This amount includes salaries of gas-work officers and of country branches.

(5) This amount includes \$343,333 30 interest, on bonds \$6,866,666, at 5 per cent.

(6) This amount includes 122,500 00 interest, on bonds \$2,450,000, at 5 per cent.

(7) This amount includes 350,000 00 interest, on bonds \$7,000,000, at 5 per cent.
163,166 00 additional 1 per cent., to cover bankers' commissions, unfavorable exchanges, &c.

978,999 30

Expenses of the banks annually, for salaries of officers, stationary, &c., as reported, amount to - \$461,763 00
Interest on investments in banking-houses, &c., by 16 city banks, not included in the above column - 188,164 00

J. WHITEHEAD,
Secretary to the Joint Committee on Banks.

No. 13.—Capital of branches.

Names of banks and their locations.	Nominal capital.	Capital paid.
ATCHAFALAYA BANK.		
Branch at Bayou Sara	\$700,000	\$70,000
Branch at Monroe	400,000	40,000
CARROLLTON RAILROAD AND BANKING COMPANY.		
Branch at Lafayette	300,000	150,000
Branch at Providence	300,000	150,000
Branch at Idropolis	250,000	125,000
Branch at Baton Rouge	250,000	125,000
Branch at Bayou Sara	250,000	125,000
CITY BANK.		
Branch at Baton Rouge	200,000	200,000
Branch at Natchitoches	200,000	200,000
EXCHANGE AND BANKING COMPANY.		
Branch at Natchitoches	500,000	125,000
Branch at Plaquemine	250,000	62,500
BANK OF LOUISIANA.		
Branch at St. Francisville	200,000	200,000
Branch at Opelousas	200,000	200,000
Branch at Alexandria	200,000	200,000
Branch at Baton Rouge	200,000	200,000
Branch at Donaldsonville	200,000	200,000
STATE BANK OF LOUISIANA.		
Branch at St. Martinsville	100,000	100,000
UNION BANK OF LOUISIANA.		
Branch at Plaquemine	250,000	250,000
Branch at Avoyelles	225,000	225,000
Branch at St. Martinsville	200,000	200,000
Branch at Vermillionville	200,000	200,000
Branch at Thibodauxville	250,000	250,000
Branch at Natchitoches	200,000	200,000
Branch at Clinton	250,000	250,000
Branch at Covington	225,000	225,000

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\$15,000
26,268
14,000
394,694
20,300
37,450
152,500
19,800
34,900
13,340
49,303
24,500
25,524
39,000
391,999
18,860

277,536

missions

,763 00

,164 00

anks.

Names of banks and their locations.	Nominal capital.	Capital paid.
GAS LIGHT AND BANKING COMPANY.		
Branch at Springfield - - - -	\$300,000	\$90,000
Branch at Napoleonville - - - -	300,000	90,000
Branch at Harrisonburg - - - -	300,000	90,000
Branch at Alexandria - - - -	800,000	240,000
Branch at Franklin - - - -	300,000	90,000
Branch at St. Bernard - - - -	100,000	100,000
MECHANICS AND TRADERS' BANK.		
Branch at Vidalia - - - -	200,000	200,000
Branch at Opelousas - - - -	300,000	300,000
CANAL AND BANKING COMPANY.		
Branch at Alexandria - - - -	400,000	400,000
Branch at St. Francisville - - - -	400,000	400,000
Branch at Franklin - - - -	250,000	250,000
Branch at Donaldsonville - - - -	250,000	250,000
CITIZENS' BANK OF LOUISIANA.		
Two branches in 1st congressional district, each with a capital of \$500,000 - - - -	1,000,000	
Two branches in 2d congressional district, each with a capital of \$500,000 - - - -	1,000,000	
Three branches in 3d congressional district, each with a capital of \$333,333 33 - - - -	1,000,000	
	13,400,000	6,772,500

J. WHITEHEAD,
Secretary to the Joint Committee on Banks.

No. 14.—Statement of loans, including exchange, to the three congressional districts in this State, on January 31, 1840.

Names of the banks.	To the 1st district.	To the 2d district.	To the 3d district.	Total.
Atchafalaya Bank	\$316,712	\$254,011	\$306,070	\$876,793
New Orleans Canal and Banking Company	2,442,906	431,144	650,000	3,524,050
Carrollton Railroad and Banking Company	1,139,547	293,544	275,000	1,708,091
Citizens' Bank of Louisiana	8,713,503	315,272	315,272	9,344,047
City Bank of New Orleans	2,654,063	200,000	200,000	3,054,063
Commercial Bank	2,994,552	130,530	2,891	3,127,973
Consolidated Association	3,082,874	22,638	202,722	3,308,234
Exchange and Banking Company	723,072	—	125,000	848,072
Gas Light and Banking Company	2,061,429	90,000	420,000	2,571,429
Improvement and Banking Company	993,228	—	—	993,228
Bank of Louisiana	3,425,036	1,005,517	762,143	5,192,696
Louisiana State Bank	2,525,540	—	100,000	2,625,540
Mechanics and Traders' Bank	2,053,819	—	502,000	2,555,819
Merchants' Bank	1,580,605	—	—	1,580,605
Bank of Orleans	802,678	—	13,574	816,252
Union Bank	6,472,688	1,476,654	1,604,470	9,553,812
	41,982,252	4,219,310	5,479,142	51,680,704

J. WHITEHEAD,
Secretary to the Joint Committee on Banks.

ATCHAFALAYA BANK.

ATCHAFALAYA RAILROAD AND BANKING COMPANY,
New Orleans, February 18, 1840.

GENTLEMEN: Herewith you have the several statements and answers to questions sent to this bank under date of January 30th.

I am, with much respect, your obedient servant,

C. HARROD, *Cashier.*

P. S.—Any further information in the power of this bank to communicate will be given with pleasure.

C. H.

To RICHARD WINN and CHARLES M. CONRAD, Esqs.,
Chairmen, &c.

Answers to interrogatories of 30th January, 1840.

1st. The subscribers, president and cashier of the Atchafalaya Railroad and Banking Company, answer:—We came into this bank in April, 1838, and cannot answer to questions previous to that time; and all our answers relate to transactions subsequent to that date. Soon after we were elected president and cashier, a director in this bank was protested. At the next meeting of the board the president informed him he could not retain his seat. He retired; and sent in his resignation.

2d. We purchased and shipped, January 20th, 1840, twenty-five thousand dollars to New York, and sold the checks of the bank drawn against it.

3d. No meeting of the stockholders was ever held to act upon it; we never saw the act.

4th. We never saw the act; consequently, are ignorant of its requirements.

5th. Not one cent has ever been paid to any editor or publisher of a newspaper, since we came into the bank, except for the ordinary subscription to their paper.

6th. The bank has purchased, at several different times, small parcels of specie; but has never sold a single dollar, except as answered to second interrogatory.

7th. This bank has not purchased a bale of cotton or other produce, either directly or indirectly.

8th. Not one dollar.

9th. Amount of gross proceeds for the year ending 31st December, 1839, is twenty-three thousand and ninety-six dollars ninety-nine cents.

10th. January 30th, 1837, four per cent.

11th. This bank, with the other banks of this city, suspended specie payments on the 19th day of October, 1839; which suspension continues up to this day.

12th. Not one dollar as debt; but we hold second municipality bonds amounting to twenty thousand four hundred and ninety-one dollars eighty-nine cents.

So far as any statements we here furnish from the books, we certify the same to be correct.

C. N. BRADBURY,
General Book-keeper.

M. BAYLY,
Discount Clerk.

We do solemnly swear that the foregoing statements exhibit the truth, the whole truth, and nothing but the truth, in reference to the matters there-in stated, to the best of our knowledge and belief: so help us God.

J. W. BREEDLOVE, *President.*

C. HARROD, *Cashier.*

Sworn to and subscribed before me, this 19th February, 1840.

O. P. JACKSON, *Judge.*

The general statement of the Atchafalaya Railroad and Banking Com-pany, herewith handed, is made up to 31st January, 1840.

1st. The real estate belonging to this institution is the banking-house on Magazine street, and gas office in the rear, on Bank Place; banking-house at Bayou Sara, and railroad depot; and a lot at Monroe.

2d. No other investments.

3d. Amount loaned on pledge of stock is one hundred and thirty-one thousand six hundred and sixty-eight dollars seventy-four cents. The largest amount loaned on stock, to any one individual, is twenty-two thousand five hundred dollars; and that is secured by a pledge of one thousand shares of stock, on which fifty thousand dollars has been paid by the same individual.

4th. No loans on real estate.

5th. Loans on notes or bills originating in this State, three hundred and sixty-five thousand six hundred and thirteen dollars eighty-eight cents.

Amount loaned in this city is three hundred and fifty-one thousand three hundred and sixty-eight dollars eighty-eight cents. Amount loaned in the first congressional district is three hundred and sixty thousand three hundred and sixty-eight dollars eighty-eight cents; amount loaned in the second congressional district is four thousand two hundred and forty-five dollars; and in the third congressional district, one thousand dollars.

6th. No loans originating out of the State.

7th. No balance due to or by foreign banks.

8th. Balance due this bank by banks in other States is thirty-three thousand five hundred and sixty-eight dollars thirty-seven cents. Balance due by this bank to banks in other States is twenty-two thousand one hundred and six dollars seventy-eight cents; of which amount the Pennsylvania Bank of the United States has a credit of twenty-one thousand six hundred and nineteen dollars three cents.

9th. Not a dollar.

10th. We have seven thousand seven hundred and twenty-nine dollars in notes of banks of other States.

11th. Balance due this bank by local banks is, Union Bank, eleven hundred and eighty dollars. Balance due by this bank to local banks is forty three thousand nine hundred and thirty-one dollars sixty-five cents, viz: Commercial Bank, \$12,801; Mechanics and Traders' Bank, \$4,345; Louisiana State Bank, \$935 50; Improvement Bank, \$25,850.

12th. No other liabilities than those shown in the general statement.

13th. In May, 1838, this bank issued two hundred thousand dollars of its notes, made payable March 1st, 1840; but, by a resolution of the board, dated December 24th, 1838, all notes were declared as payable on demand, and the bank has since continued to pay them as other notes issued.

14th. Amount of protested paper is two hundred and seventy thousand six hundred and fourteen dollars seventy cents. Amount in suit is seventy-eight thousand four hundred and thirty-two dollars eighty-one cents.

15th. It is a rule established in this bank, to discount no paper having over sixty-four days to run; and that now amounts to three hundred and sixty-five thousand six hundred and thirteen dollars eighty-eight cents; but, in times like the present, we cannot say positively if all will be paid at maturity, without defalcation.

16th. This bank does not grant loans on accommodation paper.

17th. No other loans than stock loans, as answered in No. 3, and the amount given in No. 15; and the assets are all shown in the general statement.

18th. The cashier occupies the dwelling over the bank, and no rent is paid by the bank for any of its officers. The president's salary is one thousand dollars per annum; the cashier's salary four thousand dollars per annum; the first teller's (and acting second teller also) salary is twenty-five hundred dollars per annum; general book-keeper's salary is eighteen hundred dollars per annum; the note clerk's (and acting also as discount clerk) salary fifteen hundred dollars per annum; individual book-keeper's salary fifteen hundred dollars per annum; runner's salary eight hundred dollars per annum; porter's salary eight hundred dollars per annum; lawyer's salary eight hundred dollars per annum; stationary about three hundred dollars per annum; fuel fifty dollars per annum; newspapers forty-eight dollars per annum.

19th. Amount of expenses from July 1st, 1837, to August 1st, 1838, is eighteen thousand and sixty-one dollars thirty cents; being previous to our coming into the bank, except about three months.

20th. Amount due this bank is \$365,613 88, as answered in No. 5; amount under protest is \$270,614 70, as answered in No. 14; considered all good eventually.

21st. It is impossible to answer this, no such account being kept in the bank.

22d. We hand you, herewith, our statement of the 17th of October, 1839; by comparing which with that of the 31st January, 1840, will give the information asked for.

23d. The general statement handed you was made to January 31st, which gives the information required.

24th. Nominal capital is two millions of dollars; and capital paid up is seven hundred and eighty-eight thousand nine hundred and forty five dollars. Amount of stock held in this State is nineteen thousand five hundred and seventy-five shares. Amount held in other States is four hundred and twenty-five shares. None held by corporations in other States; none held out of the United States. Amount of stock loans previously answered.

State of Louisiana	19,525 shares	-	-	-	\$763,120
Other States	425 "	-	-	-	25,825
	<u>19,950 shares</u>	-	-	-	<u>788,945</u>

25th. Agreeable to your notes of the 13th, we state we have not yet received full accounts from our branches. The branch at Bayou Sara has loaned about seventy thousand dollars; and the branch at Monroe about forty thousand dollars. Capital of the branch at Bayou Sara, by law, is seven hundred thousand dollars; and the capital of the branch at Monroe, by law, is four hundred thousand dollars. Amount furnished office at Bayou Sara is seventy thousand dollars. Amount furnished office at Monroe, forty thousand dollars.

In answer to your note of the 11th February, we state: Since we came into the bank there has not been a single instance of mutual endorsement for each other, between any of the directors in this bank.

We do solemnly swear that the foregoing answers to the several interrogatories of the bank committee, therein answered, contain the truth, the whole truth, and nothing but the truth, to the best of our knowledge and belief: so help us God.

J. W. BREEDLOVE, *President.*

C. HARROD, *Cashier.*

So far as any statements we here furnish from the books, we certify the same to be correct.

C. N. BRADBURY,
General Book-keeper.

M. BAYLY,
Discount Clerk.

Sworn to and subscribed before me, this 19th February, 1840.

O. P. JACKSON, *Judge.*

ATCHAFALAYA RAILROAD AND BANKING COMPANY,
New Orleans, March 9, 1840.

GENTLEMEN: To your third question, "loans on pledge of stock, and loans the security for which is partly stock, specifying in a note the largest loan of this kind to any one individual or company, with the name of the party," I answer: the largest loan is \$22,500, secured by a pledge of 1,000 shares of stock, on which \$50,000 has been paid, to Mr. Thomas Banks.

Respectfully,

C. HARROD, *Cashier.*

To R. WINN and C. M. CONRAD, Esqs.,
Chairmen, &c.

ATCHAFALAYA RAILROAD AND BANKING COMPANY,
New Orleans, February 19, 1840.

GENTLEMEN: On receipt of your note of the 17th, covering resolution of the Senate, (the answers to your several questions had been made up,) I now reply to the same, so far as I am enabled to do.

The amount the president and directors of the branch of Bayou Sara have obtained "on loans, discounts, or bills of exchange," is \$11,386; and from the mother bank, \$6,610.

The president and directors of the branch at Monroe do not owe any thing to the mother bank. Their liabilities at the branch I cannot furnish, not having received a statement; but presume they are not large.

With much respect,

C. HARROD, *Cashier.*

To R. WINN and C. M. CONRAD, Esqs.,
Chairmen, &c.

DR. *General statement of the Atchafalaya Railroad and Banking Company, New Orleans, January 31, 1840.*

DR.			CR.
Capital of office at Bayou Sara	\$70,000 00		
Capital of office at Monroe	40,000 00		
		\$110,000 00	
Bills and notes discounted	365,613 88		
Bonds Second Municipality	26,491 89		
Bills receivable	110,072 42		
Bills protested	274,614 70		
		766,792 89	
Contingent expenses, protest, suspense, and exchange accounts		2,363 72	
Banking-house and lot	\$141,255 65		
Real estate—railroad depot and railroad	22,126 24		
		163,381 89	
Offices at Bayou Sara and Monroe		44,173 87	
Banks in other States		33,568 37	
Local banks		1,180 00	
Stocks in different institutions		253,715 00	
W. H. Rondeau & U. Wiltz and securities		5,397 63	
Cash on hand in specie	\$58,578 54		
Cash on hand in city bank notes	18,306 62		
		76,885 16	
		1,457,458 53	
			\$788,945 00
			158,428 72
			22,106 78
			43,931 65
			74,943 72
			958 40
			73,529 26
			294,615 00
			1,457,458 53

C. N. BRADBURY, *General Book-keeper.*
M. BAYLY, *Discount Clerk.*

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Doc. No. 111.

C. N. BRADBURY, *General Book-keeper.*
M. BAYLY, *Discount Clerk.*

General statement of the Atchafalaya Railroad and Banking Company, New Orleans, October 17, 1839.

D R.		Cr.	
Capital of offices at Bayou Sara and Monroe	\$110,000 00	Capital stock	\$788,945 00
Bills and notes discounted	\$232,280 17	Bills payable	170,192 76
Bonds Second Municipality	20,491 89	Banks in other States	581 53
Bills receivable	112,751 75	Local banks	31,435 49
Bills protested	253,930 34	Discount, exchange, and profit and loss	77,769 85
	619,454 15	account	958 40
Contingent expenses, interest, protest, and	4,984 04	Dividend No. 1 unpaid	72,302 52
suspense accounts		Individual depositors	154,710 00
Banking-house and lot	\$141,255 65	Circulation	
Real estate—railroad and rail-			
road depot	21,569 37		
	162,825 02		
Offices at Bayou Sara and Monroe	50,544 97		
Local banks	25,948 88		
Banks in other States	2,530 39		
Stock in different institutions	253,715 00		
W. H. Rondeau & U. Wiltz and securities	5,397 63		
Cash on hand in specie	\$37,120 65		
Cash on hand in city bank			
notes	24,374 82		
	61,495 47		
	1,296,895 55		
			1,296,895 55

C. N. BRADBURY, *General Book-keeper.*
M. BAYLY, *Discount Clerk.*

Doc. No. 111.

CANAL BANK.

The undersigned submit, in conformity with the requisitions of the joint committee appointed by the General Assembly to investigate the banks, the accompanying statement of the affairs of the New Orleans Canal and Banking Company, and the following replies to the interrogatories submitted to them.

The said statement exhibits all the assets and liabilities of the said company, with a detail of the real estate, stocks, and other investments; also loans on stock, mortgage, and personal security. With reference to the latter they have to add, that the amount of protested paper accruing from all the operations of the bank prior to 1837 is

\$20,177 00
109,604 84

And since that time is - - - - - the greater part of which is in the course of settlement. A further amount of \$30,300 is under protest, to hold the estate of the endorser, who is dead, but which it is thought will be settled by the drawers in the course of this and the next season. The loans secured by collaterals amount to \$36,483 12, arising from settlements made during the last three years.

This institution makes no loans with the privilege of renewal. In 1837 this indulgence was granted for a limited time to all its debtors, which paper is now nearly paid up. All sums since are much in the condition of peremptory payment at maturity; but on mortgage debts, and paper taken in liquidation of old transactions, more or less indulgence is extended by the board, according to the ability of the parties.

The fluctuations now taking place in the value of property and the affairs of individuals render it impracticable to make a correct classification of good, bad, and doubtful debts; the undersigned, however, believe that \$100,000 will fully cover all losses the institution may sustain from existing pendencies. But, in order to guard against disappointment, and to preserve the capital unimpaired, the profits of the institution to the extent of \$200,000 have been reserved since 1837; and in consequence of no dividend being declared the last six months, they are now \$313,612 93, independent of a special fund to cover the protested paper accruing from the operations of the bank prior to 1837, and a sinking fund to liquidate the cost of the canal, which amounts to \$249,772 59: together making an aggregate of reserved profits of \$583,692 52, which, at all events, affords a sufficient guaranty that the integrity of the capital is still preserved: and this the undersigned suppose to be the object of your committee in requiring that classification of debts, which they do not feel competent to make.

Balances due to or by local and district banks are all detailed in the statements referred to, as likewise the post notes outstanding; in regard to which it may be proper to explain that said post notes were issued during the suspension which commenced in 1837, when, in consequence of this institution and some others redeeming their notes payable on demand in specie, the currency was much reduced, and this substitute was emitted as a circulating medium, with the agreement on the part of this company to exchange them for other bank notes payable on demand at the pleasure of the holder, and to pay them in specie when the resumption became general; which conditions have always been complied with. The largest amount at any time emitted was \$294,600; of which there is now outstanding \$19,930. None have been issued since January, 1839.

The amount of notes of each of the other banks cannot now be ascertain-

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as the only certain remittance at that particular time, to be placed in the hands of two distinct individuals, in trust for the special object before stated. Fortunately and unexpectedly, the bills remitted were all punctually paid at maturity; and the agents, who were compelled to suspend their payments prior thereto transferred the funds in their hands to a banking-house in London, for account of this institution.

The purchase of cotton just stated was intrusted to the president, who received no commission or compensation, directly or indirectly, for his special agency in this matter.

With the exception above mentioned, this institution has never bought, sold, or dealt, directly or indirectly, in any kind of merchandise.

The earnings of this institution from the operations of 1839 were \$255,215 44.

A dividend of 3 per cent. was declared on the 24th June last; since then, none has been made.

The second municipality owed this institution on the 19th October last \$11,000, and on the 31st January \$4,000. Neither of the other municipalities appears among its debtors.

This institution did not forfeit its charter in 1837, and was not therefore included among those requiring the aid of legislative enactment; and hence no meeting was convened of the stockholders, to submit the question of acceptance of said act to "relieve such banks as might have forfeited their charters by suspending specie payment." The 3d section of said act has generally been acted upon.

This institution suspended specie payments on the 19th October last; subsequently they were resumed for some weeks, and again discontinued.

The undersigned have no knowledge of any directors of this institution endorsing for each other.

GEO. B. OGDEN, *President.*
BEV. CHEW, *Cashier.*

The Hon. RICHARD WINN and C. M. CONRAD,
Chairmen of the Bank Committee of the General Assembly.

STATE OF LOUISIANA, *City of New Orleans:*

Personally before me, Thomas N. Morgan, an associate judge of the city court of New Orleans, came Geo. B. Ogden, president, and Beverly Chew, cashier, who being duly sworn, declare the foregoing explanations of the affairs of said company are true and correct, to the best of their knowledge and belief.

GEO. B. OGDEN,
BEV. CHEW.

Sworn to and subscribed before me this 2d day of March, 1840.

THOMAS N. MORGAN,
Associate Judge.

Comparative statement of the affairs of the New Orleans Canal and Banking Company, at the periods of the 19th of October, 1839, and the 31st of January, 1840.

Comparative statement of the affairs of the New Orleans Canal and Banking Company, at the periods of the 19th of October, 1839, and the 31st of January, 1840.

DR.	On the 19th day of Oct., 1839.	On the 31st day of Jan., 1840.		On the 19th day of Oct., 1839.	On the 31st day of Jan., 1840.	CR.
To real estate	\$336,699 75	\$338,809 68	By capital stock	\$3,999,750 00	\$3,999,750 00	
stocks	37,500 00	37,600 00	sinking fund, to liquidate cost of canal	243,680 58	249,772 59	
slaves	9,932 13	9,932 13	reserved profits	259,438 41	333,919 93	
canal and dependencies	1,213,298 58	1,220,078 82	discount, exchange, and interest accounts	52,714 62	11,677 15	
loans	3,365,024 61	3,520,560 59	unclaimed dividends	85,983 69	6,069 85	
contingent expenses	10,809 55	2,649 64	domestic banks, balances due them	67,621 13	96,728 86	
suspense account	1,151 58	3,490 92	city banks, balances due them	-	1,920 00	
protest account	215 15	285 78	individual depositors, balance due them	175,868 69	350,002 92	
specie in vault	120,845 77	163,013 74	circulation	303,650 00	410,880 00	
notes of city banks	93,220 00	164,400 00				
	5,188,697 12	5,460,721 30		5,188,697 12	5,460,721 30	

GEORGE B. OGDEN, *President.*
BEV. CHEW, *Cashier.*

STATE OF LOUISIANA, *city of New Orleans:*

Personally before me, Thomas N. Morgan, an associate judge of the city court of New Orleans, came George B. Ogden, president, and Beverly Chew, cashier of the New Orleans Canal and Banking Company; who, being duly sworn, depose and say that the statements herewith rendered of the affairs of said company are true and correct, to the best of their knowledge and belief.

GEORGE B. OGDEN,
BEV. CHEW.

Sworn to and subscribed before me, this 2d day of March, 1840.

THOMAS N. MORGAN, *Associate Judge.*

Doc. No. 111.

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Office at St. Francisville:	
Capital	\$400,000 00
Less balance of account due	19,734 90
	<u>380,265 10</u>
Office at Franklin:	
Capital	250,000 00
Balance of account	23,078 90
	<u>273,078 90</u>
Office at Donaldsonville:	
Capital	\$250,000 00
Balance of account	12,764 18
	<u>262,764 18</u>
	<u>1,331,144 89</u>
Contingent expenses, officers' salaries, books, stationary, and other expenses, since 31st December last	
Suspense account	-
Protest account	-
Cash:	
Specie in vault	163,013 74
Notes of city banks	164,400 00
	<u>327,413 74</u>
	<u>5,460,721 30</u>

Farmers' Bank, Chatham, Georgia	5,032 96		
Branch Bank of Virginia, Petersburg	974 84		
Branch State Bank of Alabama, Mobile	68 88		
Real Estate Bank of Arkansas, Washington	1,090 41		
Branches of the State Bank of Illinois	20 23		
		<u>22,213 78</u>	
By city banks—Commercial Bank of New Orleans, balance due	-		96,728 86
By individual depositors—balances due them	-		1,920 00
By circulation—post-notes issued during the suspension of 1837, outstanding	-		350,002 92
Notes payable on demand	-	19,930 50	
		<u>390,950 00</u>	410,880 00
			<u>5,460,721 30</u>

STATE OF LOUISIANA, city of New Orleans:

Personally before me, an associate judge of the city court of New Orleans, came George B. Ogden, president, and Beverly Chew, cashier of the New Orleans Canal and Banking Company, who, having been duly sworn, depose and say that the statements herewith rendered of the affairs of said company are true and correct, to the best of their knowledge and belief.

GEORGE B. OGDEN, *President.*
BEVERLY CHEW, *Cashier.*

Sworn to and subscribed before me, this 2d day of March, 1840.

THOS. N. MORGAN, *Associate Judge.*

Doc. No. 111.

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Annual salaries of the officers of the Canal and Banking Company.

President	-	-	-	-	-	-	-	\$2,500
Cashier	-	-	-	-	-	-	-	4,500
General book-keeper	-	-	-	-	-	-	-	2,000
First individual book-keeper	-	-	-	-	-	-	-	1,800
Second individual book-keeper	-	-	-	-	-	-	-	1,600
First teller	-	-	-	-	-	-	-	2,000
Second teller	-	-	-	-	-	-	-	2,000
Discount clerk	-	-	-	-	-	-	-	1,600
Runner	-	-	-	-	-	-	-	1,500
Porter	-	-	-	-	-	-	-	900
Assistant clerk	-	-	-	-	-	-	-	1,800
Harbormaster at basin	-	-	-	-	-	-	-	1,500
Superintendent at the lake	-	-	-	-	-	-	-	1,200
Gate-keeper on Shell road	-	-	-	-	-	-	-	600
Two guards at bank	-	-	-	-	-	-	-	768
								<u>26,268</u>

BEVERLY CHEW, *Cashier.*

CARROLLTON BANK.

NEW ORLEANS, *February 5, 1840.*

I have the honor to acknowledge the receipt of your communication propounding certain inquiries, to be answered by the president and cashier of this institution, the which will meet due consideration.

Very respectfully, your obedient servant,

JOHN NICHOLSON, *Cashier.*

Hon. R. WINN and C. M. CONRAD,
Chairmen, &c.

CARROLLTON BANK.

New Orleans, February 8, 1840.

GENTLEMEN: The board of directors of this institution considered the several queries propounded by you as chairmen, at their meeting of yesterday, being the first after the reception of your communication; and I now have the honor to return the answer of the president and cashier, as required therein. So soon as the various statements called for shall be completed, they will be forwarded to your address.

With consideration and respect, your obedient servant,

JOHN NICHOLSON, *Cashier.*

Hon. R. WINN and C. M. CONRAD,
Chairmen, &c.

The president and cashier of the Carrollton Bank answer to the interrogatory—"Have any of the directors of your bank endorsed for each other;

if, yea, state the amount of such mutual endorsement, and which of them have since come under protest?"—that the directors of this bank have not endorsed for each other as therein stated. A list of our paper discounted will show this fact.

We solemnly swear that the foregoing answer to the interrogatory of the bank committee contains the truth; so help us God.

G. CURRIE DUNCAN, *President.*

JOHN NICHOLSON, *Cashier.*

Sworn to and subscribed before me, this 14th February, 1840.

O. P. JACKSON, *Judge.*

CARROLLTON BANK,
New Orleans, February 14, 1840.

GENTLEMEN: I herewith transmit the answers of the president and cashier of this bank to the interrogatories propounded in your communication of the 11th instant.

I have the honor to be, respectfully, your obedient servant,

JOHN NICHOLSON, *Cashier.*

Hon. R. WINN and C. M. CONRAD,
Chairmen of the Bank Committee.

Answers of the president and cashier of the Carrollton Railroad and Banking Company, to queries propounded by the honorable R. Winn and C. M. Conrad.

1. Some of the directors, since 1840, have been under protest; but none of them continued members of the board.
2. No gold nor silver has been shipped to any place out of this State.
3. There never has been a direct acceptance or refusal of the law approved 14th March, 1839.
4. Statements of this bank have been exhibited and published as often as the board of presidents met.
5. The only moneys paid to editors or publishers of newspapers have been for subscriptions.
6. This bank has purchased specie since the 4th March, 1837; the total amount being \$282,336 77.
7. The only cotton ever purchased by this bank was sent to Europe to meet engagements or valuations, as the best remittance that could be effected; the total amount of which was \$24,277 26.
8. This bank has not, for the purpose of making up statements, borrowed any money from other banks. The item of "bills payable," to be exhibited in our statement, will show the amounts loaned us by other institutions.
9. The gross proceeds of our operations during the year ending 31st December, 1839, were \$160,674 41.
10. The last dividend declared was on the 31st October, 1836; and was four and a half per cent., and interest at the rate of five per cent. on all instalments paid by anticipation, to be calculated from the time of said payments.

11. Our bank suspended specie-payments, in conjunction with the other banks, on the 19th October, 1839; and said suspension still continues.

12. The amount due this bank on the 19th October, 1839, from the 1st municipality, was \$30,000; from the 2d municipality, \$33,333 33; from the 3d municipality, \$32,500. And the amount of their obligations are now, from the 1st municipality, \$30,000; from the 2d municipality, \$33,333 33; and from the 3d municipality, \$32,500.

We solemnly swear that the foregoing answers to the several interrogatories of the bank committee, and herein answered, contain the truth, the whole truth, and nothing but the truth, to the best of our knowledge and belief: so help us God.

G. CURRIE DUNCAN, *President.*
JOHN NICHOLSON, *Cashier.*

Sworn and subscribed before me, this 8th day of February, 1840.

O. P. JACKSON, *Judge.*

CARROLLTON BANK,
New Orleans, February 14, 1840.

GENTLEMEN: In compliance with your call of 30th ultimo, requiring statements of our institution made up to the close of 31st January, 1840, we now have the honor to forward the statement herewith.

Respectfully,

JOHN NICHOLSON, *Cashier.*

1. A statement of our real estate, and its situation; cost thereof, \$349,120 31.

2. The items of railroad account, and Nashville railroad stock, as per statements, are the only other investments.

3. Loan on pledge of stock, as also amount of stock owned by those to whom such loans have been made; as also our loans on other security than pledge of stock. This list will show the largest loan to any one person.

4. The mother bank has made no loan on real estate. The exhibits of our respective branches show the amounts loaned by each of them on real estate.

5. Our loans originating in this State consist in notes discounted, bills receivable, and domestic bills purchased.

6. Loans originating out of this State are those due from Mobile; also detailed in bills receivable.

7. Our general statement shows the sum of \$2,060 43 due Lizardi Hermanos, Paris; the sum of \$22 62 due Messrs. Aguirrevengoa, Fils, & Uribarren, Paris; the sum of \$2,594 32 due by F. de Lizardi & Co., London.

8. The only balances due to banks in other States are: to Phoenix Bank, New York, \$984 03; Commercial Bank, Natchez, \$8; New York Banking Company, \$334 77; and from banks of other States: branch Bank State of

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Alabama, Mobile, \$1,513 16; Bank of Mobile, \$45 90; Commercial Bank of Pennsylvania, Philadelphia, \$617 46, as per statement. We have no account with the Pennsylvania Bank of the United States, either directly or indirectly.

9. Amount of domestic bills, as per statement.
10. Amount of notes of banks of other States, \$1,100.
11. Balances due to local banks, \$23,410 82, as per statement.
12. The liabilities other than above specified consist as per statement: our circulation, deposits, dividends unclaimed, bills payable.
13. This bank has not issued post-notes. Our notes have been given to meet our engagements of bills payable; which were, on 31st January, \$194,793 94—now reduced to \$145,477 82, not matured.
14. List of protested paper on hand and in suit, as per statement.
15. All our paper is considered business paper, but, since the pecuniary distress of the community, has been renewed, on such curtailments as could be procured.
16. None of our paper has been received as accommodation-paper.
17. We have no other loans than those specified in our general statement; which also shows our assets, as do the statements of our branches.
18. The house occupied by the bank is our own property. The salary of president has been, per annum, \$2,000; cashier, \$3,000; clerks, \$8,420. Stationary, and other yearly expenses, will be seen by detail of contingent expenses.
19. A detailed statement of expenses from 1st July, 1837, to August, 1838.
20. Amount of debts due the bank is set forth in the statement. We consider our notes discounted good; about 15 per cent. of our bills receivable doubtful; and about from 25 to 40 per cent. of our protested paper bad.
21. Amount of specie and other assets, of circulation, deposits, and other liabilities, on the 19th October, 1839; and the amount of specie, circulation, and deposits at the present time, will be seen per detailed statement.
22. Amount of specie paid us as creditor bank, \$68,598 80; amount paid out, \$370,117 59.
23. Our general statement, embracing the eight requisites.
24. Nominal capital, capital paid up, amount of loans on stock, &c., are in the general statement. Our book-list shows holders of our capital.
25. A statement of loans made at each of our branches.

We solemnly swear that the foregoing statements exhibit the truth, the whole truth, and nothing but the truth, in reference to matters therein stated, to the best of our knowledge and belief.

G. CURRIE DUNCAN, *President.*
JOHN NICHOLSON, *Cashier.*

Sworn and subscribed, before me, this 14th February, 1840.

O. P. JACKSON, *Judge.*

Nominal capital, \$3,000,000.

Statement of Carrollton Bank, New Orleans, 31st January, 1840.

		DR.	
Bills disc'nted on personal security, at 6 p. c.	\$114,816	55	
Bills disc'nted on personal security, at 7 p. c.	84,352	20	
Bills discounted on pledge of stock	191,439	50	
Bills discounted, protested	84,202	35	
			\$474,810 60
Domestic bills of exchange purchased on New York	3,013	62	
Domestic bills of exchange purchased on New Orleans	10,613	64	
			13,627 26
Domestic bills of exchange protested	64,187	24	
Foreign bills of exchange protested	29,904	61	
			94,091 85
Bills receivable			429,484 28
Phoenix Bank, New York	25,798	29	
Commercial Bank, Pennsylvania	3,810	23	
Branch Bank State of Alabama	1,513	16	
Bank of Mobile	45	90	
			31,167 58
F. De Lizardi & Co., London			2,594 32
Mobile agency	5,467	98	
St. Louis agency	2,983	50	
Natchez agency	1	50	
			8,452 98
Branch bank at Lafayette	158,701	28	
Branch bank at Bayou Sara	118,686	52	
Branch bank at Baton Rouge	139,371	20	
Branch bank at Providence	139,353	75	
Branch bank at Idropolis	139,961	60	
			696,074 35
Bonus account	6,000	00	
Protest account	276	52	
Bank stock account	79,445	00	
Nashville railroad stock	250	00	
			85,971 52
Railroad account	495,158	26	
Railroad expenses	10,420	89	
Real estate	349,120	31	
Carrollton hotel	123	50	
			854,822 96
Contingent expenses			10,345 68
Cash, viz: Notes issued,	\$1,062,175		
In circulation,	349,135		
			713,040 00
On hand			99,175 00
Notes of other banks			
Carried forward	812,215	00	2,701,443 25

	Brought forward	\$812,215 00	\$2,701,443 28
Notes of foreign banks	-	1,100 00	
Notes of municipalities	-	906 87	
Gold	\$5,039 00		
Silver	33,102 79		
		38,141 79	852,363 66
			<u>3,553,806 94</u>
	Cr.		
Capital stock, old	-	\$103,900 00	
Capital stock, new	-	1,845,450 00	\$1,949,350 00
Bank-note account	-	1,044,175 00	
Bank-notes payable at New York	-	9,000 00	
Bank-notes payable at Philadelphia	-	9,000 00	
			1,062,175 00
Bills payable	-	-	194,793 94
Sinking fund	-	-	8,757 02
Dividend No. 1	-	555 60	
Dividend per resolution June 21, 1836	-	142 41	
Dividend No. 2	-	366 14	
			1,064 15
City Bank	-	2,827 29	
Commercial Bank	-	20,134 00	
Mechanics and Traders' Bank	-	449 53	
			23,410 82
Phoenix Bank, New York, collection acc't	-	26,782 32	
Commercial Bank, Pa., collection account	-	3,192 77	
Commercial Bank, Natchez	-	8 00	
New York Banking Co.	-	334 77	
			30,317 86
Lizardi Hermanos, Paris	-	2,060 43	
Aguirrevengoa, Fils, & Uribarren, Paris	-	22 62	
			2,083 05
Railroad receipts	-	10,839 88	
Rental account	-	1,171 36	
			12,011 24
Deposite certificates	-	-	995 00
Discounts received	-	11,398 26	
Exchange received	-	465 81	
Interest account	-	43,785 11	
Suspense account	-	2,263 07	
Profit and loss	-	174,275 79	
			232,186 04
Individual special depositors	-	791 05	
Individual depositors	-	35,871 77	
			36,662 82
			<u>3,553,806 94</u>

Statement of specie and other assets of circulation, deposits and other liabilities, on the 19th October, 1839.

ASSETS.		LIABILITIES.	
Specie and gold	\$35,880 50	Depositors	\$68,007 66
Notes of other banks	11,987 50	Circulation	277,895 00
Portfolio	468,335 12	Bills payable	262,591 73
Domestic bills of exchange	102,830 32	Dividends unclaimed	1,064 15
Foreign bills of exchange	25,455 35	Balance due foreign bankers	2,083 05
Bills receivable	449,664 95	Balance due local banks	12,325 00
Local banks	6,339 51	Balance due domestic banks	32,998 84
Domestic banks	28,310 58	Deposit certificates	453 60
Foreign bankers	2,594 32	Liabilities of the five branches	50,128 35
Balance due by four agencies	31,123 72		
Bank stock and Nashville railroad stock	75,415 00		
Real estate	345,431 05		
Railroad account	493,052 48		
Assets of the five branches	726,225 01		
	2,802,645 41		707,547 38

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Doc. No. 111.

Statement of specie and other assets of circulation, deposits and other liabilities, on the 31st January, 1840.

380
350
300

Statement of specie and other assets of circulation, deposits and other liabilities, on the 31st January, 1840.

ASSETS.		LIABILITIES.	
Specie and gold	\$38,141 79	Depositors	\$36,662 82
Notes of other banks	101,181 87	Circulation	349,135 00
Portfolio	474,810 60	Bills payable	194,793 94
Domestic bills of exchange	77,814 50	Dividends unclaimed	1,064 15
Foreign bills of exchange	29,904 61	Balance due foreign bankers	2,083 05
Bills receivable	429,484 28	Balance due local banks	23,410 82
Domestic banks	31,167 58	Balance due domestic banks	30,317 86
Foreign bankers	2,594 32	Deposit certificates	995 00
Balance due by three agencies	8,452 98	Liabilities of the five branches, (as per detailed statement No 4)	83,545 56
Bank stock and Nashville railroad stock	79,690 00		
Real estate	349,120 31		
Railroad account	495,158 26		
Assets of the five branches, (as per detail- ed statement No. 4)	767,582 90		
	<u>2,885,109 00</u>		<u>722,008 29</u>

Doc. No. 111.

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LOUISIANA.

Date.	Number of banks.	Number of branches.	Capital.	Loans and discounts.	Stocks.	Real estate.	Other investments.	Due by banks.	Notes of other banks.	Specie.	Circulation.	Deposits.	Due to other banks.	Other liabilities.
Jan. 1, 1820	2	-	\$924,000	-	-	-	-	-	-	-	-	-	-	-
Jan., 1830	3	-	4,665,980	\$6,796,351	-	-	-	-	-	\$290,513	\$459,850	\$339,375	-	-
June, 1835	10	31	26,422,145	37,388,839	\$10,000	575,705	\$2,531,684	\$2,850,701	\$40,670	1,492,674	1,301,483	2,016,560	-	-
August, 1836	14	31	31,055,284	51,234,158	807,568	3,611,876	6,279,650	3,460,917	1,680,565	2,824,904	5,114,082	7,106,628	\$3,997,667	\$1,389,831
Jan. 23, 1837	16	31	36,759,455	59,108,741	100,000	4,761,168	528,876	3,460,917	2,467,229	3,108,416	7,130,546	11,744,712	7,161,452	4,091,574
May, 1837	16	31	37,276,698	50,852,018	1,174,706	5,133,535	7,796,244	2,838,477	1,761,630	2,327,821	7,909,788	11,487,431	11,817,341	893,422
Dec. 23, 1837	16	31	39,943,832	55,593,371	995,076	4,235,476	1,791,030	1,395,737	4,508,761	2,729,983	6,586,978	10,152,711	8,239,567	5,311,404
March, 1838	16	31	39,523,693	52,053,084	-	7,837,546	3,216,465	1,355,165	4,410,333	2,970,723	4,734,739	7,558,465	7,426,468	3,748,343
Dec. 3, 1838	16	-	40,930,376	56,855,610	-	-	6,062,271	686,329	1,723,244	3,987,697	6,280,588	8,021,137	10,591,600	901,411
Oct., 1839	16	31	41,736,768	49,138,700	-	7,423,395	7,911,363	247,651	782,701	2,847,497	4,345,533	5,415,230	3,831,947	3,522,093
Dec., 1840	16	31	41,711,214	48,646,799	-	-	13,192,038	1,816,630	2,577,578	3,163,243	6,443,785	3,094,730	7,000,815	7,777,812

NOTE.—The statement for May, 1837, has been completed from returns forwarded to the Treasury Department by the Bank of Orleans, Mechanics and Traders' Bank, Exchange and Banking Company, City Bank, Improvement Bank, and Citizens' Bank. The accounts of the other banks were published by order of the Legislature.