

1845

MASSACHUSETTS.

REPORT OF BANK COMMISSIONERS—FEBRUARY, 1841.

COUNCIL CHAMBER, February 25, 1841.

SIR: I herewith transmit, for the use of both houses, the report of the bank commissioners.

J. DAVIS.

To the SPEAKER of the House of Representatives.

To his Excellency JOHN DAVIS,  
Governor of the Commonwealth Massachusetts:

The bank commissioners respectfully submit the following special report: Since our annual report to the governor, which was made according to law on the 31st of December last, and which is the printed document of the house of representatives No. 4, we have visited and examined the Atlas, Atlantic, Globe, New England, North, Shoe and Leather Dealers', State, and Suffolk banks; also the two Provident Institutions for Savings in Boston, and those in Cambridge, Chelsea, and Newton, and all the banks, as well as all the savings institutions in the Commonwealth, have now received their third annual examination, in pursuance of the statute of April 23, 1838. In regard to the banks above named, we do not find it necessary to report in particular detail. They have been examined in the same manner, and with the same general results, as were stated in our annual report in regard to the other banks now in operation in the commonwealth.

We have also found it necessary to make repeated examinations of some of the banks, the particulars of which will be found in the subsequent pages of this report.

The "Provident Institution for Savings, in the town of Boston," has been in operation since 1816. The amount of deposits on the 11th of February, 1839, was \$2,008,518 43; on the 5th of February, 1840, it was \$2,058,820 50; and on the 20th of February, 1841, it was \$2,208,365 02.

The "Savings Bank for Seamen and others" was incorporated in 1833. The amount of deposits on the 29th of September, 1838, was \$153,503 90; on the 1st of February, 1840, it was \$199,813 63; and on the 31st of January, 1841, it was \$230,816 31.

The manner in which the funds of these institutions are invested, and their securities, and their system of accountability, have been particularly examined; and this examination showed them to be conducted in a safe, skilful, and prudent manner.

In pursuance of the statute of February 21, 1839, we have also, since our annual report, visited and examined the banks whose charters have been annulled by law in previous years, or surrendered by their stockholders. Concerning most of these, special reports have been made during the last session of the legislature, and the session previous. The

particulars of their present condition, showing the progress made in extinguishing their liabilities from time to time, and in winding up their concerns, will now be stated, so far as seems to be necessary; from which statement, in connexion with our previous reports, it is believed all the material facts in regard to them, in which the public are interested, may be ascertained.

AMERICAN BANK.

Incorporated February 20, 1824—Charter surrendered February 13, 1839—Capital \$500,000.

LIABILITIES.

	Feb. 13, 1839.	March 18, 1840	Feb. 8, 1841.
Bills in circulation - - -	\$3,507 00	\$1,981 00	\$1,818 00
Deposites - - -	4,819 08	100 50	
Due other banks - - -	62		
	8,326 70	2,081 50	1,818 00

The affairs of this institution are managed by three trustees, who report monthly to the directors. In addition to the payment of its liabilities to the public as fast as presented, three dividends have been made upon its capital stock, amounting to \$137,500; and other dividends will hereafter be made.

CHELSEA BANK.

Incorporated April 16, 1836—Charter repealed April 19, 1837—Capital \$100,000.

At March term, 1840, of the supreme judicial court, Charles G. Loring and William Dehon were appointed receivers, and the time for winding up the concerns of the corporation was extended. On the 30th October last, the receivers filed an inventory of the assets and liabilities, which may be examined by all persons interested in its affairs. The amount of bills now unredeemed is \$27,829, and of post notes, \$5,900. These are the only liabilities of the corporation to the public. The stock, with the exception of 41 shares, stands in the name of the bank, having been taken in settlements with its debtors. The assets of the bank are the note and guaranty of W. H. & G. L. Montague, with sundry other notes and property as collateral, from which it is supposed that funds enough will be realized to pay from 27 to 33 per cent upon the liabilities.

## COMMERCIAL BANK.

Incorporated June 15, 1831—Charter repealed April 21, 1838—Capital \$500,000.

The remaining liabilities of this bank to the public are its bills in circulation, which are now stated at \$2,080; and the bills have been, and are redeemed whenever presented. Sixty-five per cent. of its capital stock has also been divided among the stockholders, leaving the balance of stock \$175,000. The affairs of this bank are managed by a committee of the directors, and the time for winding up its affairs has been extended by an act of the present session.

## COMMONWEALTH BANK.

Incorporated February 20, 1824—Charter repealed April 2, 1838—Capital \$500,000.

## LIABILITIES.

	March 18, 1839.	Feb. 26, 1840.	Feb. 15, 1841.
Bills in circulation - - -	\$77,999 00	\$69,590 00	\$25,213 00
Post-notes - - - - -	9,500 00	9,500 00	9,500 00
Deposites - - - - -	363,251 53	175,691 89	71,852 15
Due city banks - - - -	114,502 78	110,004 63	100,154 29
	565,253 31	364,786 52	206,719 44

The affairs of this bank are managed by the cashier and clerk, with a board of directors, annually chosen by the stockholders. Since October, 1839, there has also been a committee of the stockholders, one of whom has regularly attended all the meetings of the directors, and been conversant with all the transactions, and nothing has been done without his approval. The directors are nine in number, six of whom are in no way indebted to the bank.

Of the bills in circulation, \$4,000 are in the State Bank, and their redemption, without interest, is secured by collateral. Four thousand four hundred and seventy nine dollars are in the hands of trustees for the United States government, having been received in payment of one of the notes assigned to them. And about \$7,000 have been presented and put on interest, of which, however, a part have been since sold at par to debtors to the bank. The reduction of the item of bills in circulation has been effected by receiving them at par for debts due to the bank. A contract has been made with three of the largest debtors to the bank to release \$20,000 from the indebtedness of each, upon their securing the payment in of \$5,000 each, in bills of the bank. This was done by the directors and committee, upon a statement made of the property of those debtors, by which they were satisfied that such deduction must at some

time be made; and the inducement to make it at this time appears to have been to get the bills of the bank redeemed. The consequence has been to create a demand for those bills, which have been purchased by those debtors at par, and generally without interest, and paid into the bank, in pursuance of the above agreement. And it is estimated that when the agreement shall have been fulfilled, the bills outstanding will not exceed the amount of \$10,000.

The post notes have been presented, and interest is claimed upon them.

Of the item *deposites*, \$35,887 50 is the balance due to the United States, according to the books of this bank; and for this there has all along been held what is considered sufficient security, a portion of which it is understood has been converted into cash. In this item *deposites* is also included \$20,359 48 due to banks in Maine and Rhode Island; of which sum, \$5,756 44 is considered as secured by trustee process. The remainder of the item *deposites*, \$15,605 17, are the individual *deposites*. Of these, \$10,246 95 are supposed to be secured by trustee process, upon the dividend from the estate of the late J. K. Simpson, and upon the debt due this bank from the Nahant Bank.

Of the item *due to city banks*, \$86,815 64 has been supposed to be secured by assignment of the claims of this bank against the New England Crown Glass Company, subject to a previous assignment to the Middlesex Bank; but the claims of the Middlesex Bank exhausted the property of that corporation, and the city banks are now pursuing the claims in the name of the Commonwealth Bank against the stockholders of the New England Crown Glass Company.

It is to be borne in mind that the amounts of liabilities here stated do not include interest; and also, that, in stating and estimating the assets of the bank, interest is not included.

It may be of use to state the liabilities of this bank, as classified according to the above explanations.

	Liabilities nominally secured.	Liabilities not secured.
Commonwealth Bank bills - - -	\$8,479 00	\$16,734 00
Post-notes - - - - -	- - - - -	9,500 00
Deposites - - - - -	51,890 89	19,961 26
Due city banks - - - - -	86,815 64	13,338 65
	147,185 53	59,533 91

The security for the \$86,815 64 is, however, dependant upon the result of legal proceedings. It is probable there may be some surplus of the assets which are pledged, or attached, over paying the particular debts for which they are pledged; and this probable surplus, together with the assets of the bank, which are unpledged, being notes due from a variety of persons not directors of the bank, may be estimated to produce about \$47,000. The remainder of the assets are the indebtedness of How and

Jones, and Charles Hood, to the bank, which is now reduced to \$98,434 64.

The principal creditors of this bank have been made acquainted with the details of its concerns; and, with their knowledge, a settlement has been recently effected with the Savings Bank, which was the largest creditor; and the liabilities above are stated since that settlement. The legal time for winding up the concerns of this bank will expire on the 2d of April next; and the directors have applied to the legislature for an extension of the time.

## FRANKLIN BANK.

*Incorporated March 18, 1828—Charter repealed April 4, 1838—Capital \$150,000.*

## LIABILITIES.

	Feb. 14, 1838.	March 13, 1840.	Feb. 18, 1841.
Bills in circulation -	\$119,089 00	\$110,610 00	\$108,770 00
Post-notes -	126,075 00	123,075 67	109,100 67
Deposites and scrips -	25,000 00	22,000 00	21,000 00
United States treasury -	12,311 25	12,311 25	12,311 25
	282,475 25	267,996 92	251,181 92

It is believed that the debt to the United States, above mentioned, has been satisfied, or nearly so, by levy upon real estate; and a small amount of the bills and post notes are secured by attachment of mortgages belonging to the bank.

Nothing can be more hopeless than the condition of this corporation. Nothing has been collected in good money for two years past. Mr. Charles Hickling has still the care of the books and papers. Scarcely any thing further can be done, except to receive the liabilities of the bank in payment of some of the debts due to the bank. It is barely possible that good money enough may be collected to pay the expenses of this proceeding. In this way the bills of the bank may be, to some extent, by degrees, withdrawn from the community and destroyed. It is desirable this should be done, as they are sometimes even now the instruments of fraud, being palmed off at a distance, in small sums, upon the ignorant and unwary. For these reasons, it may be advisable to extend the time for winding up its affairs, which will otherwise expire on the 4th of April next.

## FULTON BANK.

*Incorporated March 27, 1833—Charter repealed April 19, 1838—Capital \$500,000.*

## LIABILITIES.

	March 4, 1839.	Feb. 24, 1840.	Feb. 8, 1840.
Bills in circulation -	\$67,986 00	\$24,694 00	\$5,084 00
Balances due to other banks -	30,004 50	30,004 50	27,129 50
Deposites, (blue books) -	61,516 00	51,900 00	820 48
	159,506 50	106,598 50	33,033 98

It is not known where any of the bills outstanding are. A fund is now kept at the Suffolk Bank to redeem the bills as they are presented. The balances due to other banks are as follows: To the Commonwealth Bank, \$20,000; to the Market Bank, \$7,425; to the City Bank, Buffalo, \$4. The deposits stand to the credit of debtors to the bank, to be applied in settlement. The bills have for some time past been redeemed at par. The reduction in the deposits (blue books) has been effected by the purchase of them, mostly at a large discount, by debtors to the bank, for the purpose of cancelling their debts; they being collectable in no other way. 1,334 shares of the capital stock stand in the name of the bank. The assets of the bank are, nominally, \$197,883 53; of which only \$468.37 are cash funds. The remainder are principally in notes against a variety of persons, the value of which cannot be estimated with any precision; but it is exceedingly doubtful whether they can, by the best management, be made to pay the liabilities. It is desirable that the time should be extended for winding up its affairs. The papers and books are in the hands of Messrs. Page and Whiton; but their salaries have ceased.

## HANCOCK BANK.

*Incorporated March 25, 1833—Charter surrendered December 12, 1839—Capital \$500,000.*

The capital of this bank was originally \$500,000. In 1839, it was conditionally reduced, by an act of the legislature, to \$300,000; but the bank did not proceed under said act. The liabilities of this bank to the public December 12, 1839, were \$67,489 61, when it was examined by the commissioners, and our certificate was made to the governor that the bank might safely proceed to wind up its concerns. Its present liabilities are: for bills in circulation, \$400; deposits on interest, \$27,000; suspense account, \$610; two notes given for funds to redeem its bills, \$5,606 77; amounting to \$33,616 77. The bank is also liable, as endorser, for \$3,050. The liabilities will be paid as soon as its assets can be converted into cash.

There will be a surplus for the stockholders, but to an amount as yet uncertain. The affairs are managed by a committee and board of directors. Its bills have been, and are constantly, redeemed at the Suffolk Bank.

## KILBY BANK.

*Incorporated April 15, 1836—Charter repealed April 17, 1838—Capital \$500,000.*

The liabilities of this corporation March 2, 1839, were \$76,948 23. Between that time and the examination of last year they were reduced to \$5,438 01; and they have since been reduced to \$2,516, which are the bills in circulation. Since June, 1839, the bills of this bank have been regularly redeemed at the Suffolk Bank; and funds are constantly kept there for that purpose. The liabilities of this bank to the public were met with vigorous and well-directed exertions on the part of the directors, and sacrifices were made to secure their speedy redemption.

## LAFAYETTE BANK.

*Incorporated April 16, 1836—Charter repealed April 2, 1838—Capital \$150,000.*

## LIABILITIES.

	Feb. 23, 1839.	March 13, 1840.	Feb. 18, 1841.
Bills in circulation	\$69,813 50	\$63,728 50	\$63,728 50
Post-notes	61,650 00	57,000 00	56,500 00
Commonwealth Bank	2,933 06	2,933 06	2,933 06
Deposites	63,336 77	60,776 47	60,906 47
	197,733 33	184,438 03	184,068 03

In June last, Mr. Charles Hickling and Mr. George Savage were appointed receivers; but they have received nothing as yet in good money. The only operation in the bank the last year has been, that a person paid a debt with a post-note of the bank; and, as the latter was larger than the former, the balance was put to his credit as a deposit. The assets are nearly worthless. Some few of the notes due the bank may yet be paid in its liabilities; and it is barely possible that good money enough may be realized to pay the expenses of taking care of the papers and making the entries.

## MIDDLESEX BANK.

*Incorporated March 19, 1831—Charter repealed April 4, 1838—Capital \$150,000.*

## LIABILITIES.

	March 9, 1839.	February 15, 1840.	February 1, 1841.
Bills in circulation	\$6,542 00	\$2,645 00	\$1,974 00
Deposites	69 12	34 90	
Deposites on interest	45,010 06	24,010 06	
Dividends unpaid	6 00		
	51,627 18	26,689 96	1,974 00

The item of deposits on interest was the debt to the Commonwealth Bank, which has been from time to time paid to the Maine Bank by virtue of the trustee process. The principal has all been paid, but a balance for interest remains unsettled. The bills of this bank have been constantly redeemed at its counter since January 4, 1839, and will continue to be so redeemed hereafter, as the time for winding up its affairs has been extended by an act of the present session. The affairs are managed as heretofore by the cashier and directors. After the extinguishment of the liabilities, a considerable dividend will be made among the stockholders.

## NAHANT BANK.

*Incorporated March 28, 1833—Charter repealed April 19, 1837—Capital \$150,000.*

The receivers of this bank are C. B. Goodrich and F. B. Crowninshield. Their several reports may be found upon the files of the supreme court. The whole amount of claims presented has been \$233,720 92; of these, \$24,815 are post-notes; \$30,640, Nahant Bank bills; \$18,412 72, deposits; and the remainder are principally balances due other banks, and liabilities of this bank on paper endorsed by its cashier. It is expected that the assets, which are partly real estate, will be sold, and a dividend made to the creditors in the course of the coming spring and summer—the sale having been delayed at the request of some of the principal creditors. Nothing certain can be said of the amount which the assets will pay. This amount has been estimated at from \$60,000 to \$70,000. A bill in equity is now pending in behalf of the creditors against the stockholders.

## BANK OF NORFOLK.

Incorporated March 4, 1826—Charter repealed April 24, 1838—Capital \$200,000.

## LIABILITIES.

	March 15, 1839.	March 12, 1840.	February 18, 1841.
Bills in circulation -	\$47,548 00	\$23,672 00	\$18,638 00
Dividends unpaid -	26 00	26 00	26 00
D. A. Sigourney, treasurer -	4,155 66	4,155 60	1,000 00
Deposites on interest -	16,000 00	3,000 00	3,000 00
Deposites not on interest -	864 16	841 20	43 48
Post-notes -	12,300 00	9,300 00	4,000 00
Balance due Suffolk Bank -	13,785 25	12,503 92	13,005 94
	94,679 07	53,498 78	39,713 42

Of the bills in circulation, \$13,000 are in the Suffolk Bank, to remain there until the debt to that bank is paid; \$2,000 were destroyed some years since by persons who robbed the bank, leaving \$3,638 in circulation, which are redeemed upon presentation at the Suffolk Bank. The bank holds 180 shares of its own stock. The assets are sufficient to pay all the liabilities and to provide for a dividend to the stockholders. The business of winding up the concerns is conducted by the cashier, with the advice of the directors and a committee of the stockholders. The time for winding up the affairs of the bank has been extended by an act of the present session.

## ORIENTAL BANK.

Incorporated June 23, 1831—Charter repealed April 25, 1838—Capital \$750,000.

## LIABILITIES.

	March 12, 1838.	March 5, 1840.	February 1, 1841.
Bills in circulation -	\$2,717 50	\$1,035 25	\$966 25
Deposites -	178,531 85	118,480 07	360 00
Dividends unclaimed -	8 00	8 00	8 00
Balances due banks -	75 99		
	181,333 34	119,523 32	1,334 25

The affairs are managed by a receiver, with the advice of a committee of the stockholders. The bills have been constantly redeemed, and will continue to be. Dividends to the amount of 20 per cent. upon the capital stock have been made.

The affairs of the City Bank, in Lowell, upon which the commissioners procured an injunction in July, 1838, have been closed by the receiver. The liabilities, which were for expenses and the tax to the Commonwealth, have been paid.

The concerns of the Farmers and Mechanics' Bank, in South Adams, upon which the commissioners procured an injunction in December, 1838, are in the hands of Thomas Robinson, esq., of North Adams, who is the receiver. In consequence of the defence made by this corporation, in regard to the injunction and the legal proceedings consequent thereon, the assets did not come into the hands of the receiver until July 23, 1840. The receiver is proceeding to convert into cash the assets of the bank, which it is believed will be sufficient to redeem its liabilities. The bills in circulation amount to \$1,145, as appears by the books. Of these, however, but \$429 have been presented to the receiver. The bank is also indebted for a judgment recovered against it, and for some expenses. The reports of the receiver, which will be rendered from time to time, may be examined by those interested, and will be found in the clerk's office of the supreme court at Boston.

The papers and books of the Roxbury Bank remain in the hands of Mr. Clarke, where they have remained since the injunction, and nothing material has been or can be done with them. A large amount, nearly \$50,000, of the bills of this bank, are yet outstanding, and they are entirely worthless.

Since the examination of the Chicopee Bank, at Springfield, which was made by one of the commissioners in September last, the cashier of that bank has, without authority from the directors, taken the funds of the bank and applied them to his own use, to an amount of about \$13,000. He is no longer the cashier of the bank; and a thorough examination, with the manner and result of which we have been made acquainted, has been made by the directors. The bank has been made good for the deficiency, and will suffer no loss, as it is believed, from the transaction.

Since our annual report, we have made a visit to the Amherst Bank, at the request of its officers, to assist in an examination into the time and causes of the excess of the old circulation of that bank, which has now been ascertained to amount to \$24,212. The time which we can feel authorized to spend in a matter, which is particularly interesting to the stockholders merely, and but remotely connected with the public interest, is of course very limited. The results which we have obtained from the books, or which we may be able to obtain from other sources, will be communicated to the stockholders and their committee; but we do not feel sanguine that a satisfactory explanation will be found of the matter. This bank is proceeding, for the present, in a prudent and cautious manner, with small liabilities to the public.

For several months past, attempts have continually been making by persons from abroad, most of them from the State of New York, to obtain a controlling interest in certain of the New England banks. They have succeeded in doing so in several of the banks in Maine, as appears by recent reports of the bank commissioners of that State. They have made advances, for this purpose, to several banks in Massachusetts. In those cases where their designs have come to our knowledge, and where there appeared the least disposition, on the part of the managers of the banks, to entertain their propositions, we have seasonably given such advice as effectually to prevent their further proceedings. In nearly all the cases where persons from other States have obtained the control of bank charters in New England, the results have proved disastrous to the community, and ruinous to the banks. One of the chief elements of the safety of our banks, especially those in the country, is the manner in which their stock is, to a great extent, held—in moderate sums, by persons residing in the vicinities where the banks are located. In one instance, in the Newburyport Bank, an attempt of this kind has succeeded to some extent, within a very few months past.

The Newburyport Bank, at Newburyport, was incorporated and went into operation in 1836, with a capital of \$100,000, in shares of fifty dollars each. It appears that at the time of obtaining the act of incorporation, a charter had been obtained for an insurance company, with a capital of \$75,000; and that there was an understanding that the insurance company should take from \$40,000 to \$50,000 of the capital stock of the bank. The insurance company never went into operation, but the bank did. At each examination, it was stated by the directors present that the capital stock was bona fide paid in, but that there was an understanding that loans should be made to certain of the stockholders, to an amount, originally, of between \$40,000 and \$50,000, upon notes secured by pledge of their stock, in part, and in part by endorsements. The intention and object, however, was stated to be, to get these notes paid in as fast as could be done, and to change the ownership of this portion of the stock into the hands of responsible persons in the vicinity of the bank, so that the stock-notes should be by degrees removed from the bank. In the mean time, the bank was proceeding in a safe condition, so far as the public were concerned, with small liabilities in proportion to its capital and resources. It was visited and examined by one of the commissioners, in August, 1838, in July, 1839, and in August, 1840; and up to the time of the last of these examinations, the policy above indicated had been pursued. The reason that greater progress had not been made in reducing the amount of the stock-notes, and the notes secured by stock and endorsements, was stated to be the difficulty, in these times, of procuring investments in bank stock. The commissioner repeatedly called the attention of the directors present at his examinations to this portion of the loan, and impressed upon them the necessity of making every exertion to carry into effect the proposed measures, as a matter of interest to the stockholders, and affecting the future security of the bank; and suggested that if this could not be soon effected, it would be for the interest of all concerned that the bank should close its concerns.

The following was the statement of the condition of the bank, as examined by the commissioner on the 6th day of August last:

Resources.	Liabilities.
Specie - - - \$3,726 48	Capital - - - \$100,000 00
Bills of other banks - 3,278 62	Circulation - - - 54,361 00
Due from other banks - 11,915 82	Net profits - - - 2,924 56
Bills disc'd \$107,213 06	Dividends unpaid - - 466 00
Stock-notes 36,324 00	Deposites - - - 7,830 80
Real estate - - - 3,124 38	
143,537 06	
165,582 36	165,582 36

As at previous examinations, the loan was particularly examined, and the attention of the directors present was called to it; and was in the same general situation as it had been at previous examinations. There was at that time a note in the bank, of Reuben D. Dodge, endorsed by Peter Bockoven and William S. Reed, due November 29th, 1840. The commissioner made particular inquiries in regard to this note; and particular explanations were given, and the utmost confidence expressed, that the note would be paid at its maturity. But no intimation was given to the commissioner at that time, or at any other time, by the directors or cashier, that any further or other transactions with Mr. Dodge were contemplated.

In the month of January last, circumstances came to the knowledge of the commissioners in regard to the circulation of this bank, which put them upon particular inquiries. The account kept by this bank at Boston, where its bills were redeemed, did not indicate, though repeatedly examined, any material change in its condition; nor had there been any material increase of the circulation in the vicinity of the bank. But we found that its bills were in circulation in some of the western States, and in the State of New York, and in considerable amounts. This information led to a special examination of the bank by two of the commissioners, on the 27th of January last; and from the following statement of its condition at that time, it will be seen that most important changes had taken place in its policy and condition:

Resources.	Liabilities.
Specie - - - \$2,718 43	Capital - - - \$100,000 00
Bills of other banks - 2,028 00	Circulation - - - 111,115 00
Due from other banks - 17,146 85	Net profits - - - 4,515 74
Real estate - - - 3,124 38	Due to banks - - - 133 50
Debts - - - 204,120 52	Dividends unpaid - - 409 50
	Deposites - - - 12,964 44
229,138 18	229,138 18

Since August 6th, the liabilities to the public had been increased from \$62,191 80, to \$124,222 94. The loan had been increased from \$143,537 06, to \$204,120 52; and the amount of this loan exhibited a clear and manifest violation of law. Since the 24th of August, nine hundred and twenty shares of the capital stock, amounting to \$46,000, had been, by the agency of the directors, transferred to the following persons: To Reuben D. Dodge 260 shares, to John F. Wyckoff 380 shares, and to Peter Bockoven 280 shares; and it has appeared, from subsequent inquiries, that though the stock was thus transferred in form to those three persons, it was really all purchased by Mr. Dodge. Mr. Dodge and Mr. Bockoven were said to reside at or near Waterloo, in the State of New York, and Mr. Wyckoff in the city of New York.

Upon examination of the loan of the bank, at that time, it appeared as follows:

Forty-two notes, overdue, amounting to	\$27,255 85
Eighty-five notes and drafts, coming due	46,587 02
Seven notes and drafts of B. S. Tappan, of Vicksburg, accepted and endorsed by persons in this Commonwealth	27,644 02
Fourteen notes and drafts of Reuben D. Dodge, drawn or endorsed by John F. Wyckoff	100,262 06
A draft of John F. Wyckoff, endorsed or accepted by other persons	2,000 00
	<hr/>
	203,748 95

The notes contained in the first two of the foregoing items were notes of persons in the vicinity of the bank, and most of them the regular customers of the bank; but of the overdue paper a part was doubtful and bad, and of those notes coming due, some were secured by the stock of the bank, and others were not expected to be paid at their maturity, but to be renewed. Though a great part of this paper seemed to be ultimately secure, it was evident that it could not be relied on to any considerable extent for available means, to meet the present liabilities of the bank.

The notes and drafts of B. S. Tappan, which fell due at different times from February 15th to April 7th, were represented to be good; and, from subsequent inquiries, such seems to be the fact.

Our inquiries were then directed to the extraordinary loan to R. D. Dodge, amounting to more than the whole capital stock of the bank. This loan was made up of fourteen notes and drafts, in sums of from \$3,000 to \$15,000 each; discounted between October 6th, 1840, and January 26th, 1841, and falling due at various times from February 2d to April 30th, 1841.

The following were said to be the collateral securities for this loan, viz: an assignment of a bond and mortgage of real estate in the city of New York (subject, however, to a previous mortgage,) and considered as collateral for \$20,000. Also a draft for \$5,000, drawn by Dodge on Wyckoff, and endorsed by Peter Bockoven. Also it was said that nineteen Indiana State bonds, of \$1,000 each, had been lodged as collateral, and that eleven of them had been subsequently withdrawn; and drafts to the amount of \$11,000 had been substituted therefor, drawn by the Bank of Western New York, at Rochester, on E. B. Strong, president of the Geor-

gia Lumber Company. It is well known that the Indiana bonds have been and are at a great discount; and a notice has since appeared in the New York papers, signed by E. B. Strong, president of the Georgia Lumber Company, cautioning the public against drafts of that description, "payable to Joseph Strong or order, whether accepted or not; as there is much reason to believe a considerable amount of such drafts has been fraudulently or feloniously obtained." The only other securities which came to our knowledge was the stock of this bank owned by Dodge, which was said to be pledged as collateral. The value of this stock, as was very evident, would depend entirely upon the payment of the notes which it was pledged to secure.

The history of this loan, as obtained from the directors, seemed to be substantially as follows: R. D. Dodge agreed to take \$40,000 of the stock of this bank, if the directors would obtain its transfer to him, and to pay \$10,000 in cash, and to give his notes for the remainder, secured by the transfer and assignment of the bond and mortgage before mentioned, for which he paid \$30,000, as it is said. And, in consideration of his taking this stock, and of his agreeing to give the bills of the bank a fine circulation in the western States, he was to have a loan on his paper, endorsed by J. F. Wyckoff, with certain collateral to the amount of \$50,000 more, pledging also his stock in the bank for his indebtedness.

The bank employed an agent, Mr. John Merrill, who had formerly been a director and cashier of the bank, to visit New York, to ascertain the value of said bond and mortgage, and also to accompany Mr. Dodge to Waterloo, to ascertain his standing and ability; and, upon his return, he reported that, according to his information, the mortgage was worth the amount for which it was pledged; and that Mr. Dodge was apparently a man of large property, and in affluent circumstances. The arrangement then proceeded; the affairs on the part of Mr. Dodge with the bank being principally conducted by Mr. Wyckoff, his agent, who, it was said, had no interest in the loan. In this way, the loan had been expanded to the amount above stated. It appears that it was at some time suggested by some of the directors, that it might be advisable, before making so important a change in the policy and condition of the bank, to take the advice of the commissioner who had previously examined the bank; but this suggestion was overruled, upon the ground, as it was said, that the transfer of the stock was a matter of private interest merely, and the whole arrangement clearly for the advantage of the bank.

Having obtained the information which could result from the examination of the bank, we sought such other sources of information as were in our power as to the character of the loan, and the ability of the debtors to pay, and the condition of the circulation. Having given such consideration to the subject as the exigencies of the case would permit, we again visited the bank on the 5th of February, and met there again the directors as well as Mr. Wyckoff. His last previous visit to Newburyport, it appeared, was about the 26th of January, when two of his drafts upon Mr. Dodge had been discounted, one for \$7,000, and the other for \$6,000. It was at this time stated that Mr. Dodge had disposed of \$27,000 of the bills of the bank in Indiana, to a public agent there, for which he had received Indiana State bonds, with an agreement on the part of said agent that said bills should not come back upon the bank for a limited time, at least; and to effect which agreement an arrangement had been made

with a broker in New York; and that \$13,000 more was in such a situation, known to Mr. Wyckoff, that it could not come back upon the bank at present. The Indiana transaction, it would seem, was at variance with the original understanding with Mr. Dodge, which was, that the bills of the bank should be paid out by him in small sums, and in various places, in the purchase of wheat and in the flouring business. There was also evidence that other portions of the bills had been paid out in large amounts, from the manner in which they came to Boston for redemption. Upon considering these circumstances, in connexion with many others, the details of which would extend this report to an unreasonable length, we were of opinion that the further progress of this bank would be hazardous to the public; and it being plain that it "had exceeded its powers, and failed to comply with all the rules, restrictions, and conditions provided by law," on the morning of the 6th of February we caused an injunction to be served, which was issued, upon our application, from the supreme judicial court. The bank was enjoined from all proceedings other than to receive payment upon its bills receivable; and cited to appear before said court on the 12th of February, to show cause, if any they had, why the injunction should not be made perpetual, and receivers appointed. On that day there was an appearance by the directors, and, upon their motion, a continuance was granted for three weeks; and it is understood the directors are making efforts to ascertain what progress can, in the mean-time, be made in collecting the debts due to the bank, and what further evidence can be presented to the court in relation to those debts. In the mean time, the bank is allowed to receive its bills in payment of notes overdue, or falling due before the time of said continuance.

At the time of the examination of this bank in August last, the directors were Stephen W. Marston, president, John Chickering, Stephen Jackman, jr., William H. Brewster, John Burrill, jr., James Blood, and Enoch S. Williams. The two last named, however, were not re-chosen at the annual meeting in October last, and the five first named are the present directors. It was stated that three of them had not been particularly conversant with these transactions, but had relied principally upon the investigations and opinions of their colleagues, and that the active agents in these arrangements, on the part of the board of directors, were Mr. Marston and Mr. Chickering, and these two directors stated that they relied to a considerable extent upon the information and advice given by Mr. Merrill. At the time of the examination in August, Mr. Tristram Coffin, jr., was the cashier, but he has since resigned, and Mr. Stuart Chase had been appointed. Mr. Chase, however, had been in the bank but a short time, and appeared to have had no active agency in its affairs.

Previous to the injunction, the bills continued to be redeemed at the Shoe and Leather Dealers' Bank, in Boston, where their account was kept; and since the injunction, several notes have been paid in, in the bills of the bank. The loan has also been reduced, as nearly as we can ascertain, since the 27th of January, by the payment of about \$11,000 upon the Dodge & Wyckoff debt, about \$4,000 upon the Tappan debt, and about \$4,000 upon the domestic paper. The payment upon the notes of Mr. Dodge was, however, made in part by the application of a deposit, which had stood to the credit of Mr. Wyckoff. The state of the bank on the 20th day of February appeared as follows:

Resources.	Liabilities.
Specie - - - \$2,598 39	Capital - - - \$100,000 00
Foreign money - - 1,291 25	Circulation - - - 80,271 00
Due from other banks 3,647 10	Dividends unpaid - - 410 00
Debts - - - 183,349 41	Net profits - - - 4,556 65
Real estate - - - 3,124 38	Deposites - - - 8,772 88
194,010 53	194,010 53

It is understood that the discounts upon Mr. Tappan's paper were mostly paid in the bills of this bank, which bills were put in circulation at Vicksburg. It is probable that the largest portion of the circulation is in the western States and the State of New York. The present number of stockholders is eighty, most of whom are residents in this Commonwealth. Forty shares of the stock stand in the name of B. S. Tappan, of Vicksburg. The desperate situation into which this bank has been brought would seem to be sufficiently apparent to prevent any other banks in New England from pursuing the like policy.

Propositions from persons out of the Commonwealth, and at a distance from the bank, to take portions of the stock, and to receive large loans, are always accompanied by plausible statements and fair promises of an improved circulation. But the value of the loans thus made can seldom be satisfactorily ascertained, and a continual knowledge of the circumstances of the parties cannot be kept up. A large circulation, thus created, is constantly liable to be thrown back, in large masses, upon the bank. Operations of this kind are always against sound banking principles, and almost always fatal to the banks which undertake them.

The directors and committee of the East Bridgewater Bank are proceeding in the process of winding up its affairs. This bank was incorporated in 1836. Its charter was surrendered in March last. In our annual report of the last year the history of the bank is detailed. It appears that its bills in circulation on the 31st January last amounted to only \$441. There is one other liability, viz: for two deposits, amounting to \$1,025, which is mostly due to one of the directors. The state of its assets is such that no considerable dividends to its stockholders can be made for some time to come; neither can the amount of those dividends be accurately estimated. At an examination in May last, it was estimated that the dividends might ultimately amount to forty per cent. upon the capital.

In our annual report of this year the condition of the Middling-Interest Bank is detailed. Since that time the liabilities have been somewhat reduced; but the progress of reduction is much slower than has been promised and expected; and it is probable that other measures may soon be taken to hasten the redemption of its liabilities to the public.

All which is respectfully submitted.

JULIUS ROCKWELL,  
JONATHAN SHOVE,  
WARREN LOVERING,  
Bank Commissioners.

## REPORT OF THE BANK COMMISSIONERS—DECEMBER, 1841.

To his Excellency JOHN DAVIS,  
Governor of the Commonwealth of Massachusetts :

The undersigned, bank commissioners, respectfully present the following as their fourth annual report :

During each period of twelve months since April, 1838, when their office was created, the commissioners have, in compliance with the law, visited and examined all the banks and all the institutions for savings in the Commonwealth. Since April, 1841, they have visited and examined all the said corporations, except twelve banks and two savings institutions in the city of Boston.

The examination of these will be duly completed previous to next April, and during the session of the legislature ; and, according to previous custom, a supplementary report in relation to these banks, as well as in relation to the condition of those banks whose charters have been annulled or surrendered, will be made in time to be communicated to the legislature. The division of labor authorized by law, and adopted by us, has been acted upon, so that comparatively but few of the banks have been visited by all the commissioners together ; others, by two of the board, and the larger number by one only. This examination each year has been a business of laborious detail. We have made minutes and records of the examination of each bank, for the purpose of method and exactness, of subsequent reference and explanation, in consultation with each other ; but we have never deemed it either necessary or economical to appoint a clerk as authorized by law, and all the labor of every kind has been performed by ourselves. We have found the best course to be, not to pursue and complete the examination, of all the banks, without intermission, in any one continuous portion of the year, but to arrange the examinations at intervals throughout the whole year. This course enables us to understand the general condition of the banks throughout the year. It also enables us to be present in Boston during a part of the sessions of the legislature, so that we can furnish any required information to the committees thereof, without serious interruption to our other duties.

Our duties, as prescribed by law, were generally to examine the banks once in every twelve months, and oftener if we deemed it necessary ; and to make a report of the general condition of the banks, in December, annually. In these annual reports, as well as in several special reports, we have endeavored to state all the essential facts developed in our examinations, in regard to the general condition of the banks, the evils to be corrected, and the dangers to be guarded against ; and also, particularly, the history and details of the corporations which have required our special action.

Our habit is, in addition to the examination of the various items of the assets, liabilities, and accounts of each bank, to examine the officers or some of them, under oath, upon all matters deemed by us important ; and at the time, and on the spot, we have made the suggestions, indicated by our observation and experience, by way of improvement in each bank. In many instances we have seen these suggestions adopted and acted upon, and the condition of some of the banks sensibly and materially improved.

The banks in this Commonwealth in operation are now generally in a

sound and healthy condition ; and, with continued care and watchfulness, and untiring industry, on the part of those who have duties to perform to them, we have reason confidently to believe that they will remain so. Since August, 1838, previous to which time there was a temporary suspension, they have furnished to our community a sound and uniform currency, redeemable at all times in gold and silver. Within the last three years a decided improvement has been made in the character of their loans. We shall not fail to urge it upon them, in every possible form, to keep their affairs within such limits as never to require a suspension of specie payments. Whatever may betide other States and their banking institutions, we trust that none of the banks in Massachusetts will entertain the idea of ever suspending the payment of specie upon any of their specie liabilities.

In 1803 the bank capital of the Commonwealth was	-	\$2,225,262
From 1803 to 1816 it continually increased to	-	11,475,000
From 1816 to 1817 it was reduced to	-	9,298,050
From 1817 to 1820 it continually increased to	-	10,600,000
From 1820 to 1821 it was reduced to	-	9,800,000
From 1821 to 1829 it continually increased to	-	20,420,000
From 1829 to 1830 it was reduced to	-	19,295,000
From 1830 to 1837 it continually increased to	-	33,280,000
From 1837 to this time, December, 1841, it has been continually reduced to	-	32,940,000

Since December, 1840, the bank capital has been reduced by the surrender of the charters of the Ipswich Bank, capital \$100,000 ; the Amherst Bank, capital \$100,000 ; and by injunctions upon the Newburyport Bank, capital \$100,000 ; and the Winthrop Bank, capital \$100,000 ; and by a reduction of the capital stock of the Merrimac Bank, by the sum of \$120,000—making the amount of reduction since December, 1840, \$520,000.

There are now in operation one hundred and eleven banks ; twenty-five of which are in the city of Boston, with a capital of \$17,610,000 ; and eighty-six out of Boston, with a capital of \$15,330,000—making the present bank capital of the Commonwealth \$32,940,000.

There has been paid into the treasury the present year, for taxes upon the bank capital, the sum of \$336,035 13, including some small arrearages from insolvent banks.

By the tabular statement annexed to this report, it appears that from October, 1840, to September, 1841, the amount of bank loans had increased from \$46,540,685 21 to \$47,553,960 66. The cash funds, or immediately available resources of the banks, in proportion to their liabilities to the public, are not quite as large at the latter as at the former period. That proportion at these two periods varies but a very trifling amount, and was greater in October, 1840, in favor of the available resources, than it has been for the last thirteen years. The amount of specie in our banks was larger in September last than it has been (at the time of the annual returns) for the last thirteen years ; and but a trifle less, in proportion to the circulation, than it was in October, 1840. The banks have apparently done a somewhat larger business between October, 1840, and October, 1841, than in the year preceding, and made, upon an average, somewhat larger dividends the present than the last year. The aggregate amount of divi-

dends, however, the present year, has been a little less than six per cent. upon the capital stock. It is to be remarked, in this connexion, that the pressure in the money market during the last and the present month has occasioned a considerable contraction in the business of the banks. The specie for a time underwent a considerable reduction, and the line of discounts has been reduced, as the banks were reducing their liabilities. This pressure may not have been without its good effects upon the business of the banks. They have been compelled to examine into the character of their resources and the extent of their liabilities.

When the commissioners first entered upon their duties in May, 1838, the banks in Massachusetts had but recently resumed specie payments, and this resumption did not become universal until the 13th of August in that year. Since that time they have, without exception, continued to pay specie.

During the time they have been in office the commissioners have found it necessary to obtain injunctions to arrest the proceedings of six banks, viz: the City Bank, of Lowell; the Farmers & Mechanics' Bank, in Adams South Village; the Roxbury Bank; the Middling Interest Bank; the Newburyport Bank; and the Winthrop Bank.

The operations of the City Bank of Lowell were arrested before that corporation had commenced the issue of bills, and loss to the public was prevented.

The Farmers & Mechanics' Bank, in Adams South Village, had incurred some liabilities before the appointment of commissioners. It incurred none afterwards. The attempt to set it in operation anew was prevented by the injunction. The receiver has made progress in the settlement of its affairs; but a variety of questions have arisen in law and in equity in the courts in the county of Berkshire, some of which are not yet determined, and the payment of its liabilities is understood to be awaiting the decision of these questions. The liabilities to the public for bills in circulation, appear by the books to be \$1,145; but part of these have been presented to the receiver, Thomas Robinson, esq., of North Adams.

The injunction was obtained upon the Roxbury Bank, by the commissioners, soon after their appointment. No valuable assets were found in this bank. The larger portion of its liabilities are supposed to have been in the hands of its fraudulent managers, citizens of another State, or in those to whom they had been pledged by them as collateral security, and they fell worthless in their hands.

The Middling Interest Bank, in pursuance of the several decrees of the supreme court, has been proceeding, during the past year, in the business of winding up its concerns, in the hands of a committee of the stockholders and a board of directors, in the manner described in our former reports. The advice and assistance of the commissioners have been given to the committee whenever it could be useful. The business of collecting the debts and paying off the liabilities has proceeded more slowly than was anticipated; but it has been continually urged forward by us. We have no doubt that all its liabilities will be paid. Those liabilities on the 24th of December, 1840, amounted to \$39,010. They are, on the 27th of December, 1841, \$16,078 68, viz: for circulation, \$15,080; for deposits, \$106 68; and for dividends unpaid, \$892. For the redemption of about half the liabilities, now outstanding, an amount of unquestionable paper has recently been furnished by debtors to the bank, which will soon

be negotiated, and the avails applied. For the redemption of the remainder, as fast as presented, it is hoped the assets of the bank will furnish sufficient funds; and also for the payment of a per centage to those stockholders who actually paid in their stock. It would have been far easier for the commissioners to have applied for the appointment of receivers of this bank; but under the peculiar circumstances of its affairs, they have deemed it their duty not to do so, and are satisfied that the course which has been taken has been thus far more for the interest of the creditors than a more violent course would have been.

The proceedings in relation to the injunctions upon these banks, and their causes, have been fully detailed in our former reports. The details of the management and condition which led to the injunction upon the Newburyport Bank were fully set forth in our report of February 24, 1841. In April last Henry W. Kinsman and Edward L. Le Breton were appointed receivers. Since their appointment, the receivers have been engaged in liquidating the concerns of that bank, as directed by several decrees of the supreme court. Their progress has been, of necessity, slow. The actual liabilities now outstanding are: For bills in circulation, \$55,719; for dividends unpaid, \$54; and for deposits, \$8,440 54. It is understood that some negotiations are now in progress with the large debtors, which will soon be completed, the result of which, if perfected, will very materially reduce the amount of bills in circulation, and enable us to form an opinion upon the prospect of the redemption of the remaining liabilities, or of their value, which will be stated in our special report.

The Winthrop Bank, in Roxbury, was incorporated in 1836, with a capital of \$100,000. When the bank went into operation, but little more than one-half of the capital stock was actually paid in, in cash; the remainder being represented as paid in, because it was taken up in form and notes given for it. This portion of the stock, together with some of the shares which had been paid in, soon after went into the hands of John Phillips and others, of the State of New York, who held, at one time, 550 out of the 1,000 shares of which the stock consisted. This stock was pledged to the bank to secure the notes of said Phillips and others to the bank, which amounted to about \$60,000; for which the bank also held some other collateral securities.

The liabilities of this bank to the public have never been large, and the bank was, in fact, doing business upon about one-half the amount of its nominal capital. The commissioners found it their duty to keep a constant knowledge of the liabilities and assets. That portion of the stockholders who have taken any active interest in its concerns have been unwilling to consent to wind up its affairs, although it has not been doing a profitable business. They have insisted that the stock could be entirely taken up by responsible persons in this vicinity, and made entirely whole by assessments, or by the earnings, and that the bank was needed in the place where it was located. The stock which stood in the names of the foreign stockholders was extricated from their hands, and passed into the hands of citizens of this State, but in portions of considerable amount, and has repeatedly changed hands. The condition of the bank, as the commissioners have been assured, has been fully made known to the purchasers of this stock; and it has been purchased by them at considerable discount. This discount had been lost to the bank, in part by the arrangement in which the foreign debt was settled and the stock obtained

from the foreign stockholders, and in part by losses upon other debts. By these causes the stock had become impaired; so that, in the opinion of a committee of the stockholders who examined the bank in October last, the value of the shares was \$75 27 each. That committee recommended the winding up of its affairs, unless the stockholders should in some form make good the deficiency. All the plans proposed for this purpose failed of success. On the 4th of December instant the commissioners became clearly of the opinion that the further progress of this bank was dangerous to the public. The cashier of the bank had become employed for a portion of his time elsewhere, attending at the bank only occasionally during the day. Portions of the stock were held in masses, and liable at any time to change hands and become the property of those who would use them for speculation, and not for sound banking purposes. Two incipient negotiations had become known to the commissioners, within eighteen months past, for a transfer of considerable portions of the stock to speculators from abroad, one of which was only prevented by their interference. There having been also failures to comply with the provisions of law, on the part of the corporation, the commissioners, on said 4th of December, procured an injunction to be served upon the bank. On the 6th instant, Messrs. Harrison Gray, William Bacon, and James Russell were appointed receivers by the court. An arrangement was immediately made with the Suffolk Bank, by which the entire liabilities have been and will be redeemed as fast as presented, without even a temporary depreciation of its bills.

The condition of this bank has been peculiar, and the course of the commissioners in regard to it, though attended with much care and labor on their part, has in their opinion been justified and required by the circumstances. There has been no loss to the public, nor any danger of *immediate* loss. But nothing could make the bank entirely safe, and its further progress safe to the public, but a division of the stock among those who would wish to hold it as an investment, and who would be able and willing to make up the amount by which it had become deficient. All the efforts on the part of those wishing for the continuance of the bank to accomplish these purposes having failed of success, after the lapse of sufficient time, it is manifestly for the interest of the stockholders and the public that the bank should be closed and its concerns liquidated.

The liabilities outstanding of the Winthrop Bank are, on the 30th December, 1841, for circulation, \$8,562; and for deposits, \$14 37.

The East Bridgewater Bank, whose charter was surrendered in March, 1840, has redeemed all its liabilities to the public which have been presented. The amount of bills outstanding, and most of which will probably never be presented for redemption, is about three hundred dollars. It is understood that the committee engaged in winding up its affairs are preparing soon to make a dividend to the stockholders.

The stockholders of the Ipswich Bank surrendered their charter in August last; and, upon examination, the commissioners gave their certificate that the bank might safely proceed to wind up its affairs. Its liabilities to the public were then \$22,800 50. They have been redeemed without depreciation thus far, and will continue to be so redeemed. The liabilities on the 11th instant were \$5,295 59: for bills in circulation, \$3,278; and for deposits, \$2,017 59. The business is conducted by the board of directors. There is nothing in the history of this bank which seems to require a particular detail.

The commissioners have been notified that the stockholders of the Amherst bank have voted to surrender their charter. The necessary examination will be made as soon as our other duties will permit. The liabilities have been thus far redeemed without any depreciation, and are now, it is presumed, but small in amount.

The Hancock Bank, whose charter was surrendered in December, 1839, has now outstanding liabilities to the amount of \$11,462 65, viz: for bills in circulation, \$389; for deposits on interest, \$5,721 20; as endorser, \$5,352 45. This bank has cash funds on hand nearly sufficient to extinguish these liabilities, which will be immediately applied to that purpose.

There are several banks now in operation in different parts of the Commonwealth, which it would seem are not needed in the vicinities where they are located. The difficulty with such banks is that they cannot loan their funds upon good business paper in their vicinities. Portions of their loans must be made upon accommodation paper of that inert character which, when once it obtains a place, retains it for a long time, and is slow in producing its interest. Other portions must be sought for abroad, in commercial and business places. Paper which is *travelled* for is usually second-rate paper, often protested, and not unfrequently lost. Neither of these classes of paper improves the circulation of a bank or its deposits: The bank then struggles along with a small circulation, small deposits, and a loan not producing full interest. It is not for us to interfere with the progress of these banks, for they are safe so far as the public is concerned, by reason of the moderate amount which their liabilities can never exceed, while honestly and legally managed. The question here is for the stockholders. The stock of such banks is liable to become somewhat impaired by dividends. The ability of such banks to make dividends is not always so much in their actual earnings as in the science of book-keeping, which, by crediting to the profit and loss account *all* the moneys actually received for discount, though at the time of the dividend but partly *earned*, and interest upon accommodation and overdue paper *earned* but not *received*, and omitting to charge to that account debts known to be doubtful and bad, shows semi-annually a surplus for dividends, which is, in fact, an impairing of the capital stock. The impropriety of such dividends we have fully explained in several of our reports. The remedy is for the stockholders to require particular statements, at each dividend time, of the earnings, expenses, and bad debts of the bank; and the directors should, in all cases, refuse to make any other or larger dividends than the clear net earnings of the bank, actually received; will suffice to pay. Any other course is illegal, for the law says, "a dividend of *profits*;" and injudicious, for the tax and expenses of an impaired capital are as large as those of an entire one.

In some of the banks, the present year, we have still found memorandum checks and overdrafts. They are never attempted to be justified: their appearance is always accompanied by explanations which are never satisfactory. Accidental overdrafts cannot always be prevented, but their continuance from day to day can and should be, in all cases.

In all the banks visited we have made particular examination as to the rates of exchange, and have pointed out for correction those particulars in which we have deemed them obnoxious to censure. In the present state of the currency in all the southern and western sections of the

country, the rates have been for the past year varying and uncertain. The great majority of banks have not settled the rates of exchange at the time of discounting the paper, but, by agreement with their customers, have left those rates to be settled at its maturity. In some banks, however, what are called the current rates have been changed at the time of discounting the paper. During the former part of the year the temptation and opportunity to exact exorbitant rates of exchange have been less than for a few weeks past, and than they now are. When the annual examination of all the banks shall have been completed, we shall in our special report state our views and proceedings more particularly. In a very few country banks we have, to our surprise, found some instances of charges for exchange on paper discounted, payable in Boston. The amount has been small, but we intend to take such measures as will prevent it altogether, for reasons which we have repeatedly stated.

It has always been obvious that, from the nature of the duties required of us, our examinations cannot be expected to prevent frauds to some extent in the cash transactions of the officers of the banks. The object, as indicated by the law, is to ascertain the safety of the banks, so far as the public is concerned, and those having funds in their custody. To prevent such frauds, or immediately to detect them, especially in the city of Boston, frequent examinations, in addition to the examinations of the commissioners, are necessary; and even these, as ordinarily conducted, have been found to be sometimes insufficient. If, notwithstanding the care that is exercised in the selection of proper persons to fill the situations of tellers in the banks, they are sometimes found weak enough to yield to temptation, or abandoned enough to commit frauds for their own benefit, a new system of examination must be adopted on the part of the directors of banks in regard to their cash. A recent discovery of such a fraud must lead to the adoption of additional care and precautions.

On the 4th instant, Henry B. Odiorne, the teller of the Eagle Bank, disclosed a fraudulent deficiency in his cash. The cashier and directors, upon immediate examination, ascertained the entire amount of the defalcation, which, at the close of the examination, was found to be \$86,909.64, which was placed on that day in the statement of the resources of the bank as a "suspense account." Payments have since been received and applied to reduce this item to \$70,127.02. The bank has obtained a variety of securities, the avails of which will be applied, so that the actual loss to the bank may be fairly estimated at not more than \$25,000.

It appears that the said teller had loaned a portion of the funds of the bank in his possession, upon the checks of several persons and firms, without the knowledge of any other officer of the bank, studiously concealing it from them, and receiving and applying to his own use the interest. He had also marked various checks of the same persons and firms upon the Eagle Bank as good, when the drawers, so far from having funds in the bank, were largely indebted in the irregular manner before described. He had been able, at the examinations of the cash, to supply the place of these checks by funds raised for the occasion from the parties to whom he had made the loans, and from other sources. It seems that owing to the pressure for money, and in anticipation of an immediate examination, at a time when he would not be able to obtain funds to cover his deficiency, his mind was so wrought upon as to compel him to disclose the whole matter. This transaction is so recent that all the facts connected with it are not yet developed, nor can those which are ascer-

tained be stated by us with such exactness and upon such evidence as to justify us in attempting to detail them at this time. We have recently examined the bank, and have found it in all other respects in its usual safe and flourishing condition. The loss to the stockholders of this bank will not be so considerable as was at first anticipated, but the occurrence is a warning to the officers of our banks, that the vigilance heretofore exercised, in regard to their cash funds, may not be sufficient to protect them.

In the examinations of the provident institutions for savings, we have examined their investments, their system of accountability, and so far as we have deemed necessary, their accounts. They are, in general, conducted with faithfulness, care, and skill, and at a very moderate expense.

By the returns made to the secretary's office for the last Saturday of October last, with the exception of the Chelsea institution, whose return had not yet been made, it appears that the amount of deposits in these institutions, which are thirty in number, was \$6,714,181.94; having increased in the eleven months next preceding by the sum of \$894,528.20. The number of depositors at that period was 41,423; an increase from 1840 of 3,953.

The banks which have not yet received their fourth annual examination are the Boston, City, Globe, Hamilton, New England, Shawmut, Shoe and Leather Dealers', South, State, Suffolk, Tremont, and Union banks. The savings institutions remaining to be examined are the two institutions in Boston. The examinations of these will be completed in due time, as also of those banks whose charters have been annulled. It is understood that the Chelsea institution for savings is about to be wound up. Its deposits have always been inconsiderable, and are now but \$140.31, as stated by the treasurer.

All which is respectfully submitted.

JULIUS ROCKWELL,  
JONATHAN SHOVE,  
WARREN LOVERING,  
*Bank Commissioners.*

DECEMBER 31, 1841.

SPECIAL REPORT OF BANK COMMISSIONERS—FEBRUARY, 1842.

COUNCIL CHAMBER, Boston, February 28, 1842.

SIR: I herewith transmit, for the use of the legislature, a supplemental report of the bank commissioners.

J. DAVIS.

To the PRESIDENT of the Senate.

To his Excellency JOHN DAVIS,  
Governor of the Commonwealth of Massachusetts:

The bank commissioners respectfully submit the following special report:

At the time of our annual report, in December last, twelve of the banks

in the city of Boston had not received their fourth annual examination. Since that time these banks, viz: the Boston, City, Globe, Hamilton, New England, Shawmut, Shoe and Leather Dealers', South, State, Suffolk, Tremont, and Union banks have been visited and examined. From the condition of these banks we do not find any necessity of altering the statements contained in our annual report in regard to the banks generally.

We are happy to believe that the present policy of the Boston banks is to place and keep themselves in a strong position. At this time, as it seems to us, it is plain that such a course should be steadily persevered in by all the banks in the Commonwealth. And we are also of opinion, that while pursuing such a course with firmness and enlightened forecast, all requisite facilities can be furnished to the business community. We believe it better for the permanent interests of that community, and also for the permanent interests of the stock and stockholders of the banks themselves, that a course of determined caution should be pursued, even if it diminishes the amount of the semi-annual dividends.

The practices of the banks in regard to the rates of exchange have been matters of anxious consideration and examination by us, in reference to the law of 1840, which imposes important duties upon us in this respect. The report made by us to the legislature of that year has, we believe, been attended with good results; and we have not, as yet, deemed it necessary to proceed against any bank under the provisions of that law.

We have obtained considerable information, since our annual report, upon the matter of the fraudulent transactions of the late teller of the Eagle Bank, and of some of the subordinate officers of the other banks. In this we have received facilities from the district attorney for the county of Suffolk, so far as they could properly be extended. As it is understood that the grand jury of that county have been engaged upon these matters, we do not deem it our duty to enlarge upon them at this time. In the progress of judicial investigations, we may expect the full history of these transactions will be laid before the public; and should this not prove to be the case, we shall take some proper occasion to give such history to the public. Measures which, if persevered in, we believe will be effectual to prevent frauds and peculations of this kind in future, have already been adopted in some of the banks, and we trust will be adopted by all.

"The Provident Institution for Savings in the town of Boston" has been in operation since 1816. The amount of deposits on the 11th of February, 1839, was \$2,008,518 43; on the 5th of February, 1840, it was \$2,058,820 50; on the 20th of February, 1841, it was \$2,208,365 02; and on the 26th of February, 1842, it was \$2,417,414 99. The annual examination of the securities, system of accountability, and accounts of this prosperous institution, is a work of considerable labor, and a part of the commissioners are now engaged in completing the examination of the present year.

"The Savings Bank for seamen and others," the name of which has been, by the present legislature, changed to that of "the Suffolk Savings Bank for seamen and others," has been in operation since 1833. The amount of deposits on the 29th of February, 1839, was \$153,503 90; on the 1st of February, 1840, it was \$199,813 63; on the 31st of January, 1841, it was \$230,816 31; and on the 24th of February, 1842, the date of the present examination, it was \$268,665 83.

We believe, as the result of our several examinations; that these insti-

tutions are conducted in a safe manner; and it will be seen that their deposits are continually and steadily increasing.

By the act of February 21, 1839, we were directed to visit and examine those banks whose charters had been, or thereafter might be, annulled or surrendered. These banks have been examined, from year to year, in pursuance of that statute; and our special reports of each year have contained detailed statements in regard to each of them. By comparison of those reports with the present report, we believe all the facts which are material may be ascertained.

The business of winding up the affairs of these corporations, as it will be seen, has been conducted in a variety of ways. Some have been continually conducted by directors annually chosen; some by committees; and others have been placed in the hands of receivers. The circumstances of the cases have been so different that no general rule can be applied. Generally there has been a depreciation, from time to time, in the estimated value of the assets, notwithstanding the most careful valuations. We have endeavored, in all cases, so far as our powers extended, to give the most judicious direction in our power to the measures adopted in each particular case.

The difficulties of making collections by an insolvent bank are very great. Delay and depreciation attend upon the most thorough and well-directed efforts. The principles of law and equity in regard to them have many of them been but recently settled, and some are not yet decided. Debtors seem to feel less obligation or interest in the payment of debts to a broken bank than any other debts whatever. For these reasons, when we have found banks in a condition requiring their affairs to be closed, we have been willing that as much progress as practicable should be made in collecting their debts and paying their liabilities before their charters were annulled; taking care, however, that the interests of the public should not be endangered.

## AMERICAN BANK.

Incorporated February 20, 1824.—Charter surrendered February 13, 1839.—Capital \$500,000.

## LIABILITIES.

	Feb. 13, 1839.	March 18, 1840.	Feb. 8, 1841.	Feb. 1, 1842.
Bills in circulation	\$3,507 00	\$1,981 00	\$1,818 00	\$1,740 00
Deposites	4,819 08	100 50		
Due other banks	62			
	8,326 70	2,081 50	1,818 00	1,740 00

The affairs of this institution are managed, as heretofore, by three trustees, who report monthly to the directors. The liabilities have been paid as fast as presented; but only \$78 of the bills have been presented the

past year. Four stock dividends have now been made, amounting to \$187,500. It may be estimated that about \$110,000 more will be paid to the stockholders.

#### CHELSEA BANK.

*Incorporated April 16, 1836—Charter repealed April 19, 1837—Capital \$100,000.*

Charles G. Loring and William Dehon have been receivers of this bank since March, 1840. The liabilities of the bank to the public are \$27,829 for bills, and \$5,900 for post-notes. All the stock, excepting 41 shares, stands in the name of the bank. It is expected that the legal proceedings which have been long continued will be closed in April next; and that the assets may pay about 30 per cent. of the liabilities. Persons holding bills of this bank should present them forthwith to the receivers. At the close of the legal proceedings, notice will be given by publication in some of the Boston papers by the receivers, of the amount to be received by each creditor whose claims shall have been presented.

#### COMMERCIAL BANK.

*Incorporated June 15, 1841—Charter repealed April 21, 1838—Capital \$500,000.*

The bills of this bank have been redeemed whenever presented. The amount now outstanding is \$1,918. Dividends amounting to \$350,000 have been made to the stockholders, and a small amount will still be realized from the remaining assets. The affairs of this bank are managed by the cashier and directors. The time for winding up its concerns was extended, by a resolve of the last legislature, until April 21, 1843.

#### COMMONWEALTH BANK.

*Incorporated February 20, 1824—Charter repealed April 2, 1838—Capital \$500,000.*

#### LIABILITIES.

	March 18, 1839.	Feb. 26, 1840.	Feb. 15, 1841.	Feb. 15, 1842.
Bills in circulation	\$77,999 00	\$69,590 00	\$25,213 00	\$8,942 00
Post-notes	9,500 00	9,500 00	9,500 00	6,500 00
Deposites	363,251 53	175,691 89	71,852 15	34,151 05
Due banks	114,502 78	110,004 63	100,154 29	33,698 13
	\$65,253 31	\$364,786 52	206,719 44	\$3,291 18

It is to be remarked, however, that the reduction in the liabilities during the past year has not been effected by the payment to the creditors

of the bank of the amount of their debts; but, by way of settlement and compromise, several of the creditors having taken portions of the assets in discharge of their claims, upon which they sustained severe losses; and the amount which these creditors will receive will probably, in nearly every case, be quite small in proportion to the amount of their claims.

Of the bills yet outstanding, say \$3,000 are known to be in existence; and it is supposed by those who have been conversant with the bank, that a very large part of the remainder have been lost or worn out. The bills which have been redeemed the past year have been mostly paid in by debtors to the bank in discharge of their liabilities, in the manner described in our report last year. Of the item *deposites*, \$18,545 88 is the balance due the United States, according to the books of this bank, for which the government holds collateral security, deemed sufficient by those interested. Of the remaining deposits, \$11,065 are considered as secured by trustee process.

The item *due banks* is the sum due to seven banks in and out of this Commonwealth.

The present nominal assets of the bank appear as follows: Due from banks, \$36,874 19; checks, &c., \$4,003; notes receivable, \$88,035 94; stocks, \$3,600; overdrafts, \$3,629 14; in all, \$136,142 27. This is exclusive of the property pledged to the United States, and also of one debt subject to the effect of a pending trustee process. This nominal amount of the assets is, however, of scarcely any use in estimating their true value, or the amount which will be realized from them. That amount, however, will be, by no means, sufficient to pay the liabilities. The commissioners will exhibit to any creditor of the bank, who may call upon them, a list of all the assets, and give any information in their power.

The resources of this institution, which some years since appeared, upon careful and rigorous investigation, to be more than sufficient to pay all its liabilities, have failed to do so. Many of its creditors who have thought it advisable to compromise and discharge their demands have suffered severe losses. Those whose claims have not yet been discharged must also suffer severely. The committee of the legislature, at its last session, after investigating the whole subject, reported a bill, which became a law, extending the time for winding up its concerns. The bank has, therefore, been continuing this process by its board of directors and committee of stockholders. The causes which have operated so greatly to diminish the value of the assets, and which have operated in like manner throughout the country, were beyond their control. It does not seem probable that any other mode of winding up this institution would have resulted more beneficially to its creditors and stockholders. The extended time for closing its concerns will expire on the 2d of April next, and the directors have applied to the legislature for an extension of another year.

#### FRANKLIN BANK.

*Incorporated March 18, 1828—Charter repealed April 4, 1838—Capital \$150,000.*

The liabilities of this institution remain without change since our special report of the last year. We suggested in that report, that, for some

reasons, it might be advisable to extend the time for winding up its concerns. This, however, was not done, nor have we now any evidence that such extension would have been of any use. The time of three years from the repeal of the charter expired in April last. It is understood that the books and papers are in the vault at South Boston; but, as the key of the inner door is in the hands of the former directors, and that of the outer door in the hands of Mr. Hickling, the agent, who for some years had care of the bank, and neither sees fit to yield to the other, they seem to be as safe as they are worthless. Had the system of double securities been adopted at an earlier period in the history of the bank, the public might not have suffered so severely. During the agency of Mr. Hickling, some portion of the bills of this bank were drawn out of circulation, as may be seen by our previous reports. Many of them are still abroad; however; and to prevent their becoming anywhere the instruments of fraud, it should be distinctly understood that they are worthless.

## FULTON BANK.

*Incorporated March 27, 1833—Charter repealed April 19, 1838—Capital \$500,000.*

## LIABILITIES.

	March 4, 1839.	Feb. 24, 1840.	Feb. 8, 1841.	Feb. 1, 1842.
Bills in circulation -	\$67,986 00	\$24,694 00	\$5,084 00	\$4,617 00
Balances due to other banks	30,004 50	30,004 50	27,129 50	26,596 90
Deposites, (blue books)	61,516 00	51,900 00	820 48	820 48
	159,506 50	106,598 50	33,033 98	32,034 84

In April last, as the three years from the repeal of its charter were about expired, upon the application of some of its creditors, Isaac P. Osgood was appointed receiver by the supreme court. He was directed by the decree not to receive the bills of the bank in payment for debts due to it, and to make all collections in current money, and to preserve the avails for such distribution as the court might subsequently direct. How far the outstanding liabilities may be valuable, cannot now be ascertained. Their value, however, will be small, according to present appearances. Persons holding claims against this bank should present them to the receiver, to await the result of the proceedings.

## HANCOCK BANK.

*Incorporated March 25, 1833—Charter surrendered December 12, 1839—Capital \$500,000.*

The only present liabilities of this bank to the public are, for bills outstanding, \$389—except a nominal liability as endorser for the sum of \$4,623 18. Nearly one-fifth of the stock is owned by the bank. The property of the bank, it is expected, will all be sold by the 1st of June

next; after which a dividend will be made to the stockholders. The affairs are in the care of the president and cashier. The remaining bills will be redeemed upon presentation.

## KILBY BANK.

*Incorporated April 15, 1836—Charter repealed April 17, 1838—Capital \$500,000.*

Although the three years time from the repeal of the charter of this bank expired last April, its bills are still redeemed by the president, upon presentation, and we are assured will continue to be so redeemed. The amount now outstanding is about \$560; but few of which, it is believed, will ever make their appearance.

## LAFAYETTE BANK.

*Incorporated April 16, 1836—Charter repealed April 2, 1838.*

Since June, 1840, Charles Hickling and George Savage have been receivers of this bank; but they say they have received nothing, and probably never will. The progress made in attempting to close the concerns of this institution is detailed in our last special report.

## MIDDLESEX BANK.

*Incorporated March 19, 1831—Charter repealed April 4, 1838—Capital \$150,000.*

## LIABILITIES.

	March 9, 1839.	Feb. 15, 1840.	Feb. 1, 1841.	
Bills in circulation -	\$6,542 00	\$2,645 00	\$1,974 00	\$1,663 00
Deposites -	69 12	34 90		
Deposites on interest -	45,010 06	24,010 06		
Dividends unpaid -	6 00			
	51,627 18	26,689 96	1,974 00	1,663 00

This corporation, since the repeal of its charter, has been continually managed by the cashier and a board of directors. The time for winding up its affairs has been extended to April 4, 1843. Its bills are redeemed whenever presented at the bank. A dividend has been made to the stockholders, amounting to \$22,500. Another dividend of probably 20 per cent. will be made immediately.

## NAHANT BANK.

*Incorporated March 28, 1833—Charter repealed April 19, 1837—Capital \$150,000.*

The whole amount of claims which have been presented to the re-

receivers, after sale and application of their collateral and adjustment of interest, are \$203,745 55. Of these, \$24,815 are post-notes; \$82,062 are bills of the bank; and the remainder are liabilities of the bank as endorser, bank balances, and judgments. All the property has been sold except the eastern land. A dividend of 15 per cent. to the creditors, on the amount of their claims, will probably be decreed in March. In the course of a few months another dividend, of say 10 per cent., may be decreed. Persons holding bills of this bank can present them to C. B. Goodrich and F. B. Crowninshield, the receivers.

## BANK OF NORFOLK.

Incorporated March 4, 1826—Charter repealed April 24, 1838—Capital \$200,000.

## LIABILITIES.

	Mar. 15, 1839.	Mar. 12, 1840.	Feb. 18, 1841.	Feb. 19, 1842.
Bills in circulation - -	\$47,548 00	\$23,672 00	\$18,638 00	\$2,601 00
Dividends unpaid - -	26 00	26 00	26 00	8 00
D. A. Sigourney, treasurer -	4,155 66	4,155 66	1,000 00	
Deposites on interest - -	16,000 00	3,000 00	3,000 00	3,000 00
Deposites not on interest -	864 16	841 20	43 48	40 79
Post-notes - -	12,300 00	9,300 00	4,000 00	4,000 00
Balance due Suffolk Bank -	13,785 25	12,503 92	13,005 94	3,696 44
	94,679 07	53,498 78	39,713 42	19,346 23

Of the bills stated to be in circulation, \$3,500 are in the Suffolk Bank, lying there merely as collateral; and \$2,000 are known to have been buried in the western country: reducing the amount of bills in actual circulation to \$3,101. So many of these as may make their appearance will be redeemed whenever presented, as they heretofore have been. The time for winding up the bank was extended by the last legislature to April 24, 1843. The bank holds 155 shares of its own stock absolutely, and 25 shares as collateral. The concern is managed by a cashier, with the advice of a board of directors and a committee of stockholders. There will be dividends paid to the stockholders, but the amount of those cannot now be stated.

## ORIENTAL BANK.

Incorporated June 23, 1831—Charter repealed April 25, 1838—Capital \$750,000.

## LIABILITIES.

	Mar. 12, 1838.	Mar. 5, 1840.	Feb. 1, 1841.	Feb. 19, 1842.
Bills in circulation - -	\$2,717 50	\$1,035 25	\$966 25	\$855 75
Deposites - -	178,531 85	118,480 07	360 00	360 00
Dividends unclaimed - -	8 00	8 00	8 00	
Balances due banks - -	75 99			
	181,333 34	119,523 32	1,334 25	1,215 75

The bills are redeemed whenever presented. It is not probable that many more of them will be presented. Since July 1, 1841, but \$27 have been presented. Dividends have been made to the stockholders amounting to \$210,000. Another dividend of (say) 7 per cent. will be made in March next.

The affairs have been managed by a receiver, with the advice of a committee, since December 14, 1839. By decree of the supreme court, the time for closing the concerns is extended to April 4, 1842, and may be further extended. The deposit of \$360 stands in the name of John Weston, and has never been claimed.

Persons interested in the affairs of "the Farmers and Mechanics' Bank, in Adams South Village," may find the report of Thomas Robinson, of Adams, the receiver, in the clerk's office of the supreme court in Boston. This report was made in January last. Of the bills outstanding, \$1,145, the sum of \$559.75 has been ascertained to be in existence. Those who have bills of this bank should lose no time in presenting them to the receiver, as he reports that he has reason to believe the whole affair will be closed without much delay. There have been long and tedious legal proceedings in the arrangement of its affairs, which are now brought nearly to a close, and the liabilities, as appears by the receiver's report, will all be paid if presented in season.

The affairs of the Roxbury Bank remain in the same hopeless condition as stated in our former reports.

Since our annual report no material change has taken place in regard to the Newburyport Bank, and it is still uncertain whether all its liabilities will be paid. Those interested may learn the progress made, from time to time, by the receivers from their reports, which will be made periodically to the supreme court, and filed in the clerk's office, in Boston. The negotiation by which, if carried into effect, a considerable portion of the bills will be taken up, is not yet completed; and it is still uncertain to what extent the liabilities to the public will be paid by the proceeds of the assets of the bank.

On the 10th of January last an examination was made of the present condition of the Amherst Bank; and the certificate of the commissioners, as provided by law, was given that the bank might safely proceed to wind up its concerns. The only liabilities of the bank to the public appeared then to be \$4,834 for bills in circulation, and \$1,431.44 for deposites; nearly the whole of the latter item, however, stood to the credit of persons indebted to the bank, and to be applied upon their debts. The bills, whenever presented, have been and will be redeemed at the Suffolk Bank. A dividend of 12 per cent. has been paid to the stockholders; and other dividends will be made as soon as practicable.

Since the late cashier of this bank, Luther Root, who is since dead, left the bank, in October, 1838, on account of the discovery of a defalcation, we have examined the condition of this bank as often as we deemed it necessary, and still more often have received returns from it, so as to be satisfied that the public was at no time in danger of loss from its liabilities. We have also made such examinations as a reasonable time would permit in regard to the nature and causes of the impairing of its capital stock. It has all along, however, been obvious that we could not be justified in spending, at the public expense, time sufficient to unravel all the details of the loose and fraudulent transactions which have caused severe losses

to the stockholders. Investigations for this purpose have been pursued by committees of the stockholders from time to time. In February, 1841, we spent two days upon this matter—a committee being then engaged in the investigation. We made a report at that time, giving such details as in that time we could ascertain, which, in connexion with the report of their committee, has been published by the stockholders. At a meeting in November last, a very competent committee of gentlemen acquainted with the details of banking business was employed, with power to spend all the time necessary to a full investigation. The report of that committee, whose labors occupied some nine or ten days, and were obviously pursued with great vigilance and sagacity, was made in detail in January last, and has been published in pamphlet form. All the information which can be of use to the stockholders or the public, it is believed, has thus been communicated.

Since our annual report but little progress has been made in redeeming its liabilities. We are assured, however, that every reasonable exertion has been made and is making in this behalf.

The liabilities of the Winthrop Bank are now reduced to the sum of \$4,059 for bills issued, \$14 15 for deposits, and \$27 for unpaid dividends. These liabilities will continue to be redeemed without interruption, till all are paid, whenever presented. The first account of the receivers is to be made to the court at the expiration of six months from the time of their appointment.

All which is respectfully submitted.

JULIUS ROCKWELL, }  
JONATHAN SHOVE, } *Bank*  
WARREN LOVERING, } *Commissioners.*

FEBRUARY 26, 1842.

REPORT OF BANK COMMISSIONERS—DECEMBER, 1842.

To his Excellency JOHN DAVIS,  
Governor of the Commonwealth of Massachusetts:

The undersigned, bank commissioners, respectfully present the following as their fifth annual report:

The law requires that the commissioners, or some one of them, shall, at least once in every twelve months, visit and examine all the banks and provident institutions for savings in the Commonwealth. The period of twelve months contemplated by law is from April to April; the board of commissioners having been appointed at that season of the year. The annual report is required to be made in December of each year. It has been considered the most proper course, and the one indicated by the law, not to continue the examinations without interruption until they are completed; but to arrange them at intervals during the year, in order to keep up, throughout the whole year, a general knowledge of the condition of the banks and banking business in the Commonwealth. At the time of our annual report in December of each year, therefore, a portion of the banks have not been examined, but their examination has been completed during the ensuing three months, and the result in each year has been stated in a supplementary report previous to the close of the legislative

session. On account of the resignation of one of the commissioners, early in November of the present year, the progress made in the examinations has been somewhat less than usual at this period of the year. All but nine, however, of the banks out of Boston, as well as five of those in the city of Boston, have been visited and examined since April last; and the examination of the remainder will be completed in the usual time.

Under the provisions of the act passed March 17, 1841, and of the previous act of April 13, 1838, authorizing banks to surrender their charters, we have received notice and request to visit and examine the South Bank in Boston, the Bank of General Interest in Salem, the Charlestown Bank, the Duxbury Bank, and the Essex Bank in North Andover; and we have given certificates, as by law directed, that the said banks may, with safety to the public, proceed to close their concerns. At the date of this report nearly all the liabilities of these banks to the public have been paid off.

Pursuant to the act passed February 21, 1842, to reduce the capital stock of the Taunton Bank, we have, upon examination, made the certificate required by said act, and the capital stock of said bank is reduced from \$250,000 to \$200,000.

In 1803 the bank capital of the Commonwealth was	-	\$2,225,262
From 1803 to 1816 it continually increased to	-	11,475,000
From 1816 to 1817 it was reduced to	-	9,298,050
From 1817 to 1820 it continually increased to	-	10,600,000
From 1820 to 1821 it was reduced to	-	9,800,000
From 1821 to 1829 it continually increased to	-	20,420,000
From 1829 to 1830 it was reduced to	-	19,295,000
From 1830 to 1837 it continually increased to	-	38,280,000
From 1837 to this time, December, 1842, it has been continually reduced to	-	31,390,000

In 1836 the bank capital of the Commonwealth amounted, according to the acts of incorporation, to \$40,380,000. But several of the banks chartered that year never went into operation; and, in 1837, the capital of banks actually in operation was \$38,280,000. This was the highest point, and since that time it has been continually decreasing.

Since December, 1841, the date of our last annual report, the bank capital has been reduced by the surrender of the charters of the Bank of General Interest, at Salem, capital \$400,000; the Charlestown Bank, capital \$100,000; the Essex Bank, capital \$100,000; the Duxbury Bank, capital \$100,000; the South Bank, in Boston, capital \$500,000; and by injunction upon the Phoenix Bank, in Charlestown, capital \$300,000; and by a reduction of the capital stock of the Taunton Bank by the sum of \$50,000: making the amount of the reduction of bank capital since December, 1841, \$1,550,000.

The number of banks now in operation is one hundred and five, twenty-four of which are in the city of Boston, with a capital of \$17,110,000, and eighty one out of Boston, with a capital of \$14,280,000: making the present amount of bank capital in this Commonwealth \$31,390,000.

There has been paid into the treasury the present year for taxes upon the bank capital the sum of \$328,222 69.

The tabular statement annexed to this report shows that from September, 1841, to October, 1842, the amount of bank loans has decreased from \$47,553,960 66 to \$44,610,391 18; that the present amount of bank

loans is less than it was even in November, 1839; and less than it has been at the time of the annual returns, in any year since 1832. From September, 1841, to October, 1842, the circulation has decreased from \$9,509,112 to \$8,049,906 75. During the same period the deposits have decreased from \$8,604,721 44 to \$7,456,403 14.

The banks have done a smaller business between October, 1841, and October, 1842, than in the year previous, and have made, upon an average, smaller dividends the present than the last year. The aggregate amount of dividends has been, it is believed, rather less than five per cent. annually, and we do not suppose that the bank capital in the Commonwealth has earned, after paying expenses and the tax of one per cent., any thing over five per cent. the past year.

The same tabular statement shows that the cash funds, or immediately available resources of the banks, in proportion to their liabilities to the public, do not differ scarcely at all from the last year. That proportion varies but a trifle since 1840, and was greater in that year in favor of the available resources than it has been for the last fourteen years.

In October last the amount of specie in our banks was larger in proportion to the circulation by a small fraction than it was in 1841, and larger than it has been for the last fourteen years. In August, 1829, the specie held by the banks was, in proportion to their bills in circulation, as 1 to 4.81; in June, 1830, as 1 to 4.07; in October, 1831, as 1 to 5.41; in August, 1832, as 1 to 7.89; in October, 1833, as 1 to 8.55; in May, 1834, as 1 to 6.60; in May, 1835, as 1 to 8.30; in September, 1836, as 1 to 7.48; in October, 1837, as 1 to 6.77; in February, 1838, as 1 to 5.35; in October, 1838, as 1 to 3.90; in November, 1839, as 1 to 4.28; in October, 1840, as 1 to 3.04; in September, 1841, as 1 to 3.05; and in October, 1842, as 1 to 3, with a very minute fraction.

While the banks generally in the Commonwealth are safe in regard to the public and those having funds in their custody, many of them have suffered losses during the year past; and, with some exceptions, their business has been less profitable than in previous years. Debts which, though suspended or repeatedly renewed, have heretofore been considered ultimately secure, have this year become desperate. This has been the consequence of the stagnation of business, the depreciation in the value of securities, and to some extent of the bankrupt law. The profits of quite a number of the banks have been more than balanced by their ascertained losses; and they have been unable to make legal dividends, for no dividend is legal except a dividend of profits. Several banks, as before stated, have been induced to surrender their charters, and their example will, we presume, be soon imitated by several others. For a bank to declare and pay out a dividend, when its desperate debts exceed the amount of its net profits, is not only illegal but impolitic and hazardous. The safety as well as the true policy of such a bank requires that no dividend should be declared until the capital is made whole again. Where, to accomplish this object, it is necessary for several dividends to be passed in the present low state of the earnings of bank capital, the charter is not worth the keeping.

In cases where it is practicable, these losses may be met by the stockholders, by a reduction of the capital stock, by virtue of authority obtained from the legislature; and this has heretofore been done in several instances. But this course is impracticable with those banks whose present nominal

capital is not greater than \$100,000, as it seems to be the settled policy of the State, founded upon very sufficient reasons, that this sum shall be the lowest amount of capital authorized by a bank charter.

In cases where the capital stock of a bank has been impaired, and is likely to remain deficient for any considerable time, the interest of the stockholders is not the only interest affected. The public interest is in danger, though perhaps that danger may not be very immediate. We have, therefore, felt it to be our duty, in some instances, to give our advice in favor of surrendering the charters of certain banks. We have thought the attention of stockholders should be specially called to this subject; and we are ready, in all cases, to furnish to those stockholders who request it all the information requisite, and in our power, to enable them to judge of the policy of continuing or surrendering the charter of their bank.

There are several banks which are not now needed in the vicinities where they are located. These banks are peculiarly in danger of losses. Either there is little business done in their neighborhoods, or it is of such kind, or is carried on in such a manner, as brings no profit to the banks. In the absence of business paper in their vicinity, we find them going abroad for it. The instances are very few, though we admit there are some such instances, where banks in the habit of discounting paper for persons abroad, beyond the thorough acquaintance of the board of directors, have not met with severe losses. The reasons are plain. The directors cannot keep up a reliable acquaintance with business communities unconnected with, and distant from, their own; nor does the best class of paper travel abroad to be discounted in strange places. It commands the discount at its own door. It is not always, but frequently, second-rate paper, to say the best of it, that is carried to great distances for discount. Forgeries of such paper are more difficult of detection. Sureties upon such paper seem sometimes more inclined to resort to defences merely technical, when the creditors are distant corporations. A bank that has the prospect of habitually depending upon such paper to employ any considerable part of its capital, had better close its concerns. By this course it will most certainly protect its capital from depreciation or loss. The number of banks in this situation is not large. The disadvantages of their location are generally known to their stockholders; and they are the persons immediately interested in the matter.

There are still a certain number of banks, a part of whose loan, usually a small part, is made up of notes which were really originally given for stock. The amount is much less than it was four years since, but some still remain in this situation. These notes should be taken up and the stock disposed of for cash funds, or else its amount should be stricken from the bank books, and the amount of the capital be by so much reduced. This has been authorized in particular instances heretofore, by legislative enactments, and it is believed some further applications, for the reduction of capital for this cause, will be made at the ensuing session.

We have little doubt that the bank capital, by the action of the stockholders, will be somewhat further reduced the coming year, and beneficially to the public interest. To what extent this reduction will be carried, it is impossible to form an estimate. It will depend upon the general state of business.

The banks throughout the Commonwealth, with the exceptions allu-

ded to in the foregoing remarks, are advantageously and properly located, with suitable amounts of capital fairly paid in, making respectable profits for their stockholders. Should credits and business revive even to a moderate extent, the bank capital will in general be needed, and, with continual care and caution, may be expected to continue an investment of reasonable profit, and the basis of a sound currency.

Nothing, in our judgment, is more necessary to the safety and prosperity of our banks, than frequent examinations into their condition. This duty is now performed by the directors of banks, more generally and thoroughly than formerly, though it is not yet universal. The practice is becoming more common, also, for the stockholders of banks, at their annual meetings, to appoint committees of the stockholders to examine their banks at such time or times during the year as they shall judge best. We have had the pleasure of acting with these committees in the examination of several banks, particularly in Boston. The tendency of these examinations by stockholders' committees, thoroughly conducted, cannot fail of many good effects; and we hope to see the system universally adopted, and have strongly urged its adoption, whenever we have had opportunity. We are aware, however, that it will be long before these examinations will become general, especially in the country banks. The annual meetings of the stockholders are usually but thinly attended. Those who are present frequently excuse themselves from serving on committees, on account of want of time, or want of acquaintance with the subject, and thus the matter is indefinitely postponed. These examinations, if faithfully and judiciously conducted, would usually prevent a bank from loss by the mismanagement of directors.

The subject of charges for exchange we find to be attended with changes of opinion and practice from year to year. We have taken measures to acquaint ourselves with the practice of the banks examined in relation to this matter. The practice of charging for exchange on paper discounted payable in Boston, by the country banks, is now discontinued. We know of but one bank, or at most two, that has made any such charge the present year, and that to small extent. Believing that this was done under a misapprehension, and that it will be discontinued, we do not consider that this instance demands at this time further report or action. In some cases we find it has been the condition upon which discounts are granted, that the banks, instead of paying their own bills or specie, should have the privilege of paying the discounts in drafts upon their funds in New York, Boston, or other places, sometimes charging an exchange upon those drafts. We have no doubt that it is unjustifiable and improper to make this the condition of discounts, and we understand the practice to have been abandoned wherever it was practised. We understand that in several instances of suits brought by banks against sureties this matter has been made use of in defence, upon the ground of usury, but we are not aware of any legal decision by our courts as yet in regard to it. In some instances, banks which we have visited the present year have made their rates of exchange, in our opinion, too high upon paper payable in the southern and western cities; but upon the expression of our opinion, the rates, as we are assured, have been reduced. We have not, therefore, as yet deemed it necessary to proceed against any bank, in the manner provided by the act of 1840, chapter 94.

The practice of loaning money upon memorandum checks is almost

entirely discontinued. Over-drafts are usually disallowed, and very seldom are found to occur except accidentally or temporarily. We have every year made inquiries into the matters of memorandum checks and over-drafts, and find them to a very small extent anywhere.

In our report made December, 1838, we published a list of those banks which had accepted the act of 1838, relating, among other things, to the amount of the liabilities of directors of banks. We still entertain the same opinions expressed in that report. But since that time very few banks, if any, have accepted the act, according to the provision in the last section. As that act authorizes the stockholders to fix the amount of the liabilities of directors at such amounts as they shall judge safe and proper, we believe it would be well if all the banks would accept of and proceed according to said act, and we earnestly recommend that course.

By far the greatest portion of the labor performed by the bank commissioners is of such a nature as not to be made the subject of reports, according to the law prescribing their duties.

It is required of them to make report "of the general conduct and condition of the corporations visited by them." This we have endeavored to do in each year. In cases where, by our advice, banks have closed their concerns, or in cases where we have deemed it necessary to obtain injunctions, we have from year to year given full details of those banks, their condition, their progress in closing their concerns, and every thing in relation to them of interest to the public, consistent with the reasonable limits of our reports. Previous to this year, the commissioners had arrested the progress of six banks, by injunction, viz: the City Bank, of Lowell; the Farmers and Mechanics' Bank, in Adams South Village; the Roxbury Bank; the Middling Interest Bank; the Newburyport Bank; and the Winthrop Bank. Those reports will show the facts in regard to those banks, the great losses the public were in danger of sustaining from them, and the extent to which, by the action of the commissioners, those losses have been prevented. Those reports will also show that several other banks, which had fallen into a weak and unsafe condition, have been closed by degrees under the influence of the commissioners, so as to save the public from any loss. Whenever they have deemed it necessary, they have made repeated examinations of banks which required particular attention.

In performing our duties of visiting and examining the banks in the Commonwealth, we have hitherto felt bound to pursue the plain indications of the law, in dividing a great part of the labor, and performing it separately and not jointly. This has been a saving of expense to the Commonwealth, and was so clearly contemplated in the act creating the board that we could not disregard it. In our first and every succeeding annual report, we have fully stated and repeated to the legislature that this was our course of proceeding under the law. It has been considered by all conversant with the subject, so far as we have heard, as the proper and economical course. In our past experience, until the occurrence of a recent single case, we have found it effectual. With the character of the banks, their customers, and their paper, in the vicinity where each commissioner resided, he was supposed to be more particularly acquainted than his colleagues, and it was thought he could therefore make more satisfactory examinations. This was, besides, considerably less expensive. When it was found necessary for the commissioners to meet, they

have together examined the banks in the vicinity of their places of meeting. In some other instances in the country banks, for special causes, they have made joint examinations. In all cases where either commissioner expressed anxiety about a bank examined by him, or its condition, so far as to justify the proceeding, a joint examination has been made. And joint examinations have every year been of the banks of large capitals in the city of Boston. How far it was expedient to interchange, from year to year, so as to enable one commissioner to examine banks previously examined by another, has been a matter of consideration. This course had the advantage of giving an examination by more than one commissioner; but it had this general disadvantage, that it prevented a continued yearly acquaintance of either commissioner, from his own actual examination, with the progress, conduct, policy, and paper of a bank. Still, this interchange of labor had been gradually adopted to a considerable extent, as much as was deemed from our experience advisable.

In pursuance of this general plan, most of the banks in the counties of Essex and Middlesex had been uniformly visited and examined by Mr. Shove, the commissioner who resided in that part of the State. Several banks, particularly in the county of Essex, in his immediate vicinity, had been from time to time examined by others, either separately or in connexion with him. Among those, however, which had uniformly been examined by him alone, was the Phoenix Bank, at Charlestown. At each examination he had been convinced of the entire soundness of this bank. This had been his uniform belief and representation. At one, at least, of these examinations—that of December, 1841—the commissioner was deceived, and his examination proved ineffectual to discover a fraud which has wasted nearly the entire capital stock of that bank, and placed the ultimate complete redemption of its liabilities to the public in such doubt as to cause them to suffer, for the present at least, a very considerable depreciation.

The fraud on the part of William Wyman, the president of the Phoenix Bank, and the principal manager of its concerns, was so adroitly planned and carried out, by the aid of his previous high character for integrity, and his undoubted credit as a man of property and an able financier, that it deceived not only the commissioner in his annual, but the board of directors in their semi-annual examinations. There is no doubt that, for whatever purposes this fraud was commenced, great labor and management was employed continually to prevent its discovery and to sustain the character of the bank. For years, probably, it was successful. It was first discovered on the last day of September last, in the course of a semi-annual examination by the directors. The directors, as soon as possible, made it known to the commissioners; an examination was made by them; an injunction was applied for and obtained from the supreme judicial court: on the 18th of October the injunction was made perpetual, and Messrs. William J. Hubbard, Augustus H. Fiske, and Matthew S. Parker were appointed receivers. The receivers are now efficiently proceeding in the business of collecting the debts, and disposing of the property, for the benefit of the creditors and stockholders of the bank.

Immediately after the examination and obtaining the injunction upon the bank, the commissioners made a full statement to the public, which was circulated in the public papers wherever an interest was taken in the subject.

The original capital of the Phoenix Bank in 1832, when it went into operation, was \$150,000. This capital was, in 1836, increased to \$300,000. There seems to be no doubt that this was a sound and prosperous bank for several years, and during the whole time that Mr. Fiske was president. The fraud was undoubtedly commenced, carried on and concealed, principally by the agency of Wyman. The cashier was Thomas Brown, jr. His connexion with the fraud, and the extent of it, is not yet ascertained; but criminal proceedings have been instituted against him as well as against Wyman. A deficiency appeared in his cash of \$4,200, which was represented, at the time of our examination, by his memorandum check.

Persons interested to know the particulars, in detail, of the loan of this bank, have no doubt examined in detail the statements in relation to the liabilities of this bank, and the particular estimates of their value, contained in the said public report of the commissioners. A condensed statement, however, is here inserted.

It appeared by the statement from the books of the bank that its liabilities to the public (exclusive of \$1,903 dividends unpaid) were, on the 3d of October last, when the bank was closed, as follows:

Bills in circulation	-	-	-	-	\$172,080 00
Deposites	-	-	-	-	139,952 96
Deposites conditional	-	-	-	-	55,855 00
Due other banks	-	-	-	-	24,886 12
					<hr/>
					392,774 08

To meet which there were cash funds and paper estimated as good	-	-	-	-	\$256,511 14
Paper upon which a part but not the whole will probably be realized	-	-	-	-	85,690 00
And the paper representing the liabilities of the firm of Stanley, Reed & Co., amounting to	-	-	-	-	344,556 35

Of the above item of \$85,690, a part, viz: \$50,604 22, consisted of the liabilities of William Wyman, the president, to the bank. To secure this, the bank held various collateral securities, the value of which cannot yet be decided, though there seems to be no reasonable doubt that they will go far to the payment of his liabilities. He was also found to be liable as endorser for \$12,650.

The cause of the ruin of the bank, as would appear from the condition of its loan, was the extraordinary indebtedness appearing against the firm of Stanley, Reed & Co. The above item of their liabilities is made up as follows:

Notes on time not yet due, payable to John Skinner, and by him endorsed	-	-	-	-	\$20,400 00
Joint and several notes of Stanley, Reed & Co., and John Skinner, on demand, dated between April 1, 1840, and December 23, 1841	-	-	-	-	126,400 00
Stanley, Reed & Co.'s notes and drafts overdue, dated from October, 1839, to November, 1841	-	-	-	-	114,611 17

Stanley, Reed & Co.'s checks on Phoenix Bank and other banks, of which dated between April 21, 1841, and December 30, 1841, \$22,750; and dated between February 11, 1842, and August 9, 1842, \$57,565 51	\$80,315 51
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	341,726 68
Paper bearing Stanley, Reed & Co.'s endorsement	2,829 67
	<hr/>
	344,556 35
	<hr/> <hr/>

The amount which will be received from this indebtedness cannot be estimated with any degree of certainty. There must be, however, an immense loss upon it. Of the firm of Stanley, Reed, & Co., the two older partners are deceased; and how far the paper above represented as making up so great a part of the loan by Wyman was originally discounted for them, and did originally belong to said loan, it is as yet impossible to ascertain.

There is no evidence that any of the directors of this bank, except Mr. Wyman, were cognizant of these frauds. There was reason to believe that the bank would suffer nothing by reason of their liabilities. Their liabilities at the time the bank was closed appeared as follows; that is, for themselves and the mercantile firms with which they are connected—

George Bates, as promissor,	\$28,206 25; as endorser,	\$1,800 00
Isaac Fiske,	"	1,965 00
James Hünnewell,	"	15,600 00
John Hurd,	"	1,700 00
Galen James,	"	10,000 00
Eliab P. McIntire,	"	11,608 67
Nathan Pratt,	"	18,800 00
Abijah Thompson,	"	124 78
		9,531 47
		1,100 00
		5,024 61
		200 00
		854 79
	<hr/>	
	86,039 70	20,475 87
	<hr/> <hr/>	

Mr. Isaac Fiske, nominally one of the directors, it is understood has not been actively engaged in the direction for several years.

Mr. Shove was found to be liable to this bank, as promissor, \$6,400; and as endorser, \$7,396 40.

In proceeding in the collections for this bank, the receivers require one-half to be paid in in current funds; and the notes remain for the other half, if desired, with Phoenix Bank bills or deposits as collateral at 50 per cent. The current money already received, and mostly invested in funds drawing interest, is \$65,886 37. A report by the receivers will be made to the court, it is presumed, in April or May next, when probably a dividend will be directed to be paid to the creditors. The progress of the collections seems, upon the whole, encouraging, and we think there is reason to repeat the opinion expressed upon our examination, that persons holding the bills of this bank will not find it for their interest to part with them at a sacrifice.

The circumstances of the failure of the Phoenix Bank, it having been examined by one commissioner only, has inclined many to the opinion, in which we agree, that the practice of examining the banks, by at least

two commissioners together, will be attended with greater safety, and give more general satisfaction.

In regard to the banks generally whose charters have been annulled, and whose concerns are now in the progress of winding up, the law requires an examination of them; which may soon be performed, and a special report made, as has been done in previous years.

The liabilities of the Middling Interest Bank are now reduced to \$6,616 for bills in circulation, and \$106 69 for deposits. The progress made by this bank under its board of directors is not satisfactory, and, unless the remaining liabilities are immediately provided for, application will be made to the court for receivers.

The banks in the country, the examination of which is not yet completed for the present year, are the four banks in Worcester, the Neponset Bank, the Quincy Stone Bank, the Randolph Bank, the Union Bank of Weymouth and Braintree, and the Fall River Bank; and the commissioners are now engaged in completing their examination. Of the banks in Boston, the Merchants', the Washington, the Freeman's, and the Mechanics' Bank, as well as the South Bank, have been examined.

There are now in operation in the Commonwealth thirty-one institutions for savings, including one in Northampton which has as yet received no deposits, having been incorporated the last year. These have been visited and examined since April last, with the exception of two in Boston, and one each at Weymouth, Fall River, Canton, Worcester, Dedham, and Newton.

The returns made to the secretary's office in October last show that the amount of deposits in these institutions was \$6,867,120 31, having increased in the twelve months preceding by the sum of \$152,938 37. The number of depositors at that period was 42,588, an increase from 1841 of 1,125.

This is an increase by no means so large as that of the year previous. The securities in these institutions seem to be in general sound, and the investments are usually made with care and faithfulness.

The tabular statement inserted in our last annual report, brought down to this period, will show the proportion of the various items of cash funds in the banks to the various items of their liabilities to the public for the last fourteen years.

All which is respectfully submitted.

JULIUS ROCKWELL,  
WARREN LOVERING,  
J. WILLIAMS.

DECEMBER 31, 1842.

Comparative statement of the condition of the banks in Massachusetts at various times.

	August, 1839.	June, 1830.	October, 1831.	August, 1832.	October, 1833.	May, 1834.	May, 1835.
Circulation	\$4,747,784 50	\$5,124,090 00	\$7,739,317 00	\$7,122,856 00	\$7,889,110 00	\$7,650,146 75	\$9,430,357 72
Balances due to other banks	1,566,203 93	2,128,576 35	2,477,615 43	1,993,904 15	2,881,447 50	2,993,301 25	3,490,097 56
Deposits	4,755,069 79	6,379,825 33	8,952,913 30	9,207,554 94	11,666,123 90	13,308,053 03	11,921,700 68
	11,069,058 22	13,632,491 68	19,169,845 73	18,324,315 09	22,436,680 40	23,951,507 00	24,842,155 96
Specie	\$987,210 47	\$1,258,444 05	\$919,959 73	\$902,205 78	\$922,309 84	\$1,160,296 09	\$1,136,444 30
Real estate	650,877 96	621,152 34	683,307 89	736,612 64	791,821 77	867,761 56	922,543 78
Bills of other banks	1,236,179 07	1,393,855 68	1,375,174 17	1,201,930 65	1,796,361 96	1,952,417 54	2,097,797 75
Balances due from other banks	1,631,823 57	2,191,087 62	2,427,679 37	2,307,784 26	3,363,716 29	2,824,984 86	3,707,926 86
	4,525,931 07	5,464,539 69	5,406,121 16	5,150,533 33	6,874,209 86	6,805,460 05	7,954,712 69
Notes, &c., discounted	\$28,500,696 17	\$37,987,234 09	\$36,040,760 76	\$38,689,727 24	\$45,261,008 09	\$47,200,477 15	\$48,349,019 94

Comparative statement—Continued.

	September, 1836.	October, 1837.	October, 1838.	November, 1839.	October, 1840.	September, 1841.	October, 1842.
Circulation	\$10,892,249 50	\$10,273,118 00	\$9,400,512 75	\$7,875,322 50	\$9,112,882 25	\$9,509,112 00	\$8,049,906 75
Balances due to other banks	5,063,866 94	5,791,969 54	3,526,656 66	2,428,021 62	3,961,805 86	4,413,506 50	3,307,011 60
Deposits	15,262,445 87	14,053,448 61	9,621,217 03	6,728,718 42	8,636,923 35	8,604,721 44	7,456,403 14
	31,218,562 31	30,054,536 15	22,548,416 44	17,032,062 61	21,711,611 46	22,527,339 94	18,813,321 49
Specie	\$1,455,230 47	\$1,517,984 02	\$2,394,624 24	\$1,838,272 99	\$2,991,804 50	\$3,111,837 84	\$2,682,309 85
Real estate	1,140,004 65	1,155,722 06	1,066,327 21	1,141,695 46	1,169,803 06	1,238,191 22	1,174,459 99
Bills of other banks	3,428,882 75	2,988,617 13	2,334,387 46	1,552,071 08	2,121,763 64	2,314,437 23	1,183,007 33
Balances due from other banks	5,126,900 81	5,814,224 04	5,027,800 03	3,773,458 98	4,702,491 41	4,461,046 93	3,415,084 25
	11,150,988 68	11,476,548 15	10,848,138 94	8,305,398 51	10,985,881 61	11,425,513 22	8,454,861 42
Notes, &c., discounted	\$56,642,171 96	\$58,414,162 39	\$48,206,808 65	\$44,967,749 50	\$46,540,685 21	\$47,553,960 66	\$44,610,391 18

REPORT OF THE BANK COMMISSIONERS—APRIL, 1843.

To his Excellency MARCUS MORTON,  
Governor of the Commonwealth of Massachusetts:

The bank commissioners present their supplemental and final report:

The annual report of the commissioners, made in December last, stated that less progress had been made in the examination of banks the present year than at the same period in former years; owing to the resignation of one of the board early in the previous October, whose place had then but recently been filled. Nine of the banks, and six of the savings institutions, out of the city of Boston, and all the banks but five, and both the savings institutions within the city, which had not then been visited, (subsequent to the supplemental report of 1842,) have since been visited and examined. And other visits to and examinations of banks in other parts of the Commonwealth, which have been examined the present year, but whose condition had required this frequent and particular supervision, have been made with reference to a closing up of the business of the commissioners, as far as that was practicable. To this service, which completes, for the year just closed, the examination of all the banks and savings institutions whose corporate powers are unimpaired, the whole time and the most earnest efforts of the commissioners, who subscribe this report, have been devoted, from the time of rendering the last report to the day when, by the repealing act of the last legislature, their duties closed.

By the act of February 21, 1839, the bank commissioners were required to visit and examine all those banks whose charters had been, or might hereafter be, annulled or surrendered. Hitherto this duty has been performed, and special reports upon the condition of each in detail have been annually made to the government in season for any action which the legislature might desire at the pending session. But none of these institutions have been examined during the present year, and no detailed report of their condition can therefor be now made.

About the middle of January last, the only member of the board who was commissioned at its organization in 1838, and who had, since February, 1839, acted as its chairman, resigned his office. The vacancy has not been filled, and the duties which the law of February 23, 1838, contemplated, should be performed by three commissioners, and which, in this quarter of the year, have ever required the entire time and efforts of the whole board, have devolved on two commissioners, with the additional duties consequent upon the repeal of that law, without any provision for the completion of proceedings instituted by them, then in progress, and requiring further and uncertain time to finish.

The performance of all the requirements of the acts of February 23, 1838, and of February 21, 1839, within the time prescribed by the repealing act of the last legislature, being thus rendered physically impossible, the commissioners have presumed that a discharge of the duties enumerated in the act first named, namely, an examination and report upon the condition of all the banks and savings institutions in full possession of their chartered powers, and more than others liable to be affected by the dangers and vicissitudes of business, would be of greater interest to the public, and to stockholders of banks, than would be a report upon those corporations whose affairs are generally nearly closed, and in

the hands of competent receivers or committees, disposed to give to parties interested all proper information; and they have accordingly given their whole time and labor to the former, to the entire exclusion of the latter. They are enabled to say, however, that, excepting the Chelsea, Nahant, Newburyport, and Phoenix banks, all those banks whose charters had been annulled or surrendered at the time of making the supplemental report in February, 1842, from which any further payment of bills or deposits can reasonably be expected, have now paid nearly all their indebtedness to the public, and continue to redeem their remaining liabilities as heretofore. The amount now outstanding can be hardly more than nominal, and in some cases, where the assets were convertible, dividends have been made to the stockholders. But it is not expected that the Roxbury, Lafayette, Franklin, Commonwealth, Fulton, Nahant, and Chelsea banks, will ever pay the full amount of their liabilities to the public; or that, except the two last named, (for a small dividend each,) any further considerable sum will be realized from their remaining assets.

Of the condition, affairs, and prospects of the Newburyport and Phoenix banks, the commissioners cannot venture an opinion. Heretofore they have hoped with confidence for the ultimate redemption of all their liabilities to the public, if not for the payment of some portion of the stock of each bank. But the embarrassments recently thrown around the receivers, who are believed to have labored faithfully and with success, and the uncertain operation and end of the legal proceedings instituted and contemplated in regard to them, are calculated to depress, perhaps to dispel altogether, the just expectations of the commissioners.

Further developments must take place before any estimate, entitled to confidence, by whomsoever made, can be put upon the value of the liabilities to the public or the stock of these institutions.

Of the banks and savings institutions visited or examined since the date of the last annual report, (excepting such as have been visited a second time within the year,) no report in detail is necessary. Generally the remarks therein made relative to the other solvent banks in the Commonwealth apply to these with equal, perhaps greater force.

The character of the loans, the amount of specie funds, (proportionably greater, probably, than elsewhere throughout the country,) and the rates of exchange of the banks in the city of Boston, were never more satisfactory to the commissioners than at the present moment. Whether the present rates of discount are equally so to those stockholders who are looking to the usual dividends in October next, or whether they indicate a healthy state of the money and business concerns of the State, may well be doubted.

If men in business have no inducements to hire money at the legal rates of interest, it is because the ordinary and requisite profits cannot be realized. Industry will not be employed, because it does not yield the usual or adequate results.

Notwithstanding the abundance of specie funds and the reduced rates of exchange at home, the exchanges with the country at the west and southwest are yet unsettled, and in some cases unimproved; our banks cannot be expected to take paper payable in those remote districts, and a very considerable trade, which a few years ago was much in the hands of men of moderate means, will not, therefore, for them, be soon revived to any great extent.

By making discounts upon the credits of sales made to those sections heretofore, some of our country banks have accumulated a larger amount of suspended or accommodation paper, than at any previous period, when the general business of the country was active and healthy. The disparity in the condition of the city and such country banks corresponds very nearly with the activity of their respective loans. In some sections of the State, the need of some supervisory power over the banks whose customers have heretofore been engaged in the western trade, and yet depend on its revival for their future prospects, was never more imperative than at the present time.

Some of the banks, by losses made during the past year, added to those of former years, or by the great depreciation of long suspended paper, under the operation of the bankrupt law in the last year, have lost a portion of their capitals, while as yet their liabilities are beyond probable hazard. On such the commissioners have urged the expediency and necessity (enforcing the advice whenever they could do so with a legal process) of withholding semi-annual or occasional dividends, until the stock should be restored from the earnings of the bank, or the legislature should have reduced the nominal to the actual capital suitable for banking purposes, but generally with but indifferent success. The reputation of the executive officers of banks, and in a less degree of the directors, combined with the interest and expectations, perhaps necessities, of stockholders, to induce the payment of periodical dividends, in nearly all cases, where the legal restraints cannot be enforced.

The practice of making illegal dividends is, in the opinion of the commissioners, one of the most reprehensible which has come under their consideration.

Such dividends are doubtless, sometimes made, as when the stock is depreciated from a too high valuation of real estate, purchased long since at prices far above the present marketable value, or from a too high estimate of paper past due; which the directors from habit have cause to regard as tolerably good; and ultimately collectable. In such cases the directors deceive themselves and others, but act in good faith; and when shown by the commissioners the true character of the act, have generally refrained from making further dividends. This was the case with the Manufacturers' Bank, at Nantucket, in October last; an institution which, although its capital is somewhat impaired, is managed in this, as well as in other respects, with a commendable faithfulness to the public and the stockholders.

But in most cases no such apology can be offered. When the capital of a bank has become impaired by direct and palpable losses, exhibited to the commissioners and acknowledged by the directors, as has been the case with some banks within the past year, and especially of two of the banks in Taunton, (the Cohasset Bank, in October, and the Taunton Bank, in the present April,) there can be no justification or excuse for declaring a dividend. Such an act is a deception. The stockholders are induced to believe there are profits in the bank, because dividends are paid, and the public have increased confidence in the institution in consequence of an act which, if fully or rightly understood, would deprive it of deposits and circulation. If a partial division of the stock of a bank is to be allowed in the shape of illegal dividends, what shall prevent it from gradually paying back to

the stockholders the whole capital, leaving it without the means of redeeming its liabilities to the public?

The only means heretofore existing, by which such illegal transactions could be detected and arrested, were to be found in the power of the bank commissioners to protect the public interest by injunction. The only safeguard to the public, since the abolition of the commission, is to be looked for in the stockholders' committees, which the legislature has recently substituted. The efficacy of the substitute may be estimated hereafter far better than now. Meanwhile, it may be safely predicted that a reluctance to serve on such committees, an ignorance of bank accounts, the opinions and influence of directors, ever anxious to justify their own doings or omissions, co-operating with the pride and pecuniary interest of the committees as stockholders, will naturally incline them to a favorable view of the capacity of the bank for making dividends, and to adopt the opinions of the executive officers and directors relative to its entire condition. The law defining their duties is not more particular, or more likely to insure a rigid examination, than is the law requiring annual returns to the governor, to be made and sworn to by directors of banks, after an examination. In a large majority of cases, in practice, these returns are mere statements made by the cashier; the items of which are verified by the directors by a comparison with the ledger balances only, when, if an agreement is found, the statement is sworn to as being correct, "according to their best knowledge and belief," and forwarded to the governor. Yet this statement, or rather transcript, from the cashier's books, will be found, on a slight analysis, to have not represented the whole condition of the bank, or to have done so so deceptively, perhaps falsely, as to have effectually concealed from the public eye its real condition. Of all the banks that have been closed by injunction or a voluntary surrender of charter since the bank commission has existed, not one has failed to make such returns to the government within all the express requirements of law, as would effectually preclude any inquirer, however intelligent, who relied on the abstracts of these returns, from distinguishing the very worst from the very soundest banks in the Commonwealth. Such returns elaborately made on the very brink of failure, with scarcely the possibility of paying ten per centum of the capital, often exhibit the most healthy condition, with a very respectable surplus. Will the reports of stockholders' committees, authenticated by the same legal forms, however honestly made, be more satisfactory or useful to the public?

Some misapprehension has existed relative to the power of the commissioners to obtain injunctions against banks. The act, however, creating the board, is sufficiently explicit. The commissioners must be satisfied, first, that the bank has failed to comply with some provision of law; and, secondly, that its further progress is hazardous to the community and to those having funds in its custody. When both these contingencies exist, and are represented to a judge of the supreme court in a bill, a temporary injunction will be granted, to be made perpetual, or to be dissolved upon a hearing and examination of the case. But no such power has been given over banks which come within only one of these conditions, or which violate constantly many of the soundest principles of banking, whereby the property of stockholders is endangered, or wasted more or less ruinously. A considerable portion of the stock of the bank, therefore, may be, and generally is, lost before the commissioners are by

law allowed to interfere. When that loss becomes so great as to create a reasonable belief that the further progress of the bank is hazardous to the public, or to those having funds in its custody—namely, bill-holders, depositors, and public creditors—and if, also, it has violated a law of the Commonwealth, then only can its career be arrested. Could the remonstrances of the commissioners against illegal dividends, and some other measures tending to impair the stock of banks, have been enforced by legal penalties, a large number of the country banks, whose capitals have been depreciated, would have been restricted in past years, and especially in October last and the present April.

Among the institutions of the Commonwealth, none are more valuable, or whose benefits are more diffused, than the savings institutions; but it is the industrial classes chiefly which avail themselves of these benefits; and the prosperity of these institutions oscillates with the general employment and prosperity of these classes. Accordingly, throughout the Commonwealth, the proportion of deposits withdrawn to those made during the present year has been greater, generally, than heretofore, and the number of depositors less.

This state of things does not appear to result from any want of public confidence in these institutions, but from the depression of the manufacturing sections of the State, and of labor generally, creating a necessity to use the deposits for daily subsistence.

The following table exhibits the number of depositors, the amount of deposits, and of dividends paid on deposits, in the savings banks of this Commonwealth, according to the returns made to the governors annually, since 1834 inclusive, when such returns were first required by law, viz:

Date.	No. of depositors.	Am't of deposits.	Dividends paid.
In September, 1834	24,256	\$3,407,773 90	\$138,576 53
In May, 1835	27,232	3,921,370 83	135,853 39
In October, 1836	29,786	4,374,578 71	166,422 48
In October, 1837	32,564	4,781,426 29	295,225 47
In October, 1838	33,063	4,869,392 59	248,039 07
In October, 1839	36,686	5,608,158 75	216,957 48
In October, 1840	37,470	5,819,553 60	262,001 08
In October, 1841	41,423	6,714,181 94	246,868 59
In October, 1842	42,587	6,900,451 70	282,231 18
		46,396,888 31	1,992,175 27

The amount of deposits on which dividends have been declared; and the amount of dividends paid, as exhibited above; show an annual income of nearly 4 per cent. since 1833. When it is remembered that this period embraces the years 1837 and 1838, in the ruinous disasters of which the savings banks had their full share, and which spread around us the ruins of other corporations in nameless variety, the hard earnings of the poor and the ignorant, which were placed in them for safe keeping,

rather than income, have generally not only been scrupulously preserved, but have been made to yield a profit exceeding that of the average of other investments made in the same period. A single exception to the general character of the investments of savings institutions will be mentioned hereafter.

“The Provident Institution for Savings in the town of Boston” has suffered in its deposits from the causes alluded to. Its investments were never in a more promising condition, and the whole business of the institution continues to be managed with great faithfulness to the depositors. The amount of deposits in the month of February of each year from 1839 to 1842, inclusive, was given in our last report.

The amount of deposits in the institution on the 26th February, 1842, was	\$2,417,414 90
The deposits at the last examination of the commissioners, made April 20, 1843, amounted to	2,320,718 15

Showing the deposits withdrawn, over those made in that interval, to the amount of	96,696 75
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The number of depositors in October, 1842, was 15,123.

“The Suffolk Savings Institution for Seamen and others” has suffered one severe loss during the past year, but its other investments are well made; its condition is prosperous, and there has been an increase of deposits made over those withdrawn since February 24, 1842. The amount yearly from 1839 to 1842 is stated in our last report.

The deposits, as found at the commissioners' examination made February 24, 1842, amounted to	\$268,665 83
The amount found at the examination made April 19, 1843, was	280,893 26

Showing an increase of deposits in that interval of	12,227 43
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The number of depositors at the last examination was 1,524.

The laws which gave the commissioners power to obtain injunctions upon banks only when the public interest was endangered, conferred full power to arrest the further progress of savings institutions, when any considerable loss occurred that could not be absorbed by withholding dividends for a reasonable period. An injunction, then, became necessary to determine the proportionate loss of each depositor, and to justify the managers in paying out only a just proportion of the available assets. But the commissioners have never been required to exercise this power until recently, in the case of the Taunton Institution for Savings, which was enjoined on the 25th of February last.

On an examination of this institution the commissioners found Cohasset and Taunton Bank standing on its books at prices above par, although the latter bank had reduced its stock 20 per cent., under an act of the legislature, and the former had suffered a much greater depreciation by actual losses. It was also ascertained that the institution had bad or doubtful debts to a considerable amount—that these existed when the last two or three dividends were declared, if not long before, and were known to the late treasurer; that not only dividends, but an extra dividend

of interest, had been paid, and an extraordinary allowance voted to the said treasurer for making said dividend; at a time, too, when the bad debts greatly exceeded even the nominal profits of the institution, and when its means were altogether insufficient to pay its depositors.

The commissioners feel it their duty to say that the late board of directors confided too implicitly in their treasurer, and left the management of the institution almost solely in his hands. Its disastrous condition is attributable, therefore, scarcely less to their neglect and remissness than to his misconduct or want of judgment.

The commissioners having become satisfied that from various causes a loss of at least 20 per cent. of the whole amount of deposits had been sustained, and that therefore all the depositors could not be paid in full, applied to one of the justices of the supreme court for a writ of injunction to restrain the institution from paying out more than 50 per centum to any of its depositors, until the further order of said court. This was accordingly granted, and the depositors were thus secured an equal distribution of the assets of the institution in which they had been so unfortunate as to place their funds. But recent events lead the commissioners to fear that the good they had designed will be but partially attained. The law under which that injunction was obtained having been repealed without any of the usual saving clauses to protect those cases where proceedings had been commenced, and the law giving to the governor power to appoint special commissioners in certain cases not extending to savings banks, and there being no power of injunction expressly given over savings banks, except in the law creating the bank commission, there is reason to fear that irregular and unequal payments may be compelled by the more active and less scrupulous depositor, and thus the ends of justice be defeated. But whatever sufferings may ensue, and however disastrous may be the results, the commissioners feel that nothing which they have done, or omitted to do, could have averted the unfortunate consequences.

Upon an examination of the affairs of the Cohannet Bank, of Taunton, made by the commissioners on the 1st February last, its condition was found to be such that, in their opinion, it could no longer, with safety to the public or profit to its stockholders, continue its business.

The directors were, therefore, required to make immediate provision for the redemption of its bills and the payment of its deposits. This requisition was speedily complied with, and the commissioners were assured that the charter should be surrendered so soon as the stockholders could hold a legal meeting for that purpose. The necessity, therefore, for an injunction, which at one time seemed inevitable, was happily removed by the timely and laudable exertions of the directors.

Subsequently, at a meeting of the stockholders, it was voted to surrender their charter to the legislature, then in session, but that body declined to accept it; and, since then the stockholders have relinquished their charter to the bank commissioners. A committee appointed to close the affairs of the bank, having applied to the commissioners for a certificate that the liabilities of the bank to the public were fully provided for, an examination was accordingly made by the commissioners, and the certificate, as desired, has been granted.

The Cohannet Bank is now, consequently, winding up its concerns under the direction of an efficient committee.

One cause of recent embarrassment to the Cohannet Bank may be found in the failure of the Taunton Iron Company, in the autumn of 1842.

But its condition has been the source of unusual apprehension to the commissioners since the examination by the board in June last. Its affairs have been for some time injudiciously managed; the directors have not given that attention to their duties which the public and the stockholders had a right to expect from them when they accepted the trust. The cashier being also a director, possessed a power and influence which do not properly pertain to that office in any bank. Injudicious loans to companies, loans to firms and to individuals, on insufficient security, inexcusable delays in closing up debts long since due, deceptive statements of the condition of the bank, misrepresentations of the nature of its assets made annually to the government, and the payment of dividends illegally declared out of the capital instead of the profits, were among the consequences which resulted from this culpable neglect on the part of the directors, and the exercise of improper power on the part of the cashier. Another and inevitable result will be, a loss to the stockholders of the greater part of the capital stock of the Cohannet Bank.

In August last two of the commissioners visited and examined the Citizens' Bank of Nantucket. A large indebtedness, amounting to nearly the capital of the bank, namely, \$100,000, was found to exist against two of the directors, some part of which had been in the bank for a long time in some form or other, and a great part was originally founded in business transactions. Collateral security in ships at sea, and stock of the bank to the amount of about \$60,000, had been taken from one of them; but the greater security was in the mutual endorsement of all this paper, and the strength of the party who had given no security. All our inquiries on the island resulted in the belief that as the debt then was, the bank was secure of ultimate payment. But both the parties were largely concerned in the whaling business, the depression of which began to be severely felt; and the commissioners, unwilling to trust to further changes, obtained an increase of collateral security for the debt—

On ships at sea, valued at cost or known earnings	\$40,000
On stock of the bank, valued at par	19,000
And before leaving the island, or subsequently, a further security of	11,000
	<hr/>
	70,000

Making an aggregate of collateral security, according to the best estimate they could obtain, of \$130,000; or, estimating the bank stock at 50 per cent., of \$120,000.

Probably, then, as this property was insured, the debt was secure, irrespective of the names of the parties. The liabilities of the bank to the public were small, and assurance was given to the commissioners that they should not be increased. In January last, one of the said directors failed. Soon after which it came to our knowledge, that with the consent of the other directors, the solvent debtor, upon increasing the collateral security by about \$12,400, had been released from his indebtedness as endorser, on the debt above stated, to the amount of about \$60,000. A writ of injunction was immediately applied for, but the bank having subse-

quently secured in Boston the redemption of nearly all its liabilities abroad, and agreed to surrender its charter, legal proceedings were stayed.

The present commissioners visited the bank again on the 7th instant, and, having discovered some other irregularities, done since the stockholders had surrendered the charter by oath, caused the writ of injunction to be served. A considerable part of the public liabilities has since been paid, and full provision made for the redemption of the remainder, chiefly through the private credit of the directors; and at their urgent solicitation the commissioners requested the court to dissolve the injunction, which they consented to do. This payment and security was not consummated until after the board had ceased to exist, and therefore the certificate required to close the bank, under the stockholders' vote, has not been given.

This bank will pay, besides its public liabilities, quite a large dividend to its stockholders, if closed within a reasonable period.

The Pacific Bank of Nantucket was also visited and examined in August, 1842. This bank had, for several years, made nearly all the discounts for the island of paper payable abroad, which, on an average, constituted more than half of its loan. Up to 1837, the late president had been the cashier; and, on being elected to the presidency, retained the management and collection of paper discounted and payable abroad, for which, and his other services as president, he received a salary annually. Reposing unlimited confidence in his integrity and personal skill in moneyed transactions, the directors relaxed, if they ever had, much supervision of the business of the bank; and the president gradually came to possess an exclusive control over its assets and operations, scarcely questioned even by the cashier. The bank's apparent prosperity exceeded that of either of its neighbors, and its credit at home and abroad was undoubted.

It needs hardly to be added that this officer was a large debtor of the bank; but to a considerable extent it was on business paper, having other names of abundant strength, and was within the reputed means of the debtor, if there were no other dependance. But on the examination, it was found impossible to verify that part of the loan which was in his charge. The paper payable abroad had been, as discounted, (and most of the discounts were made by the president,) forwarded to the collecting banks, in Boston and New York, and charged to the accounts of such banks as cash. And if, subsequently, any pieces were withdrawn, or protested, they were credited to the same account. The usual modes of verifying bank accounts would not, therefore, avail in this case, and the result of repeated trials was a full conviction, not only that the ledger accounts with these banks could not be verified at all, but that great irregularities, involving a deficit in both accounts, existed. In a long and laborious investigation, it was made clear that in both cases the funds of the bank had been treated as his own private property, without the knowledge of the directors, and without leaving any evidence of such use in the bank. But the amount so appropriated could not then be ascertained by the commissioners. Collateral security, consisting of various kinds of property, valued, at the market rates, at from 210 to \$215,000, was required and obtained by the commissioners, to apply to and cover all, and every liability of the president and the bank, with full powers of attorney from him to the cashier to receive, collect, and apply the same of the proceeds to the exclusive use of the bank. The papers were delivered to the cashier as a special trust. Directions were given for the immediate closing of the foreign collection bank accounts, and that the business of

the bank, except as to these two accounts, should be conducted by the other officers.

The amount of the deficit, as finally ascertained, is \$96,745 68, and the entire indebtedness of the late president, (including this sum,) according to the examination of his account in April, is \$185,424 43, all of which is secured as above mentioned.

The present commissioners, on the 10th instant, preparatory to resigning their charge of the banks, again visited and fully examined this bank, and all the securities taken in August last, and other securities since exchanged or taken by the directors, and have, in company with the directors, made a re-valuation of them, and of all the assets of the bank; and have also reviewed the entire liabilities of the late president to the bank, and of the bank to the public, and are of opinion that the securities are well taken, and will cover all the late president's debts not otherwise well protected; and that all the liabilities of the bank to the public will, in any event, be met on demand at its counter or in Boston. At the suggestion of the commissioners, several new accounts were opened on the ledger, in their presence, the manner of keeping the collection bank accounts corrected, and new books, necessary to a full and comprehensive statement of the condition of the bank, recommended to be kept hereafter.

It is but just to the directors to say, that since the misconduct of the late president has been fully understood by them, not as a board merely, but as individuals, they have done much to redeem their past neglect; and that they are now giving their energies, and show a willingness to apply their means (than which, those of no equal number of men on the island are believed to be more ample) to the work of securing and protecting the stockholders, and of restoring the bank to its former credit and influence, with a self-devotion and earnestness that must command the gratitude of the stockholders, and which the public will not fail to appreciate. Frederick W. Mitchell, esq., is now the president of the institution.

The commissioners have frequently visited the Millbury Bank, or had statements of its condition from the cashier for several years past. It has not been in a prosperous condition since the commission has existed; but its liabilities to the public have always been kept within its active available resources. Considerable losses having been sustained, the stockholders, in October, 1841, agreed to pay into the bank an assessment of 25 per cent. on their shares on certain terms. About one-half of the assessment was paid in, as agreed; but a portion of the stockholders neglecting or refusing to pay their proportion, the arrangement was annulled as to all parties, at a meeting held on the 14th instant; and the directors were instructed to surrender the charter to the next legislature, unless the stockholders, at their annual meeting in October next, shall otherwise determine. It is not to be supposed that after the return of the assessment, and in view of the depression of business in the neighborhood, and along the Blackstone river, where the bank has had, and must continue to derive its support, (if support it can have,) the stockholders in October would not give a hearty confirmation of the vote of the meeting just held.

Several other banks in different parts of the Commonwealth have suffered losses, and are so situated otherwise as to be unable to sustain themselves in the present depression of business, and to pay the expected dividends, but which have been allowed by the commissioners to continue on, within certain prescribed limits, as to circulation and deposits. Gen-

erally, the sooner the stockholders surrender the charter of such banks, the larger will be their stock dividends, and the better will it be for those who are responsible for their management. While operating within those limits the stockholders only had interests, and these were not cognizable by the commissioners, except indirectly. Should a favorable opinion of the operations of the present board hereafter lead to a reorganization of it, power to arrest the progress of banks for breaches of law, or of settled banking usages whereby the public interests or the capital stock may be endangered or impaired, should be fully and distinctly given. Such a power would be far less likely to be abused, by its excessive exercise, than to come short of that which would most subserve the public interest.

It is known to the commissioners that the stockholders of the Village Bank, in Danvers; at a recent meeting called for that purpose, voted to surrender their charter; but no application has been made to the commissioners for the certificate required by law to enable them to do so. It is understood that some misunderstanding among the stockholders has delayed any further action in the matter.

Since the bank commission was organized, in April, 1838, ten of the banks have closed their concerns under its direction, without any compulsory process, and without any loss to the public, directly or indirectly; leaving, in each case, considerable, and in some cases large dividends to the stockholders.

The capital of these banks, inclusive of the Millbury and Village banks, (the public liabilities of which are beyond probable danger,) is \$2,470,000. Eight other banks, having a capital of \$1,100,000, have been closed by injunction, in four of which no loss has or will be sustained by the public; all the bills and deposits being redeemed or fully secured in Boston, except a depreciation of the bills and deposits of the Middling Interest Bank, by speculation, all of which have been or will be redeemed in full at the bank. One was closed before going into operation at all, and of the remaining three the Roxbury Bank had made its fraudulent issues before the board came into existence, and was arrested among its first acts, leaving between \$40,000 and \$50,000 of its bills (supposed to be in the hands of its managers, in some remote part of the country) yet unredeemed; and the Newburyport and Phoenix banks, of whose assets and liabilities, between the embarrassments and delays caused by the various suits in law and equity of the creditors, and the skill of their fraudulent debtors, the commissioners can form no opinion at present.

The whole of the public loss, then, from bank failures, which is ascertained, or which can be estimated in numbers, since the organization of the board, is from the fraudulent issues of the Roxbury Bank, made before its condition could be ascertained. Of course, this statement does not embrace the losses of stockholders, whose special interests are, as stated, beyond the control of the commissioners.

The commissioners have avoided the use of coercive means in closing up banks, when such a course was deemed safe, or other means were effectual.

The great depreciation in its assets, when so discredited, especially of its debts, when no visible property exists for satisfying them, with the bankrupt and insolvent laws at hand to aid, together with the eager speculation in its liabilities, deprives an enjoined institution of all the most efficient advantages for realizing the true value of its otherwise available property. The more quiet and unexpensive way of causing banks first to

redeem their circulation and deposits until their specie funds are absorbed, and then securing the redemption of the remainder in Boston from the loan or otherwise, and finally presenting to the stockholders, through their officers, the question of a surrender of their corporate powers, (upon a valuation of the available assets of the bank, and the character and prospects of its business,) has been preferred by the commissioners, and the success has fully warranted the preference. Perhaps a more boisterous discharge of duty would have stricken the popular mind more imposingly for the efficiency of the board.

In 1837 the banking capital of the Commonwealth, then at its highest point, was, according to the acts of incorporation, in full force	\$40,380,000
But some of the charters had not been taken up, and the capital organized and in operation was	38,280,000
In January, 1843, the amount of capital of 105 banks, being the whole number then in operation, was	31,390,000
Since which time it has been further reduced, by the injunction of the Citizens' Bank, Nantucket	\$100,000
And the surrender of the charters of the Cohasset Bank of Taunton	200,000
Village Bank of Danvers, (not yet accepted,)	120,000
And Millbury Bank; (to take effect next winter,)	100,000
	<hr/>
	520,000

Leaving the active bank capital, at this date

30,870,000

Of which a very considerable amount should be yet reduced before the banking capital of the Commonwealth can be considered sound and equal to other cash property.

The amount of decrease of bank capital for the year ending in January was \$1,550,000. The decrease, as above stated, since then to April 22, 1843, is \$520,000: making an aggregate of \$2,070,000.

It has been the constant desire and aim of the commissioners to reduce the banking capital of the Commonwealth, as represented in the acts of incorporation; within that which is actual and available. That capital is the chief basis of the currency, and should be of value equal to specie. In so far as it departs from this standard, the promises of banks resting upon it are liable to depreciation, and the currency may become inconvertible. Special privileges of banks are given on the assumption that their capital will always be of this standard value, and that bank circulation is necessarily, not contingently, convertible. Whenever it is of a less value, to any considerable extent, the bank ceases, so far, to possess a sure guarantee of its engagements, and its business descends, more or less, to a mere brokerage.

Whenever, therefore, the commissioners have found banks of over \$100,000 capital, a considerable part of which was suspended or inanimate; in locations requiring bank facilities, they have advised an early application to the legislature to authorize its reduction to that which would be bona fide and immediately available.

A large amount of nominal capital has thus been set aside in past years, and with it the temptation to make excessive issues and to do various other illegal acts:

In consequence of recent large importations of specie, the commissioners thought it might be interesting to know the ratio which the specie of the banks in this State bears to the circulation, and also to the circulation and deposits. They therefore annex a table, which includes the number of banks in operation in each year from 1820 to the present time. From this table it will be perceived that the specie is greater now in proportion to the circulation and deposits than it has been since 1820; and, by an examination of tables made prior to that time, it is found to be greater than at any former period since 1815—although it will also be seen that the ratio of specie to circulation alone was greater in 1821 than at this time. It should be remarked, that the ratio of specie to circulation in the present month, as stated, is only an approximation to the exact ratio; but it is believed that the proportion of specie to circulation, and to circulation and deposits, would be greater rather than less, if accurately ascertained.

The specie in the banks in Boston on the 22d instant, as ascertained by the bank commissioners, amounted to \$5,100,131 97; in the same banks, last October, it was only \$2,051,388 99: showing an increase, principally from England, of \$3,018,742 98.

Taking the circulation and deposits of all the banks in the State, and the specie of all the banks out of Boston, as reported last October, and reckoning the specie as now found in the Boston banks, will give the present ratio of specie to circulation, namely, as 1 to 1.41; and the ratio of specie to circulation and deposits, namely, as 1 to 2.72; whereas, in October last, the ratio of specie to circulation was as 1 to 3.00, and the ratio of specie to circulation and deposits as 1 to 5.74.

The commissioners might have furnished a table of the ratio of specie to the circulation of the Boston banks, and also a table of the ratio of specie to the circulation of the country banks; but they preferred to embrace all the banks of the State in one table, inasmuch as the banks out of Boston have large specie balances lying in the Boston banks for the redemption of their liabilities, and therefore have less specie on hand—keeping, in fact, their specie in Boston rather than in their own vaults, and returning the same to the governor as “balances due from banks.”

The influx of specie from abroad since the last annual report of the commissioners has been greater, it is believed, than during the same period in any former year. Even while engaged in drawing up this report, the steamer from England is reported to have arrived, bringing two millions more; a portion of which, it is reasonable to suppose, will be added to the amount already held by the Boston banks.

Now, whatever may be the cause, or causes, of this accumulation of the precious metals—whether a comparative increase of exports and decrease of imports, or an unprecedented low rate of exchange at the south, which induced heavy operations in bills and consequent importations of specie; or whether it be, what is most likely, the result of all these and other causes combined—the effects cannot be unperceived or mistaken.

This surplus of capital has also been negatively increased by a diminution of the wants of the trading community. Prices being greatly reduced, less money is required to purchase the necessaries or luxuries of life. Business being depressed, those commodities only are bought and sold which are the legitimate objects of trade.

All these causes have tended to reduce the value of money below what it has been in this country since the year 1825. Discounts have been made as low as 4½ per cent. per annum; and the banks, for some time

past, have freely discounted, when opportunities offered, at 5 per cent. Not much business paper is to be had, even at these low rates; for one or more of the New York banks, in consequence of the superabundance of capital in that city, have sent agents here to effect loans at 4½ per cent. per annum. The banks have, therefore, not only done less business this year, but a less profitable business in proportion to what they have done, as compared with former years. Under these circumstances, if they remain faithful to the public, and rest content with small dividends or none at all, they will deserve the highest praise. But is this to be expected?

Is it not to be feared that some may be tempted to speculate in stocks, or engage in other operations not strictly within the limits of fair banking transactions, when they cannot loan their money, and when, too, the restraints to which they have been for some time accustomed shall have been withdrawn?

W. LOVERING,  
J. WILLIAMS,  
Bank Commissioners.

Boston, April 28, 1843.

A table showing the ratio of specie to the bills in circulation, and to the sum of the circulation and deposits in all the banks in Massachusetts, from 1820 to April 22, 1843, inclusive.

Date.	Number of banks.	Ratio of specie to circulation.	Ratio of specie to circulation and deposits.
1820	28	1 to 2.04	1 to 4.52
1821	28	1 to 0.98	1 to 3.10
1822	33	1 to 3.31	1 to 6.72
1823	34	1 to 3.02	1 to 6.04
1824	37	1 to 1.98	1 to 4.68
1825	41	1 to 5.76	1 to 8.29
1826	55	1 to 4.83	1 to 6.82
1827	60	1 to 4.54	1 to 6.58
1828	61	1 to 6.36	1 to 8.34
1829	66	1 to 4.81	1 to 7.38
1830	63	1 to 4.07	1 to 6.90
1831	70	1 to 8.41	1 to 13.19
1832	83	1 to 7.89	1 to 11.15
1833	102	1 to 8.55	1 to 12.57
1834	103	1 to 6.59	1 to 10.82
1835	105	1 to 8.29	1 to 13.06
1836	117	1 to 7.48	1 to 13.52
1837	129	1 to 6.76	1 to 12.34
1838	120	1 to 3.92	1 to 6.90
1839	116	1 to 4.28	1 to 7.94
1840	115	1 to 3.06	1 to 5.90
1841	111	1 to 3.06	1 to 5.80
1842	105	1 to 3.00	1 to 5.74
1843	104	1 to 1.41	1 to 2.72

BOSTON.					
	Atlantic.	Atlas.	Boston.	City.	Columbian.
<b>DUE FROM THE BANKS.</b>					
Capital stock paid in	\$500,000 00	\$500,000 00	\$600,400 00	\$1,000,000 00	\$500,000 00
Bills in circulation of five dollars and upwards	211,660 00	151,565 00	235,895 00	186,120 00	94,000 00
Bills in circulation less than five dollars	26,567 00	15,254 00	48,000 00	22,001 00	40,416 00
Net profits on hand	22,254 42	16,266 21	54,003 36	46,634 93	16,886 51
Balances due to other banks	37,125 12	100,429 74	104,022 27	80,910 30	30,000 00
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	202,537 63	235,478 05	701,226 72	389,124 21	457,794 63
Cash deposited bearing interest	104,284 64	12,500 00	-	333,480 93	11,000 00
<b>Total amount due from the banks</b>	<b>1,164,408 81</b>	<b>1,031,493 00</b>	<b>1,743,147 35</b>	<b>2,058,271 37</b>	<b>1,150,097 13</b>
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking houses	62,013 15	32,767 16	219,083 14	51,595 06	161,620 90
Real estate	30,000 00	44,038 00	50,000 00	52,124 68	75,962 00
Bills of other banks incorporated in this State	36,160 00	21,740 41	165,781 00	45,091 00	67,750 05
Bills of other banks incorporated elsewhere	92,642 30	932,947 43	1,103,920 66	1,880,437 89	844,855 18
Balances due from other banks	943,693 36	1,031,493 00	1,743,147 35	2,058,271 37	1,150,097 13
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	1,164,408 81	1,031,493 00	1,743,147 35	2,058,271 37	1,150,097 13
<b>Total amount of the resources of the banks</b>					

Rate and amount of dividends since the last annual returns, with dates	Oct., 1844, 2½ pr. ct.	Oct., 1844, 3 pr. ct.	Oct., 1844, 3½ pr. ct.	Oct., 1844, 2½ pr. ct.	Ap'l, 1845, 2½ pr. ct.
	Ap'l, 1845, 3 "	Ap'l, 1845, 3 "	Ap'l, 1845, 3½ "	Ap'l, 1845, 3 "	Oct., 1845, 3 "
	Oct., 1845, 3 "	Oct., 1845, 3 "	Oct., 1845, 3½ "	Oct., 1845, 3 "	Oct., 1845, 3 "
	\$42,500 00	\$45,000 00	\$63,000 00	\$85,000 00	\$27,500 00
Amount of reserved profits at the time of declaring the last dividend	7,341 85	13,632 25	39,642 43	15,752 62	10,135 32
Amount of debts due to each bank, secured by pledge of its stock	7,500 00	1,000 00	1,900 00	500 00	100 00
Amount of debts due and unpaid, and considered doubtful	-	2,998 98	300 84	-	-

BOSTON.

	Eagle.	Freeman's.	Globe.	Granite.	Hamilton.
Capital stock paid in - - - - -	\$500,000 00	\$200,000 00	\$1,000,000 00	\$500,000 00	\$500,000 00
Bills in circulation of five dollars and upwards - - - - -	191,865 00	175,615 00	269,830 00	234,700 00	174,915 00
Bills in circulation less than five dollars - - - - -	19,142 00	29,980 00	38,051 00	32,938 00	47,625 00
Net profits on hand - - - - -	22,839 25	21,964 20	53,095 63	21,937 05	29,916 01
Balances due to other banks - - - - -	99,065 61	-	411,249 56	93,645 50	43,786 81
Cash deposited, including all sums whatsoever due from the banks not bearing interest, less bills in circulation, profits and balances due to other banks excepted - - - - -	315,935 50	84,739 84	534,786 44	230,393 67	276,772 93
Cash deposited bearing interest - - - - -	112,437 02	-	54,000 00	-	15,000 00
Total amount due from the banks, - - - - -	1,261,283 38	512,359 14	2,301,012 63	1,113,614 23	1,088,015 75
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking houses - - - - -	40,103 50	42,709 20	158,322 99	67,414 11	50,006 27
Real estate - - - - -	-	-	30,000 00	-	-
Bills of other banks incorporated in this State - - - - -	117,745 00	14,930 00	140,864 00	73,910 00	54,771 00
Bills of other banks incorporated elsewhere - - - - -	-	307 00	-	-	-
Balances due from other banks - - - - -	58,885 61	53,810 36	109,252 48	52,000 00	82,106 99
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks - - - - -	1,035,543 27	400,572 58	1,862,053 16	930,200 11	901,131 49
Total amount of the resources of the banks - - - - -	1,261,283 38	512,359 14	2,301,012 63	1,113,614 23	1,088,015 75

Rate and amount of dividends since the last annual returns, with dates - - - - -	Ap'l, 1845, 3 pr. ct.	Oct., 1844, 3 pr. ct.	Oct., 1844, 3 pr. ct.	Ap'l, 1845, 3 pr. ct.	Ap'l, 1845, 3 pr. ct.
- - - - -	Oct., 1845, 34 "	Ap'l, 1845, 3 "	Ap'l, 1845, 3 "	Oct., 1845, 3 "	Oct., 1845, 3 "
- - - - -	\$32,500 00	\$12,250 00	\$20,000 00	\$43,000 00	\$30,000 00
Amount of reserved profits at the time of declaring the last dividend - - - - -	16,997 43	16,000 00	46,574 47	18,954 51	16,235 74
Amount of debts due to each bank, secured by pledge of its stock - - - - -	1,750 00	13,008 78	5,300 00	15,556 21	998 00
Amount of debts due and unpaid, and considered doubtful - - - - -	-	-	-	-	-

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

BOSTON.					
	Market.	Massachusetts.	Mechanics.	Merchants.	New England.
<b>DUE FROM THE BANKS.</b>					
Capital stock paid in	\$560,000 00	\$800,000 00	\$130,000 00	\$3,000,000 00	\$1,000,000 00
Bills in circulation of five dollars and upwards	207,590 00	108,984 00	130,020 00	817,965 00	144,814 00
Bills in circulation less than five dollars	20,106 00	8,432 00	29,896 00	475 00	18,500 00
Net profits on hand	111,480 16	35,932 73	9,653 48	923,716 32	25,803 67
Balances due to other banks	14,010 98	95,750 00	-	634,802 47	124,282 11
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	277,579 89	307,710 38	31,024 91	2,200,796 92	155,638 29
Cash deposited bearing interest	70,169 01	-	-	145,789 74	8,000 00
Total amount due from the banks	1,260,965 53	1,356,809 11	310,594 39	7,023,635 45	1,477,243 07
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking houses	34,627 11	67,917 32	12,856 10	1,000,892 58	23,590 61
Real estate	-	75,640 84	15,817 00	136,133 65	30,000 00
Bills of other banks incorporated in this State	61,792 00	39,084 00	922 00	374,504 00	63,078 00
Bills of other banks incorporated elsewhere	-	-	303 00	-	-
Balances due from other banks	70,077 43	78,183 39	40,703 15	208,216 07	80,019 14
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	1,074,468 99	1,025,983 65	239,933 14	5,303,869 15	1,274,755 32
Total amount of the resources of the banks	1,260,965 53	1,356,809 11	310,594 39	7,023,635 45	1,477,243 07

Rate and amount of dividends since the last annual returns, with dates	Oct., 1844, 3 pr. cl.	Apr., 1845, 3 pr. cl.			
	Apr., 1845, 4 "	Apr., 1845, 3 1/2 "	Apr., 1845, 3 1/2 "	Apr., 1845, 3 1/2 "	Oct., 1845, 3 "
	Oct., 1845, 4 "	Oct., 1845, 3 "	Oct., 1845, 3 1/2 "	Oct., 1845, 3 1/2 "	Oct., 1845, 3 "
	\$61,000 00	\$66,400 00	\$12,000 00	\$175,000 00	\$60,000 00
Amount of reserved profits at the time of declaring the last dividend	81,960 64	20,403 69	8,295 00	192,662 47	10,000 00
Amount of debts due to each bank, secured by pledge of its stock	1,800 00	21,450 00	3,317 65	109,707 74	2,500 00
Amount of debts due and unpaid, and considered doubtful	12,101 00	-	-	22,636 00	2,265 00

BOSTON.

	North.	Shawmut.	Shoe & Leather Dealers.	State.	Suffolk.
<b>DOE FROM THE BANKS.</b>					
Capital stock paid in	\$760,000 00	\$509,000 00	\$500,000 00	\$1,800,000 00	\$1,000,000 00
Bills in circulation of five dollars and upwards	294,492 00	160,405 40	213,065 00	354,874 00	293,510 00
Bills in circulation less than five dollars	31,578 00	15,407 00	33,851 00	51,197 00	24,517 00
Net profits on hand	24,344 32	21,826 02	65,389 83	73,807 99	208,667 44
Balances due to other banks	33,290 79	149,630 36	259,601 74	142,000 00	2,219,021 65
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	285,577 21	175,736 33	171,971 93	715,968 53	161,417 98
Cash deposited bearing interest	17,000 00	-	-	39,000 00	-
<b>Total amount due from the banks</b>	<b>1,389,282 32</b>	<b>1,023,014 71</b>	<b>1,973,192 56</b>	<b>3,175,152 52</b>	<b>3,907,134 07</b>
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking houses	39,086 20	31,002 58	35,656 08	57,099 53	389,989 33
Real estate	62,765 00	62,180 00	105,419 42	243,881 24	109,412 11
Bills of other banks incorporated in this State	14,000 00	-	-	40 00	373,000 00
Balances due from other banks	26,302 50	57,426 57	143,302 72	60,000 00	341,589 00
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	1,248,125 55	872,405 56	988,584 34	2,814,132 05	1,753,555 23
<b>Total amount of the resources of the banks</b>	<b>1,389,282 32</b>	<b>1,023,014 71</b>	<b>1,973,192 56</b>	<b>3,175,152 52</b>	<b>3,907,134 07</b>

	Oct., 1844, 2½ pr. ct.	Oct., 1844, 3 pr. ct.	Oct., 1844, 3 pr. ct.	Oct., 1844, 4 pr. ct.
Rate and amount of dividends since the last annual returns, with dates.	Apr., 1845, 3 " "	Apr., 1845, 3 " "	Apr., 1845, 3 " "	Apr., 1845, 4 " "
Amount of reserved profits at the time of declaring the last dividend	Oct., 1845, 3 " "	Oct., 1845, 3 " "	Oct., 1845, 3 " "	Oct., 1845, 4 " "
Amount of debts due to each bank, secured by pledge of its stock	\$63,750 00	\$47,500 00	\$108,000 00	\$120,000 00
Amount of debts due and unpaid, and considered doubtful	18,750 00	59,705 03	56,052 20	187,787 04
	27,050 00	1,000 00	31,410 70	34,900 00
	2,901 62	3,468 00	1,341 52	8,098 52



Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	BEVERLY.		DANVERS.			GEORGETOWN.	
	Beverly.	Danvers.	Village.	Warren.	Manufacturers'.		
DUE FROM THE BANKS.							
Capital stock paid in	\$125,000 00	\$150,000 00	\$120,000 00	\$120,000 00	\$100,000 00		
Bills in circulation of five dollars and upwards	73,260 00	38,725 00	44,727 00	50,280 00	21,350 00		
Bills in circulation less than five dollars	6,740 00	8,322 00	—	7,550 50	15,344 00		
Net profits on hand	5,732 49	1,712 12	4,942 91	2,948 58	3,581 70		
Balances due to other banks	6	1,626 61	1,667 29	916 96	2,048 91		
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	37,113 82	20,223 19	7,760 12	18,295 04	8,651 48		
Cash deposited bearing interest	—	8,159 17	—	6,000 00	—		
<b>Total amount due from the banks</b>	<b>247,946 37</b>	<b>228,768 89</b>	<b>179,117 32</b>	<b>205,991 08</b>	<b>150,876 09</b>		
RESOURCES OF THE BANKS.							
Gold, silver, and other coined metals in their banking-houses	9,453 86	2,348 91	2,077 77	3,877 84	3,956 27		
Real estate	679 00	4,766 67	5,277 60	—	1,200 00		
Bills of other banks incorporated in this State	6,390 60	—	4,368 16	9,473 06	916 00		
Bills of other banks incorporated elsewhere	213 00	2,138 95	—	—	41 00		
Balances due from other banks	17,831 89	322 74	17,234 16	13,871 73	15,750 37		
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	213,378 02	219,191 62	150,159 63	178,763 45	129,012 45		
<b>Total amount of the resources of the banks</b>	<b>247,946 37</b>	<b>228,768 89</b>	<b>179,117 32</b>	<b>205,991 08</b>	<b>150,876 09</b>		

	BEVERLY.		DANVERS.		GEORGETOWN.	
	Oct., 1844, 2d pr. ct.	Oct., 1844, 3d pr. ct.	Oct., 1844, 3d pr. ct.	Ap'l, 1845, 3d pr. ct.	Ap'l, 1845, 3d pr. ct.	Oct., 1845, 3d pr. ct.
Rate and amount of dividends since the last annual returns, with dates	Ap'l, 1845, 3d " \$10,625 00	Ap'l, 1845, 2d " 924 29	Oct., 1844, 3d " 4,384 00	Ap'l, 1845, 3d " 2,705 52	Ap'l, 1845, 3d " 2,563 02	Oct., 1845, 3d " 3,400 00
Amount of reserved profits at the time of declaring the last dividend	3,947 25	5,375 00	6,409 00	2,000 00	3,400 00	2,560 00
Amount of debts due to each bank, secured by pledge of its stock	4,112 50	754 87	1,149 05	1,000 00	1,000 00	2,560 00
Amount of debts due and unpaid, and considered doubtful	3,098 85	—	—	—	—	—

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	GLOUCESTER.		HAVERHILL.		LYNN.	MARBLEHEAD.
	Gloucester.	Haverhill.	Merrinack.	Lynn Mechanics'.		
<b>DUE FROM THE BANKS.</b>						
Capital stock paid in -	\$200,000 00	\$100,000 00	\$340,000 00	\$150,000 00	\$100,000 00	
Bills in circulation of five dollars and upwards -	184,910 00	88,255 00	56,790 00	81,000 00	50,447 00	
Bills in circulation less than five dollars -	23,907 00	23,232 00	29,166 00	27,831 00	14,761 00	
Net profits on hand -	6,546 18	4,352 90	8,004 76	7,260 40	2,031 24	
Balances due to other banks -	248 74	-	-	4,379 73	187 25	
Cash deposited, including all sums whatsoever due from the banks, not bearing interest, its bills in circulation, profits and balances due to other banks excepted -	73,953 68	14,844 71	5,226 25	26,406 94	14,970 95	
Cash deposited bearing interest -	-	-	-	20,682 00	-	
<b>Total amount due from the banks -</b>	<b>489,505 60</b>	<b>230,084 61</b>	<b>339,187 01</b>	<b>317,760 07</b>	<b>181,697 44</b>	
<b>RESOURCES OF THE BANKS.</b>						
Gold, silver, and other coined metals in their banking-houses -	10,664 01	3,456 52	3,242 67	6,621 71	4,024 53	
Real estate -	11,093 63	8,000 00	4,814 42	10,000 00	8,700 00	
Bills of other banks incorporated in this State -	245 00	-	3,218 00	2,789 00	378 00	
Bills of other banks incorporated elsewhere -	73,261 32	53,546 11	26,868 10	30,250 70	12,312 95	
Balances due from other banks -	391,331 64	165,681 98	301,023 82	268,098 66	156,381 96	
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks -	489,505 60	230,084 61	339,187 01	317,760 07	181,697 44	
<b>Total amount of the resources of the banks -</b>	<b>489,505 60</b>	<b>230,084 61</b>	<b>339,187 01</b>	<b>317,760 07</b>	<b>181,697 44</b>	

Rate and amount of dividends since the last annual returns, with dates -	Oct., 1844, 3 per ct.	Oct., 1844, 2½ pr. ct.	Mar., 1845, 3 pr. ct.	Ap'l, 1845, 2½ pr. ct.
	Ap'l, 1845, 3 "	Ap'l, 1845, 3 "	Sept., 1845, 3½ pr. ct.	Oct., 1845, 2½ "
	Oct., 1845, 3 "	Oct., 1845, 3 "	\$9,500 00	\$5,000 00
	\$18,000 00	\$9,500 00		
Amount of reserved profits at the time of declaring the last dividend -	13,141 82	406 09	7,440 39	6,313 65
Amount of debts due to each bank, secured by pledge of its stock -	15,830 00	6,050 00	850 00	14,409 23
Amount of debts due and unpaid, and considered doubtful -	-	17,884 00	-	4,730 41

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	MARBLEHEAD.			NEWBURYPORT.			SALEM.
	Marblehead.	Mechanics.	Merchants.	Ocean.	Asiatic.		
<b>DUE FROM THE BANKS.</b>							
Capital stock paid in	\$120,000 00	\$200,000 00	\$210,000 00	\$100,000 00	\$200,000 00	\$200,000 00	
Bills in circulation of five dollars and upwards	52,720 00	70,000 00	53,295 00	102,145 00	82,948 00	82,948 00	
Bills in circulation less than five dollars	8,719 00	19,927 50	12,506 75	21,072 00	14,373 00	14,373 00	
Net profits on hand	448 70	2,427 10	6,510 99	8,583 49	14,430 62	14,430 62	
Balances due to other banks	-	3,000 22	3,186 58	601 50	9,633 87	9,633 87	
Cash deposited, including all sums whatsoever due from the banks, not bearing interest, its bills in circulation, profits and balances due to other banks excepted	15,149 37	35,394 50	40,397 85	61,538 76	60,014 77	60,014 77	
Cash deposited bearing interest	-	-	-	-	-	-	
Total amount due from the banks	197,035 07	331,358 32	335,897 17	293,938 75	380,830 29	380,830 29	
<b>RESOURCES OF THE BANKS.</b>							
Gold, silver, and other coined metals in their banking-houses	8,970 51	8,519 77	19,341 16	9,010 50	6,439 55	6,439 55	
Real-estate	7,500 00	13,556 85	6,000 00	2,500 00	15,000 00	15,000 00	
Bills of other banks incorporated in this State	10 00	600 00	701 00	2,486 25	997 00	997 00	
Bills of other banks incorporated elsewhere	-	35 00	4 00	930 00	37,294 35	37,294 35	
Balances due from other banks	32,612 52	5,670 41	31,917 66	85,765 39	-	-	
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	147,012 01	302,976 29	297,900 35	193,210 61	331,009 36	331,009 36	
Total amount of the resources of the banks	197,035 07	331,358 32	335,897 17	293,938 75	380,830 29	380,830 29	

Rate and amount of dividends since the last annual returns, with dates

Apr'l, 1845, 2 1/2 pr. ct.	Oct., 1844, 2 1/2 pr. ct.	Apr'l, 1845, 2 1/2 pr. ct.	Apr'l, 1845, 2 1/2 pr. ct.	Oct., 1844, 86 cents
Oct., 1845, 2 1/2 "	Apr'l, 1845, 2 1/2 "	Oct., 1845, 4 "	Oct., 1845, 4 "	per share.
\$6,000 00	\$6,000 00	\$7,500 00	\$7,500 00	April, 1845, 86 cents
		\$12,600 00	\$12,600 00	per share.
		5,836 79	7,641 16	Oct., 1845, 86 cents
400 00	13,276 50	9,151 00	3,750 00	per share.
	1,248 55	313 03		\$18,060 00

Amount of reserved profits at the time of declaring the last dividend

Amount of debts due to each bank, secured by pledge of its stock

Amount of debts due and unpaid, and considered doubtful

Amount of debts due and unpaid, and considered doubtful

Amount of debts due and unpaid, and considered doubtful

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

SALEM.

	Commercial.	Exchange.	Mercantile.	Merchants.	Naumkeng.
Capital stock paid in	\$200,000 00	\$200,000 00	\$200,000 00	\$200,000 00	\$500,000 00
Bills in circulation of five dollars and upwards	47,710 00	31,185 00	43,855 00	48,278 00	130,809 00
Bills in circulation less than five dollars	17,625 00	10,445 00	11,110 00	9,385 00	26,665 00
Net profits on hand	8,836 44	3,185 02	1,062 44	2,839 86	16,267 19
Balances due to other banks	1,435 36	1,707 73	1,797 59	561 51	3,515 47
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	35,675 95	66,665 29	37,969 14	50,856 40	138,044 20
Cash deposited bearing interest	25,892 20				
<b>Total amount due from the banks</b>	<b>337,164 95</b>	<b>313,180 04</b>	<b>295,794 17</b>	<b>311,920 77</b>	<b>816,300 86</b>
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their bank vaults	2,957 51	9,425 53	4,113 10	4,309 38	14,731 85
Real estate	4,500 00	4,000 00	9,005 09		2,001 02
Bills of other banks incorporated in this State	9,432 36	1,805 20	9,046 00	1,723 00	14,700 36
Bills of other banks incorporated elsewhere	9 00	15 00			
Balances due from other banks	6,863 73	25,185 06	1,029 64	34,309 40	74,041 62
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	313,409 35	279,758 26	272,000 34	271,573 99	709,826 01
<b>Total amount of the resources of the banks</b>	<b>\$37,164 95</b>	<b>\$313,180 04</b>	<b>\$295,794 17</b>	<b>\$311,920 77</b>	<b>\$816,300 86</b>

	Oct., 1844, 3 pr. ct.	Oct., 1844, 2 1/2 pr. ct.	Oct., 1844, 2 1/2 pr. ct.	Oct., 1844, 2 1/2 pr. ct.	Oct., 1844, 3 pr. ct.
Rate and amount of dividends since the last annual returns, with dates	Ap'l, 1845, 3 "	per cent.	Ap'l, 1845, 24 "	Ap'l, 1845, 4 "	Ap'l, 1845, 3 "
	Oct., 1845, 3 "	Oct., 1845, 3 "	Oct., 1845, 3 "	Oct., 1845, 3 "	Oct., 1845, 3 "
	\$18,000 00	\$16,200 00	\$16,000 00	\$24,000 00	\$45,000 00
Amount of reserved profits at the time of declaring the last dividend	8,785 54	2,166 93	1,546 21	3,704 36	13,334 61
Amount of debts due to each bank, secured by pledge of its stock	2,833 00	-	13,340 00	2,237 00	35,893 50
Amount of debts due and unpaid, and considered doubtful	1,115 17	-	3,202 85	-	433 33

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	SALEM.		SALISBURY.		BRIGHTON.		CAMBRIDGE.	
	Salem.	Powow River.	Brighton.	Cambridge.	Charles River.			
<b>DUE FROM THE BANKS.</b>								
Capital stock paid in	\$250,000 00	\$100,000 00	\$200,000 00	\$100,000 00	\$100,000 00			
Bills in circulation of five dollars and upwards	31,500 00	78,340 00	232,540 00	79,685 00	45,020 00			
Bills in circulation less than five dollars	5,347 00	22,550 00	22,787 00	14,322 00	11,857 00			
Net profits on hand	2,430 90	6,491 75	11,975 57	4,007 40	4,004 76			
Balances due to other banks	8,959 75	-	-	639 50	-			
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	57,508 83	15,370 63	38,417 17	27,315 11	46,340 96			
Cash deposited bearing interest	2,100 00	-	-	-	-			
<b>Total amount due from the banks</b>	<b>356,946 48</b>	<b>222,752 38</b>	<b>495,719 74</b>	<b>226,059 01</b>	<b>207,222 72</b>			
<b>RESOURCES OF THE BANKS.</b>								
Gold, silver, and other coined metals in their banking houses	2,892 29	4,323 52	10,300 28	3,501 08	7,567 08			
Real estate	4,377 97	-	2,474 45	8,000 00	2,081 00			
Bills of other banks incorporated in this State	8,200 00	836 13	1,726 00	1,415 00	1,107 00			
Bills of other banks incorporated elsewhere	-	31 00	991 00	147 00	-			
Balances due from other banks	12,761 09	23,673 72	82,141 92	9,313 89	17,573 47			
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	329,625 13	193,980 01	398,116 09	203,682 04	179,893 57			
<b>Total amount of the resources of the bank</b>	<b>356,946 48</b>	<b>222,752 38</b>	<b>495,719 74</b>	<b>226,059 01</b>	<b>207,222 72</b>			

	SALEM.		SALISBURY.		BRIGHTON.		CAMBRIDGE.	
	Salem.	Powow River.	Brighton.	Cambridge.	Charles River.			
<b>Rate and amount of dividends since the last annual returns, with dates</b>								
Oct., 1844, 2 pr. cl.	1,250 00	3,553 70	10,005 62	3,900 86	3,409 92			
Apr., 1845, 24 "	6,700 00	300 00	4,725 00	8,697 29	6,814 60			
Oct., 1845, 24 "	\$18,125 00	4,219 00	1,400 71	-	250 00			
<b>Total</b>	<b>25,075 00</b>	<b>8,072 70</b>	<b>16,130 33</b>	<b>12,698 15</b>	<b>10,474 52</b>			
<b>Amount of reserved profits at the time of declaring the last dividend</b>								
Oct., 1844, 3 pr. cl.	-	-	-	3,900 86	3,409 92			
Apr., 1845, 4 "	-	-	-	8,697 29	6,814 60			
Oct., 1845, 3 "	-	-	-	-	250 00			
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,698 15</b>	<b>10,474 52</b>			
<b>Amount of debts due to each bank, secured by pledge of its stock</b>								
Oct., 1844, 3 pr. cl.	-	-	-	3,900 86	3,409 92			
Apr., 1845, 4 "	-	-	-	8,697 29	6,814 60			
Oct., 1845, 3 "	-	-	-	-	250 00			
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,698 15</b>	<b>10,474 52</b>			
<b>Amount of debts due and unpaid, and considered doubtful</b>								
Oct., 1844, 3 pr. cl.	-	-	-	3,900 86	3,409 92			
Apr., 1845, 4 "	-	-	-	8,697 29	6,814 60			
Oct., 1845, 3 "	-	-	-	-	250 00			
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,698 15</b>	<b>10,474 52</b>			

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	CHARLESTOWN.		CONCORD.		FRAMINGHAM.		LOWELL.	
	Bunker Hill.		Concord.		Framingham.		Lowell.	Railroad.
DUE FROM THE BANKS.								
Capital stock paid in	\$150,000 00	\$100,000 00	\$100,000 00	\$100,000 00	\$100,000 00	\$200,000 00	\$600,000 00	
Bills in circulation of five dollars and upwards	103,740 00	71,400 00	71,400 00	77,870 00	141,335 00	410,670 00		
Bills in circulation less than five dollars	25,789 00	9,133 00	9,133 00	18,497 00	23,674 00	78,476 00		
Net profits on hand	12,333 43	5,697 21	5,697 21	20,522 81	16,123 17	62,552 87		
Balances due to other banks	-	-	-	-	-	-	834 72	
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	133,578 77	12,303 21	12,303 21	5,370 39	38,215 56	80,898 01		
Cash deposited bearing interest	-	-	-	-	8,778 14	23,635 84		
Total amount due from the banks	425,441 20	198,623 42	198,623 42	232,260 80	428,125 87	1,247,067 44		
RESOURCES OF THE BANKS.								
Gold, silver, and other coined metals in their banking-houses	41,592 32	6,463 59	6,463 59	8,017 94	4,615 08	28,930 24		
Real estate	20,000 00	2,539 00	2,539 00	2,000 00	7,000 00	7,000 00		
Bills of other banks incorporated in this State	438 00	2,000 48	2,000 48	1,259 43	4,325 86	4,019 00		
Bills of other banks incorporated elsewhere	55 00	195 00	195 00	72 00	168 00	4,600 00		
Balances due from other banks	55,442 42	8,998 61	8,998 61	10,966 24	29,064 33	11,855 88		
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	307,913 46	178,430 74	178,430 74	199,925 19	380,932 60	1,194,662 32		
Total amount of the resources of the banks	425,441 20	198,623 42	198,623 42	232,260 80	428,125 87	1,247,067 44		

	CHARLESTOWN.		CONCORD.		FRAMINGHAM.		LOWELL.	
	Bunker Hill.		Concord.		Framingham.		Lowell.	Railroad.
Rate and amount of dividends since the last annual returns, with dates								
Oct., 1844, 3 pr. ct.								
Ap'l, 1845, 3 " "								
Oct., 1845, 4 " "								
Oct., 1845, 3 pr. ct.								
Ap'l, 1845, 3 " "								
Oct., 1845, 3 " "								
Oct., 1845, 3 " "								
Oct., 1844, 3 pr. ct.								
Ap'l, 1845, 3 " "								
Oct., 1845, 4 " "								
Oct., 1845, 3 " "								
Oct., 1845, 3 " "								
Oct., 1845, 3 " "								
Amount of reserved profits at the time of declaring the last dividend	\$15,750 00	\$0,000 00	\$0,000 00	\$11,000 00	\$18,000 00	\$56,000 00		
Amount of debts due to each bank, secured by pledge of its stock	10,080 37	4,322 11	4,322 11	19,763 84	15,957 94	31,800 00		
Amount of debts due and unpaid, and considered doubtful	1,780 00	2,401 40	2,401 40	1,500 00	2,530 00	9,910 00		
	3,091 50	1,000 00	1,000 00	1,395 51	5,184 13	159 89		

Statement exhibiting the condition of the banks in Massachusetts—Continued.

	WALTHAM.	FITCHBURG.	LANCASTER.	LEICESTER.	MILBURY.
	Waltham.	Fitchburg.	Lancaster.	Leicester.	Millbury.
DUE FROM THE BANKS.					
Capital stock paid in -	\$100,000 00	\$100,000 00	\$100,000 00	\$100,000 00	\$50,000 00
Bills in circulation of five dollars and upwards	84,725 00	107,215 00	102,150 00	86,465 00	28,533 00
Bills in circulation less than five dollars	11,221 00	14,678 00	17,349 00	12,428 00	12,003 25
Net profits on hand	4,465 84	7,155 96	5,478 06	1,649 05	2,167 71
Balances due to other banks -	-	-	-	-	-
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	16,855 53	23,579 76	3,833 01	9,201 80	11,870 58
Cash deposited bearing interest	-	-	-	-	-
Total amount due from the banks	219,277 37	252,628 72	238,810 07	209,803 85	104,574 54
RESOURCES OF THE BANKS.					
Gold, silver, and other coined metals in their banking houses	-	-	-	-	-
Real estate	7,380 17	12,537 52	3,922 37	2,983 37	2,125 74
Bills of other banks incorporated in this State	5,500 00	1,400 00	1,000 00	2,000 00	2,400 00
Bills of other banks incorporated elsewhere	2,832 00	5,604 00	635 00	2,550 00	1,065 00
Balances due from other banks	340 00	26 00	50 00	-	-
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	20,973 01	66,205 86	23,823 81	30,882 84	13,419 30
Total amount of the resources of the banks	182,252 19	166,765 34	199,320 89	171,377 64	85,564 41
	219,277 37	252,628 72	238,810 07	209,803 85	104,574 54

	Oct., 1844, 2 pr. cl.	Oct., 1844, 3 pr. cl.	Oct., 1844, 3 pr. cl.	Oct., 1844, 3 pr. cl.	May, 1845, 3 pr. cl.
	Apr., 1845, 3 "	Oct., 1845, 3 "			
	Oct., 1845, 3 "	Oct., 1845, 3 "			
Rate and amount of dividends since the last annual returns, with dates	\$8,000 00	\$0,000 00	\$0,000 00	\$9,500 00	\$3,000 00
Amount of reserved profits at the time of declaring the last dividend	3,229 99	4,601 45	4,612 39	1,029 30	1,101 21
Amount of debts due to each bank, secured by pledge of its stock	2,800 00	600 00	6,019 97	3,000 00	3,960 00
Amount of debts due and unpaid, and considered doubtful	8,500 00	-	-	880 95	-

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	OXFORD.		SOUTHBIDGE.		UXBRIDGE.		WORCESTER.	
	Oxford.	Southbridge.	Blackstone.	Citizens'.				
DUE FROM THE BANKS.								
Capital stock paid in	\$100,000 00	\$100,000 00	\$100,000 00	\$150,000 00				
Bills in circulation of five dollars and upwards	66,700 00	56,095 00	48,995 00	81,975 00				
Bills in circulation less than five dollars	13,910 25	9,402 00	24,451 50	27,565 00				
Net profits on hand	3,948 43	935 32	3,965 62	10,939 57				
Balances due to other banks	616 31	-	-	200 35				
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	11,244 40	4,148 65	8,937 53	19,416 35				
Cash deposited bearing interest	-	-	-	-				
Total amount due from the banks	196,479 39	170,580 97	186,349 65	290,186 27				
RESOURCES OF THE BANKS.								
Gold, silver, and other coined metals in their banking houses	5,444 99	4,367 05	3,521 54	8,876 97				
Real estate	1,888 01	10,788 77	581 74	6,536 41				
Bills of other banks incorporated in this State	1,123 00	1,393 00	200 00	3,056 00				
Bills of other banks incorporated elsewhere	818 00	1,144 00	102 00	451 00				
Balances due from other banks	20,208 14	10,473 81	19,772 36	10 00				
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	166,997 25	142,444 34	162,169 01	29,633 30				
Total amount of the resources of the banks	196,479 39	170,580 97	186,349 65	251,155 00				

Rate and amount of dividends since the last annual returns, with dates	Oct., 1844, 2 pr. ct. Apr., 1845, 2 "	Oct., 1844, 3 pr. ct. Apr., 1845, 2 1/2 "	Oct., 1844, 3 pr. ct. Apr., 1845, 3 "	Oct., 1844, 3 pr. ct. Apr., 1845, 3 "
Amount of reserved profits at the time of declaring the last dividend	\$1,000 00	\$8,500 00	\$9,000 00	\$13,500 00
Amount of debts due to each bank, secured by pledge of its stock	2,324 66	6,960 17	4,096 74	9,290 31
Amount of debts due and unpaid, and considered doubtful	3,372 00	5,700 00	7,900 00	1,500 00
	11,000 00	8,107 88	7,174 59	935 45

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	WORCESTER.		NORTHAMPTON.	WARE.	GREENFIELD.
	Quinsigamond.	Worcester.			
<b>DUE FROM THE BANKS.</b>					
Capital stock paid in	\$100,000 00	\$200,000 00	\$300,000 00	\$150,000 00	\$150,000 00
Bills in circulation of five dollars and upwards	97,610 00	152,080 00	195,143 00	112,245 00	116,805 00
Bills in circulation less than five dollars	18,580 00	13,384 00	20,818 00	34,110 00	28,506 00
Net profits on hand	5,163 58	10,930 94	23,568 35	10,469 85	5,039 83
Balances due to other banks	65 75	1,933 65	99 87	141 06	351 43
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	35,896 25	134,894 48	20,565 90	1,543 00	
Cash deposited bearing interest			505 03	3,710 65	
Total amount due from the banks	257,315 58	513,923 07	469,792 15	312,259 56	300,702 26
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking houses	7,457 91	25,521 81	8,291 33	8,722 66	7,280 62
Real estate	946 35			3,785 30	2,500 00
Bills of other banks incorporated in this State	214 00	7,325 00	1,445 00	1,343 00	3 00
Bills of other banks incorporated elsewhere	77 00	1,111 00	410 00	365 00	1,000 00
Balances due from other banks	50,174 21	75,748 09	73,210 61	8,352 23	42,694 37
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	198,446 11	403,517 17	386,435 18	289,791 37	247,294 27
Total amount of the resources of the banks	257,315 58	513,923 07	469,792 15	312,259 56	300,702 26

	WORCESTER.		NORTHAMPTON.	WARE.	GREENFIELD.
	Quinsigamond.	Worcester.			
<b>Rate and amount of dividends since the last annual returns, with dates</b>	Oct., 1845, 3 pr. ct. \$3,000 00	Oct., 1844, 3 pr. ct. Apr., 1845, 3 " Oct., 1845, 3 "	Oct., 1844, 3 1/2 pr. ct. Apr., 1845, 4 " Oct., 1845, 4 "	Apr., 1845, 3 pr. ct. Oct., 1845, 3 "	Apr., 1845, 4 pr. ct. Oct., 1845, 4 "
<b>Amount of reserved profits at the time of declaring the last dividend</b>	3,620 12	8,619 89	18,954 59	10,443 01	4,423 82
<b>Amount of debts due to each bank, secured by pledge of its stock</b>		850 00	1,400 00	2,000 00	
<b>Amount of debts due and unpaid, and considered doubtful</b>	535 96	9,000 00	2,850 00	15,000 00	

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	SPRINGFIELD.			WESTFIELD.	ADAMS.
	Cabot.	Chicopee.	Springfield.	Hampden.	Adams.
<b>DUE FROM THE BANKS.</b>					
Capital stock paid in -	\$150,000 00	\$300,000 00	\$250,000 00	\$100,000 00	\$100,000 00
Bills in circulation of five dollars and upwards -	76,115 00	157,162 00	155,305 00	93,264 00	83,520 00
Bills in circulation less than five dollars -	18,520 00	22,451 00	20,911 00	12,688 00	12,110 00
Net profits on hand -	2,723 16	12,802 10	30,100 23	917 24	5,440 75
Balances due to other banks -	955 90	3 32	-	63 15	-
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted -	10,891 37	51,254 60	44,307 24	8,414 23	8 237 14
Cash deposited bearing interest -	-	-	-	-	1,920 00
<b>Total amount due from the banks -</b>	<b>259,205 43</b>	<b>443,673 22</b>	<b>500,623 47</b>	<b>215,567 31</b>	<b>210,527 59</b>
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking houses -	4,413 04	10,345 27	8,625 52	5,399 03	4,047 28
Real estate -	-	7,250 00	6,700 00	3,500 00	2,800 00
Bills of other banks incorporated in this State -	474 00	9,946 00	5,980 00	36 00	569 00
Bills of other banks incorporated elsewhere -	144 00	1,360 00	4,196 00	669 00	373 00
Balances due from other banks -	30,428 23	33,614 42	23,898 33	37,243 63	6,087 76
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks -	223,746 16	381,127 53	451,923 62	168,719 65	196,651 85
<b>Total amount of the resources of the banks -</b>	<b>259,205 43</b>	<b>443,673 22</b>	<b>500,623 47</b>	<b>215,567 31</b>	<b>210,527 59</b>

Rate and amount of dividends since the last annual returns, with dates -	New bank.	Apr., 1845, 3 $\frac{1}{2}$ pr. ct. Oct., 1845, 3 $\frac{1}{2}$ "	Oct., 1845, 3 pr. ct. Oct., 1845, 3 $\frac{1}{2}$ "	Oct., 1845, 3 pr. ct. Oct., 1845, 3 $\frac{1}{2}$ "
Amount of reserved profits at the time of declaring the last dividend -	-	11,475 98	40,053 65	618 68
Amount of debts due to each bank, secured by pledge of its stock -	-	1,354 71	12,900 00	1,100 00
Amount of debts due and unpaid, and considered doubtful -	-	2,566 64	-	4,613 44

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	LEE.		PITTSFIELD.		STOCKBRIDGE.		CANTON.		DEDHAM.	
	Lce.		Agricultural.	Housatonic.	Neponset.	Dedham.				
<b>DUE FROM THE BANKS.</b>										
Capital stock paid in	\$100,000 00	\$100,000 00	\$100,000 00	\$100,000 00	\$100,000 00	\$150,000 00				
Bills in circulation of five dollars and upwards	77,710 00	97,625 00	97,625 00	98,180 00	49,765 00	107,863 00				
Bills in circulation less than five dollars	23,467 00	16,572 00	16,572 00	23,639 00	20,636 00	22,267 00				
Net profits on hand	4,435 63	23,566 33	23,566 33	16,752 81	4,013 58	23,410 79				
Balances due to other banks	12,663 11	690 70	690 70	250 00	-	3,799 38				
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	6,713 84	38,800 03	38,800 03	14,546 94	9,038 31	50,423 56				
Cash deposited bearing interest										
<b>Total amount due from the banks</b>	<b>225,389 78</b>	<b>327,254 06</b>	<b>327,254 06</b>	<b>252,568 75</b>	<b>183,452 89</b>	<b>357,803 73</b>				
<b>RESOURCES OF THE BANKS.</b>										
Gold, silver, and other coined metals in their banking houses	4,990 91	8,571 50	8,571 50	4,911 49	3,700 97	16,186 46				
Real estate	2,331 36	5,484 90	5,484 90	2,000 00	2,433 60	2,867 71				
Bills of other banks incorporated in this State	2,900 00	1,249 00	1,249 00	-	38 00	448 00				
Bills of other banks incorporated elsewhere	1,958 00	1,402 00	1,402 00	941 00	17 00	276 00				
Balances due from other banks	4,642 79	109,167 13	109,167 13	62,017 94	19,699 08	42,806 41				
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	209,666 73	202,379 53	202,379 53	182,698 32	157,564 24	205,169 15				
<b>Total amount of the resources of the banks</b>	<b>225,389 78</b>	<b>327,254 06</b>	<b>327,254 06</b>	<b>252,568 75</b>	<b>183,452 89</b>	<b>357,803 73</b>				

	LEE.		PITTSFIELD.		STOCKBRIDGE.		CANTON.		DEDHAM.	
	Lce.		Agricultural.	Housatonic.	Neponset.	Dedham.				
<b>Rate and amount of dividends since the last annual returns, with dates</b>	Oct., 1844, 3 pr. ct.	Oct., 1844, 4 pr. ct.	Oct., 1844, 4 pr. ct.	Oct., 1844, 3 pr. ct.	Oct., 1844, 3 pr. ct.	Nov., 1844, 4 pr. ct.				
	Apr., 1845, 3 "	Apr., 1845, 4 "	Apr., 1845, 4 "	Apr., 1845, 4 "	Oct., 1845, 3 "	May, 1845, 4 "				
	Oct., 1845, 3 "	Oct., 1845, 4 "	Oct., 1845, 4 "	Oct., 1845, 4 "	Oct., 1845, 3 "	Nov., 1845, 4 "				
	\$9,000 00	\$18,000 00	\$18,000 00	\$7,500 00	\$6,000 00	\$18,000 00				
<b>Amount of reserved profits at the time of declaring the last dividend</b>	3,364 78	22,633 12	22,633 12	15,591 55	3,079 69	23,382 14				
<b>Amount of debts due to each bank, secured by pledge of its stock</b>	5,900 00	9,000 00	9,000 00	-	1,750 00	6,208 28				
<b>Amount of debts due and unpaid, and considered doubtful</b>	1,549 73	223 96	223 96	-	6,981 79	251 00				

	DORCHESTER.	QUINCY.	RANDOLPH.	ROXBURY.	WEYMOUTH.
	Dorchester and Milton.	Quincy Stone.	Randolph.	People's.	Union Bank of Weymouth & Braintree.
<b>DUE FROM THE BANKS.</b>					
Capital stock paid in	\$100,000 00	\$100,000 00	\$150,000 00	\$100,000 00	\$100,000 00
Bills in circulation of five dollars and upwards	52,625 00	85,685 00	51,770 00	65,005 00	59,910 00
Bills in circulation less than five dollars	10,130 00	17,324 00	14,306 00	12,587 00	11,699 00
Net profits on hand	2,069 46	9,984 95	13,304 03	8,804 46	6,230 65
Balances due to other banks	-	-	7,263 99	-	-
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	30,839 61	25,895 76	14,674 85	53,089 11	7,963 94
Cash deposited bearing interest	-	-	-	-	-
Total amount due from the banks	185,564 07	238,889 71	251,318 87	239,485 57	185,863 59
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking-houses	7,675 39	10,777 93	5,593 86	8,464 44	4,042 36
Real estate	1,155 00	4,650 00	1,555 00	5,865 00	6,314 82
Bills of other banks incorporated in this State	235 00	2,220 00	-	1,876 00	1,876 00
Bills of other banks incorporated elsewhere	7,851 54	411 00	3,939 63	22,951 55	14,251 50
Balances due from other banks	-	21,000 33	-	-	-
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	168,647 14	199,830 45	240,170 38	200,007 58	159,378 91
Total amount of the resources of the banks	185,564 07	238,889 71	251,318 87	239,485 57	185,863 59

	Oct., 1844, 2 <sup>d</sup> pr. ct.	Oct., 1844, 3 <sup>d</sup> pr. ct.	Oct., 1844, 3 pr. ct.	Oct., 1844, 3 pr. ct.	Oct., 1844, 3 pr. ct.
Rate and amount of dividends since the last annual returns, with dates	Ap'l, 1845, 2 <sup>d</sup> "	Ap'l, 1845, 3 <sup>d</sup> "	Ap'l, 1845, 3 "	Ap'l, 1845, 4 "	Ap'l, 1845, 3 "
	Oct., 1845, 3 "	Oct., 1845, 5 "	Oct., 1845, 3 "	Oct., 1845, 4 "	Oct., 1845, 3 "
Amount of reserved profits at the time of declaring the last dividend	\$8,000 00	\$12,000 00	\$13,500 00	\$11,000 00	\$9,000 00
Amount of debts due to each bank, secured by pledge of its stock	1,108 54	7,400 00	9,725 48	8,221 90	2,100 49
Amount of debts due and unpaid, and considered doubtful	1,100 00	2,000 00	300 00	-	697 25
	7,500 00	-	-	-	-

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	WRENTHAM.	ATTLEBOROUGH.	FAIRHAVEN.	FALL RIVER.	NEW BEDFORD.
	Wrentham.	Attleborough.	Fairhaven.	Fall River.	Bedford Commercial.
<b>DUES FROM THE BANKS.</b>					
Capital stock paid in	\$150,000 00	\$100,000 00	\$200,000 00	\$300,000 00	\$400,000 00
Bills in circulation of five dollars and upwards	49,800 00	38,185 00	77,409 00	119,485 00	148,195 00
Bills in circulation less than five dollars	19,147 00	20,000 00	12,924 25	17,893 00	19,131 00
Net profits on hand	2,448 19	5,933 78	4,319 28	52,303 97	17,158 68
Balances due to other banks	6,116 20	145 21	1,128 51	10,228 39	11,385 49
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	11,736 67	12,429 80	37,242 57	46,259 75	89,955 69
Cash deposited bearing interest	-	-	-	-	10,000 00
<b>Total amount due from the banks</b>	<b>239,308 06</b>	<b>176,783 88</b>	<b>332,923 61</b>	<b>546,570 11</b>	<b>695,725 86</b>
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking-houses	3,214 03	4,459 67	4,805 65	7,224 13	6,212 86
Real estate	957 53	5,000 00	5,000 00	8,053 11	18,000 00
Bills of other banks incorporated in this State	62 00	290 00	953 00	9,893 05	10,190 00
Bills of other banks incorporated elsewhere	60 00	117 00	15 00	-	5,007 39
Balances due from other banks	3,738 80	6,056 82	25,632 50	32,554 15	28,077 26
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	231,275 70	160,852 39	296,517 46	488,835 07	628,238 35
<b>Total amount of the resources of the banks</b>	<b>239,308 06</b>	<b>176,783 88</b>	<b>332,923 61</b>	<b>546,570 11</b>	<b>695,725 86</b>

Rate and amount of dividends since the last annual returns, with dates	May, 1845, 3 pr. ct.	Oct., 1844, 3 pr. ct.			
	Nov., 1845, 3 "	Apr., 1845, 3 "	Apr., 1845, 3 "	Apr., 1845, 3 "	Apr., 1845, 3 "
	\$9,000 00	\$9,000 00	\$18,000 00	\$21,000 00	\$36,000 00
Amount of reserved profits at the time of declaring the last dividend	2,448 19	5,511 59	2,741 90	17,937 20	15,062 38
Amount of debts due to each bank, secured by pledge of its stock	6,141 00	-	5,604 00	8,105 00	-
Amount of debts due and unpaid, and considered doubtful	4,845 79	1,030 61	-	19,570 00	200 00

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	NEW BEDFORD.			PAWTUCKET.	TAUNTON.
	Marine.	Mechanics'.	Merchants'.		
<b>DUE FROM THE BANKS.</b>					
Capital stock paid in	\$300,000 00	\$200,000 00	\$400,000 00	\$100,000 00	\$200,000 00
Bills in circulation of five dollars and upwards	91,300 00	53,730 00	124,825 00	40,585 00	151,135 00
Bills in circulation less than five dollars	15,371 00	4,589 00	13,126 00	17,165 00	33,096 00
Net profits on hand	12,428 24	4,525 33	22,091 91	2,476 68	9,242 43
Balances due to other banks	10,923 13	4,899 92	16,843 50	1,605 94	8,815 63
Cash deposited, including all sums whatsoever due from the banks, not bearing interest, its bills in circulation, profits and balances due to other banks excepted	60,420 04	47,547 12	105,206 44	68,326 15	53,446 43
Cash deposited bearing interest	31,608 93				
<b>Total amount due from the banks</b>	522,051 94	315,291 43	682,092 85	230,168 67	455,735 49
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking-houses	6,137 25	10,146 52	8,750 99	2,790 03	4,189 84
Real estate	10,000 00	9,000 00	16,000 00	20,159 97	10,875 00
Bills of other banks incorporated in this State	725 00	1,229 00	773 00	2,261 06	416 60
Bills of other banks incorporated elsewhere	.67 00	326 00	435 00	11,028 00	1,457 00
Balances due from other banks	25,605 54	7,582 29	40,452 31	47,514 31	36,774 04
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	479,517 15	287,007 62	615,651 55	146,375 36	402,023 01
<b>Total amount of the resources of the banks</b>	522,051 94	315,291 43	682,092 85	230,168 67	455,735 49

Rate and amount of dividends since the last annual returns, with dates	Oct., 1844, 3 per ct. Ap'l, 1845, 3 "	Oct., 1844, 3 per ct. Ap'l, 1845, 3 "	Oct., 1844, 3 per ct. Ap'l, 1845, 3 "	Jan., 1845, 3 per ct. July, 1845, 3 "	Ap'l, 1845, 4 per ct. Oct., 1845, 4 "
Amount of reserved profits at the time of declaring the last dividend	\$18,000 00	\$18,000 00	\$36,000 00	\$0,000 00	\$16,000 00
Amount of debts due to each bank, secured by pledge of its stock	12,757 66	3,522 97	19,753 65	522 08	8,715 98
Amount of debts due and unpaid, and considered doubtful	-	1,533 57	2,700 00	3,300 00	14,279 00

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	TAUNTON.	HINGHAM.	PLYMOUTH.		WAREHAM.
	Taunton.	Hingham.	Old Colony.	Plymouth,	Wareham.
<b>DUE FROM THE BANKS.</b>					
Capital stock paid in	\$200,000 00	\$105,000 00	\$100,000 00	\$100,000 00	\$100,000 00
Bills in circulation of five dollars and upwards	114,830 00	115,666 00	71,710 00	38,285 00	44,145 00
Bills in circulation less than five dollars	23,823 25	19,261 00	17,926 00	9,571 00	10,165 00
Net profits on hand	1,035 61	10,240 32	7,306 38	6,436 33	433 67
Balances due to other banks	22,096 01				
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	65,618 70	44,049 97	26,712 41	8,576 75	12,198 38
Cash deposited bearing interest					
<b>Total amount due from the banks</b>	428,263 57	294,217 29	223,654 79	162,868 08	166,942 05
<b>RESOURCES OF THE BANKS.</b>					
Gold, silver, and other coined metals in their banking houses	7,569 38	7,061 87	2,078 47	4,383 66	2,210 87
Real estate	5,000 00	11,516 57	2,500 00	6,541 00	2,576 86
Bills of other banks incorporated in this State	313 00	5,928 38	2,382 47	7,206 03	551 00
Bills of other banks incorporated elsewhere	13 00	18 00			
Balances due from other banks	18,600 91	60,249 37	32,252 13	3,809 25	242 00
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks					15,558 76
<b>Total amount of the resources of the banks</b>	396,767 28	209,443 10	184,431 72	140,838 08	146,802 56
	428,263 57	294,217 29	223,654 79	162,868 08	166,942 05

	Oct., 1844, 3 pr. ct.	Ap'l, 1845, 3 "	Oct., 1845, 4 "	Oct., 1845, 3 "	Oct., 1844, 3 pr. ct.	Ap'l, 1845, 3 "	Oct., 1845, 3 "	Oct., 1845, 3 "
<b>Rate and amount of dividends since the last annual returns, with dates</b>								
	\$20,000 00	8,156 87	3,550 00	6,373 65	\$11,000 00	6,656 74	\$9,000 00	\$9,000 00
<b>Amount of reserved profits at the time of declaring the last dividend</b>	2,454 51			1,600 00				197 50
<b>Amount of debts due to each bank, secured by pledge of its stock</b>	12,535 00	3,550 00						200 00
<b>Amount of debts due and unpaid, and considered doubtful</b>						150 00		320 00

Abstract exhibiting the condition of the banks in Massachusetts—Continued.

	FALMOUTH.		YARMOUTH.		NANTUCKET.	
	Falmouth.	Barnstable.	Manufacturers and Mechanics.	Pacific.		
<b>DUE FROM THE BANKS.</b>						
Capital stock paid in -	\$100,000 00	\$150,000 00	\$100,000 00	\$200,000 00		
Bills in circulation of five dollars and upwards -	51,300 00	121,090 00	53,805 00	63,625 75		
Bills in circulation less than five dollars -	2,741 00	8,004 00	9,599 00	15,903 00		
Net profits on hand -	1,845 71	11,048 13	2,916 44	15,245 15		
Balances due to other banks -	-	-	10,643 17	405 25		
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted -	12,953 79	17,637 71	56,787 61	124,176 60		
Cash deposited bearing interest -	-	-	-	161,085 26		
Total amount due from the banks -	168,740 50	307,779 84	233,811 25	437,441 01		
<b>RESOURCES OF THE BANKS.</b>						
Gold, silver, and other coined metals in their banking houses -	4,928 93	5,814 55	3,216 43	8,486 87		
Real estate -	4,950 00	2,042 68	7,803 42	20,845 79		
Bills of other banks incorporated in this State -	1,794 00	1,362 00	6,436 00	1,805 00		
Bills of other banks incorporated elsewhere -	250 00	1,037 00	4,317 00	65 00		
Balances due from other banks -	134 36	19,780 37	22,974 26	37,325 04		
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks -	156,693 21	277,743 24	188,984 14	368,914 31		
Total amount of the resources of the banks -	168,740 50	307,779 84	233,811 25	437,441 01		

Rate and amount of dividends since the last annual returns, with dates -	Oct., 1844, 24 per cent.		Oct., 1844, 3 per cent.		Apr'l, 1845, 31 per cent.		Apr'l, 1845, 21 per cent.	
	Oct., 1845, 3 "	Oct., 1845, 3 "	Oct., 1845, 4 "	Oct., 1845, 4 "	Oct., 1845, 31 "	Oct., 1845, 31 "	Oct., 1845, 21 "	Oct., 1845, 21 "
Amount of reserved profits at the time of declaring the last dividend -	\$8,580 00	\$8,580 00	\$15,750 00	\$15,750 00	\$7,000 00	\$7,000 00	\$10,000 00	\$10,000 00
Amount of debts due to each bank, secured by pledge of its stock -	1,261 05	1,261 05	10,127 45	10,127 45	2,063 67	2,063 67	14,701 24	14,701 24
Amount of debts due and unpaid, and considered doubtful -	280 00	280 00	8,245 00	8,245 00	-	-	1,835 86	1,835 86
	-	-	875 00	875 00	-	-	645 99	645 99

RECAPITULATION.

	24 banks in Boston.	80 banks out of Boston.	Total—104 banks.
<b>DUE FROM THE BANKS.</b>			
Capital stock paid in	\$18,030,000 00	\$12,940,000 00	\$30,970,000 00
Bills in circulation of five dollars and upwards	5,252,631 00	7,045,245 75	12,297,876 75
Bills in circulation less than five dollars	668,614 00	1,373,192 25	2,041,806 25
Net profits on hand	1,201,134 69	709,331 05	1,910,465 74
Balances due to other banks	4,865,678 18	180,443 67	5,046,121 85
Cash deposited, including all sums whatsoever due from the banks, not bearing interest, its bills in circulation, profits and balances due to other banks excepted	8,809,526 54	2,858,607 37	11,668,133 91
Cash deposited bearing interest	923,611 34	160,577 22	1,084,188 56
<b>Total amount due from the banks</b>	<b>39,750,228 75</b>	<b>25,267,396 31</b>	<b>65,017,625 06</b>
<b>RESOURCES OF THE BANKS.</b>			
Gold, silver, and other coined metals in their banking-houses	2,773,930 10	583,974 25	3,357,904 35
Real estate	637,616 11	409,363 19	1,046,979 30
Bills of other banks incorporated in this State	2,383,083 66	228,968 08	2,612,051 74
Bills of other banks incorporated elsewhere	346,309 00	50,843 34	397,152 34
Balances due from other banks	2,603,482 91	2,299,424 74	4,902,907 65
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	30,945,866 97	21,703,842 71	52,649,709 68
<b>Total amount of the resources of the banks</b>	<b>39,750,228 75</b>	<b>25,267,396 31</b>	<b>65,017,625 06</b>
Amount of the dividends for the year	1,059,850 00	770,000 00	1,830,850 00
Amount of reserved profits at the time of declaring the last dividend	233,510 00	535,553 75	1,519,063 81
Amount of debts due to each bank, secured by pledge of its stock	309,491 08	340,504 84	649,995 92
Amount of debts due and unpaid, and considered doubtful	57,110 48	173,843 33	220,953 81

NOTE.

Aggregate dividends of banks in Boston for the year, a fraction over 6 4-100 per cent.  
 Aggregate dividends of banks in Boston in October, 1845, a fraction over 3 21-100 per cent.  
 Aggregate dividends of banks out of Boston for the year, a fraction over 5 95-100 per cent.  
 Aggregate dividends of banks out of Boston in October, 1845, a fraction over 3 9-100 per ct.  
 Aggregate dividends of all the banks for the year, a fraction over 6 per cent.  
 Aggregate dividends of all the banks in October, 1845, a fraction over 3 16-100 per cent.

REMARKS.

By acts passed at the last session of the legislature—  
 The Cabot Bank, at Cabotville, in Springfield, was established;  
 The Freeman's Bank, in Boston, was authorized to increase its capital stock \$50,000, and it was increased accordingly; and  
 The Merchants' Bank, in Salem, was authorized to reduce its capital stock \$200,000, and it was so reduced.  
 The Millbury Bank, in Millbury, has returned its capital stock as \$50,000, to which sum it was authorized to reduce the same by the act of 1845, chap. 44. But the commissioners' certificate, required by the act as a condition of said reduction, was not made within the time specified by law.  
 The capital stock of the Merchants' Bank in Boston was increased \$500,000 October 7, 1845, in pursuance of an act of 1844, chap. 95.  
 In the column of "Cash deposited bearing interest," are included the sums borrowed of the Commonwealth by the following banks in Boston, viz: City, \$100,000; Eagle, \$60,000; Globe, \$54,000; North, \$17,000; and State, \$39,000.  
 The return from the Shoe and Leather Dealers' Bank in Boston gives \$239,604 74 in the column of "Balances due to other banks," and adds, ("partly bearing interest.")  
 The attestations to the returns from the Greenfield Bank, the Mechanics' Bank at New Bedford, and the Housatonic Bank, are defective in respect to some of the forms required by law. In the return of the Pacific Bank of Nantucket, another person signs and affirms for the cashier.

Synopsis of returns of banks in Massachusetts, from September, 1841, to November, 1845.

	Number of banks 114.	Number of banks 111.	Number of banks 103.	Number of banks 103.	Number of b'ks 104.
Due from the banks.	September, 1841.	October, 1842.	August, 1843.	July, 1844.	November, 1845.
Capital stock paid in	\$33,360,000 00	\$32,631,060 00	\$31,089,800 00	\$30,020,000 00	\$30,970,000 00
Bills in circulation of five dollars and upwards	7,599,677 00	6,633,496 00	7,871,567 50	10,435,630 25	12,297,879
Bills in circulation less than five dollars	1,609,435 00	1,416,410 75	1,347,700 00	1,747,528 00	2,041,806
Net profits on hand	2,792,114 07	2,331,474 82	2,312,366 59	1,989,132 29	1,910,465
Balances due to other banks	4,413,506 30	3,307,011 60	8,195,813 43	5,066,787 31	5,046,120
Cash deposited, including all sums whatsoever due from the banks not bearing interest, its bills in circulation, profits and balances due to other banks excepted	7,144,899 55	6,130,164 73	10,213,887 92	12,234,304 94	11,668,133
Cash deposited, bearing interest	1,459,821 80	1,326,238 41	714,597 13	796,800 60	1,083,218
Total amount due from the banks	58,079,474 01	53,775,856 31	61,745,732 97	62,290,183 39	65,017,625

Synopsis of the returns of banks in Massachusetts—Continued.

	Number of banks 114.	Number of banks 111.	Number of banks 103.	Number of banks 103.	Number of b'ks 104.
Resources of the banks.	September, 1841.	October, 1842.	August, 1843.	July, 1844.	November, 1845.
Gold, silver, and other coined metals in their banking-houses	\$3,111,837 84	\$2,682,399 55	\$7,298,815 69	\$4,587,140 80	\$3,357,904
Real estate	1,236,191 22	1,174,459 99	1,161,866 38	1,208,191 93	1,097,969
Bills of other banks incorporated in this State	2,121,618 38	1,678,278 73	1,847,211 95	2,191,646 63	2,612,961
Bills of other banks incorporated elsewhere	192,818 85	204,728 60	144,631 15	202,090 63	297,152
Balances due from other banks	4,461,046 93	3,415,084 25	8,260,895 88	5,336,148 93	4,902,997
Amount of all debts due, including notes, bills of exchange, and all stocks and funded debts of every description, excepting the balances due from other banks	47,553,960 66	44,610,391 18	42,993,291 92	48,770,975 07	52,648,739
Total amount of the resources of the banks	58,679,473 88	53,765,252 30	61,745,732 97	62,290,183 39	65,017,625
Rate and amount of the last semi-annual dividend	\$992,145 00	\$811,995 00	\$1,240,540 00	\$1,465,490 00	\$1,830,540
Amount of reserved profits at the time of declaring the last dividend	1,363,114 50	1,426,204 69	1,538,069 28	1,379,249 40	1,519,063
Amount of debts due to each bank, secured by pledge of its stock	941,789 65	939,933 30	887,841 31	623,085 94	649,995
Amount of debts due and unpaid, considered doubtful	1,043,165 66	1,107,545 91	954,521 90	544,563 70	229,953

September, 1841.—Aggregate of dividends of all the banks a fraction over 2 97-100 per cent. for six months.  
 October, 1842. do. short of 2 49-100 do.  
 August, 1843. do. over 3 98-100 do.  
 July, 1844. do. over 4 80-100 per cent. for the year.  
 November, 1845. do. do.