

## Stadford Reporter. Free Soil, Free Speech, Free Men Rysofom the Prot Territory.

E. O. GOODRICH, EDITOR.

# Towanda, Saturday, March 22, 1851

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### Susquehanna County Bank.

The report of Messrs WRIGHT & BUCKALEW, Commissioners to investigate the affairs of the Bank of have awaited with some anxiety for the forthcoming report, and have extracted from it as liberally as our space would permit.

The Commissioners appear to have executed the duty enjoined upon them as thoroughly and impartially as it was possible for them to do. It is not to be expected that an association of financiers, bent on defrauding community, and enjoying the immunities and privileges which a charter gives them, will do their work so bunglingly as to fear the partial investigation which a Committee of this character will be able to institute—they are trenched nround with too many plausible pretexts-they cover their nefarious transactions with at least a show of furness and legality, or they hide in the bosoms of interested swindlers, the knowledge of the evil function of the deeds—to be reached by unything short of the deeds—to be reached by unything short of the strong arm of the law. Under these much of suffering and sorrow it may have occase plus slock. One of the members of this stock comeircumstances it is only wonderful that the commit ice have been able to disclose so much of rottenness-to unkennell so much rescality. They have apparently consured when censure was deserving, and have brought to the light enough of evidence to give the public an opportunity of tracing from its inception to the denouement, the infamous and corrupt management, which has made the Susquehanna County Bank a reproach to oursister county, un l a stigm's upon the characters of its controllers.

By the plain meaning and expression of the law, this Bank was not to commence Bunking operations, until the whole amount of capital stock was . paid in. The evidence discloses the important fact that certificates of stock to the amount of some thirty thousand dollars was the whole amount ever issued-that the balance of stock subscribed was never paid in, but stood in the name of a surplus stock company of which in its latter days ifon. War. JESSUP, was the President. That in 1943, but four years after the Bank went into operation, the stock was transferred to the Bank, and the stock notes therefor cancelled—the amount being \$31,800, leav.

Yet the Towarda Bank in its darkest shades, was vor of the bank, about the time of its organization. A specie loan of eleven thousand six hundred and fifty-five dollars and thirty seven cents was made ing at flat time but \$18,200 dollars, in stock, own. fmnd. ed by individuals. Well may the Commissioners say that "the whole transaction in relation to the surplus stock was in open and flagrant violation of law, by wild and expanded banking operations, or vi.

by wild and expanded banking operations, or vi.

these stock notes were returned to the bank, and and the groundwork of the subsequent disasters and

wismanagement of the institution." From its very commencement we need hardly say, the Susquehanna County Bank was a swindle and a fraud upon community By a stroke of financial policy-which to our mind looks like a plain and outrageous swindle—the institution was enabled to go into operation in violation of law, and in total disregard of the rights and security of community, none of whom were aware of this disreputable 4 dodge" and most of whom looked upon the perpetrators of the scheme as palterns of morality, or pillars in the church. There is no exeuse for the men who participated in it-they are justly censurable for all the subsequent calamities the bar of public opinion for the outrage they have committed upon community. That they took the first favorable opportunity to release themselves from any legal-nesponsibility they were under in this dark transaction, appears from the minutes, while they were careful to be re-imbursed for the expense they had incurred in deceiving the Legislation, and preparing community for heavy losses and deep distress.

That community should repose confidence in the men who have thus basely betrayed them, is by no means singular. They did not expect to see the dignity of the judicial ermine, clocking the violation of law, perpetrated in the very origin of this institution—they supposed that those whose business it was to administer and guard the law, would not permit it to be trespassed upon, either knowingly or tacitly. They have forgotten that the corrunting influence of such a chartered and irresponsible monopoly, breaks down all the safe guards of morality, and by temptations to speculations of doubtful characterishuts the eyes of sanctimonious piety to financial operations, which, were they on a smaller scale, would bring the operators to the bar of fig 2. On the right upper end is the word "Two," Pastice. Men who would scorn to injure their on an oval die, and below is a country maid charmare quite ready to participate in an open violation a blacksmith, anvil, &c. below. of law, of common honesty, by which is laid the foundation of wrong and distress, when the amount is hundreds of thousands. If it be not so, what excuse is there for those who have always been considered as examples for community-but who were deliberate participators in this "surplus stock" swindle? It will be no easy, matter to satisfy community in regard to this operation. Plausible excuses may be framed, but the plain and naked fact stands prominent, and will reveal itself through all the gauze in which it may be enveloped that the ing than any other. One of the best companies in and permitted this outrageous deception, are morally guilty of fraud, and a gross and inexcusable direlection of the duty to community.

The scape goat of the first failure was KELLUMfor the second, the Sr. Jourss. The first appears to be fully exculpated by the certificates of the Committee, which we publish—the offences of the second fail of seeing their practical demonstrations cond in our estimation, afford no palliation for the of this wonderful science. managers of the institution. The Sr. Jours, we believe, have suffered nothing in reputation by their connection with the Sasquehanna County Bank .- to Maj. A. J. Donalson & Gan, Armstrong, of by them, the said directors and stockholders.

nreasonable enough to suppose that but for public confidence in the men who corropated the Banks at Montrose, the ST Konsa could have gast an interest into a single spasm which looked life! By no means. It would have been a pseless and impactitude attempt. Could it have been effected it is had been known, that but \$18,200 of its capital Bank of Susquehanna Co. stock was held by individuals, or had ever been puid in 1. Censiuly not. But from the rengiation of the men who vouched for the slanding of the Bank, it struggled against the odium under which labored, until finally it had partially recovered.

The immediate cause of the failure of the Bank. (if we leave out of riew that itchad nothing to do necessary; and in fact, appears to be contemplated transactions, is given in the report of the Commissioners. Who were the speculators here; is not ascertained, and the St. Johns came in fot all the speculators of the St. Johns came in fot all the speculators of the St. Johns came in fot all the speculators are of thy dollars each. The capital stock to be made the speculators here; is not died thousand dollars each. The capital stock was Susquehanna County has at last made its appear- we are content... They have either been actuated it inspended. It was respectively, and resumed ance. As we were unable to avail ourselves of the by mercenary motives, or have been growly and operations in April, 1845, and it finally failed 27th kind and pressing invitation received by us on the culpably careless. Either horn of the dilemma dent of the bank from its organization until his death, in April, 1841, when William L. Post was public are aware that their sanction was given to that they were the dupes of designing men, in put until 21st June, 1843. There was then no cashier that they were the dupes of designing men, in put-ting in circulation: \$300,000 of their money, was elected. He served until 4th August, 1849, under circumstances which rendered it morally certain, that a loss must necessarily overtake
community. If there is one shade in the affair

Albertake the state it is this landing such a large.

Was elected. He served until an August, 1049,
when C. P. De Lamater was chosen, who continue
ed to be the cashier until the failure in October.—
No bail was ever given by Thomas P. St. John, or C.
P. De Lamater, while they acted as cashiers: The There is no explanation for it, consistent with hos reported. nesty and fair-dealing.

So much for the published history of this concern and the misdeeds of the men who directed its open widuals residing in the vicinity of the bank, and to rations. It shows a lack of moral principle, by no this end the company procure I ten thousand dollars means creditable to human nature. But while we from the Towarda Bank, to pay the ten per cent sioned. Not a paper bubble bursts but carries dis. Pany was chosen treasurer to the commissioners tress to the homes and families of the laboring classold list September, 1837. It was bidden off in the see. While the rich man, by his unhallowed names of individuals, and the ten per cent paid, schemes, manages to fill his coffers, the poor laborers is deprived of the necessaries of life, by the instantaneous depreciation of the paper money he has stantaneous depreciation of the paper money he has received to his toil. The hearing of the Toward received for his toil. The burnting of the Towanreceived for his toil. The bursting of the Towan- The bank did not go into operation for more than a da Bank, caused great distress among the laboring year after the sale of the stock, and during that time classes and farmers of this county, as well as some few shares of the surplus stock was taken by abroad. The Public Ledger, of 1841, gives the following affecting incident, of that memorable occurlowing affecting incident, of that memorable occurresolution, appointed the president of the bank, and

rence : "Hundreds of poor laborers were to be seen running in every direction, with their hands full of the
portion of the surplus stock; but no very consideratrash and not able to induce a broker to give a sixpence on the dollar for them. We passed in the
notes were given upon 4th December, 1836 to rep. market a woman who makes her living by selling butter, eggs and vegetables, who had almost al she is worth, about \$17, in Towanda bank notes. When apprized that it was worthless she sank down in agony upon her stool and wept like a child. This is but one of a hundred similar cases, for the mark Aller & Payon members in the city of them.

The collapse of these air-blown bladders which defunct, before a set of harpies, like buzzard's, fix newal thereof, both drawn payable to the bank, and eculations. No sooner is the thing fairly upon the carcase, and generally manage to gorge signed by the members of the stock company, one themselves to repletion. The assets, under their for forty-eight thousand three hundred and fortyfour dollars and sixty three cents, and the other for management, are diminished with frightful rapidly.

Who ever knew of a broken bank, which, however abundant may have been the means originally,

abundant may have been the means originally, was not completely cleared out by those whose con-nexion gave them opportunities, while the bill-1844, with John F. Means Eq., of Towanda, where accounts should be kept of amounts put into circunexion gave them opportunities, while the billholders and stock-holders whistled for their money? An instance to the contrary would be remarkable. An instance to the contrary would be remarkable, a resolution authorizing an assignment or transfer of parties; that the notes issued to Mann should be an investigation of the affairs of the rotten concern the surplus stock to the bank, and that the stock notes distinguished by a particular mark or designation here, which still emits a stench, would show a series of atrocious villanies, hid from the gaze of men, and the perpetrators enjoying their ill-gotten gains which beful the bank, and they are answerable at -if there can be any enjoyment in what is unjustly obtained. So, we presume, will be the case with the Susquedianna County Bank :- that those who are declaiming against the Sr. Johns the most indignantly, will be the most vociferous, while they are quietly picking from the defunct body all the substance left (If the "widows, young ladies and infirm persons" have been benefitted by the fatherly care manifested for them, it will indeed be "gleam of light" upon this dark transaction.)

> NEW YORK SENATOR.—Hon. HAMILTON FISH WAS sion until 2 o'clock, A. M. The "silver grays," the institution. declined voting.

GREELY announces a salute of one hundred in the Battery, in henor of of the election of HAMILTON Fish, and adds that "the Union Committee is not expected to pay for the powder."

LOOK OUT FOR COUNTERFEITS .- A dangerous counterfeit has just been put in circulation. It is a two on the Putnam County Bank, N. Y., an exact imitation of the genuine-vig. small State arms and

We understand that quite a number of these

dressing him personally or by letter.

Charge orange. - Dr. C. L. Sykes and Prof. J. K. HENRY will lecture at Mercur's Hall on Friday evening, upon the wonders of Clairvoyance, and give many interesting and convincing experiments. As the price of admission is but 124 cents, no-one

GF FATHER RITCHIE has disposed of the Union

# MESSES WINGHT & BUCKALEW TO INVESTIGATE THE AFFAIRS OF THE

To the Honorable the Senate and House of Representa-tives of the Commonwealth of Pennsylvania:

The commissioners to investigate the affaire the Bank of Susquehanna County, report : That they have discharged their duties prescrit These men their turn in vain to belabor the ST ed in the act appointing them, and transmit here. Johns, for without the epilipsement to falled staid with the proportion of the divergence. In order to report accurately by the divergence of the falled of t the cause of the failure of the bank, a statement of

blame. If this satisfies the conscience of the di- sold by commissioners upon the first day of Sepblame. If this satisfies the conscience of the di-rectors who sanctioned these loans—if such a less ble excuse avails them in the eyes of the public, continued to do business until January, 1813, when elected, who continued president until the final the transaction; they will not allow as an excuse failure in 1847. Isaao S. Kullum served as cashier darker than the rest, it is this lending such a large names of the directors as they were sumually choamount to irresponsible persons, without security. sen since 1844, uppear in the evidence herewith

Prior to 1st September, 1837 (when the stock was sold.) a company was formed for the purpose William Ward, a committee with full powers to neis but one of a hundred similar cases, for the mar-ket has been full of the trash for a week or more."

Allen & Paxon, merchants in the city of New York,
ket has been full of the trash for a week or more."

and a formal credit therefor entered by them in fafrom Allen & Paxon about the same time, and that sum actually remitted to the bank about 7th Janua. they bave remained ever since. Upon the 27th lation, as well of amounts redeemed and returned November, 1843, the discetors of the bank passed to the bank, and settled semi-annually between the for was made accordingly. The amount of surplus should provide funds for the redemption of the stock so transferred to the bank, is stated upon the notes in the City of New York, and upon failure to transfer book, to be sixteen hundred and thirty-six do so for sixty days after written notice from the shares, amounting to sighty one thousand eight bank, the latter have the right of annulling the conhundred dollars, there would, therefore, remain but tract, and thereupon the whole amount baned to eighteen thousand two hundred dollars (three hun- be forthwish due; and finally, that the contract

lews, in relation to payment of the stock (P. Laws, 1837, page 280:).

"Sign 7. No discounts shall be made, nor any notes issued by said bank, until the whole of the capital stock there be paid in ; nor shall any loan be made upon the pledge of its own stock."

The fact that the capital stock was not paid in, was suppressed, and unknown to the Legislature and the public. The annual sports to the Auditor General represented the capital stock at its full amount of one hundred thousand dollars, during the whole existence of the bank; and the evidence of one of the stock holders, resident in Montrose, is, that he had no suspicion that the whole sizek was not paid in, until after the suspension in 1843. The neighbors to the amount of a dullar, nevertheless ing. On the left upper end the word "Two," with not paid in, until after the suspension in 1848. The returns to the Auditor General were usually sworn to by the cashier, before a justice of the peace, who was one of the directors of the bank, and constituwas one of the directors of the bank, and constituted the official intelligence given to the public by the institution, in relation to its condition and man-agement. The two last reports were not sworn to, but had to them a statement bearing the appear. The trouves to the bank and lack of actual capital by the bank, doublest led to the arrangements entered into in 1844 and 1845, for the re-organization of the institution, in connection with the resumption of operations. The sunstitution, it is more deserving than any other. One of the best companies in its least of the bank in and other than a subsection with the resumption of operations. The sunstitution, it is more deserving than any other. One of the best companies in the institution; but the cashier, and its least of the bank, it appears that twenty nine thousand dollars, por the same to least of the bank, it appears that twenty nine thousand dollars of notes were issued to Thompson in the early part of August, 1849, and that, by subsection with the resumption of the president of the early part of August, 1849, and that, by subsection with the resumption of the president of the early part of August, 1849, and that, by subsection with the resumption of the parties.

In the understand that quite and the directors of the bank, and constitution by instent between the parties.

Among the papers of the bank, failure, was an agreement between the bank and constitution, in the papers of the bank, failure, was an agreement between the bank and constitution, in the papers of the bank, failure, was an agreement between the bank and constitution, in the institution in fact. The given the same that the official intelligence given to the parties.

Among the papers of the bank, found after the failure, was an agreement between the bank and constitution, in the institution in fact. The given the same that the parties.

In the transport of the bank and constitution in the parties.

In the official intelligence given to the option of the bank and man and the papers of the ba the gauze in which it may be enveloped—that the ling than any other. One of the best companies in bank in 1843 had but \$18,200 of its capital stock the United States, is the Un that mainly outstanding in the shape of debte due the institution, the bank was not in a condition to resume operations without some new arrangement in its organization, that should invigorate its credit and put it in possession of tands. Such an arrange-

Fourth—S. Johns & Boddard to Joan the bank funds, the reinstate in craftit, at air per cent, to be repaid when the bank was able.

St. John & Boddard were then a firm of trokers in Philadelphia. A. St. John's now a broker, and a resident of the city of N. York.

— Porsuant to this arrangement, Thomas P. St. John's resident of the city of N. York.

ohn came to Montrose, was chosen cashier, and the bank resumed business 9th of April, 1845.—A. Br John pant into the bank three thousand dollars, for the six thousand dollars worth of surplus stock sold him; and also paid in in additional one thousand dollars, for two thousand dollars worth of the same stock afterwards sold him on the same terms. This agreems of lour, thousand dollars, (independent of famile advanced on loud, if there were any ) constituted the basis of subsequent banking operations which were so extended; that at the time of the failure in 1849; the amount of notes out, was about two hundred and five thousand, dollars. In additional control of the subsequent of the subsequ tion, however, to this four thousand dollars, property owned by the bank and debts due it should be stimated, among its ullimate resources, and a portion of the notes out, issued under special contracts hereafter stated, although beyond the control of the bank, were possibly not in general circulation.

The original by laws of the bank, adopted 12th

December, 1838, appear calculated to secure a wholesome administration of its affairs. The third by law provides that paper exceeding two bundred and fifty dollars offered for discount, should have at least three responsible names, including the maket and drawer. The sixth, that no note or bill should be discounted, except with the assent of a majority of the directors present, exclusive of such as might appear as drawers or endorsers of said note or bill. The eleventh, that the president and cashier might icsount paper, between the regular discount days, with the consent of the resident directors, but all such discounts to be submitted to the board for their consideration at their next meeting. The thirteenth, that no note over four thousand dollars, be discounted for any person at one time. The fourteenth, that the cashier and clerks should give bonds with surety, for the performance of their trusts.
The twenty-fifth, that no note should be discounted or persons living out of the State, without at least one responsible endorser, resident within the State; and the twenty-ninth; that none of the by-laws should be rescinded or altered, paless at a meeting of two-thirds of the directors, and after notice of such proposed alteration.

The by laws do not appear to have been reseinded or changed by the directors; yet the bank was conducted in direct violation of their provisions.—
On 9th April, 1845, the directors adopted a resolution, "that the eashier or president be authorized to discount notes or make loans during recess between the meetings of the board;? and upon 13th February, 1847, they further resolved " that the cashier be authorized during the recess in the meetings of the board, to discount such as he may in his discretion think best." A more complete somender of the discounting business of the bank into irrosponsible hands, could not well be conceived .he cashier had never given bail, and besides the sixth and eleventh by-laws of the bank were; by these resolves, deliberately disregarded.

But the grossest violation, not only of the by-laws; out of a system of regular banking, was in regard to special loans. There were three loans, classed under this head, two of which are admitted to have been made under the authority of the directors, and he other, it is asserted by the bank, was made by the cashier without authority. For purposes of designation, these loans are named respectively—the Mann loan—the St. John's loan—and the Thomp-

THE MANN LOAN.

On the 13th day of May the directors resolved, that the president and cashier were anthorized to make an arrangement with Seth II. Mann, cashier of the Canal Bank of Cleveland, or with him and T. C. Severance, Cashier of the City Bank, Cleve-land, Othio, to formal him or them with the circulating notes of the Engagehanna County Bank, in amount not exceeding one hundred thousand dollars, on each terms as they might deem proper and just, and pending the exchange of contracts between the parties, the deliver to and Mann or Sove rance, such sums as they might deem proper.

Porsnant to this resolution a contract was en-tered into between the bank and S H. Mann, the terms of which were in substance: that the bank would loan to eaid Mann its circulating notes to the accounts should be kept of amounts put into circudred and sixty-foot chares,) at that time held by should remain in force, (unless forfeited as before individuals in their own right. The evidence is clear provided for one year after written notice from that the surplus stock was never actually paid in; and the bank to Mann, of a desire to terminate it. This that no certificates were ever issued therefor. The ten contract was submitted to the directors of the bank

per cent. in Towards money, paid thereon at the 7th of September, 1846, and by them ratified and sale, and the specie loan of Allen & Paxon, were confirmed. arranged by the bank, the stock company eventu-On the 13th of February, 1817, the directors, by by the bank for a time, and eventually cancelled by the directors without payment. The whole trans. and flagrant violation to the samples stock was in open and flagrant violation of law, and the grant and the grant without payment and the grant without payment. ally being subjected to no responsibility or loss.— resolution, authorized another loan to Mann, in The surplus stock notes were simply used or held amount not exceeding one hundred thousand dolthe same conditions. (The Fresident of the bank states his recollection to be, that this additional sum own names; I cannot say Whatever amount was was but ten thousand dollars; but this is in conelected U. S Senator from New York, on Wed- and flagrant violation of law, and the ground work was bot ten thousand dollars; but this is in conneeday morning last, the Legislature being in ses- of the spheoquent mismanagement and disasters of tradiction of the regular entry upon the minute The act incorporating the bank provides as follows, in relation to payment of the stock (P. Laws, or for the performance of any other of the stipulations

was authorized, upon the some as the one existing the stock was represented by the notes of this com with S. H. Mann. The contract was accordingly executed in writing, and the twenty thousand dollars issued thereon. Of this amount eight thousand sand dollars has been redeemed and returned to the bank, leaving twelve thousand dollars to be ad- was the president of the bank from its organization

the presence. At the time of the faffure, the actual lized in the transactions, so as to reduce the eventhe presence. At the time of the faffure, the actual lized in the transactions, so as to reduce the eventhe presence in the bank was thirty-seven and that loss, to the sums I have stated. The difficult amount of specie in the bank was thirty-seven and a half bents, which was increased by a repayment of one of the clerks, to long-two dollars and fifty. six cents. It is impossible to accertain the amount of good debts due the bank at the time of the faiture, in order to fix the value of its assets, from the uncertainty of the evidence in regard to discounts mace to William Bradfey and four or five offers, in the West. But, independent of those transactions, the ussets of the bank appear about as follows, at the date of the faildre

Specie: Care bus, collab sooner allad 700 842 86 \$36,214.28

The amount due depositors was three thousand five hundred and fifty five dollars, and the whole amount of notes out over two hundred thousand dollars. The greater part of the fourteen thousand lohars, marked doubtful above, will never be res-

Upon the discount book appear entries in rela-West, through the agency of E. A Thompson, or in connection with his dealings with the bank; and sure after the bank a greater part of the time, and deposit with the dealings with the bank; and sure the bank and sure the blow up in 1842, that the Tag entries bear date from May until August, 1849, whole of the capital stock was not paid in. I sup. and are of notes discounted; some of the later ones posed always, until then, that it had been paid in being apparently reprevals of former ones. The laws, during the time, a resident of Montrose, and tirst note discounted was one signed by William a merchant. There was a resolution offered, and first note discounted was one signed by William Bradley, and others, and endorsed by Thompson, for twenty thousand dollars. Subsequently notes of two thousand five hundred dollars were respectfally discounted to W. C. Hodgson, Peter Voorhies, J. C. Brown, William Bradley, &c. The twenty thousand dollar note is in possession of the bank, and the others are alleged to have gone into the hands of A. St. John, is unknown. The amount due from those persons is unknown; but it is clear that a large sum is irretrievably lost to the bank, upon those transactions." Nothing but speklessness could have prompted such discounts by the bank, made, as they were, in violation of every principle of prudence, and apparently with an utter disregard

The lack of capital to form the basis of operaions-the special loans to Mann and others-an these discounts to Bradley and others, were undoubtedly the causes of the failure of the Bank of Susquehama County. The Commissioners are impressed with the conviction, that as the manage ment of the institution originated in, and was connected with, the deceptive and unlawful arrange ments in regard to the capital stock, that a stringent provision in the charter, rendering directors personally liable to note holders, to the amount of the capital stock of the bank, or some provision of a similar character, would have created a whole-some restraint open the officers of the bank, and in all probability secured a prudent and careful ma-magement of its affairs. In case of a heavy personal responsibility upon the officers of the bank it is reasonable to believe that any such reckless loans and discounts as those before stated, would have

ever been made.

An explanation given for the fact of organizing the bank without the payment of the whole capital stock, is, that so much capital was not considered necessary. In that case, an application the Legis-lature to reduce the capital stock, was the plain course to pursue. At all events, this suggestion is no excuse for a violation of the charter, and a career of deception pursued for years toward the Legislature, and the public. A loss of over one hundred thousand dollars to innocent note holders, is the practical result of the policy adopted by those who had the organization and subsequent management of the bank in charge.

The commissioners in conclusion, take pleasure in stating, that the persons connected with the bank at Montrose, who were called upon, afforded every reasonable facility to the making of the investiga-tion, and that those of them who were examined as witnesses, testified with apparent fairness and fidelity. Nor did it appear in evidence that any of them had fraudulently abstracted the funds of the bank, or improperly applied them to their own pur-~€C. E WRIGHT.

C. R. BUCKALEW. EXTRACTS FROM THE EVIDENCE.

Hon. William Jessup, affirmed.
Prior to opening the books for subscribing stock, persons in Montrose who designed taking stock, having tearned that persons—brokers in New York and Philadelphia, proposed to take stock; at a meeting determined that the stock should be luken here, and a foreign influence should not govern the matter. The object proposed was, to secure the stock in this and adjoining counties. When the books were opened the stock was taken accordingly. I am unable to say by whom, or in what sums, stock was taken. A company having been formed for the purpose of taking all surplus stock that resident individuals did not want to take themsnives; the surplus stock beyond that was wanted by individuals in their own names, was taken by this company; to the whole amount of the capita paid to commissioners. The commissioners were Mr. George Fuller, and others. What arrangements was made by Ward and Biddle alterward with the surplus stock, I am not able to state. The surplus stock afterwards came into the name of James C. stock alterwards came thro the name of James C. Biddle & Co.; the company consisted of feace Post, David Post, Stivanus S. Mulford, C. L. Ward, Daniel Searle, Wm. Ward, Jesse Lane, Wm. L. Post, and myself. The stock stood in the name of James C. Biddle & Co. For about a plear after the content of the cont subscription, efforts were made to distribute this stock in the country; I am unable to say how much was distributed. So much of the original capital as was deemed necessary to do business by the directors, was actually paid in, and the residue of pany. Refore the bank went into operation, I ceased to be a director. From time to time I was afterward called upon to sign renewed stock notes, and did so. James C. Biddle died about 1842; he until his death, and had the principal charge of its financial concerns, as I understood. After his death, the company assumed the name of Wm. Jessup & Co., for the purposes of the stock standing in the name of James C. Biddle & Co. At some subsequent period; I was desired by others composing

In 1843, in February or March I was desired by The President of the Bank testifies, that the the directors to go to Philadelphia for the purpose to find the purpose of the leave of the directors to go to Philadelphia for the purpose of there assisting Mr. Post, the president of the leave of the bank, in arrangement of the business of the bank, cashiers, T.F. St. John, and De Eamatter, were which had fallen into difficulty with Storm & Morning and the filling and the filling and the standard of the business of the bank, the standard of the business of the bank, the standard of the business of the bank. and put it in possession of tends. Such an arrangement was male in 1845, but it was one of a visionary character, that could not reasonably be expected to eventuate otherwise than in disaster—
That arrangement was, substantially, as follows:

See That the directors and stockholders of the bank in regard to the Thompson and A. St. John of one-third (amounting to five or six thousand dollars) of the stock individually held by the same six thousand dollars worth of the same six thousand dollars worth of the same six thousand dollars worth of the surples stock for half nice—three thousand for the failure of the bank, the issues under them of the redemption of the redemption of the paper of the bank in the same way as those to Mann, in figures and the paper of the bank had so large a sum in their hands, for which they did not account, that redemptions in Philadelphia had to be suspended.

These special loans were alone adequate cause for the failure of the bank, the issues under them of the redemption of the r No intelligent business-man at that time would Tennesse, The former was an adopted son of Gen. Of the surplus stock for half price—three thousand for the failure of the bank, the issues under them sums, for the redemption of which arrangements out foundation. being Cexcept the twenty thousand dollars were made. The account with Storm & Morgan . They are not aware of anything militating against

the company, and having charge of it from time to time, to transfer the clock standing in their name to the bank; I did so; the transfer books will show

John, the management of the bank, and, it required, the right of naming a majority of the directors.

Fourth—Sa Johns & Hoddard to loan the bank at the bank at any time during its farming the craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be reinitate its craftit, at six per cent, to be find a firm of brokers.

In the tall of ISAS, large sums of the names of the whole areas of the city of N. York.

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In the tall of ISAS, large sums of the names of the control of the con ties into which this event threw the back together with the difficulties in collecting some other large claims, compelled it to suspend; and afterward the transfer of stock of the bank was made in contem. templation of a winding up of the affairs of the

The bank remained suspended until St. Johns came into it. About the time the St. Johns came in it, a careful statement was made by the president of the simulton of the bank; from which it appear of the situation of the bank; from which it appeared that if a debt of \$5,000, reating in a judgment upon property in Candor; in New York, and a debt of about \$2,000 due by some persons at Towards, could be recovered, the bank would be able to pay all it owed, and about the amount of stock paid in. which I subsequently transferred.

Moses C Tyler affirmed.

I was one of the commissioners to sell stock; I attended the sale, at least a part of the time. I sub-scribed for five shares of the stock, \$50 each. 1 paid in 10 per cent. on the five shares in specie; never held more than five shares; paid in the whole amount subsequently as it was called for. I sold my shares after January, 1843. I kept an account lost, that payment of the 10 per cent, should be paid in specie. When't went to pay for my shares, the officer, Mr. Biddle said they were paying in the stock.

George Fuller affirmed. I attended as one of the commissioners to relithe stock in 1837. I made a motion that the tenper cent be paid in specie, which motion was rejected. After the resolution was passed to pay in current bank notes of specie, I voting in the negative, I refused to sign the Commissioner's report to the Governor. I think the five per certify was paid or incipally in money of the Towards Rank. There principally in money of the Towarda Bank. There was some person here connected with the Towanla Bank. I was never a stockholder in the Bank of Susquehanna County."

John F. Means Sworn.
I have two notes left with me by Mr. Isaac Ket. lum, (produced and copied below.)

\$15,000. MONTROSE, Nov. 1, 1839. Six months after date, we, jointly and severally, promise to pay to the Bank of Sosquehanna County or order, fifteen thousand dollars with interest rom date, for value received.

(Signed.) WILLIAM WARD. C. L. WARD, DANIEL SEARLE, S. S. MULFORD,
J. C. BIDDLE,
JSAAC POST,
DANIEL POST,
VILLIAM JESSUP, HENRY DRINKER.

WILLIAM L. POST. Endorsed J. C. BIDDLE, President. COPY OF SECOND NOTE.

Mos raose, Nov. 1, 1539. Six months after date, we, jointly and severally, promise to pay to the bank of Susquehanna Comly, or order, forty-eight thousand three hundred and forty four dollars and sixty-three ceuts, with m-

terest from date, for value received. Witness - Frederived them of Mr. Kellum, Cashier of the Susquebanna County Bank, the 3d day of May, 1844, at Towanda, where I reside. Mr. Kellum was going West, and left them with me under the impression that I was one of his bonds men to be delivered up to the Bank upon settles ment of the difficulties between him and the Bank. The notes were to be given up upon seitlement as aloresail, and delivery up by the Bank of Kellum a two bonds that he had given as cashier. I have retained the notes since then. Mr. Kellum then went West, where he has resided; he is now in California. I let Mr. Post, the president, know, some time after I received the notes, that I had them—or he spoke to me on the subject, and directed me to retain them. I know W. L. Post's and C. L. Ward's signatures to the notes.

Extracts from Book of Minutes of the Board of Di-rectors, Page 55.

"Resolved. That the bank take an assignment or transfer of the stock held by Wm. Jessup & Co. tor which notes have been given, and that the notes have been given; and that the notes given for such stock be surrendered and cancelled, no stock hav-

ing been issued. November 27th, 1843.

P. 57.—9th July, 1844. "Resolved, Tirat we accept the proposition to re-instate the bank, of St. John & Goldard, and A.St. John. Unanimously adopted," P. 60.-13th May, 1846.

Present: L Searle, A. Baldwin, Wm. J. Mulioni, F. B. Chandler, T. P. St. John, and Wm. L. Post, President.

On motion, of E. Searle,

"Resolved, That the president and cashier be ereby authorized to enter into and conclude an arrangement on the part of this bank, with Seth II. Main, cashier of the Canal Bank of Cleveland, or S. H. Mann and T. C Severance, cashier of the City Bank, Cleveland, Ohio, to furnish said Mann, or Mann & Severance, with the circulating notes of this bank, to an amount not exceeding \$100,000, upon such terms as they may deem proper and just, and that they be authorized to deliver to the said Mann or Severance, such amounts as they may deem proper, during the pendency of exchange of P. 66.—1st Nov., 1849.

Present: W. L. Post, D. Searle, W. J. Turrell, H. J. Webb, F. P. St. John, C. Halsey; mei pusuant to call of the President. "Resolved, That, D. Searle, W. J. Turrell, G. Avery, and W. L. Post, be a committee to examine into the business of the bank, and report as early

as practicable to the board:

\*\*Resolved, That the President, AV. L. Post, be, and he is hereby authorized and directed to convey to C. L. Ward, and Henry Drinker, their heis or designs, all the interest of the bank of Susque hating County, in and to the real estate in Camlot in the State of New York, known as the "Daniel fort property," now in possession of J. J. Sackell, containing 250 acres, or threadours, the said Ward and Drinker to sell and dispose of the same for the bank, I did so; the transfer books will show cash, or on credit, and apply the proceeds in pay the transaction. At the time of the transfer, I in ment of the several depositors, who now have balderstood it was incontemplation to windrup the atthe surplus to such certificates of deposit as mry be issued by the Board of Directors, applicable to the reference to the books and papers of the bank fund thus created, the purchaser or purchasers not would probably refresh my recottection as to further to have their title affected in any way by any mis-

application of the purchase money.

"Resolved, That the President also further assignant transfer, for the same purposes, to the said Henry Drinker, and C. L. Ward, the note of Henry Randall, for \$3,469 70, dated 4th July, 1848; the