

Joyful News.—The Atlantic Safe!

Nothing has occurred for a long time to cause such a general outburst of joy and rejoicing in our cities and throughout the whole country, as the tidings brought to New York on Saturday night by the arrival of the steamer Atlantic, which sailed from Europe about Christmas, and not having since been heard of, was almost given up for lost. We have only room this week to say that on her ninth day at sea, when more than half way across she broke her main shaft, when after fruitless attempts to reach Halifax or some other western port, she was finally driven back by westerly winds and landed safely at Cork, in Ireland, on the 22d of January. Her passengers were all safe too, some of whom came over in the Africa.

We are again indebted to Messrs. Sanderson of the Senate and Reckhow and Mowry of the House of Representatives for several recent favors from Harrisburg.

A Temperance Address recently delivered in Lenox, (by whom we are not informed,) has been sent us for publication; but it was not convenient to comply with the request this week.

Such of our subscribers in New Milford as would be better accommodated by having their papers left by the driver in a package at Boyle's Hotel than at the Post office below, will please inform us and they shall be directed accordingly.

We copy this Bank Report this week to the exclusion of several editorial articles and other matter designed for this paper. We have no room now for extended comments, and will only say that it is acknowledged to contain several errors which will probably be noticed hereafter.

We last week dropped off several non-paying subscribers, and after this week shall probably cut off a batch more to whom we have sent the paper already too long for our own interest. We can't afford to give away the paper any longer to those who don't try to pay; and there are some such whom we intend to show up in a way they won't like to see their names printed, when we get time to prepare a Black List.

Things at Harrisburg.

There is but little in the last weeks proceedings worth copying when we are so cramped for room. We notice that 7 petitions for the removal of the county seat were presented one day by Mr. Reckhow. The Tariff Reports and resolutions, though still before the House, were passed by the Senate last week. Mr. Sanderson's amendment, sustaining the Tariff of 46 which he advocated in a speech of two or three days, was rejected—one part by a vote of 22 to 9—another by 27 to 5—and another by 22 to 10. The resolutions of Mr. Walker of Erie in favor of discriminating duties for protection were sustained by 28 to 4 on one part—25 to 7 on another and finally the whole adopted by 18 to 11.

Things at Washington.

These things are equally barren of interest. The Cheap Postage bill is so buried up, with amendments as to be nearly out of sight for the present. A joint resolution authorizing the President to confer the rank of Lieutenant General, intended as a compliment to Gen. Scott, passed the Senate by a strong vote, being eloquently advocated by Messrs. Clay & Seward, and supported also by Col. Benton.

CREDIT TO WHOM CREDIT IS DUE.—This wholesome rule has been violated (perhaps inadvertently) by one of our exchanges—the Carbon County Gazette—in copying the original tale entitled "The Wild Goose Chase," written expressly for the Register, without giving credit therefor—leaving it to be inferred, of course, that it was got up in Mauch Chunk. Another exchange—the Leaning Chronicle—copies it with sundry alterations, and though giving the Register credit, imputes the authorship to "Nimrod Longbow," instead of Ebenezer B. Packard, Esq., to whose genius it really belongs. "Brethren, these things ought not to be."

On the subject of New County seats, the ideas advanced that one section having been built up and enriched by the location of the county buildings, they ought in justice to be removed to other sections to enrich them also, has suggested to our mind that upon this principle of giving the favor to each portion by turns, the public buildings should be erected on wheels or runners, to be removed periodically from town to town to enrich each locality by turns, after the manner that some farmers build small hay barns to move about from year to year and measure different portions of their fields.

We showed several weeks ago in reference to the allegation that the eastern portion of the county exceeded the west in growth of population and paid the most taxes, etc., that leaving out Brooklyn and Lathrop as being on a central line between the east and west, and counting all west of these, and of Great Bend and New Milford, the west part had gained 437 more than the east, while the present population of these western towns exceeded the eastern by more than 2,500. Now as for the taxes, it may be seen by the County Statement which we publish this week, that in these western towns, viz Auburn, Rush, Middletown, Apollacon, Chocanut, Silver Lake, Forest Lake, Jessup, Springville, Dimock, Bridgewater, Franklin and Liberty with the boroughs of Mountrose and Friendsville, the County tax of last year amounted to \$4,332 59

While the aggregate of County tax in New Milford, Great Bend, Harmony, Jackson, Thompson, Gilsen, Herrick, Harford, Lenox, and Clifford, including Dunfield is only 3,237 25

So instead of paying less taxes, these western towns pay one thousand ninety five dollars and twenty four cents the most. Even counting Brooklyn and Lathrop with the east, (though about half of each is west of the centre), the taxes in these western towns exceed all the rest by six hundred and seventy-nine dollars and five cents.

Reply of Mr. Trowbridge.

We cheerfully give place to the published response of S. Trowbridge, Esq., to the Communication recently addressed to him as chairman of the Great Bend removal meeting. We have no desire to make ourselves a party to the controversy by taking the matter out of the hands of another, and the public can judge how far he has made out his case by sustaining the sweeping charges of jealousy and hostility on the part of our citizens to improvements designed for the benefit of eastern towns in the cases cited. We would merely submit whether the alleged remonstrance of Judge Post to the location of a new Turnpike across his village lots where it was talked of, (and which the mass of our citizens knew nothing about,) is conclusive evidence of the hostility of the citizens of Montrose generally to the turnpike itself, which was calculated to benefit this place as much as Sumnersville or Great Bend either. The public can judge also how far the movements of our citizens in favor of a Plank road to the railroad, leaving the route and termini to be determined by the stock holders who should build it, upon such considerations of feasibility and other advantages as a survey and examination of the subject should disclose, evinced any such jealousy or hostility as was imputed, towards Great Bend or any other place.

For our own part we deprecate all sorts of movements calculated to create and foster jealousies and array conflicting interests between different sections of the county. We have all a common interest in promoting the general welfare and prosperity of each and every part; and whatever a few individuals in one place may say or do prejudicial to the real or fancied interests of individuals in another, we protest against involving the whole community of each section in a general strife, engendering a retaliatory disposition to threaten the interests and designs of others. That there may be some narrow contracted, illiberal, jealous and grasping spirits in every community, is doubtless true; but we have charity to believe the mass of our fellow citizens both here and at Great Bend and New Milford, if their prejudices are not unduly aroused, are actuated by more liberal, generous and fraternal impulses. We know some of them in each of these places to be liberal minded, whole-souled and public-spirited men; and we are disposed to treat such not as enemies but as friends.

DEAR SIR:—I observe in the Register of the 6th inst., a communication by some anonymous writer, over the signature of "A Citizen of Montrose," which though directed personally to myself, is couched in so respectful language, as justly, perhaps, to merit from me a passing notice. Though utterly unaccustomed to newspaper scribbling, I will cheerfully and confidently undertake to answer your leading inquiries, which appear to be substantially embraced in the following extracts—and should I reply interrogatively, you certainly cannot complain of my adopting your own manner of address. You say, "may I ask you, to specify the acts done by the citizens of Montrose upon which you found the following assertion contained in one of your resolutions, 'we are impelled to this course of action by the evident jealousy on the part of the inhabitants of Montrose and vicinity, in respect to the present prosperity and prospective increase of population in the eastern part of the county as manifested by their indelible opposition to any and all internal improvement projects calculated to promote our own interests.'" Again you say, "Will you do me the favor to specify one instance in which the inhabitants of Montrose have manifested any opposition to any internal improvement project calculated to benefit the eastern section of the county? I, sir, do deny in direct terms that any project has been attempted which they have opposed."

Now, sir, why was it that in the winter of 1841, (the same year in which our legislature granted to the New York & Erie Railroad Company the right of way through this county,) while an application made by citizens of this portion of the county, for the incorporation of a company to construct a turnpike between Montrose and Sumnersville was pending the Legislature, a remonstrance against the measure, headed by Hon. Isaac Post of Montrose, was sent to and presented by our then representative in that body, Mr. Case, of Bradford County, to our State Senate? Was it not occasioned by fear that through the influence of such a facility for approach to the railroad, Great Bend and Sumnersville might be benefitted to the prejudice of Montrose?

Why was it that while our citizens were asking the Legislature for the incorporation of a company to construct a Plank road between Montrose and Great Bend, that our Representatives were by the people of Montrose importuned, and enjoined at the same time, to have another company incorporated for the construction of a similar road down Snake Creek to the State line? Was not the real object such as was nearly attained, but the defeat of both projects?

It appears to me to be quite unnecessary to multiply words in so clear a case, and therefore bid you a respectful adieu.

S. TROWBRIDGE.

New Counties &c.—The Bradford Argus says there is one project for the erection of a new county to be made of the eastern portion of Tioga and the western part of Bradford, one also to divide Bradford in an eastern and western direction for a county seat at Athens, and another for a division from the north west to south east. The Argus does not mention the project said to be advocated by some in the west portion of this county (provided they can get the county seat for this part removed to New Milford) viz to make a new county out of the West of Susquehanna and the east of Bradford, with a county seat at Friendsville. In this last project however, we understand some of the Rushville people are wide awake for getting a county seat at the forks of the Wyalusing instead of Friendsville, which they will be very apt to do when such a division is effected—unless as some folks have suggested, they get a few townships of New York state annexed to their new county to bring Friendsville nearer the centre.

FIREMEN.—By the heavy rains last week and the breaking up of the ice, a great freshet was produced in the Lackawanna and Susquehanna above Wilkes Barre. Tremendous ice bergs were piled up along the shore and low lands.

REPORT

OF CALES E. WRIGHT OF BUCKS COUNTY, AND CHARLES N. BUCKALEW OF COLUMBIA COUNTY, Commissioners to investigate the affairs of the Bank of Susquehanna County.

To the honorable Senate and House of Representatives of the Commonwealth of Pennsylvania.—The Commissioners to investigate the affairs of the Bank of Susquehanna County.

That they have discharged the duties prescribed in the act appointing them, and transmit herewith the parcel and documentary evidence elicited by the investigation. In order to report accurately the causes of the failure of the Bank, a statement of its organization and general management becomes necessary, and, in fact, appears to be contemplated in the act authorizing the investigation.

The Bank of Susquehanna county was incorporated by act of Assembly passed 3d April, 1837, [S. Laws 1837, p. 280.] The capital stock to be \$100,000, divided into 2000 shares of \$50 each. The capital stock was sold by commissioners upon the first day of September of the same year. The bank went into active operation 18th December, 1838, and continued to do business until January, 1843, when it suspended. It was reconstituted, and resumed operations 9th April, 1845, and it finally failed, 27th October, 1849. James C. Biddle served as President of the bank from its organization until his death, in April, 1841, when William L. Post was elected, who continued President until the final failure in 1849. Isaac S. Kellum served as Cashier until 21st June, 1848. There was then no cashier until 9th April, 1849, when Thomas P. St. John was elected. He served until 4th of August, 1849, when C. P. De Lamater was chosen, who continued to be cashier until the failure in October. No bill was ever given by Thomas P. St. John or C. P. De Lamater while they acted as cashiers. The names of the Directors, as they were annually chosen since 1843, appear in the evidence here reported.

Prior to 1st September, 1837, (when the Stock was sold,) a company was formed for the purpose of taking all the stock that was not wanted by individuals, resident in the vicinity of the bank, and to this end the company procured \$10,000 from the Towanda Bank, to pay the 10 per cent. required by the act of incorporation to be paid at the time of sale. For purposes of designation, the stock so taken by the company, was called "surplus stock." One of the members of this Stock Company was chosen Treasurer to the Commissioners, and acted as such at the sale. The stock was sold on the 1st September, 1837. It was bidden off in the names of individuals, and the 10 per cent. paid, principally in the notes of the Towanda Bank. But over three-fourths of the whole stock so sold, was, in fact, (although in individual names) on account of the Stock Company, and subsequently held by it. The Bank did not go into operation for more than a year after the sale of stock, and during that time some few shares of the surplus stock were taken by individuals, to hold in their own right, and transferred to them.

On the 10th of May, 1838, the Directors, by a resolution, appointed the President of the Bank and Wm. Ward a committee, with full power to negotiate in Philadelphia, or elsewhere, sale of a portion of the surplus stock; but no very considerable amount appears to have been sold. Promissory notes were given upon the 4th December, 1838, to represent the surplus stock—one of them signed by the members of the Stock Company for \$60,000, and the other by James C. Biddle, on their behalf, for \$15,000. These notes were drawn payable to, and were deposited with, Allen and Paxson, merchants, in the city of New York, and a formal credit therefore entered by them in favor of the Bank, about the time of its organization. A special loan of \$11,655 37 was made from Allen & Paxson about the same time, and that sum actually remitted to the Bank about the 7th January, 1839, apparently upon the \$60,000 note above stated. But shortly afterwards, in 1839, these stock notes were returned to the Bank, and on the 1st November, 1839, two new notes given in renewal thereof, both drawn payable to the Bank, and signed by the members of the Stock Company—one for \$48,344 63, and the other for \$15,000.—These two notes remained in the Bank until the time of the suspension in 1843, when they were carried off by Kellum, the retiring cashier, and by him left about 3d May, 1844, with John F. Means, Esq., of Towanda, where they have remained ever since.

Upon the 27th November, 1842, the Directors of the bank passed a resolution authorizing an assessment or transfer of the surplus stock to the bank, and that the stock notes thereof should be cancelled. The same day the transfer was made accordingly. The amount of surplus stock so transferred to the bank is stated upon the transfer book to be 1636 shares, amounting to \$81,800. The whole capital stock being \$100,000, there would therefore remain but \$18,200 (364 shares) at that time held by individuals in their own right. The evidence is clear that the surplus stock was never actually paid in, and that no certificate was ever issued therefor. The 10 per cent. in Towanda money, paid thereon at the sale, and the special loan of Allen & Paxson, were arranged by the bank, the stock company eventually being subjected to no responsibility or loss. The surplus stock notes were simply used or held by the bank for a time, and eventually cancelled by the directors without payment.—The whole transaction in relation to the surplus stock was an open and flagrant violation of law, and the ground work of the subsequent mismanagement and disasters of the institution.

The act incorporating the bank provides as follows in relation to the payment of the stock:—(S. Laws 1, B. 7, p. 280.) "Section 7. No discounts shall be made nor any notes issued by said bank until the whole capital

stock thereof be paid in; nor shall the said bank purchase any, 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 report to the Auditor General represented the capital stock at its full amount of \$100,000, during the whole existence of the bank, and the evidence of one of the stockholders, resident in Montrose, is that he had no suspicion that the whole stock was not paid in until after the suspension in 1843.—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 constituted the official intelligence given to the public by the institution in relation to its condition and management.—The two last reports were not sworn to, but had attached to them a statement, bearing the appearance of an affidavit, although not such in fact. The lack of actual capital by the bank doubtless led to the arrangements entered into in 1844 and '45, for the reorganization of the institution in connection with the resumption of operations.

The suspension in 1843 is imputed by the bank mainly to alleged misconduct of Mr. Kellum, the Cashier, and to losses consequent thereon; but the President of the bank states that after the suspension, upon a careful examination of its affairs, it was ascertained to be solvent, and able to meet its engagements. Yet, with scattered credit, and with little capital, and that mainly outstanding in the shape of debts 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 funds. Such an arrangement was made 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:—

First. That the Directors and Stockholders of the Bank should make a donation to St. John and Goddard and A. St. John of one third, amounting to five or six thousand dollars of the stock individually held by them, the said Directors and Stockholders.
Second. Sell to same \$6000 worth of the surplus stock for half price, (\$3000).
Third. Give St. John & Goddard and A. St. John the management of the Bank, and, if required, the right of naming a majority of the Directors.

Fourth. St. John and Goddard to loan the bank funds to reconstitute the credit, at 6 per cent., to be repaid when the bank was able. St. John & Goddard were then a firm of brokers in Philadelphia. A. St. John is now a broker and a resident of the city of New York. Pursuant to this arrangement, Tho's P. St. John came to Montrose, was chosen Cashier, and the bank resumed business 9th April, 1845. A. St. John paid into the bank \$3000 for the \$6000 worth of surplus stock sold him, and also paid in an additional \$1000 for 2000 dollars worth of the same stock afterwards sold him on the same terms. This amount of four hundred dollars (independent of funds advanced on loan, if there were any,) constituted the basis of subsequent banking operations, which were so extended that, at the time of the failure the amount of notes out was about two hundred and five thousand dollars. In addition, however to this four thousand dollars, property owned by the Bank, and debts due it, should be estimated among its ultimate 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 well calculated to secure a wholesome administration of its affairs. The third law provides that paper exceeding two hundred and fifty dollars, offered for discount, should have at least three responsible names including the maker or drawer. The sixth, that no note or bill be discounted except with the assent of a majority of the directors present, exclusive of such as might appear as drawers or endorsers of such note or bill. The eleventh, that the President and Cashier might discount 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 for 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 unless 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 rescinded or changed by the directors; yet the bank was conducted in direct violation of their provisions. On the 9th of April, 1845, the directors adopted a resolution "that the Cashier or President be authorized to discount notes or make loans during the recess between the meetings of the Board," and upon the 13th of February, 1847, they further resolved, "that the Cashier be authorized during the recesses in the meetings of the Board to discount such paper as he may in his discretion think best." A more complete surrender of the discounting business of the bank into irresponsible hands, could not well be conceived. The Cashier had never given bail; and besides, the 6th and 11th by-laws of the bank were by these resolves deliberately disregarded.

But the grossest violation, not only of the by-laws, but 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 Directors, and the other, it is asserted by the bank, was made by the Cashier, without authority. For the purposes of designation these loans are named

respectively, the Mann loan, the St. John's loan, and the Thompson loan.

The Mann Loan.—On the 18th of May, 1846, the Directors resolved that the President and Cashier were authorized to make an arrangement with Seth H. Mann, cashier of the Canal Bank of Cleveland, and with T. E. Severance, cashier of the City Bank, Cleveland, Ohio, to furnish him or them with the circulating notes of the Susquehanna County Bank, in amount not exceeding one hundred thousand dollars, on such terms as they might deem proper and just, and pending the exchange of contracts between the parties, to deliver to the said Mann or Severance such sums as they deem proper.

Pursuant to this resolution, a contract was entered into between the bank and S. H. Mann, the terms of which were in substance—that the bank would loan to said Mann its circulating notes to the amount of \$124,000 for his use, and to be put in circulation by him; that while such notes were in actual circulation Mann should pay two per cent interest thereon to the bank; as well as amounts redeemed and returned to the bank, and settled semi-annually between the parties; that the notes issued to Mann should be distinguished by a particular mark or designation from all the other notes of the bank; that Mann should provide funds for the redemption of the notes in the city of New York, and upon failure to do so for sixty days after written notice from the bank, the latter to have the right of annulling the contract, and thereupon the whole amount loaned to be forthwith due; and finally, that the contract should remain in force (unless forfeited as before provided) for one year after written notice from the bank to Mann of a desire to terminate it. This contract was submitted to the Directors of the bank on the 7th September, 1846, and by them ratified and confirmed.

On the 13th of February, 1847, the Directors, by resolution, authorized another loan to Mann, in an amount not exceeding \$100,000 in addition to the former loan, and subject to the same conditions. (The President of the Bank states his recollection to be that this additional sum was but \$10,000, but this is in contradiction of the regular entry upon the minute book of the Directors.) No security was taken by the Bank from Mann for the redemption of the notes issued, or for the performance of any of the other stipulations of the contract. It remains but to state upon this point, that at the time of the failure of the Bank in October, 1849, there was a balance of the notes issued to Mann, unaccounted for by him, of seventy three thousand dollars, and that the evidence discloses the fact that he is wholly irresponsible.

The St. John's Loan.—By resolution of the Board of Directors, dated 5th September, 1849, a contract for a loan of \$20,000 to Ansel and T. P. St. John, was authorized upon the same terms as the one executed with S. H. Mann. The contract was accordingly executed, in writing, and the \$20,000 issued thereon. Of this amount \$8000 have been redeemed and returned to the bank, leaving \$12,000 to be adjusted between the parties.

The Thompson Loan.—Among the papers of the bank, found after the failure, was an agreement between the bank and Edgar A. Thompson, of Cincinnati, dated 10th June, 1849, but signed by the bank to Thompson, in the sum of \$30,000, upon the same terms as those of the Mann contract. By the cash book of the bank it appears that \$29,000 of notes were issued to Thompson in the early part of August, 1849, and that by subsequent issues the amount was increased to \$65,000, and stood at that sum at the time of the failure. This amount remains unaccounted for by Thompson, and he is believed to be insolvent.

The President of the bank testifies that the Thompson loan was without the consent or knowledge of himself or the Directors.—That the two cashiers T. P. St. John and De Lamater, were cognizant of it, is evident, and the filling up of such large amounts of paper would naturally have attracted the attention of the President and clerks also. But under the evidence, perhaps, nothing but gross negligence and inattention can be charged upon the President and directors in regard to the Thompson issues which were stated upon the cash-book in the same way as those to Mann; in figures and initials. These special loans were alone adequate cause for the failure of the bank, the issues under them being (except the \$20,000 to A. St. John) to irresponsible persons in large amounts, and without security. The issue to Mann alone was more than double the actual capital stock of the bank at any time during its existence, and vastly beyond the whole assets of the bank.

In the fall of 1849 large sums of the notes of the bank found their way to New York for redemption, and of inevitable necessity, the bank sunk under the pressure. At the time of the failure the amount of specie in the bank was \$7 1-2 cents, which was increased by a repayment of one of the clerks to \$25.50. It is impossible to ascertain the amount of good debts due the bank at the time of the failure, in order to fix the value of its assets, from the certainty of the evidence in regard to discounts made to William Bradley and some four or five others in the West. But independent of those transactions, the assets of the bank appear about as follows at the date of the failure:—

Specie	\$42 50
Bank notes, good	5 00
Good debts	24 000 00
Doubtful debts	14 000 00
Claims taken by St. John	1 166 72
Personal property	100 00
—————	
	\$39,214 24

The amount due depositors was 3,555 and the whole amount of notes out over 200,000. The greater part of the 14,000 dollars marked doubtful above will never be realized.

Upon the discount book appears entries in relation to discounts made to various persons in the West, through the agency of G. A. Thompson, or in connection with his dealings with the bank. The entries bear dates from May until August 1849, and are of notes discounted, some of the latter ones being apparently renewals of former ones.—The first note discounted was one signed by William Bradley and others, and endorsed by Thompson for 20,000. Subsequently notes of 2,500 were respectively discounted to W. J. Hodson, Peter Voorhies, J. C. Brown, William Bradley, &c. The 20,000 dollar note is in possession of the bank, and the others are alleged to have gone into the hands of A. St. John.

So far as the condition of these claims can be ascertained, whatever is due to the bank upon them will not be realized. How much if any, has been collected by A. St. John, is unknown. The amount due from these persons is unknown; but it is clear that a large sum is irretrievably lost to the bank upon

these transactions. Nothing but recklessness could have prompted such discounts of every principle of prudence, and apparent with an utter disregard of result.

The lack of capital to form the basis of operations—the special loan to Mann and others—and the discounts to Bradley and others—were undoubtedly the causes of the failure of the Bank of Susquehanna County.—The commissioners are impressed with the conviction that as the mismanagement of the institution originated in, and was connected with the deceptive and unlawful arrangements in regard to the capital stock, that a stringent provision in the charter, rendering the directors personally liable to the extent to the amount of the capital stock of the Bank, or some other provision of a similar character, would have created a wholesome restraint upon the officers of the bank, and in all probability, secured a prudent and careful management of its affairs. In case of a heavy personal responsibility upon the officers of the bank, it is not 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. Is that case an application to the Legislature to reduce the capital stock was the plain and proper 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 towards the legislature and the public. A loss of over \$100,000 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 investigation 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 purposes. C. E. WRIGHT.

Latest from California.

The steamer Georgia arrived in New York on Saturday via the Pacific mails. She brought 355 passengers, \$100,000 gold dust on freight, and \$700,000 in the hands of the passengers. The Empire City arrived a day or two previous, with 210 passengers, \$75,000 on freight, 250,000 in the hands of passengers. The news by these arrivals is brought down to the first of January, two weeks later than previous accounts.

Business in California is considered favorable though there is no doubt sacrifices were occasionally making in the sale of ship's invoice cargoes of goods by auction or otherwise. The people there seem to be turning their attention to agricultural pursuits, which under favorable circumstances, promises to be as good if not better than gold digging. The cholera has entirely disappeared.

Gorgona, was partially destroyed by fire on the night of the 25th. The loss was not ascertained. It is supposed that about 80 houses were burned.

The whigs have carried the election in Sacramento city and have now a majority in the legislature of California. In the Senate, there are 8 whigs 6 loco focos and 2 doubtful. In the House there are 21 whigs, 12 loco focos and 4 doubtful.

The election of U. S. Senator, in place of Col. Fremont was the only engrossing topic. The prominent candidates among the whigs were Edward Bryant and John Wethered, and among the democrats, Col. John H. Weller, H. W. Halleck, Col. John W. Geary and Col. Fremont. The latter gentleman it appears stands no chance for an election, if the plurality governs the election.

It is thought that a Whig will be elected. The Legislature meets at San Jose on the 6th when an election will take place.

There is no money in the treasury, and it is thought that a loan will be asked to replenish its impoverished coffers.

Horace Smith, the Whig candidate in Sacramento for Mayor, beat J. R. Hardenburg, formerly of New Brunswick, 68 votes in a very excited contest.

San Francisco, with a population of over 35,000, sustains seven daily papers, while New York numbering half a million can boast of only double that number.

The Pacific news estimates the gold dust shipped from California last year at forty-two millions besides six millions retained in California. During the same year 1,749 vessels arrived there and 1,461 left there.—There are forty seven steamboats and 270 craft of all other kinds navigating the rivers. There are seven daily papers in San Francisco. One hundred and seven miles of streets have been laid out, one quarter of which is built upon. Seven miles of streets have been planked. One marine Insurance Company has already been formed, with a capital of \$500,000, and another is in progress of organization.

The custom House at Monterey has been robbed of \$200,000.

The mines are at present yielding less profitably than during the past season; but it is a matter of doubt whether the yield of the next year will not equal that of the past.—The quartz gold will be mined with a good deal of energy during the coming spring and summer; and with the aid of machinery and steam, the profits will undoubtedly be very large.

A miner in the diggings near Ophir Sutter County, picked up a lump of gold worth \$10,000 says one paper; another paper says that same lump was worth only \$2,000.

A gentleman in one of the Western States became the proprietor of an inflammable gas spring. Wishing to make an experiment, he inverted a hoghead over it, and when the gas had accumulated sufficiently, sealed himself upon it, and being a gimlet-hole through the top, philosophically applied a lighted candle to the hole. The next that was seen of him he was lifting a pair of red-top boots out of an adjoining canal, into which he had descended head first. He was rescued, and carried to his home a sadder, wiser, and martyr.