

Insurance of Bank Obligations of State Bank of Indiana, 1834-1865

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MATERIALS REGARDING INSURANCE OF BANK OBLIGATIONS
IN INDIANA, 1834-1865

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FEDERAL RESERVE BANK OF ST. LOUIS

CHAPTER CXI.

AN ACT to establish a Bank with Branches.

SECTION 1. *Be it enacted by the General Assembly of the State of Indiana.* That there shall be, and there is hereby, established a bank, with so many branches, as shall be organized under this charter, to be known and styled "The Bank of the State of Indiana," which shall continue as such for the term and period of twenty years from the date of its organization, and for such longer period thereafter as shall be necessary promptly to close its business, as hereinafter provided.

Bank and
branches created.

Name and style.

SEC. 2. That Thomas L. Smith, Andrew L. Osborn, Jehu T. Elliott, Addison L. Roache, and John D. De-frees, are hereby appointed commissioners, who, before entering upon their duties, shall take an oath diligently, faithfully, and impartially, to perform the duties assigned them by this act. They shall keep a true record of all their proceedings, which, together with all the books and papers pertaining thereto, they shall deliver to the board of directors of said bank when the same is organized.

Commissioner to
take oath.

SEC. 3. Said commissioners shall meet at the city of Indianapolis, within ninety days after the passage of this act, and if any of their number shall refuse to serve, shall die or resign, they shall fill such vacancy or vacancies by the appointment of some suitable persons thereto; and they, or a majority of them, are authorized and it shall be their duty to divide the State into not less than fifteen, nor more than twenty, bank districts, and to locate one branch of the said bank in each of said districts, at such place as they shall designate, selecting, where it can be done, other things being equal, in each district wherein a branch of the present State Bank of Indiana is now located, the same county in which such branch is located; and they shall appoint two sub-commissioners for each of said districts, who shall be residents therein, to receive subscriptions of stock, and perform such other duties as may be required by this act. If said commissioners do not make the whole number of districts authorized by this act, the board of directors of the bank may, at any time after being organized, lay off from time to time additional districts, and locate branches therein: *Provided*, That the whole number established shall not exceed the number herein authorized.

Commissioners,
when and where
to meet. To di-
vide State into
bank districts.
To appoint two
sub-commission-
ers for each
district.

Proviso.

Branches failing to organize bank may be opened annually thereafter.

SEC. 4. Should any of the branches herein established fail to organize, as herein contemplated, it shall be the duty of the directors of the bank, once in each year thereafter, if required by any number of the citizens who will be responsible for the expense, to open books of subscription within such district, and locate and organize a branch therein, at such place as they may select, if the amount of stock herein required shall be taken and paid for under the provisions of this act.

Office of Bank. Meeting of directors. Corporate powers.

SEC. 5. The said bank shall keep an office at the city of Indianapolis, and the directors thereof shall meet and hold their sessions at least once in three months. It shall be a body corporate and politic, with power to sue and be sued, plead and be impleaded, in any court of law or equity having jurisdiction, and to transact all other lawful business herein permitted them to do; and shall have power by and through her branches, and not otherwise, to loan money, buy, sell and negotiate bills of exchange, checks, promissory notes, and other evidences of debt, to discount, on banking principles and usages, bills of exchange, post notes, promissory notes, and other negotiable paper or obligations for the payment of money; to receive deposits, to buy and sell gold, silver, bullion, and foreign coins; to draw, issue, and put in circulation, bills, notes, post notes, bills of exchange, and other evidences of debt, payable to order or bearer, and not otherwise; and all such notes and bills put in circulation as money, except post notes and bills of exchange, shall be made payable on demand; and to exercise such other incidental powers as shall be necessary to carry on such business.

What real estate may be held by Bank. Shall be sold, &c.

SEC. 6. The real estate which it shall be lawful for said bank to purchase, hold and convey, shall be—first, such as shall be required for its immediate accommodation in the convenient transaction of its business; or, second, such as shall have been mortgaged to it in good faith by way of security for stock, loans previously contracted, or for moneys due; or, third, such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings; or, fourth, such as shall have been purchased at sales upon judgments, decrees or mortgages, obtained or made for such debts; and the said bank shall not purchase, hold, or convey real estate, in any other case, or for any other purpose; and all such real estate not absolutely necessary for the convenient discharge of its business, shall be set up, at least once a year, at public sale, after having given thirty days' notice of such sale, describing the property to be sold, and the name of the mortgagor, in at least one

newspaper in the district where said bank is situate, and placing three written notices in the most public places in the town where the bank is located, and shall be sold, if the same will bring the amount of the debt, interest, and costs for which the same may have been bought, received, or taken by the bank, and which shall remain after deducting all profits received therefrom.

SEC. 7. All conveyances of real estate shall be signed by the president of the bank, and have affixed the seal thereof.

Conveyance of
real estate.

SEC. 8. The said bank shall not at any time suspend or refuse payment, in gold or silver, of any of its notes, bills, or obligations, due or payable, nor of any moneys received upon deposit; and if said bank at any time refuse or neglect to pay any bill, note, or obligation, issued by such bank, if demanded within the usual banking hours, at the proper branch where the same is payable, according to the contract, promise, or undertaking therein expressed, or shall neglect or refuse to pay on demand, as aforesaid, any moneys received on deposit, to the person or persons entitled to receive the same, then, and in every such case, the holder of any such bill, note, or obligation, or the person or persons entitled to demand or receive such moneys, as aforesaid, shall respectively be entitled to receive and recover interest on their said demands, until the same shall be fully paid and satisfied, at the rate of twelve per centum per annum, from the time of such demand, as aforesaid; and any branch so failing to meet its engagements may be closed, as in the case of insolvency.

Specie payment
of notes, &c.
Payment refused,
holders entitled
to interest.

SEC. 9. The said bank, and each and every branch thereof, shall mutually be responsible for all the debts, notes, and engagements of each other; and the stockholders of each and every branch shall be held and bound to an amount over and above their stock equal to their respective shares of stock, for all debts and liabilities of said bank or any of her branches.

Bank and
branches respon-
sible for each
other.

SEC. 10. All suits or actions against said bank, on any contract or engagement made, or liability incurred by the board of directors of the bank, or on any contract or engagement made or liability incurred by the board of directors of any branch, or any bank bill or note, shall be brought against the Bank of the State of Indiana.

Suits against the
bank, here
brought.

SEC. 11. The process in such case shall be a summons, and shall be served on the president of the bank, in all cases where the contract, engagement, or liability sued for shall have been made by the board of directors of said bank; and in all cases where the contract, engagement, or liability sued on, has been made or incurred

Process sued on
where served.

Copy of process left at banking house good service. Directors and bank to be notified of suit against a branch.

by a branch, the process shall be served on the president of such branch; and so also where the suit shall be brought on any bank bill or note, the process shall be served on the president of the branch at which such bill or note shall have been made payable, or, in all such cases a copy of the process may be left at the banking house, or place of doing business of the bank, or of the proper branch, as the case may be, during the usual hours of business, which shall be good service. And it is hereby made the duty of the president, or any other officer of any branch knowing of such service, forthwith to notify the president and directors of the bank thereof. In all suits brought against said bank, on any note, engagement, or liability of any branch, such suit shall be brought in the county where such branch may be situate; and all suits brought against the bank on any note, engagement, or liability of the bank, shall be brought in the county of Marion.

Suits, where to be brought.

No stay of execution.

SEC. 12. There shall be no stay of execution on any judgment against said bank, nor shall she be entitled on judgment or execution against her to the benefit of valuation or appraisement laws.

Interest chargeable at bank.

SEC. 13. Said bank shall be entitled to charge and receive for money loaned the legal rate of interest established by law in this State, and not more, and the same may, according to bank rules, be taken in advance out of the sums loaned, and may be computed according to the standard and rate set forth in "Rowlet's Tables," reckoning the days for which a note or bill has to run inclusively; but it shall not, directly or indirectly, place any money in the hands of any broker or other person, to be loaned to others, or charge, take, or receive any interest, compensation, or benefit, whatever, from any loan made by any other person or party, whether such loan be made from its own funds or otherwise.

Dividend of profits among stockholders.

SEC. 14. The profits arising, after paying expenses and reservation for a contingent or surplus fund, shall be divided among the stockholders according to the amount of stock owned and paid in by each; and in making this calculation and division of profits, each branch shall be independent of the others, and its own profits be divided among its own stockholders.

Capital stock taxable for State and county purposes, but not for municipal purposes.

SEC. 15. The capital stock of said bank shall be subject to the same rate of taxation for State and county purposes as the property or stock of other moneyed corporations; and the real estate and other property of said bank and branches, situated in any city or town, shall be taxable for municipal purposes, in the same manner as other property so situated, but the capital stock of

said bank or branches shall not be taxable for municipal purposes.

SEC. 16. The person administering the government of this State, Secretary of State, Treasurer, Auditor of Public accounts, Commissioner of Canal Fund, Judge of the Supreme or any inferior Court, or any person holding an office or appointment under the authority of the General Government, shall not, while in such office, hold the office of president of the bank, director of the bank, or president, director, or cashier of any branch, nor that of a member of the General Assembly; nor shall any president, cashier, or director of any branch, at the same time, hold the office of president or director of the bank, on the part of the State, or the office of president, director, or cashier of another branch.

Persons ineligible to offices in bank, &c.

SEC. 17. The notes issued by said bank shall be signed by the president of the bank, and shall be made payable at the branch which shall issue the same, and shall be signed by the cashier of such branch.

Notes by whom signed, and where payable.

SEC. 18. It shall not be lawful for said bank at any time, to use or employ any part of its capital stock or other funds in the buying or selling of goods, wares, or merchandise, or in any other business or dealing, than is by this act authorized and permitted.

Shall not buy goods, &c., with capital stock.

SEC. 19. It shall and may be lawful for said bank or any branch thereof, to accept, receive, and become responsible for the deposits and public revenues of the United States, upon such terms and conditions as may be agreed upon by the agents of the general government and a majority of the directors of said bank.

Public deposits may be received.

SEC. 20. That it shall be lawful for said bank to receive on deposit (except as above prohibited) moneys, bullion, plate, and other articles of value or small bulk, on such terms and conditions as may be agreed upon by the parties.

Articles receivable on deposit.

SEC. 21. It shall not be lawful for the directors of the said bank to locate any other branch or branches of said bank than is herein authorized.

Directors not to locate branches unless authorized.

SEC. 22. The capital stock of said bank may be increased by individual subscriptions at any one or more branches, by and with the assent and concurrence of the directors of the bank.

Capital stock increased by individual subscription.

SEC. 23. The General Assembly may at any time appoint an agent to examine the state and condition of said bank, and each and every branch thereof, who shall have the same power and rights as examiners appointed by the directors of the bank; and when any agent as aforesaid shall find and report, or the Governor of the State shall have reason to believe that the charter

Agent appointed by General Assembly.

has been violated, it may be lawful for the Legislature to direct, or the Governor to order a *scire facias* to be sued out of the Marion Circuit Court in the name of the State, (which shall be executed upon the President of the bank for the time being at least fifteen days before the commencement of the term of said Court), calling on the said corporation to show cause wherefore the charter hereby granted shall not be declared forfeited; and it shall be lawful for said Court upon the return of said *scire facias*, to examine into the truth of the alleged violation, and if such violation be made appear, then to pronounce and adjudge the said charter is forfeited and annulled; and every issue of fact which shall arise in such proceeding and may be joined between the State and corporation aforesaid, shall be tried by jury, and it shall be lawful for the Court aforesaid, to require the production of such of the books of the corporation as it may deem necessary for the ascertainment of the controverted facts; and the final judgment of the court aforesaid, shall be examinable in the Supreme Court of the State, and may there be reversed or affirmed according to usages of law; and it shall be the duty of the Governor to employ counsel in behalf of the State to prosecute such writ of *scire facias*.

General meeting of stockholders to be held annually, &c.

SEC. 24. That a general meeting of the stockholders of each branch shall be held annually, at such time as the directors of the bank shall direct, at which time elections for directors shall take place, to which meeting the directors of the preceding year shall exhibit an exact and particular statement of the state, condition, and affairs of said branch; and general meetings of the stockholders may be held at any other time when ordered by the board of directors of the branch.

Certificates of stock to issue. How transferred. Penalty for refusing examination of stock book.

SEC. 25. Certificates of stock shall be issued to stockholders, signed by the president and cashier of the proper branch, and may be transferred on the books of the branch, to be kept for that purpose, and not otherwise; in which case the old certificate shall be surrendered and new ones issued. No stock shall be transferred by any stockholder when any debt is due, or is then owing and to become due from such stockholder, but by the consent of the directors of the branch, and such stock books shall, at all reasonable times during the usual hours of transacting business, be kept open for the examination of any person having in his possession any note, bill, or obligation, on any branch, then due, and the payment of which shall be refused. And in case any officer having charge of such book shall refuse to permit such examination, he shall, for every such offense,

for the sum of fifty dollars, to be recovered in an action of debt by the person so refused.

SEC. 26. Stock shall be considered as personal property, and may be sold on execution and transferred on the books of the branch by the officer selling the same, but in all cases be subject to a lien in favor of the bank, for all debts *bona fide* due, or then owing or to become due, the same, from the owner.

Stock may be sold on execution.

SEC. 27. After the first election, no stockholder who shall not have held his stock, for which he votes, for three calendar months previous to the day of election, shall be entitled to vote; and the number of votes to which stockholders shall be entitled, in voting for directors, shall be in the proportion following, that is to say: for each and every share not exceeding fifty, one vote; for every five shares over fifty and up to one hundred, one vote; and for every ten shares over one hundred, one vote; stockholders may vote in person or by proxy; but stockholders who are not residents of the United States shall not be entitled to vote their stock.

Rules concerning voting for directors.

SEC. 28. No president, cashier, clerk, or teller of said bank, or any branch thereof, shall be permitted to vote, at any election for directors, as the attorney, agent, or proxy of any stockholder. No president, cashier, or director of the bank, or president or cashier of either of the branches, shall, during the term of his office, be eligible to a seat in either branch of the General Assembly of this State.

President, &c., shall not vote as proxy, and shall not be eligible to a seat in the legislature.

SEC. 29. There shall be a board of directors of the bank which shall be styled the Board of Directors of the Bank of the State of Indiana. Said board shall annually, after its first organization, elect one of its members president, at such time and in such manner as shall be prescribed by by-law, who shall hold his office one year, and until his successor is elected and qualified. It shall be his duty to preside at all meetings of the board, to call special meetings thereof when he shall deem it necessary, and to transact all other business appertaining to his office, or required by this act or the by-laws of said bank. He shall receive an annual salary, to be allowed by the board of directors of said bank, not less than one thousand nor more than four thousand dollars, payable quarterly.

Style of board of directors.

President, how elected.

Duty and salary of President.

SEC. 30. The General Assembly may, at its present session, elect four directors of said bank, two of whom may be chosen by the Senate, and two by the House of Representatives; the House of Representatives concurring in the election of those chosen by the Senate and the Senate concurring in the election of those chosen by

Four directors to be elected by the General Assembly; their term of office.

the House of Representatives; but in case of a failure to elect by such concurrent vote after three trials, all said directors shall be elected by the joint vote of both houses. Said directors shall, at the first meeting of the board after their election, determine, by lot, which shall serve for two years, and which for four years, and thereafter, at each biennial session of the Legislature, two directors shall be chosen in like manner, or in such mode as may be otherwise provided by law, who shall hold their office for four years, and until their successors are elected and qualified. Such directors, or any one of them, may at any time be removed by joint resolution of the General Assembly. Their compensation shall be fixed by the board of directors; but the compensation of any member of the board shall not be increased during the term of his appointment.

Removable by joint resolution; their compensation fixed by board of directors.

Vacancies of State Director, how filled.

SEC. 31. Vacancies occurring in the office of any State director shall be filled by appointment, to be made by the Governor, until the same shall be filled by the General Assembly, as in this act is provided for the election of directors.

One director of bank elected annually by each branch.

SEC. 32. The board of directors of each branch shall annually, and as often as a vacancy may occur, elect one director for the bank, whose compensation shall be fixed by the branch directors, and paid by such branch.

Revenues to be received and paid out by the Bank.

SEC. 33. It shall be the duty of said branches to receive and pay out the revenues and funds of the State, under the direction and control of the Treasurer of State, whenever the Legislature may so direct.

Board of directors to appoint cashier, &c.

SEC. 34. The board of directors of the bank shall have power to appoint a cashier, and such other inferior officers and agents as may be necessary to carry on their business, to fix their term of office and compensation, and require such bond and security from them as they may from time to time deem expedient.

Power of the directors over the branches.

SEC. 35. The directors of the bank shall have power to limit and control the amount of discounts and loans of the branches, after they shall amount to one and a quarter the amount of the capital stock paid in, to settle and adjust the accounts and balances between them, and for good cause may suspend the operations of the same. They shall have power, and it shall be their duty, to regulate and equalize the State funds and public deposits that may be in bank, and may transfer the same from one branch to another, as circumstances may require; but they shall in no case withdraw any part of the capital stock of any branch, or any part of its local funds, without the consent of the board of directors of such branch, to be used in any other branches, except in cases

requiring such branch to be closed, as herein provided for; and they shall have power to make and prescribe all necessary by-laws to carry the powers herein conferred into effect.

SEC. 36. They shall have power to appoint one or more of their number to visit and inspect the condition and affairs of each branch, when and as often as to them shall seem necessary; and it shall be their duty to make such examination at least once in six months, and also at any other time when thereto required by the directors of any branch. No director shall be appointed by the bank to examine, visit, and inspect the condition and affairs of any branch from which he has received his appointment.

Examination of branches by directors of the bank.

SEC. 37. The person or persons so examining shall have power to examine on oath or affirmation, (which they are hereby authorized to administer,) all the officers, servants, or agents of any branch, or any other person, in relation to the affairs and condition of such branch; and they shall have power to examine all the books, papers, notes, bonds, and other evidences of debt, of any branch, to compare the books, funds, and property of said branch, with their returns and statements made thereof; to ascertain the amount of money and available funds on hand, and generally to make every other inquiry and examination necessary to ascertain the actual condition of such branch.

Powers in such examination.

SEC. 38. The board of directors of the bank shall have power to require of the board of directors of each branch, reports of their business and condition, as often as shall be expedient, and not less than once in each month.

Directors of bank to require reports from branches.

SEC. 39. They shall have power, whenever they shall ascertain in any manner that any branch is insolvent, or is mismanaging its affairs, whereby the interest of the other branches is endangered, or that a branch hath violated any of the provisions of this act, or any other act binding upon them, or that any branch hath neglected or refused to comply with any legal order or direction of the board of directors of the bank, and it is hereby made the duty of said board forthwith to suspend the business of such branch, and the power of the branch directors over the same; and if the interest of the State or the safety of the other branches requires it, to close up the affairs and business of said branch entirely; and to effect the same, they are hereby vested with power to appoint a receiver, or receivers, who shall, under their direction and control, collect and receive the rights, credits, and effects due such branch,

Branches may be suspended by board of directors.

Directors to appoint a receiver to take charge of effects.

and turn them into available funds; to settle, adjust, and compound the same; to settle, adjust, and pay off the debts due by such branch; and if any portion of the capital stock of such branch, or stock notes given therefor, shall be unpaid, to sue for and collect the same, as also all contributions required from stockholders, under the provisions of the ninetieth section of this act, or so much as shall be necessary to meet the demands against such branch.

Receiver's authority to act, &c.

SEC. 40. That a copy of such order suspending or closing any branch, and appointing a receiver or receivers, to take charge of the same, signed by the president and attested by the clerk of said board and the seal of said bank, shall be sufficient to authorize such receiver to seize and take charge of the same; and all officers, stockholders, servants and agents of such branch shall be required to obey and submit to the same, and in default may be indicted for misdemeanor, and fined and imprisoned at the discretion of the jury trying the same; and any person fraudulently holding or concealing any of the property or effects of such branch from such receiver shall, upon conviction thereof upon presentment or indictment, be fined in any sum not exceeding one thousand dollars, and confined at hard labor in the State prison for any term of time not less than one year nor more than ten years.

Debts of a failing branch, how paid

SEC. 41. It shall be the duty of the directors of the bank to provide for the payment of all the debts of a failing branch that shall remain due after all the property, real and personal, rights, credits and effects, and all the stock of such failing branch, and the contributions of its stockholders, shall have been first applied; and for that purpose they are hereby authorized to call on the other branches for their respective proportions, arranging the time of making such calls so that the whole amount of such debt shall be paid within one year after such failing branch shall have been suspended.

Branches reimbursed in payment to advances to failing branches.

SEC. 42. And if it shall so happen that the property, stock, contribution or effects of said failing branch shall not by that time have been turned into available means, the same shall be collected and distributed among the several branches, to meet the advances by them made to pay the debts of such failing branch.

Effects of failing branch after payment of debts; how disposed of.

SEC. 43. After payment of all demands against a failing branch, if any residue remains, it shall be paid to the stockholders in due proportion.

Order of suspension, and how made.

SEC. 44. Any order of the board of directors to suspend or close a branch, shall be carried by at least the

of two-thirds of the members present at some meeting, to attend which all the members of the board shall have been notified; and the question shall be taken by ayes and noes, and the same recorded on the minutes of the board.

SEC. 45. The order of the board of directors of the bank suspending any branch, shall likewise have the effect to suspend all suits, judgments, orders, decrees and executions, for any claim or demand which said branch should have paid; nor shall any suit be progressed in until the matter in controversy shall have been submitted to the board of directors of the bank, or the persons by them entrusted with the affairs of said branch; and if, on such submission, the justice of such claim shall not be admitted, and the same be agreed to be paid on the closing up of the affairs of said branch, the same may progress to judgment, but execution thereon, and all other executions or decrees, shall remain until one year from the time such branch was suspended.

Regulations respecting suits, &c., against suspended branch.

SEC. 46. The directors of the bank shall have power to regulate the manner of holding elections for directors of the branches, and may, if necessary, change and fix the time of holding the same, of all which elections reasonable notice of time and place shall be given.

Election of branch directors, &c.

SEC. 47. And in case an election of directors should not be made on the day when the same should have been, the directors of the bank shall order a new election, and the directors for the time being shall continue to hold their offices until such election takes place and their successors are qualified.

Order for new election; when to be made.

SEC. 48. No failure on the part of the General Assembly, or of the branches, to elect directors of the bank, shall be considered a dissolution of this corporation, but the directors for the time being shall continue to hold and exercise their offices until their successors are chosen and qualified.

Failure to elect directors of the bank no dissolution of the corporation.

SEC. 49. Said directors shall have power to regulate and control the dividends of profits so that the capital stock shall never be diminished, and to create and keep up a surplus fund that shall never be less than one-sixteenth of the capital stock in each branch.

Dividends regulated.

SEC. 50. In the calculation of the profits previous to a dividend, interest then unpaid, although due or accrued on debts owing to any branch, shall not be included.

Interest unpaid not to be included in dividends.

SEC. 51. Dividends of profits shall be declared semi-annually.

Dividends, when declared

Branch may be closed after the first year, when not producing 6 per cent. per annum.

SEC. 52. Said board of directors shall have power to close any branch which, after the first year, shall not yield a profit of six per cent. per annum upon the capital actually paid in, and the same may be proceeded in as in cases of insolvency, unless the discount shall have been limited and controlled by the directors of the Bank, so as to prevent said stock from yielding such profit.

Accounts to be kept with the branches.

SEC. 53. They shall cause to be opened and kept, by their clerks, accounts with each branch, showing the operations of each, and keeping constantly in view their business and condition, which shall be, at all reasonable times, open to the inspection of any stockholder, and of any person authorized by the Legislature to inspect the same.

Record of proceedings.

SEC. 54. They shall likewise keep a record of all their proceedings, in which all their orders, votes and resolutions shall be entered, with the ayes and noes on all questions, which shall be open to like inspection.

Salaries of president, &c., of bank apportioned among the branches.

SEC. 55. They shall apportion the salary of the president and all other officers, agents and directors of the bank, and all other general expenses, among the several branches, according to the amount of stock in each, and shall have power to demand and receive the same.

Stock subscription books to be provided and transfer of stock returned.

SEC. 56. It shall be the duty of the directors of the bank to keep and preserve the original books of subscription of stock, and to cause to be returned to them from each branch every six months a statement of all transfers of stock made the preceding six months.

Plates for bank.

SEC. 57. They shall also procure and take charge of the plates on which the paper of said bank shall be printed, and shall cause a sufficient amount thereof to be printed from time to time as occasion may require.

Bank paper to be delivered to the branches. What denomination.

SEC. 58. They shall deliver, on the order of the board of directors of each branch, an amount of such paper not exceeding twice the amount of the capital actually paid in at such branch, except when more shall be wanted to replace that which may have been worn out, defaced, or lost; in which case all so defaced shall be returned to said board of directors of the bank and destroyed; and they shall give no other or greater amount for paper lost than they shall have good reason to believe is actually lost by circulation or otherwise. No notes shall be issued of denominations between five and ten, or ten and twenty, or twenty and fifty, or fifty and one hundred dollars; nor shall more than one-sixth of the notes issued to any branch be of denominations less than five dollars, and no notes shall be issued of any denomination less than one dollar.

SEC. 59. Five directors, with the president, shall be necessary to constitute a board for the transaction of business; but in case of sickness or absence of the president, his place may be supplied for the time being by any director chosen by the board. Quorum.

SEC. 60. It shall be the duty of the board of directors, in the first week of each session of the Legislature, to make report to both Houses of the General Assembly, of the affairs and business of said bank, and of each branch thereof, setting forth in regard to each, Directors to report biennially to the Legislature.

First—The amount of available funds on hand, designating each kind.

Second—The amount of notes discounted.

Third—The amount of bills of exchange.

Fourth—The amount and condition of the surplus fund.

Fifth—The amount of notes in circulation.

Sixth—The number of officers and servants, and the amount of compensation to each.

Seventh—The amount of rents paid, if any.

Eighth—The value of houses used for banking purposes.

Ninth—The value of other real estate, and whether the same has been regularly offered for sale, as by this act required.

Tenth—The amount of debts due to and from other banks.

Eleventh—All such other matters as shall by them be deemed material and important, or shall be required of them by the Legislature. A like report shall be furnished to the General Assembly by the board of directors of each branch; such report, made by the directors of each branch, shall contain such statement of the condition of the same, as aforesaid, as the same is found on the third Saturday of November, in such year, at two o'clock in the afternoon. Branch directors shall report to the Legislature annually.

SEC. 61. The directors, and all other officers and agents of the bank, and of each branch, shall severally, before they enter upon the duties of their office, make oath or affirmation well and faithfully to discharge the duties of the same. Oath of office.

SEC. 62. The stockholders of each branch shall, by ballot, annually elect not less than five nor more than ten directors for such branch, the number to be settled by the directors of the bank; and the directors of the bank shall appoint two directors for each branch; such branch directors shall hold their office for one year, and until their successors are chosen and qualified. Election of branch directors.

President, cashier, &c., how chosen; vacancies board, how filled.

Sec. 63. The said branch directors, at their first meeting after each election, shall choose one of their number to be president, and shall have power to appoint a cashier, and such other officers and agents as they may deem necessary, whose term of office and whose compensation, together with that of the president, shall be established by the directors. They shall also have power to fill all vacancies occurring in their own body, except in those appointed by the bank, which shall be filled by the directors of the bank.

No person chosen as director more than twice in three years.

Sec. 64. No director appointed by the directors of the bank shall be chosen more than twice in three years.

No compensation to branch director, except, &c.

Sec. 65. No branch director, except the president, shall receive compensation for his services, unless by vote of the stockholders.

Who may be branch director.

Sec. 66. No person shall be elected a director of a branch, by the stockholders, who shall be in arrear to such branch, nor unless such person shall be a citizen of the State and a stockholder, owning in his own right, and not in trust, at least five shares in such branch. But in case there should not be a sufficient number of stockholders owning five shares, to constitute the directory, they may be elected out of those having the highest number of shares.

Seat of director may be vacated.

Sec. 67. If, during his term of office, any director shall become in arrear, or fail in business, remove from the State, or cease to own the requisite amount of stock, or otherwise become disqualified, it shall be the duty of the said board of directors forthwith to vacate his seat, and appoint another in his place.

Persons ineligible for directors.

Sec. 68. No person shall be a director in more than one branch at the same time; nor shall two or more partners be at the same time directors of the same branch, or of the bank and a branch thereof; nor shall a director of any moneyed corporation, having power to discount and receive deposits, be a director of any branch.

Office of each branch to give security.

Sec. 69. The board of directors of each branch shall have power to require such security from their officers and agents for the performance of their duties as they may deem necessary.

Report to the directors of the bank, &c.

Sec. 70. It shall be their duty to make report of their business and condition of their branch to the board of directors of the bank, once in each month, and oftener, if thereto required by said board, setting forth all the particulars required in their reports to the Legislature, and shall also send copies of their monthly reports to each branch.

SEC. 71. The board of directors of each branch shall keep a book, or books, in which shall be entered and faithfully recorded a journal of all their proceedings, which book shall be open to the inspection of all the stockholders, at all regular meetings of the same, and also be open to the inspection of any three stockholders holding together, in their own right, twenty shares of stock, on application by them made to the president or cashier.

Journal to be kept, to be open for inspection.

SEC. 72. All elections by the several boards of directors shall be *viva voce* and recorded.

Elections.

SEC. 73. The directors of each branch shall have power to make and prescribe such by-laws, rules, and regulations as they shall deem needful, touching,

By-laws of the branches.

First—The government of their respective branches, and the management and disposition of its stock, business, property, estate, and effects.

Second—The time, manner, and terms upon which discounts and deposits shall be made and received in and by the same.

Third—The duties and conduct of the officers, clerks, and servants employed by the same, and,

Fourth—All such matters as may appertain to the concerns of said branch; subject to the control of the directors of the bank in the cases, and according to the powers herein given to the directors of the said bank.

SEC. 74. In the management of their business the Board of Directors shall observe the following rules:

Rules to be observed by bank directors.

First—No branch shall loan money on the security of own stock.

Second—No person shall be accommodated with a loan while in arrear for stock, for interest or for loans had either on his own account or as security for others, and then due, unless the sums so due be retained and first paid out of such loan.

Third—In the renewal of notes the securities shall never be lessened.

Fourth—No director shall be allowed to borrow out of bank on any other than the usual banking terms.

Fifth—The president, cashier, and directors for the time being of any branch or of the bank shall not be permitted to endorse for each other, nor shall they vote on questions in which they are interested.

Sixth—On all applications for loans of five hundred dollars or upwards there shall be five concurring votes out of seven, and so on in proportion if any greater or less number is present; and if any such application is granted, the ayes and noes shall be entered in the minutes of the board.

Seventh—No corporation of any description shall, at any one time, be permitted to be indebted, at one branch, in a greater sum than five thousand dollars for moneys loaned, unless by permission of the board of directors of the bank.

Eighth—It shall be the duty of the board of directors of each branch, as often as once in three months, to cause a strict examination to be made of the accounts of the cashier, and a full and complete settlement thereof; and a full statement thereof shall be entered on the journals of the proceedings of said board.

Ninth—No person shall be entitled to receive any dividend of profits on stock owned, while indebted to said bank for any debt or demand then due and payable, but the same shall be placed to his credit, until such debt or demand is paid.

Tenth—Five members shall be necessary to constitute a board for the transaction of business.

Penalties for making false statements, entries, &c.

SEC. 75. Every officer, agent, or clerk of said bank or branches, who shall wilfully and knowingly subscribe or make false statements, or false entries in the books of such bank or any branch, or shall wilfully and knowingly subscribe or exhibit false papers with the intent to deceive any person authorized to examine or inquire as to the condition of said corporation, or shall wilfully and knowingly subscribe or make false reports, shall be deemed guilty of felony, and shall be subjected to imprisonment at hard labor in the state prison for such term of years as the jury trying the case may think proper; and likewise any commissioner or examiner wilfully and knowingly subscribing or making any false reports, shall be deemed guilty of felony, and subjected to like penalties.

Penalties for embezzling.

SEC. 76. Any officer, agent, or clerk employed in said bank or any branch, who shall embezzel or appropriate the property or funds of said branch, with the intent to cheat and defraud the same, shall be deemed guilty of felony, and punished in like manner.

Branches empowered to open books for the transfer of stock in any of the cities of the United States.

SEC. 77. That the president and directors of the said bank may empower any of the branches, at their own expense, to open books for the transfer of their stock in any of the cities of the United States; and any such branch may authorize transfers of any portion of its stock, without lien or restriction, on which the State has no lien, on said books; which books shall be kept open for public inspection, conformably to the provisions of the 25th section of this act, and such transfers shall be regularly certified to the bank.

SEC. 78. That any branch or branches shall be authorized to contract with such board and officers as the State may empower, for the receipt and disbursement of any deposit of public funds by the State, and for the interest to be paid thereon, subject to the approval of the board of directors of the bank.

Branches authorized to contract with officers appointed by the State for the receipt and disbursement of any of the deposits of public funds by the State, &c.

SEC. 79. The capital stock of said bank and branches shall be divided into shares of fifty dollars each. No branch shall be organized until capital stock to the amount of one hundred thousand dollars shall be subscribed therefor, and the commissioners hereinbefore appointed, after giving at least thirty days' notice by publication in three or more newspapers published in the city of Indianapolis, and at least twenty days notice in three or more newspapers published in each bank district, or as many as may be published in any district where there are not three published, shall cause books to be opened by the sub-commissioners to be appointed for that purpose, for the subscription of the requisite amount of stock, at such places within the districts aforesaid as shall have been designated for the location of branches; which books shall be opened between the hours of 9 and 12 A. M. on the days and at the place specified in such notice, and if the requisite amount of stock shall not sooner be subscribed, said books may be kept open between the same hours each day, for the space of thirty days. If more than the requisite amount of stock shall be subscribed while the books are open for any branch, the excess shall be taken first from such as reside out of the State, next from corporations; and should there still be an excess, the same shall be taken in proportion from subscriptions over one thousand dollars, until all are reduced to that amount, and then from all equally.

Capital stock divided into shares \$50 each. No branch to be organized until \$100,000 is subscribed. Duty of commissioner in regard to giving notice in newspapers and opening books for subscription.

SEC. 80. If a sufficient amount of stock shall be subscribed, by responsible persons, at any branch, it shall be the duty of the sub-commissioners to notify the commissioners thereof, who shall give notice to the subscribers of the time when the first payment on their stock shall be made, which notice shall be by publication in one or more newspapers, published in the proper bank district, sixty days before such payment is to be made; and they shall also give notice, in like manner, that an election will be held on the day succeeding that appointed for the payment of such installment, between the hours of 10 A. M., and 2 o'clock, P. M., at some specified place at the point where such branch is to be located, for the election of five directors on the part of the stockholders of such branch. At such time and

Duty of sub-commissioner in regard to subscription of stock. Commissioner to notify stockholder when the first payment on their stock is to be made, &c.

place, the stockholders present shall appoint two suitable persons, who are not stockholders, to act as judges, and one to act as clerk, who shall, after being duly sworn faithfully to perform their duties, receive the ballots for directors, and certify that those receiving a majority of the votes cast were duly elected, and the directors so elected shall constitute the board of directors of such branch, for the purposes of its organization, and until the board of directors of the Bank of the State of Indiana shall be organized, and appoint directors on the part of said board, and the directors so appointed shall then be added to such branch board.

Amount of first installment on each share of stock, and duty of sub-commissioner in regard thereto.

SEC. 81. Such first installment shall be two dollars on each share of stock subscribed, and shall be paid to the sub-commissioners, by whom the books were opened, and who shall attend for that purpose, and in case of the failure of any subscriber to pay such first installment, the sub-commissioner shall strike his name from the books, and immediately re-open said books to receive subscriptions, to make up the deficiency from any persons who will pay such installment. As soon as a branch is organized, said sub-commissioners shall pay over thereto all the money received from such subscriptions; and all books and papers appertaining thereto, which, with the returns of the election for directors, and the certificates thereof, shall be entered or copied into the record books containing the proceedings of the board of directors, which entries shall be *prima facie* evidence of the fact therein stated. If any sub-commissioner shall, from any cause, fail to perform any of the duties required of him, the same may be performed by any other person appointed by the commissioners to supply his place. The residue of said stock shall be paid in such installments as the board of directors of the proper branch shall require; but such installments shall be so graduated that not less than one hundred thousand dollars shall be required to be paid into each branch on or before the first day of January, 1857.

Residue of stock paid, on what installment.

Board of directors to meet as soon as conveniently after election. Duties they have to perform at their first meeting.

SEC. 82. The board of directors of each branch shall meet as soon as conveniently may be after their election, and after being duly sworn to support the constitution and laws of the State of Indiana, and faithfully and honestly to perform the duties of their office, shall proceed to elect the proper officers of such branch, and also one of their number as a member of the board of directors of the Bank of the State of Indiana; and when not less than ten branches have thus organized, the members elected to the board of directors of the bank shall meet at the city of Indianapolis, at such time as shall be

ceed upon, and organize said board. If any members of said board have then been elected by the Legislature, they shall be added thereto; and whenever, from time to time, members of said board shall be elected by the Legislature, or by branches that may be subsequently organized, such members shall be admitted to their seat at said board.

SEC. 83. When not less than ten members of the board of directors of the Bank of the State of Indiana shall meet as aforesaid, and shall have been duly sworn to support the constitution and laws of the United States, and of the State of Indiana, and faithfully and honestly to perform the duties of their office, the commissioners shall deliver to them all the books, papers, and property in their possession, appertaining to said bank, together with a full report of all their proceedings in the premises, which report shall be entered on the record of said board, and when so entered, such record shall be *prima facie* evidence of the contents thereof, said board shall proceed to elect their proper officers, and when thus organized, said board shall cause a written statement of all the proceedings in the organization of said bank and of each branch, to be made and filed in the office of the Secretary of State; which statement shall be accompanied by the affidavits of the president and cashier, that to the best of their knowledge and belief said statement is correct, and that said bank and branches have been organized in good faith, and with the intent to carry out the objects of its charter fairly and honestly; and thereupon said bank shall be duly organized for all the purposes contemplated by this act, except that it shall issue no bills or notes intended to circulate as currency until after the first day of January, 1857, and no such bills or notes shall then be issued to any branch until at least fifty thousand dollars shall have been paid into such branch upon the subscriptions for its stock.

SEC. 84. The board of directors of the Bank of the State of Indiana is authorized to increase the capital stock of any of the branches, by empowering them to receive additional subscriptions thereto, to such an amount as can be profitably employed, but the aggregate capital of the bank and all its branches shall not exceed six millions of dollars.

SEC. 85. Should any subscriber for stock in any of the branches fail to make payment of the first or any subsequent installment, the party failing shall forfeit the first installment, to be recovered by said bank in an action at law; and in case of the failure to pay any

When board of directors organized, commissioner to deliver to them all books, &c., in their possession appertaining to said bank.
Duty of board of directors.

Board of directors of the Bank of the State of Indiana authorized to increase capital stock of the branches.
Capital of the bank and all its branches not to exceed \$6,000,000

Subscriber failing to pay first or any subsequent installment, how proceeded against.

subsequent installment, the board of directors of the proper branch may sell and transfer any such share or shares of stock at public auction, after ten days' notice, in writing, put up at the door of such branch bank, or so much thereof as may be necessary to pay all the dues of the failing party, and if the same cannot be sold for sufficient to pay all the installments due, the same shall be forfeited and become the property of the proper branch; and whenever any stockholder shall be indebted to any branch, and such branch shall hold a lien upon his stock to secure such indebtedness, if by reason of insolvency or other cause, he shall be unable to pay such indebtedness, such branch shall have power to purchase and hold so much of such stock as may be necessary to discharge such lien.

Discounts not to exceed their deposits and two and one-half the capital stock actually paid in.

SEC. 86. The board of directors of the Bank of the State of Indiana may, from time to time, authorize the several branches, or any of them, to extend their discounts to an amount the average of which, for each fiscal year, shall not exceed their deposits and two and a half times the capital stock actually paid in, but never shall exceed that proportion, and such discounts shall never exceed three times the amount of the capital actually paid in and the amount of deposits, the power being still reserved by the board of directors of the bank to restrict the branches in their discounts to once and a quarter the amount of capital paid in at its discretion; and in case of excess, the directors under whose administration it shall happen, shall be liable for the same in their individual and private capacities, in an action of debt against them, or any of them, in any court competent to try the same, by any of the creditors of said bank, or the bank itself, and may be prosecuted to judgment and execution, any condition, covenant, or agreement to the contrary notwithstanding; but this shall not be construed to exempt the said bank, or the lands, tenements, goods, chattels, moneys, or effects of the same, from being also liable for and chargeable with such excess. And any director or directors who may be absent when such excess is created or contracted, or who may have dissented from the resolution or act, whereby the same was created or contracted, may respectively exonerate themselves from being so liable, by causing or requesting, in writing, at the time his or their dissent, to be entered on the minutes of the board, and by forthwith giving notice of his or their absence or dissent, to the Governor of the State, and to the stockholders, by giving notice thereof in some newspaper published near said bank or branch.

Individual liability of directors in case of excess.

Directors absent or dissenting may be exonerated from liability by giving notice.

Sec. 87. Every director not present at the meeting, when such excess shall be created or contracted, shall, nevertheless, be deemed to have been concerned therein, if the same shall appear on the books of the board, and he remain a director for six months thereafter, and does not within that time give notice of the same, as required in the preceding section.

Absent directors failing to give notice deemed liable.

Sec. 88. The insolvency of said bank or any branch shall be deemed fraudulent, unless its affairs shall appear, upon investigation, to have been fairly and legally administered, and generally with the same care and diligence that agents receiving compensation for their services, are bound by law to observe; and it shall be incumbent on the directors and stockholders of the bank, or any branch, should the same become insolvent, to repel by proof the presumption of fraud.

Insolvency, when deemed fraudulent. Presumption of fraud, how repelled.

Sec. 89. In case of the fraudulent insolvency of said bank, or any branch, the president and directors of said bank or branch respectively, by whose acts or omissions the insolvency was wholly or in part occasioned, and whether then in office or not, shall each be liable; in the first instance, to the creditors and stockholders of the said bank or branch, or any or either of them, for his proportional share for their respective losses; the proportion to be ascertained by dividing the whole loss among the whole number of directors liable; and if any such president or director shall be unable, by reason of being insolvent, or for any other cause, to pay his proportional part of such loss, then the residue of said loss shall be borne and paid in equal parts by the remaining directors liable as aforesaid, until the whole loss shall be reimbursed, or the whole property, rights, credits, and effects of each of said directors shall have been exhausted toward the payment of such loss; but this section shall not be construed to diminish the liability of directors as before declared.

Liability of president and directors, in case of fraudulent insolvency.

Sec. 90. If the moneys remaining due to the creditors of said bank or any branch whose insolvency shall be adjudged fraudulent, after distribution of its effects, and after the property, rights, credits, and effects of the president and directors of such insolvent bank or branch shall have been exhausted, shall not be paid by the stockholders, the deficiency shall be made good by the contributions of the stockholders of the branch becoming insolvent. The whole amount of the deficiency shall be assessed on the whole number of shares of the capital stock of said branch, and the sum necessary to be paid on each share shall then be ascertained, and each stockholder shall be liable for the sum assessed on

Moneys due to creditors in case of insolvency, how paid.

the number of shares held by him not exceeding the nominal amount of such shares, in addition to the sums paid, or which he may be liable to pay on account of those shares; but, before such contribution shall be required, or assessment made on any shares where the whole stock had been paid, the installments unpaid on any shares shall be required to be paid up, and the estimates of the deficiency made accordingly.

How alterations of this charter are to be made.

Proviso.

Sec. 91. That it shall be lawful for the General Assembly, (by and with the consent of the president and directors of the bank, and of the president and directors of each branch, and not otherwise.) to make such amendments and alterations in this charter as may be found expedient: *Provided*, That said bank or any of its branches, shall not be authorized by any such amendment to suspend or refuse the payment of specie for its notes, bills, or obligations, or for any moneys received upon deposit, and that no such amendment shall be made, the faith of the State is hereby pledged to the creditors of said bank and branches: *And provided further*, That the State reserves the right to authorize the establishment of additional bank districts and branches with the consent of the boards of directors of two-thirds the branches then organized.

Not lawful for said bank, after the expiration of 20 years from its organization, to discount loan money, &c.

Sec. 92. It shall not be lawful for the said bank, after the expiration of twenty years from its organization, to discount, loan money, or to do any other banking business: and all the powers herein conferred shall cease, except those incidental and necessary to close up its business, for which purposes only, its organization may be continued for any period of time not more than three years thereafter.

Declared public act.

Sec. 93. This Act shall be taken and received in all courts, and by all judges, magistrates, and other persons as a public act; and all printed copies of the same which shall be printed by or under the authority of the General Assembly shall be admitted as good evidence thereof, without any other proof whatever.

Expenses incurred in carrying into effect the provisions of this act, by whom paid.

Sec. 94. All expenses incurred in carrying into effect the provisions of this act shall be paid by said bank. The board of directors, when organized, shall make reasonable allowances for the services of the commissioners and other agents employed, and may require each branch to contribute a rateable proportion for the payment of all such expenses.

Emergency.

Sec. 95. Inasmuch as it is desirable that the commissioners appointed by this act shall be qualified and perform their duties, without delay, it is declared that an emergency exists in this case, and this act shall be in

and take effect from and after its publication in one or more newspapers published in the city of Indianapolis.

Passed the Senate, March 3d, 1855, the Governor's objections to the contrary, notwithstanding.
 SOLON TURMAN, *Secretary of the Senate.*

Passed the House, March 3d, 1855, the Governor's objection to the contrary, notwithstanding.
 JNO. LEVERING, *Clerk.*
 By A. E. JONES, *Assistant.*

CHAPTER CXII.

AN ACT for the relief of William, Mary, Jane, Nancy, and Eliza McConahay, step-children of Jonas B. Wood, of Daviess county, and releasing to them certain real and personal property which escheated to the State.

[APPROVED MARCH 5, 1855.]

WHEREAS, It is represented to this General Assembly, that Jonas B. Wood, late of Daviess county, in said State, in the year 184—, intermarried with Mary McConahay, a widow, who had five children by her previous marriage, and that the said Mary McConahay, at the time of her intermarriage with the said Jonas B. Wood, was the owner of personal property of the value of six hundred dollars, which was reduced to possession by the said Jonas B. Wood;

WHEREAS, It is further represented, that the said Jonas B. Wood, after the death of his said wife, departed this life in the year 185—, leaving no heirs at law surviving him;

AND WHEREAS, It is further represented, that after the settlement of the estate of the said Jonas B. Wood, one hundred and forty-two dollars and ten cents remained in the hands of his administrator, and was by him paid into the State Treasury, and that the said Jonas B. Wood, in his lifetime, and at the time of his death, was the owner in fee of the following tracts or parcels of land, situate in Daviess county, Indiana, viz: The west half of the southeast quarter of section two, and the east half of the south quarter of section two, and the southeast quarter of the northwest quarter of section number eleven, township four north, of range six west;

AND WHEREAS, The said Jonas B. Wood was, at the time of and previous to his death, desirous that all his estate, both real and personal, should descend and be

confirmed to the children of his said wife, to wit: William McConahay, Mary McConahay, Jane McConahay, Nancy McConahay, and Eliza McConahay; Therefore,

SECTION 1. *Be it enacted by the General Assembly of the State of Indiana*, That the title to said tracts or parcels of land above described, be and is hereby conveyed, confirmed to, and vested in the said William McConahay, Mary McConahay, Jane McConahay, Nancy McConahay, and Eliza McConahay, and their heirs and assigns forever; and all the title and interest of the said State of Indiana, in and to the said lands, is hereby relinquished to the said William McConahay, Mary McConahay, Jane McConahay, Nancy McConahay, and Eliza McConahay, and their heirs and assigns forever.

SEC. 2. *Be it further enacted*. That the said William McConahay, Mary McConahay, Jane McConahay, Nancy McConahay, and Eliza McConahay, are hereby authorized to receive from the Treasurer of State the sum of one hundred and forty-two dollars and ten cents, the amount paid into the State Treasury by the administrator of the estate of the said Jonas B. Wood, deceased, and it is hereby made the duty of the Treasurer of State to pay the same.

SEC. 3. This act to be in force and take effect from and after its publication in the Indiana State Journal and Indiana State Sentinel.

CHAPTER CXIII.

AN ACT to amend the second section of an act entitled "An act to incorporate the Ward Cotton Mill," approved February 15th, 1848, and increasing the Capital Stock thereof.

[APPROVED FEBRUARY 28, 1855.]

SECTION 1. *Be it enacted by the General Assembly of the State of Indiana*, That the second section of an act entitled "An act to incorporate the Ward Cotton Mill," approved February 15th, 1848, which is in the words following, to wit: "*Be it further enacted*, That the capital stock of said corporation shall not exceed five hundred thousand dollars; and the said corporation may be seized and possessed of such real estate as may be

AN ACT ESTABLISHING A STATE BANK.

APPROVED JANUARY 28, 1834.

SECTION 1. Be it enacted by the General Assembly of the State of Indiana, That there shall be, and is hereby created and established, a State Bank with ten branches, which, or so many as shall be organized under this charter, to be known and styled the "State Bank of Indiana," and shall continue as such until the first day of January, eighteen hundred and fifty-nine.

SEC. 2. The directors of the State Bank first appointed are authorized, and it is hereby made their duty to locate one branch of said bank at such place within each of the districts hereinafter named as they may deem expedient, to-wit :

District No. One, composed of the counties of Marion, Johnson, Shelby, Hancock, Madison, Hamilton, Boon, and Hendricks.

District No. Two, composed of the counties of Dearborn, Franklin, Ripley, Switzerland, and Decatur.

District No. Three, composed of the counties of Union, Fayette, Rush, Wayne, Henry, Delaware, and Randolph.

District No. Four, composed of the counties of Jefferson, Jennings, Scott, Bartholomew, and Jackson.

District No. Five, composed of the counties of Floyd, Harrison, Washington, Crawford, and Clark.

District No. Six, composed of the counties of Posey, Vanderburgh, Perry, Spencer, and Warrick.

District No. Seven, composed of the counties of Knox, Sullivan, Daviess, Gibson, Pike, and Dubois.

District No. Eight, composed of the counties of Orange, Lawrence, Monroe, Morgan, Martin, and Greene.

District No. Nine, composed of the counties of Vigo, Clay, Owen, Putnam, Parke, and Vermillion.

District No. Ten, composed of the counties of Tippecanoe, Fountain, Montgomery, Warren, Carroll, and Clinton, and of the territory lying north of Warren and Tippecanoe and west of Carroll and Cass, to the southern boundary of the northwest district.

SEC. 3. It shall be the duty of the directors of the State Bank, after the expiration of one year, to locate an additional branch in the district to be numbered *eleven*, composed of the counties of Adams, Grant, Huntington, Wabash, Miami, Allen, La Grange, Elkhart, and the unorganized territory attached to said several counties for judicial purposes: and after the expira-

tion of three years, to locate an additional branch of said bank within the district of country lying north of the Wabash river, to be numbered *twelve*, and not included in any of the districts before mentioned: *Provided*, that there shall be more than three counties in said district: and like proceedings shall be had in organizing the same as are herein prescribed for organizing the other branches; and the state stock therein shall be obtained in the same way, and paid over under the same restrictions and regulations as is provided for the other branches: *Provided, however*, that nothing herein contained shall prevent the board of state directors from paying the same out of the sinking fund of the state, or any surplus funds under their control.

SEC. 4. Should any of the branches herein established fail to organize, as herein contemplated, it shall be the duty of the directors of the State Bank, once in each year thereafter, if required by any number of the citizens who will be responsible for the expense, to open books of subscription within such district, and locate and organize a branch therein at such place as they may select, if the amount of stock herein required shall be taken and paid for under the provisions of this act.

SEC. 5. The said State Bank shall keep an office at the town of Indianapolis, and the directors thereof shall meet and hold their sessions at least once in three months. It shall be a body corporate and politic, with power to sue and be sued, plead and be impleaded, in any court of law or equity having jurisdiction, and to transact all other lawful business herein permitted them to do; and shall have power by and through her branches, and not otherwise, to loan money, buy, sell, and negotiate bills of exchange, checks, promissory notes, and other evidences of debt; to discount on banking principles and usages, bills of exchange, post notes, promissory notes, and other negotiable paper or obligations for the payment of money; to receive deposits, to buy and sell gold, silver, bullion, and foreign coins; to draw, issue, and put in circulation bills, notes, post notes, bills of exchange, and other evidences of debt, payable to order or bearer and not otherwise; and all such notes and bills put in circulation as money, except post notes and bills of exchange, shall be made payable on demand; and to exercise such other incidental powers as shall be necessary to carry on such business.

SEC. 6. The real estate which it shall be lawful for said bank to purchase, hold and convey, shall be, first, such as shall be required for its immediate accommodation in the convenient transaction of its business; or second, such as shall have been mortgaged to it in good faith by way of security for stock, loans previously contracted, or for moneys due; or third, such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings; or fourth, such as shall have been purchased at sales upon judgments, decrees or mortgages obtained or made for such debts; and the

said bank shall not purchase, hold or convey real estate in any other case, or for any other purpose; and all such real estate, not absolutely necessary for the convenient discharge of its business, shall be set up, at least once a year, at public sale after having given thirty days' notice of such sale, describing the property so to be sold, and the name of the mortgager, in at least one newspaper in the district where said bank is situate, and placing three written notices in the most public places in the town where the bank is located; and shall be sold if the same will bring the amount of the debt, interest and costs for which the same may have been bought, received, or taken by the bank, and which shall remain after deducting all profits received therefrom.

SEC. 7. All conveyances of real estate shall be signed by the president of the State Bank and have affixed the seal thereof.

SEC. 8. The said bank shall not at any time suspend or refuse payment in gold or silver of any of its notes, bills, or obligations due or payable, nor of any moneys received upon deposit; and if said bank at any time refuse or neglect to pay any bill, note or obligation issued by such bank, if demanded within the usual banking hours, at the proper branch where the same is payable according to the contract, promise, or undertaking, therein expressed, or shall neglect or refuse to pay on demand as aforesaid, any moneys received on deposit, to the person or persons entitled to receive the same, then, and in every such case, the holder of any such bill, note, or obligation, or the person or persons entitled to demand or receive such moneys as aforesaid, shall respectively be entitled to receive and recover interest on their said demands, until the same shall be fully paid and satisfied, at the rate of 12 per centum per annum from the time of such demand as aforesaid; and any branch so failing to meet its engagements may be closed as in case of insolvency.

SEC. 9. The said State Bank and each and every branch thereof shall mutually be responsible for all the debts, notes, and engagements of each other.

SEC. 10. All suits or actions against said bank on any contract or engagement made, or liability incurred by the board of directors, of the State Bank, or on any contract or engagement made, or liability incurred by the board of directors of any branch, or on any bank bill or note, shall be brought against the State Bank of Indiana.

SEC. 11. The process in such case shall be a summons, and shall be served on the president of the State Bank, in all cases where the contract, engagement, or liability sued for, shall have been made by the board of directors of said bank; and in all cases where the contract, engagement, or liability sued on, has been made or incurred by a branch, the process shall be served on the president of such branch; and so also where the suit shall be brought on any bank bill or note, the process shall be served on the president of the branch at which

such bill or note shall have been made payable: or in all such cases, a copy of the process may be left at the banking house, or place of doing business of the State Bank, or of the proper branch, as the case may be, during the usual hours of business, which shall be good service. And it is hereby made the duty of the president, or any other officer, of any branch, knowing of such service, forthwith to notify the president and directors of the State Bank thereof. In all suits brought against said bank, on any note, engagement, or liability of any branch, such suit shall be brought in the county where such branch may be situate; and all suits brought against the State Bank on any note, engagement or liability of the State Bank, shall be brought in the county of Marion.

SEC. 12. There shall be no stay of execution on judgments against the bank for notes issued or deposits made therein, except as herein provided for.

SEC. 13. Said bank shall be entitled to charge and receive for moneys loaned, six per cent. per annum and not higher, but the same may, according to bank rules, be discounted and taken in advance out of the sums loaned.

SEC. 14. The profits arising, after paying expenses and reservation for a contingent or surplus fund, shall be divided among the stockholders, according to the amount of stock owned and paid in by each; and in making this calculation and division of profits, each branch shall be independent of the others, and its own profits be divided among its own stockholders.

SEC. 15. There shall be deducted from the dividends, and retained in bank a year, the sum of twelve and one-half cents on each share of stock, other than that held by the state; which shall constitute part of the permanent fund to be devoted to purposes of common school education, under the direction of the general assembly, and shall be suffered to remain in bank, and accumulate until such appropriation by the general assembly; and said tax shall be in lieu of all other taxes and assessments on the stock in said bank. And in case of an ad valorem system of taxation being adopted during this charter, the said stock shall be subject to the same ratio of taxation as other capital, not exceeding one per cent. including the aforesaid tax, and the said tax shall only be assessed on such portion of the stock as shall have been paid, and on account of which, the stockholders shall not be indebted to the state.

SEC. 16. The person administering the government of this state, secretary of state, treasurer, auditor of public accounts, commissioner of the canal fund, judge of the supreme or any inferior court, or any person holding an office or appointment under the authority of the general government, shall not, while in such office, hold the office of president of the State Bank, director of the State Bank, or president, director, or cashier of any branch, nor that of a member of the general assembly; nor shall any president, cashier, or director of any branch at the same time hold the office of presi-

dent or director of the State Bank, on the part of the state, or the office of president, director, or cashier of another branch.

SEC. 17. The notes issued by said bank shall be signed by the president of the State Bank, and shall be made payable at the branch which shall issue the same, and shall be signed by the cashier of such branch.

SEC. 18. No sale or forfeiture for unpaid taxes of any real estate, mortgaged to said bank to secure the payment of loans made, shall, until the lapse of five years from such sale, operate to prevent said bank from redeeming the same, on payment of such taxes and damages and interest thereon, as are required by law in other cases of lands forfeited and sold on account of unpaid taxes, if at any time after such sale and forfeiture, such real estate shall become the property of the bank for the payment of any such debt.

SEC. 19. It shall not be lawful for said bank at any time to use or employ any part of its capital stock or other funds in the buying or selling of goods, wares, or merchandise, or in any other business or dealing, than is by this act authorized and permitted.

SEC. 20. It shall and may be lawful for said bank or any branch thereof to accept, receive, and become responsible for the deposits and public revenues of the United States, upon such terms and conditions as may be agreed on by the agents of the general government and a majority of the directors of the State Bank.

SEC. 21. That it shall be lawful for said bank to receive on deposit (except as above prohibited) moneys, bullion, plate and other articles of value of small bulk, on such terms and conditions as may be agreed upon by the parties.

SEC. 22. No note shall be issued of a less denomination than five dollars; and the legislature hereby reserves the right, at any time after ten years, to restrict and prohibit the circulation and issue of any note for less than ten dollars.

SEC. 23. There shall be in said bank and branches an account created, opened, and kept with the commissioners of the sinking fund, in which they shall be credited with the dividends of profits accruing to the state on her stock, and all other sums passing through or accruing in said bank properly belonging to that fund, which fund shall be under the control and direction of the said commissioners as herein provided.

SEC. 24. It shall not be lawful for the directors of the said State Bank to locate any other branch or branches of said bank than is herein authorized.

SEC. 25. The capital stock of said bank may be increased by individual subscriptions at any one or more branches, by and with the assent and concurrence of the legislature and directors of the State Bank.

SEC. 26. The general assembly may at any time appoint an agent to

examine the state and condition of said bank, and each and every branch thereof, who shall have the same power and rights as examiners appointed by the directors of the State Bank; and when any agent as aforesaid shall find and report, or the governor of the state shall have reason to believe that the charter has been violated, it may be lawful for the legislature to direct, or the governor to order a *scire facias* to be sued out of the Marion Circuit Court in the name of the state (which shall be executed upon the president of the State Bank for the time being, at least fifteen days before the commencement of the term of said court) calling on the said corporation to show cause wherefore the charter hereby granted shall not be declared forfeited; and it shall be lawful for the said court, upon the return of said *scire facias*, to examine into the truth of the alleged violation; and if such violation be made appear, then to pronounce and adjudge that the said charter is forfeited and annulled; and every issue of fact, which shall arise in such proceeding, and may be joined between the state and the corporation aforesaid, shall be tried by jury, and it shall be lawful for the court aforesaid to require the production of such of the books of the corporation as it may deem necessary for the ascertainment of the controverted facts; and the final judgment of the court aforesaid shall be examinable in the Supreme Court of the state, by writ of error, and may be there reversed or affirmed according to usages of law; and it shall be the duty of the governor to employ counsel on behalf of the state, to prosecute such writ of *scire facias*.

SEC. 27. That a general meeting of the stockholders of each branch shall be held annually, at such time as the directors of the State Bank shall direct, at which time elections for directors shall take place, to which meeting the directors of the preceding year shall exhibit an exact and particular statement of the state, condition and affairs of said Branch, and general meetings of the stockholders may be held at any other time, when ordered by the board of directors of the branch.

SEC. 28. Certificates of stock shall be issued to stockholders signed by the president and cashier of the proper branch, and may be transferred on the books of the branch to be kept for that purpose, and not otherwise; in which case the old certificates shall be surrendered and new ones issued. No stock shall be transferred, by any stockholder when any debt is due, or is then owing and to become due from such stockholder, but by the consent of the directors of the branch; and such stock books shall, at all reasonable times during the usual hours of transacting business, be kept open for the examination of any person, having in his possession any note, bill, or obligation on any branch, then due, and the payment of which shall be refused. And in case any officer having charge of such book shall refuse to permit such examination, he shall, for every such offense, forfeit the sum of fifty dollars, to be recovered in an action of debt by the person so refused.

SEC. 29. Stock shall be considered as personal property, and may be sold on execution, and transferred on the books of the branch by the officer selling the same, but in all cases be subject to a lien in favor of the bank, for all debts *bona fide* due, or then owing and to become due the same, from the owner.

SEC. 30. After the first election, no stockholder who shall not have held his stock, for which he votes, for three calendar months previous to the day of election, shall be entitled to vote; and the number of votes to which stockholders shall be entitled, in voting for directors, shall be in the proportion following: that is to say, for each and every share, not exceeding four shares, one vote; for every two shares above four shares and not exceeding thirty, one vote; for every four shares above thirty and not exceeding ninety, one vote; for every six shares above ninety and not exceeding one hundred and fifty, one vote; and for every ten shares above one hundred and fifty, one vote. But no person, co-partnership, or corporation, shall be entitled to a greater number than one hundred votes. In all elections, votes may be given either in person or by proxy, but no person shall vote by proxy more than one hundred votes, and no individual stockholder, who shall be a resident of the county where the election is to be held at the time of such election, shall vote by proxy, unless in case of unavoidable absence, except females or minors.

SEC. 31. No president, cashier, clerk or teller of said bank or any branch thereof, shall be permitted to vote at any election for directors, as the attorney, agent, or proxy of any stockholder. No president, cashier, or director of the State Bank, or president or cashier of either of the branches, shall, during the term of his office, be eligible to a seat in either branch of the general assembly of this state.

SEC. 32. The president of the State Bank shall be elected by the general assembly, by ballot of each house separately: *Provided*, That no person shall be elected as such president unless he gets a separate majority of the votes given by each house: *Provided, however*, That after three attempts at an election as aforesaid, should no concurring choice be made, the two houses shall proceed to elect the said president by joint ballot of both houses; and the person obtaining a majority of all the votes given on such joint ballot, shall be declared duly elected as in other cases. Such president shall hold his office for five years, unless sooner removed by joint resolution, and another appointed in his place.

SEC. 33. It shall be his duty to preside at all meetings of the board and decide all questions on which the board is equally divided, by his casting vote—he shall have power to call special meetings of the board whenever he may find necessary, and do and transact all other business naturally appertaining to his office or conferred upon him by this act.

SEC. 34. The president of the State Bank shall receive as a compensation, to be allowed by the board of directors of said bank, an annual salary, not less than one thousand, nor more than fifteen hundred dollars, payable quarterly.

SEC. 35. The general assembly shall elect four directors of the State Bank, in the manner prescribed for electing the president thereof, who shall respectively hold their offices, one, two, three, and four years, one going out of office each year, and shall at their first meeting after their appointment, determine, by lot, the periods they shall respectively hold their offices. Such directors, or any one of them, may at any time be removed by joint resolution of the general assembly. Their compensation shall be fixed by the board of directors of the State Bank; but the compensation of any member of the board shall not be increased during the term of his appointment.

SEC. 36. Vacancies occurring in the office of president or of any state director of the State Bank, shall be filled by appointment, to be made by the governor, until the same shall be filled by the general assembly, as in this act is provided for the election of the president and directors of the State Bank.

SEC. 37. The board of directors of each branch shall annually and as often as a vacancy may occur elect one director for the State Bank, whose compensation shall be fixed by the branch directors, and paid by such branch.

SEC. 38. It shall be the duty of said bank and branches to receive and pay out the revenues and funds of the state, under the direction and control of the treasurer of state, whenever the legislature may so direct.

SEC. 39. The board of directors of the State Bank shall have power to appoint a cashier and such other inferior officers and agents as may be necessary to carry on their business, to fix their term of office and compensation, and require such bond and security from them as they may from time to time deem expedient.

SEC. 40. The directors of the State Bank shall have power to limit and control the amount of discounts and loans of the branches after they shall amount to once and a quarter the amount of capital stock paid in; to settle and adjust the accounts and balances between them; and for good cause may suspend the operations of the same. They shall have power, and it shall be their duty to regulate and equalize the state funds and public deposits that may be in bank, and may transfer the same from one branch to another as circumstances may require. But they shall in no case withdraw any part of the capital stock of any branch, or any part of its own local funds, without the consent of the board of directors of such branch, to be used in any other branches, except in cases requiring such branch to be closed as herein provided for; and they shall have power to make and prescribe all necessary by-laws to carry the powers herein conferred into effect.

SEC. 41. They shall have power to appoint one or more of their number to visit and inspect the condition and affairs of each branch, when and as often as to them shall seem necessary; and it shall be their duty to make such examination at least once in six months, and also at any other time when thereto required by the directors of any branch. No director shall be appointed by the State Bank to examine, visit, and inspect the condition and affairs of any branch from which he has received his appointment.

SEC. 42. The person or persons so examining shall have power to examine on oath or affirmation (which they are hereby authorized to administer), all the officers, servants, or agents of any branch, or any other persons, in relation to the affairs and condition of such branch; and they shall have power to examine all the books, papers, notes, bonds, and other evidences of debt of any branch; to compare the books, funds, and property of said branch, with their returns and statements made thereof; to ascertain the amount of money and available funds on hand, and generally to make every other inquiry and examination necessary to ascertain the actual condition of such branch.

SEC. 43. The board of directors of the State Bank shall have power to require of the board of directors of each branch, reports of their business and condition, as often as shall be expedient, and not less than once each month.

SEC. 44. They shall have power whenever they shall ascertain in any manner, that any branch is insolvent, or is mismanaging its affairs, whereby the interest of the other branches is endangered, or that a branch hath violated any of the provisions of this act, or any other act binding upon them, or that any branch hath neglected or refused to comply with any legal order or direction of the board of directors of the State Bank, and it is hereby made the duty of said board forthwith to suspend the business of such branch, and the power of the branch directors over the same, and if the interest of the state, or the safety of the other branches requires it, to close up the affairs and business of said branch entirely; and to effect the same they are hereby vested with power to appoint a receiver or receivers, who shall, under their direction and control, collect and receive the rights, credits, and effects due such branch, and turn them into available funds; to settle, adjust, and compound the same; to settle, adjust, and pay off the debts due by such branch; and if any portion of the capital stock of such branch, or stock notes given therefor, shall be unpaid, to sue for, and collect the same, as also all contributions required from stockholders under the provisions of the one hundred and second section of this act, or so much as shall be necessary to meet the demands against such branch.

SEC. 45. That a copy of such order suspending or closing any branch and appointing a receiver or receivers to take charge of the same, signed by the

president and attested by the clerk of said board and the seal of said State Bank, shall be sufficient to authorize such receiver to seize and take charge of the same; and all officers, stockholders, servants, and agents of such branch shall be required to obey and submit to the same, and in default may be indicted for misdemeanor, and fined and imprisoned at the direction [discretion] of the jury trying the same; and any person fraudulently holding and concealing any of the property or effects of such branch from such receiver shall, upon conviction thereof upon presentment or indictment, be fined in any sum not exceeding one thousand dollars, and confined at hard labor in the state prison for any term of time, not less than one year nor more than ten years.

SEC. 46. It shall be the duty of the directors of the State Bank to provide for the payment of all the debts of a failing branch that shall remain due after all the property, real and personal, rights, credits, and effects, and all the stock of such failing branch, and the contributions of its stockholders, shall have been first applied; and for that purpose they are hereby authorized to call on the other branches for their respective proportions; arranging the time of making such calls, so that the whole amount of such debt shall be paid within one year after such failing branch shall have been suspended.

SEC. 47. And if it shall so happen that the property, stock, contributions, or effects of said failing branch shall not by that time have been turned into available means, the same shall be collected and distributed among the several branches to meet the advances by them made to pay the debts of such failing branch.

SEC. 48. After payment of all demands against a failing branch, if any of its effects, of whatever kind or description, shall remain, the same shall be first applied to the payment of the state stock therein, and shall be divided among the other branches and used as capital in the same as so much state stock; and if any residue should still remain, it shall be paid over to the other stockholders in their due proportions.

SEC. 49. Any order of the board of directors to suspend or close a branch shall be carried by at least the votes of two-thirds of the members present at some meeting, to attend which all the members of the board shall have been notified; and the question shall be taken by ayes and noes, and the same recorded on the minutes of the board.

SEC. 50. The order of the board of directors of the State Bank suspending any branch, shall likewise have the effect to suspend all suits, judgments, orders, decrees, and executions, for any claim or demand which said branch should have paid, nor shall any such suit be progressed in until the matter in controversy shall have been submitted to the board of directors of the State Bank, or the persons by them entrusted with the affairs of said branch; and if, on such submission, the justice of such claim shall not be admitted, and

the same be agreed to be paid on the closing up of the affairs of said branch, the same may progress to judgment; but execution thereon, and all other executions or decrees, shall remain until one year from the time such branch was suspended.

SEC. 51. The directors of the State Bank shall have power to regulate the manner of holding elections for directors of the branches, and may, if necessary, change and fix the time of holding the same, of all which elections reasonable notice of time and place shall be given.

SEC. 52. And in case an election of directors should not be made on the day when the same should have been, the directors of the State Bank shall order a new election, and the directors for the time being shall continue to hold their offices until such election takes place and their successors are qualified.

SEC. 53. No failure on the part of the general assembly or of the branches to elect directors of the State Bank shall be considered as a dissolution of this corporation, but the directors for the time being shall continue to hold and exercise their offices until their successors are chosen and qualified.

SEC. 54. Said directors shall have power to regulate and control the dividends of profits so that the capital stock shall never be diminished, and to create and keep up a surplus fund that shall never be less than one-sixteenth of the capital stock in each branch.

SEC. 55. In the calculation of the profits previous to a dividend, interest when unpaid, although due, or accrued on debts owing to any branch, shall not be included.

SEC. 56. Dividends of profits shall be declared semi-annually.

SEC. 57. They shall have power to close any branch which, after the first year, shall not yield a profit of six per cent. per annum upon the capital actually paid in, and the same may be proceeded in as in case of insolvency, unless the discounts shall have been limited and controlled by the directors of the State Bank, so as to prevent said stock from yielding such profit.

SEC. 58. They shall cause to be opened and kept, by their clerks, accounts with each branch, showing the operations of each, and keeping constantly in view their business and condition, which shall be at all reasonable times open to the inspection of any stockholder, and of any person authorized by the legislature to inspect the same.

SEC. 59. They shall likewise keep a record of all their proceedings, in which all their orders, votes, and resolutions shall be entered, with the ayes and noes on all questions, which shall be open to like inspection.

SEC. 60. They shall apportion the salary of the president and all other officers, agents, and directors of the State Bank, and all other general expenses, among the several branches, according to the amount of stock in each, and shall have power to demand and receive the same.

SEC. 61. It shall be the duty of the directors of the State Bank to keep and preserve the original books of subscription of stock, and to cause to be returned to them from each branch every six months a statement of all transfers of stock made the preceding six months.

SEC. 62. They shall also procure and take charge of the plates on which the paper of said bank shall be printed, and shall cause a sufficient amount thereof to be printed from time to time as occasion may require.

SEC. 63. They shall deliver on the order of the board of directors of each branch an amount of such paper not exceeding twice the amount of the capital actually paid in at such branch, except when more shall be wanted to replace that which may have been worn out, defaced, or lost; in which case all so defaced shall be returned to said board of directors of the State Bank and destroyed; and they shall give no other or greater amount for paper lost than they shall have good reason to believe is actually lost by circulation or otherwise.

SEC. 64. Five directors, with the president, shall be necessary to constitute a board for the transaction of business. But in case of sickness or absence of the president, his place may be supplied for the time being by any director whom the board may appoint.

SEC. 65. It shall be the duty of the board of directors of the State Bank, in the first week of the session of the general assembly in each year, to make report to both houses of the general assembly of the affairs and business of said bank and each branch thereof, setting forth in regard to each:

- 1st. The amount of available funds on hand, designating each kind.
- 2d. The amount of notes discounted.
- 3d. The amount of bills of exchange.
- 4th. The amount and condition of the surplus fund.
- 5th. The amount of notes in circulation.
- 6th. The number of officers and servants, and the amount of compensation to each.
- 7th. The amount of rents paid, if any.
- 8th. The value of houses used for banking purposes.
- 9th. The value of other real estate, and whether the same has been regularly offered for sale, as by this act required.
- 10th. The amount of debts due to and from other banks.
- 11th. All such other matters as shall by them be deemed material and important, or shall be required of them by the legislature. A like report shall be furnished to the general assembly, by the board of directors of each branch. Such report made by the directors of each branch, shall contain such statement of the condition of the same as aforesaid, as the same is found on the third Saturday of November, in such year, at two o'clock in the afternoon.

SEC. 66. The directors, and all other officers and agents of the State Bank, and of each branch shall severally, before they enter upon the duties of their office, make oath or affirmation, well and faithfully to discharge the duties of the same.

SEC. 67. The stockholders of each branch shall by ballot annually elect not less than seven, nor more than ten directors for such branch, the number to be settled by the directors of the State Bank; and the directors of the State Bank shall appoint three directors for each branch: such branch directors shall hold their office for one year, and until their successors are chosen and qualified.

SEC. 68. The said branch directors, at their first meeting after each election, shall choose one of their number to be president, and shall have power to appoint a cashier and such other officers and agents as they may deem necessary, whose term of office, and whose compensation, together with that of the president, shall be established by the directors. They shall also have power to fill all vacancies occurring in their own body, except in those appointed by the State Bank, which shall be filled by those directors of the State Bank, appointed on the part of the state.

SEC. 69. No director appointed by the directors of the State Bank shall be chosen more than twice in three years.

SEC. 70. No branch director, except the president; shall receive compensation for his services, unless by vote of the stockholders.

SEC. 71. No person shall be elected a director of a branch by the stockholders, who shall be in arrear to such branch, nor unless such person shall be a citizen of the state, and a stockholder, owning in his own right and not in trust, at least five shares in such branch. But in case there should not be a sufficient number of stockholders owning five shares to constitute the directory, they may be elected out of those having the highest number of shares.

SEC. 72. If during his term of office any director shall become in arrear, or fail in business, remove from the state, or cease to own the requisite amount of stock, or otherwise become disqualified, it shall be the duty of the said board of directors forthwith to vacate his seat, and appoint another in his place.

SEC. 73. No person shall be a director in more than one branch at the same time; nor shall two or more partners be at the same time directors of the same branch, or of the State Bank and a branch thereof; nor shall a director of any monied corporation, having power to discount and to receive deposits, be a director of any branch.

SEC. 74. The board of directors of each branch shall have power to require such security from their officers and agents for the performance of their duties as they may deem necessary.

SEC. 75. It shall be their duty to make report of their business and condition of their branch to the board of directors of the state bank, once in each month, and oftener if thereto required by said board, setting forth all the particulars required in their reports to the legislature, and shall also send copies of their monthly reports to each branch.

SEC. 76. The board of directors of each branch shall keep a book or books, in which shall be entered and faithfully recorded a journal of all their proceedings, which book shall be open to the inspection of all the stockholders, at all regular meetings of the same; and also, be open to the inspection of any three stockholders, holding together in their own right, twenty shares of stock, on application by them made to the president or cashier.

SEC. 77. All elections by the several boards of directors shall be *viva voce* and recorded.

SEC. 78. The directors of each branch shall have power to make and prescribe such by-laws, rules, and regulations as they shall deem needful, touching:

1st. The government of their respective branches, and the management and disposition of its stock, business, property, estate and effects.

2d. The time, manner, and terms upon which discounts and deposits shall be made and received in, and by the same.

3d. The duties and conduct of the officers, clerks, and servants employed by the same, and

4th. All such matters as may appertain to the concerns of said branch:

Subject to the control of the directors of the State Bank in the cases and according to the powers herein given to the directors of the said State Bank.

SEC. 79. In the management of their business the board of directors shall observe the following rules:

1st. No branch shall loan money on the security of its own stock.

2d. No persons shall be accommodated with a loan while in arrear for stock, for interest or for loans had either on his own account or as security for others, and then due, unless the sums so due be retained and first paid out of such loan.

3d. In the renewal of notes the security shall never be lessened.

4th. No director shall be allowed to borrow out of bank on any other than the usual banking terms.

5th. The president, cashier, and directors for the time being of any branch or of the State Bank shall not be permitted to endorse for each other. Nor shall they vote on questions in which they are interested.

6th. On all applications for loans of five hundred dollars or upwards, there shall be five concurring votes out of seven, and so on in proportion if any greater number is present; and if any such application is granted, the ayes and noes shall be entered in the minutes of the board.

7th. No corporation of any description shall, at any one time, be permitted to be indebted, at one branch, in a greater sum than five thousand dollars, for moneys loaned, unless by permission of the board of directors of the State Bank.

8th. It shall be the duty of the board of directors of each branch, as often as once in three months, to cause a strict examination to be made of the accounts of the cashier, and a full and complete settlement thereof; and a full statement thereof shall be entered on the journals of the proceedings of said board.

9th. No person shall be entitled to receive any dividend of profits on stock owned, while indebted to said bank for any debt or demand then due and payable, but the same shall be placed to his credit until such debt or demand is paid.

10th. Seven members shall be necessary to constitute a board for the transaction of business.

SEC. 80. Every officer, agent, or clerk of said bank or branches, who shall wilfully and knowingly subscribe or make false statements, or false entries in the books of such bank or any branch, or shall wilfully and knowingly subscribe or exhibit false papers with the intent to deceive any person authorized to examine or inquire as to the condition of said corporation, or shall wilfully and knowingly subscribe or make false reports, shall be deemed guilty of felony, and shall be subjected to imprisonment at hard labor in the state prison, for such term of years as the jury trying the case may think proper; and likewise any commissioner or examiner wilfully and knowingly subscribing or making any false report, shall be deemed guilty of felony and subjected to like penalties.

SEC. 81. Any officer, agent, or clerk employed in said bank or any branch, who shall embezzle or appropriate the property or funds of said bank or any branch, with the intent to cheat and defraud the same, shall be deemed guilty of felony and punished in like manner.

SEC. 82. The capital stock of said bank shall be one million six hundred thousand dollars, in shares of fifty dollars each, one-half thereof to be subscribed for, and owned by the State of Indiana, and the other half by individuals or corporations.

SEC. 83. The said capital stock shall be equally divided among the several branches hereby created, making the sum of one hundred and sixty thousand dollars at each branch, and if at any time that amount cannot be profitably used in any branch, the directors of the State Bank by and with the consent of the directors of such branch, may withdraw such portion of the state capital as cannot be profitably employed in said branch, and place it in such of the other branches as can most advantageously use the same; and such portion, when placed in a branch, shall, for the time it shall remain therein, be considered as so much of an addition to its capital and it may govern its operations accordingly; and the branch from which such state stock is taken, shall

be regulated in its operations according to its remaining capital; and the directors of the State Bank may, when they deem it expedient, withdraw such portion of the state stock from any branch, for the purpose of being replaced as state stock in the branch from which it shall have been taken, or in any new branch that shall be organized, or in any of the other branches.

SEC. 84. The directors of the State Bank after giving thirty days' notice in all the newspapers of this state, shall cause to be opened books for the subscription of stock at such places within the districts aforesaid as they may designate for the location of branches, under the direction of three commissioners, whom they shall appoint. Said books to be kept open between the hours of 9 and 12 o'clock A. M. of each day for the space of thirty days.

SEC. 85. If stock to the amount of eighty thousand dollars shall be subscribed within said time for either of the branches aforesaid, it shall be the duty of the commissioners having charge of the stock subscription books, to examine as to the responsibility of the subscribers for the stock, and if by them deemed responsible, or not, to make their report accordingly in writing under their signatures, to the directors of the State bank without delay.

SEC. 86. If on closing the books at any of said places it shall be found that more than eighty thousand dollars have been subscribed for any branch, the excess shall be taken first from such as reside out of this state; then from corporations, and should there still be an excess, the same shall be taken in proportion from the subscriptions over five hundred dollars until all are reduced to that amount, then from all equally, until the whole amount shall not exceed eighty thousand dollars.

SEC. 87. If a sufficient amount of stock shall be subscribed for by responsible persons at any of the branches, it shall be the duty of the State Bank directors, as soon as they can ascertain when said branches can be furnished with the capital on the state stock in said branches, to give notice to the subscribers for stock, of the time when the first payment on their stock shall be made, which notice shall be by publication in the nearest newspaper to each branch, sixty days before any payment shall be required to be made.

SEC. 88. The directors of the State Bank at the time of giving the notice as to the payment of the first instalment on the stock, shall also, in like manner, give notice, that an election will be held on the day succeeding that appointed for the payment of the stock, between the hours of 10 A. M. and 4 o'clock P. M. of said day, at some public place, at the point where the branches shall be located, for the election of directors on the part of the stockholders in their respective branches.

SEC. 89. In case of failure, on the part of any subscribers for said stock to meet the first instalment, the commissioners having in charge the subscription books for stock, shall immediately re-open said books and keep the same open for the space of twelve hours, for the purpose of permitting subscriptions

for such share or shares on which payment has failed to be made; and should there be more subscribers than there are shares to be subscribed for, preference shall be given to such as are not holders of shares, and the shares shall be equally distributed among the remaining subscribers; and if the number of subscribers shall still more than equal the number of shares to be taken, those who shall have shares shall be decided by lot, under the direction of said commissioners.

SEC. 90. The subscribers for stock at each of the branches shall, at the time appointed by the president and directors of the State Bank, pay, in specie, the sum of thirty thousand dollars to the commissioners having charge of the stock subscription books for the respective branches, as the first payment on their stock; and the residue of said stock shall be paid in specie in two equal annual instalments; and each resident stockholder in said branches shall have the right of having the instalments that shall become due on his stock paid for by the state of Indiana, in specie, to the proper branch, upon securing the amount of the same to the state, to be repaid on or before the expiration of nineteen years from the year eighteen hundred and thirty-four, with interest thereon at the rate of six per cent. per annum, payable semi-annually, by giving a bond and mortgage on the fee simple of unincumbered real estate, the fair cash value of which shall be (exclusive of perishable improvements) at least equal to twice the amount of such loan. The said bond and mortgage to be taken in the manner and subject to the provisions hereinafter specified.

SEC. 91. As soon as the stock shall have been subscribed and paid for, at any of the branches as aforesaid, it shall be the duty of the president and directors of the State Bank to subscribe for eighty thousand dollars of stock in such branch, on the part of the state; of which fifty thousand dollars in specie shall be paid by the president and directors of the State Bank, to such branch at the first general meeting of the board of directors of the State Bank after the organization of the board of directors of any such branch; and at the same time the president and directors of the State Bank shall give to the president and directors of the branch an order on the commissioners for the subscription of stock, for the payment of the thirty thousand dollars paid on the stock of said branch. And the residue of the state stock shall be paid in like manner, in two equal annual instalments from the time of said general meeting of the president and directors of the State Bank.

SEC. 92. When the president and directors of the State Bank and branches shall have been qualified by taking their oath or affirmation of office, and shall have organized themselves and informed the governor of the state that the State Bank and branches are prepared to enter upon the business of banking, he shall, by proclamation, authorize said State Bank and branches to commence their banking operations.

SEC. 93. At the first general meeting of the board of directors of the State Bank they shall deliver to the president and directors of each branch the by-laws, rules, and regulations for the same, together with the bills, notes, checks, books, and papers provided for such branch, taking the necessary receipts therefor; and also for the amount of stock, paid on the part of the state, in such branch; a duplicate of which receipts shall be filed by the president and directors of the State Bank, in the office of the treasurer of state.

SEC. 94. Should any failure of payment on the first, or any subsequent instalment, take place on the part of any subscribers for said stock, then and in such case the party failing shall forfeit and pay, if for the first instalment, the sum of ten dollars per share to the president and directors of the State Bank, to be recovered by an action of debt; and in case of a failure to pay any subsequent instalment at the time required by this charter, the president and directors of the branch shall be at liberty to sell and transfer any such share or shares of stock at public auction, after giving ten days' notice thereof in writing, put up at the door of said branch bank; and any surplus remaining, after paying the amount due and incidental charges, with ten per cent. on the amount paid on such share or shares on which such instalment shall be due, shall be paid over to the owner or owners of such stock previous to the sale thereof; and, if the same cannot be sold for sufficient to pay up the instalment then due thereon, the same shall be forfeited and become the property of the proper branch.

SEC. 95. The dividends declared by the directors of the state bank, on the state stock, and on such portions of the stock belonging to the other stockholders who have had their stock paid for through the medium of the state loan, and which shall not have been paid for by such stockholders, shall be paid by the directors of the State Bank and branches to the board of commissioners of the sinking fund, and not otherwise, unless upon the written instructions of the board to that effect. And it shall be the duty of the directors of the state bank to ascertain, at the times of making their dividends, the amount due of the loan, on the part of the state, to such stockholder, and declare the dividend thereon accordingly; and the dividends accruing on the stock, or such portions of the stock as shall not be required to be paid to said board, shall be paid, on demand, to the holders thereof respectively, except in cases expressly provided by this charter.

SEC. 96. In case the amount of such divided on individual stock so herein provided to be paid to the commissioners of the sinking fund shall not be sufficient to pay the interest due from the owner of such stock for the money so loaned to him by the state, then it shall be lawful for said commissioners to demand and receive of said bank a sufficient sum from the dividends due on the residue of the stock of such owner, as will pay the balance of such interest.

SEC. 97. It shall not be lawful for said bank or any branch to discount or receive any note or other evidence of debt in payment of any instalment due, or to become due on any shares of stock, or with the intent of providing the means of making such payment, or to receive or discount any note or evidence of debt, with the intent of enabling any stockholder to withdraw any part of the money paid in by him on his stock; nor shall said bank or any branch make any loan of its specie, or discount or receive any note or other evidence of debt for the purpose of furnishing means for any new branch to organize, or to enable any subscriber for, or holder of, shares of the stock of any branch, to make payment of any instalment due thereon.

SEC. 98. It shall not be lawful for said bank and branches at any time to have a greater amount of debts due to said bank and branches, than twice the amount of the capital stock actually paid in; nor shall said bank and branches, owe or be indebted in a larger sum than twice the amount of its capital paid in, exclusive of sums due on deposits; nor shall any branch at any time have due or owing to it, or be indebted, exclusive of deposits, in a larger sum than twice the amount of its capital stock actually paid in, without express permission from the board of directors of the State Bank; and such permission shall only be given in cases where one branch shall loan to another branch a part of its funds, to be used for a definite time, and such permission shall only extend to such period of time; and in case of excess, the directors under whose administration it shall happen, shall be liable for the same in their individual and private capacities, in an action of debt against them, or any of them, in any court competent to try the same, by any of the creditors of said bank or the bank itself, and may be prosecuted to judgment and execution, any condition, covenant or agreement to the contrary notwithstanding; but this shall not be construed to exempt the said bank, or the lands, tenements, goods, chattels, money or effects of the same, from being also liable for, and chargeable with such excess. And any director or directors, who may be absent when such excess is created or contracted, or who may have dissented from the resolution or act, whereby the same was created or contracted, may respectively exonerate themselves from being so liable by causing or requesting, in writing, at the time, his or their dissent, to be entered on the minutes of the board, and by forthwith giving notice, of his or their absence or dissent, to the governor of the state, and to the stockholders by giving notice thereof in some newspaper published near said bank or branch.

SEC. 99. Every director not present at the meeting when such excess shall be created or contracted, shall, nevertheless, be deemed to have been concerned therein, if the same shall appear on the books of the board, and he remain a director for six months thereafter, and does not within that time give notice of the same, as required in the preceding section.

SEC. 100. The insolvency of said bank or any branch shall be deemed fraudulent unless its affairs shall appear, upon investigation, to have been fairly and legally administered, and generally with the same care and diligence that agents, receiving compensation for their services, are bound by law to observe; and it shall be incumbent on the directors and stockholders of the bank, or any branch, should the same become insolvent, to repel by proof the presumption of fraud.

SEC. 101. In case of the fraudulent insolvency of said bank or any branch, the president and directors of said bank or branch, respectively, by whose acts or omissions the insolvency was wholly, or in part occasioned, and whether then in office or not, shall each be liable, in the first instance, to the creditors and stockholders of said bank or branch, or any or either of them, for his proportional share of their respective losses; the proportion to be ascertained by dividing the whole loss among the whole number of directors liable; and if any such president or director shall be unable, by reason of being insolvent, or for any other cause to pay his proportional part of such loss, then the residue of said loss shall be borne and paid in equal parts by the remaining directors liable as aforesaid, until the whole loss shall be reimbursed, or the whole property, rights, credits, and effects of each of said directors shall have been exhausted toward the payment of such loss; but this section shall not be construed to diminish the liability of directors as before declared.

SEC. 102. If the moneys remaining due to the creditors of said bank or any branch whose insolvency shall be adjudged fraudulent, after distribution of its effects, and after the property, rights, credits, and effects of the president and directors of such insolvent bank or branch shall have been exhausted, shall not be paid by the stockholders, the deficiency shall be made good by the contributions of the stockholders of the branch becoming insolvent. The whole amount of the deficiency shall be assessed on the whole number of shares of the capital stock of said branch, and the sum necessary to be paid on each share shall then be ascertained, and each stockholder shall be liable for the sum assessed on the number of shares held by him not exceeding the nominal amount of such shares, in addition to the sums paid, or which he may be liable to pay, on account of those shares; but, before such contribution shall be required, or assessment made, on any shares where the whole stock had been paid, the instalments unpaid on any shares shall be required to be paid up, and the estimate of the deficiency made accordingly.

SEC. 103. For the purpose of providing funds on the part of the state to pay her subscription of stock in said bank and afford to her citizens, who may become stockholders therein, the ability of paying up their second and third instalments of stock, the commissioners of the canal fund are hereby

authorized and directed to contract on the part of this state, a loan of one million three hundred thousand dollars, or so much thereof as shall be required for the purposes of this act, at a rate of interest not exceeding five per cent. per annum, redeemable after twenty and within thirty years, at the pleasure of the state; for the payment of which and the interest thereon, at such time and place as agreed upon, the faith of the state is hereby irrevocably pledged. Previously however, to said fund commissioners performing any duties by this section provided, they shall enter into bond with good security, in a penalty to be fixed by the treasurer of state, payable to the state of Indiana, conditioned well and truly to perform the trust reposed in them, and to pay over all moneys to the president and directors of the State Bank of Indiana, which they may receive, on account of any contract or loans made by them, in behalf of the president and directors of the State Bank of Indiana; which bond shall be approved by the treasurer of state, and when so approved it shall be his duty to cause it to be filed in the office of the secretary of state.

SEC. 104. Said loan shall be so negotiated from time to time as to be drawn for by instalments as follows: not exceeding five hundred thousand dollars when the said bank shall be ready to receive the same for business, and the residue in two annual payments thereafter; such instalments to be varied in amount to suit the number of branches that shall organize under the provisions of this act.

SEC. 105. The said commissioners or a majority of them, shall have power to issue bonds for said loan executed by them payable to order or bearer, copies of which bonds shall be filed in the office of the secretary of state.

SEC. 106. Said commissioners shall receive the same per diem compensation for their services herein as now allowed them, also their expenses to be adjusted by the directors of the State Bank.

SEC. 107. Said fund commissioners shall make report to the general assembly fully of their proceedings herein; they shall keep a record of their proceedings; shall pay over the said loan on the order of the president and directors of the State Bank, and take and preserve all proper drafts and vouchers therefor.

SEC. 108. That it shall be lawful for the general assembly, by and with the consent of the president and directors of the State Bank and of the president and directors of each branch, and not otherwise, to make such amendments and alterations in this charter as may be found expedient: *Provided*, That said bank or any of its branches, shall not be authorized by any such amendment to suspend or refuse the payment of specie for its notes, bills, or obligations; or for any moneys received upon deposit, and that no such amendment shall be made, the faith of the state is hereby pledged to the creditors of said bank and branches.

SEC. 109. The state reserves the power of making provision hereafter for the investment of the proceeds of the sales of the college lands, lands reserved for the use of township schools, and saline reservations, and such other corporate or state funds which may be deemed expedient, as stock in said bank under such regulations as will secure the safety of the same, and make them more productive and guard the rights of those concerned.

SEC. 110. That the president and directors of the State Bank, first elected by the state shall have power to organize themselves as a board of directors of the State Bank, by taking the oath or affirmation and giving bond as herein required, and shall, when so organized, have power to open or cause to be opened the books of subscription and to locate and organize the branches herein authorized, to procure plates, and cause paper to be struck and to do and perform all those things requisite and necessary to put the said branches in operation, anything in the sixty-fourths section of this act, to the contrary notwithstanding.

SEC. 111. That it shall not be lawful for the said bank, after the first of January, eighteen hundred and fifty-seven, to discount, loan money, or do any other banking business, and all the powers herein conferred shall cease, except those incidental and necessary to collect and close up its business. And, the general assembly hereby retains the power at any time after the said first of January, eighteen hundred and fifty-seven, to establish a new bank and branches, notwithstanding the privilege herein conferred.

SEC. 112. This act shall be taken and received in all courts, and by all judges and magistrates, and other persons as a public act; and all printed copies of the same, which shall be printed by or under the authority of the general assembly, shall be admitted as good evidence thereof, without any other proof whatever.

SINKING FUND.

SEC. 113. There shall be created a fund to be called the sinking fund, which shall consist of all unapplied balances of the loan or loans procured on the part of the state for its stock in the State Bank, or for the purpose of being loaned to stockholders to enable them to meet their stock instalments in the bank; the semi-annual payments of interest on the state loans to stockholders, and the sums that shall be received in payment of said loans; the dividends that shall be declared and paid by the State Bank on the state stock, and the dividends accruing on such portions of the stock belonging to the other stockholders as shall have been paid for by the loan on the part of the state, and which shall not have been repaid by such stockholders.

SEC. 114. The principal and interest of said sinking fund shall be reserved and set apart for the purpose of *liquidating and paying off the loan or loans and the interest thereon*, that shall be negotiated on the part of the state for the payment of its stock in the State Bank, and the second and third

instalments on the shares of the other stockholders in said bank, *and shall not be expended for any other purpose*, until said loan or loans, and the interest thereon, and incidental expenses shall have been fully paid; and after the payment of said loan or loans, the interest and expenses, the residue of said fund shall be a permanent fund, and appropriated to the cause of common school education in such manner as the general assembly shall hereafter direct.

SEC. 115. The president and directors, on the part of the state, of the State Bank, shall constitute a standing board of commissioners of the sinking fund, and the president of said bank shall be the president of said board, and the cashier of said bank shall be the clerk of said board. They shall have the superintendence and management of said fund under such powers and restrictions as are conferred or imposed by this act, or the legislature from time to time shall prescribe. It shall be the duty of said board to loan all moneys belonging to said fund, and examine the title to all real estate mortgaged to the state to secure the loans made by the state to the stockholders in the State Bank, and the loans made by said board of moneys belonging to said fund; to ascertain and determine the value of such real estate; to take the necessary bonds and mortgages to secure the payment of any such loans and the interest thereon; to receive and collect the amount due of the principal or interest of any such loans; and in the examination of the title to real estate, fixing the value thereof and the amount for which it is to be mortgaged, the amount of the loan, its duration and rate of interest, the nature of the mortgage, the registering, cancelling, or foreclosing thereof and in the making and collecting any of said loans with the interest thereon, the said board shall be governed in all respects by the provisions of the several acts authorizing the loaning of the seminary funds, except on *loans* made by the state to *stockholders in the State Bank*, the *time* for the payment of the *principal and interest* of said loans shall be regulated by this charter. The said board shall receive and collect from the State Bank the semi-annual dividend that shall be declared on the state stock, and on such portions of the stock of other stockholders as shall have been paid for through the medium of the state loan, and which shall not have been repaid by such stockholders to said board.

SEC. 116. It shall be the duty of said board to see that the interest is promptly paid on the state loan or loans made for the payment of its stock, or that of the other stockholders, in the State Bank; and, for this purpose, they shall have the right to command the services of the president and directors of the State Bank, free of charge, to pay the same; and it shall be the duty of said bank to pay said interest on said loan or loans, when required by said board, the said bank to be reimbursed, for the amount of interest thus paid, by said board, and all exchange and expenses actually incurred.

SEC. 117. Said board shall make all necessary arrangements for meeting any legal charges or requisitions on said fund, and pay and discharge the

same in the manner prescribed by law. They shall keep in a book, to be provided for that purpose, full accounts of all their acts and proceedings, and an account shall be kept showing in detail the receipts, loans, and disbursements of said fund; separate books shall be kept, in which shall be entered the amount of the receipts of dividends on the state stock in the bank, and an account of each stockholder, that is required to be paid to said board; and after the payment of the interest due on the loan of any such stockholder to the state, out of said dividends, or otherwise, the residue of such dividends shall be applied to the payment of his loan, and shall be credited on his bond and mortgage by said board; and when such bond and mortgage shall be satisfied by said dividends, or otherwise, the same shall be cancelled, and the bank dividends on the stock of such stockholder shall not be paid to said board, but to the owner of said stock.

SEC. 118. The said board shall annually report to the legislature, during the first week of its session, giving a full and detailed statement of the operations and situation of said fund.

SEC. 119. The president and commissioners of said board, the clerk, and all its agents, shall each, before entering on their duties, take an oath or affirmation faithfully to discharge the duties assigned them, a certified copy of which shall be filed in the office of the treasurer of the state. The said president, commissioners, and clerk shall severally give a bond to the state of Indiana, with such securities as shall be approved of by the governor, in the sum of fifty thousand dollars, conditioned for the faithful performance of the duties of their office, the amount of which bonds may be enlarged from time to time, or one or more additional bonds required, as the legislature may require, which bonds shall also be filed in the office of the treasurer of state.

SEC. 120. The said commissioners for each and every day they may be necessarily engaged in the discharge of the duties of their office, shall each be allowed two dollars per day; and they shall make such allowance for the services of their clerks and agents as shall be a fair and reasonable compensation therefor, which sums with the incidental expenses or stationery, etc., for said board, shall be paid out of said fund, and an account thereof be embraced in the annual report of said board. The legislature reserves the right of changing the amount of the compensation of any of the officers in this section mentioned other than that of the president.

SEC. 121. The board of commissioners of the sinking fund shall be authorized to employ, as agents, the directors on the part of the state, in any of the branches, for the purpose of making and securing any loan, or to collect the same or the interest thereon, or the dividends coming to said fund from any branch of which agents are directors, the said board being responsible for the acts of such agents.

SEC. 122. This act shall be in force from and after its passage.

STATUTORY PROVISIONS STATE BANK OF INDIANA
(1834-57 and 1857-66)

BANK OBLIGATIONS COVERED

Period: 1834-57 and 1857-66
Obligations covered: All debts for both periods (Sec. 41, Ch. CXI, 1857)

Percentage of total circulating notes and deposits covered by insurance: 100 (Sec. 8, Ch. CXI, 1857)

B ASSESSMENTS AND CONTRIBUTIONS IN BANK OBLIGATION INSURANCE PLAN

Initial contribution:

Annual assessment:

Special assessment: Proportionate sum necessary to pay debts of a failing branch, after application of own property and contributions of stockholders, upon call by board of directors of State bank, covering period of not over one year. (Sec. 41, Ch. CXI, 1857)

C STATUTORY LIMITATIONS ON OPERATIONS OF INSURED BANKS

I Responsibility of Directors and Stockholders

Directors: Directors individually liable for loss on account of any violation of limits on debts owed by or to bank, unless dissenting in writing. Directors liable for proportionate share (and if other directors unable to pay proportionate share, to full amount) of loss in case of fraudulent insolvency. Any insolvency deemed fraudulent unless proved otherwise, and incumbent on directors and stock-holders to repel by proof the presumption of fraud. (Sec. 86, 88, 89, Ch. CXI, 1857)

Stockholders Double liability (Sec. 90, Ch. CXI, 1857)

II Limitations on Loans and Investments

To officers and employees:

To directors: No loan except on usual terms. (Sec. 74, Ch. CXI, 1857)

To stockholders:

Maximum to single borrowers: \$500 and over only with approval of five out of seven directors; \$5,000 to any corporation, over this amount only by permission of board of directors of State Bank. (Sec. 74, Ch. CXI, 1857)

Total loans and discounts:

Debts due to branch limited to twice amount of capital stock, except with permission of board of directors of State Bank (Sec. 98, Ch. CXI, 1857)

* Annual average discounts not to exceed $2 \frac{1}{2}$ times capital stock paid in, if authorized by State Bank; and debts due to them, exclusive of deposits and cash balances in other banks and branches, never to exceed on annual average $2 \frac{1}{2}$ times paid-in capital stock, or 3 times paid-in capital stock at any one time. State Board power to restrict branches in discounts to $1 \frac{1}{4}$ amount of capital paid in. (Sec. 86, Ch. CXI, 1855)

STATUTORY PROVISIONS STATE BANK OF INDIANA
(1834-57 and 1857-66)

III Limitations on Ownership of Property

Banking house
and fixtures: Such as required in immediate accommodation in
convenient transaction of business. (Sec. 6, Ch. CXI, 1855)

Time limit on real-
estate acquired by
collection of debt: Unless necessary for discharge of business, must be
offered for sale at least once each year for amount
of debt with costs. (Sec. 6, Ch. CXI, 1855)

Ownership of other
real estate: Forbidden (Sec. 6, Ch. CXI, 1855)

Ownership of
corporate stock:

IV Limitations on Circulation, Deposits and Borrowings

Maximum circulation:

Maximum deposits:

Rate of interest on deposits:

Maximum borrowings: Debts owed by bank, exclusive of deposits, not to exceed
twice capital stock without permission of board of
directors of State Bank. (Sec. 98, Ch. CXI, 1834)

V Required Reserves ----

VI Limitations on Payment of Dividends

Percentage of earnings
to be carried to surplus prior
to dividends: Dividends to be controlled by board of directors of State
Bank, so as to create and keep a surplus of not less than
1/16 of capital stock in each branch. (Sec. 49, Ch. CXI,
1855)

If losses exceed undivided
profits, or in excess of net profits:

If reserve is impaired:

If capital is impaired: Dividends to be controlled by Board of Directors of
State Bank so that capital stock shall never be diminished.
(Sec. 49, Ch. CXI, 1855)

D CHARACTER AND POWERS OF SUPERVISORY AUTHORITIES OVER INSURED BANKS

I Character of Supervisory Agency

Name of board: 1855, President and directors of the Bank of the State of Indiana. (Sec. 29, Ch. CXI, 1855)

Composition and

method of appointment: One director appointed by each branch annually. (Sec. 32, Ch. CXI, 1855)

II Opening of New Banks

Authority approving opening of new banks: *

Conditions to be taken into consideration in approval of charters or issue of certificates to begin business:

III Examinations and Reports

Number of required examinations each year: Two (Sec. 36, Ch. CXI, 1855)

Additional examinations by supervisor: When and as often as necessary.** (Sec. 36, Ch. CXI, 1855)

Minimum number of condition reports each year: Twelve (Sec. 38, Ch. CXI, 1855)

IV Character of Assets and Management

Circulation and liabilities: May limit amount of loans and discounts after they amount to once and a quarter the amount of capital stock paid in. (Sec. 35, Ch. CXI, 1855)

Other powers: Board of directors of State Bank to appoint two directors of each branch (stockholders not less than five nor more than ten) (Sec. 62, Ch. CXI, 1855). In Sec. 66 of 1834 law

Board of State Bank to appoint 3 directors of each branch, stockholders 7-10

* No branches to be opened except those authorized in the law (Sec. 21, Ch. CXI, 1855) --maximum of thirteen (amendment Feb. 7, 1838) later fifteen (Act of Feb. 10, 1843).

**May also be examined at any time by an agent of the general assembly. (Sec. 23, Ch. CXI, 1855).

V Closing and Liquidation of Banks

Power to close for violation of law:

By two-thirds vote. If branch has violated any act, or has neglected or re-fused to comply with legal order or direction of State Bank. (Sec. 39 and 44, Ch. CXI, 1855)

Power to close for unsatisfactory condition:

By two-thirds vote, if insolvent, or mismanaging its affairs, or fails to earn six percent after first year (unless discounts have been limited and controlled by State Bank). (Sec. 39, 44, 52, Ch. CXI, 1855)

Definition of insolvency:

If suspends or refuses payment on any notes, bills or obligations due or payable, or any deposit. (Sec. 8, Act of 1834)

Powers of Liquidation:

To appoint receiver if interest of state or safety of other branches requires closing of affairs of a branch. (Sec. 39, Ch. CXI, 1855)

EXCERPTS REGARDING BANKING INSTITUTIONS FROM
INDIANA STATE DOCUMENTS, 1835-69

From a communication from the President of the State Bank of
Indiana to the Senate, December 5, 1834 (Indiana State Journal,
1834-35, pp. 60-62).

1834-35

"The management of the institution, which the Legislature chartered last session, has been committed principally to the stockholders, whose interests are such that it does not well appear how a majority of them can unite in any measure injurious to the common welfare. The state only appoints such a portion of the officers, that she can, through them at all times know the true situation of the institution; but the control has been wisely committed to persons chosen by the stockholders, that the steady course of individual enterprise may never be interrupted by political changes and revolutions.

"Every person may participate in the privileges granted by our charter; those who have capital may at any time purchase stock, much of which will at all times be in market; and those who have not capital, may still exercise an important power in the selection through the Legislature, of the persons who are to guard the equal interests of the state in the institution. By reference to the charter, it will be seen that proper guards have been placed against too great an accumulation of power. A bank has been established and not a loan office. The objects to be effected by the former are to supply a convenient currency—to facilitate exchanges—to furnish temporary loans—to aid in carrying away the surplus produce of the country, and to cheapen the prices of imports, by affording facilities and exciting competition. But no authority is given in the charter, to exercise the powers that properly belong to a loan office. It is not allowed to take landed security in the first instance, it is prohibited from holding land, except for special purposes;—and the Branches are liable to suspension, unless they yield a certain dividend, which can never be made if long loans be allowed: so that it would appear that the Bank was never intended to supply capital to a few favored persons, like a loan office, but to furnish a currency and supply facilities for trade and exchange. This will appear still more evident, by reference to that proceeding of the Legislature which struck from the bill a clause originally inserted in it that authorised permanent loans. That power might well be called dangerous, that in addition to the usual banking privileges, could also influence a large portion of community, by lending capital for long periods on the pledge of their land. The real interests of the Bank are undoubtedly in accordance with the course intended by the Legislature, when the charter was granted; and if any complain that their cases are not provided for, it will appear on examination that they have indulged expectations that cannot in the nature of things be realized. What

they expected from the Bank, no well managed institution could ever afford; and it would be better for them to devise some other remedy than to attempt to divert the Bank from the accomplishment of its legitimate objects.

"To make loans for short periods and for special purposes, and to require them to be paid punctually, will be found the most profitable to the Bank, and the most useful to the country. This mode of doing business will keep out the paper of the Bank;—will bring in good funds:—will accommodate the greatest number of customers;—will suit the business of those who are taking the productions of the country to a market; and, by encouraging punctuality and regularity, will benefit the whole community.

"If long loans are made, only one set of men can be accommodated; nothing will be coming in but the interest, the paper of the Bank cannot be kept out; when the expenses are deducted, a dividend sufficient to keep the Branch from being suspended, cannot be made; the customers who are not asked to pay in good times will hardly make an effort in hard times; the Board of Directors will cease to assemble and to take any interest when nothing new is to be done; the responsibility of endorsers will be less and less regarded, and it will not require the aid of prophecy to foretell the result. As the Directors are all made personally responsible for the consequences, it is very important that they should commence right at first. If they deal impartially with each others' claims, when loans are asked for, by any of their own board; if they aim to encourage the exporters, the manufacturers, the employers, and the safe business men of their vicinity, they can scarcely fail to augment vastly the business, enterprise, and prosperity of the state. But if they suffer a community of wants to produce concert of action in granting long loans to themselves or others—if they accept as principals or endorsers, those who suffer themselves to be sued for just debts—if they cannot appeal to a uniform and reasonable course of action—if they suffer their vaults to be emptied and their files to be burthened with often renewed notes, theirs will be no light account to settle with the public.

"In the circulation of Bank paper, it has been found by experience, that efforts to send it to a distance are very rarely of any advantage to the Bank. The paper soon returns for redemption, and if large quantities ~~be~~ be found in a remote district, out of the usual way of trade, suspicions are excited, the reputation of the Bank is injured, and the field is soon very limited in which the paper will be freely received. But when the business men around a Bank understand that it is prudently managed, when it stands ready to give support instead of asking it, general confidence is created, it extends and enlarges the circle of business in every direction, and it soon expels other currency from what

may be deemed its natural field of circulation. Unless a bank can be thus conducted, its establishment must have been premature, and all further operations should cease."

"By order of the Board,
S. MERRILL, President."

From the annual report of the Directors of the State Bank, December 12, 1835 (Indiana State Journal, 1835-36, pp. 69-74).

1835-36

"The semi annual examinations of the branches, required by the charters, have been duly made, and it does not appear that a single desperate debt has been contracted to any of the branches; though as many of the debtors are yet untried, experience alone can determine, how far they can be relied upon for strictly punctual payments, when they shall be exacted. The officers of the branches, generally, are well qualified, and the duties confided to them, with scarce an exception, are well performed. At one of the examinations, an attempt was made to ascertain what number of persons engaged in the several different occupations had been accommodated with loans, and it appeared that notes and bills had been discounted for 722 farmers, 339 merchants, druggists and grocers, 272 mechanics, 134 produce and cattle dealers, 87 manufacturers, millers and distillers, 121 persons of the different professions, 27 inn-keepers and 266 persons whose employment was unknown to the officers of the branches.

"It was not to be expected, but that differences of opinions, as to the construction of the charter, and the privileges granted by it should arise. Such have occurred, not originating, it is believed, from wrong motives; yet, wherever these have led to questionable transactions, they have been submitted to the State Board, all of whose proceedings have been in general conducted with great unanimity.

"The operations of the several branches present, on the whole, a state of prosperity wholly unequalled in institutions and a community circumstanced like ours. Business was commenced under the most favorable auspices. The paper of the United States Bank and Branches, which had previously constituted our chief circulation, was rapidly disappearing, and but for our Bank its place must have been supplied by the paper of local institutions which never could have obtained general confidence. The state was free from pecuniary embarrassments, our citizens out of debt, our agricultural interests highly prosperous, and with a large surplus produce, it only required facilities to render these sources of wealth and prosperity available. Such facilities have been afforded by the Bank.

"From the table annexed it will appear that the loans of all the branches on the 21st Nov. were

	\$1,810,965.51
The paper in circulation	\$1,393,035.00
The specie in the vaults	\$ 797,811.97
Cash on hand, Bank notes and specie	\$1,369,845.64

"The circulation obtained by the paper and the specie on hand, are such as have not often appeared in the operations of Banking.

"It will be important both for community and the Bank, that at as early a period as possible, its customers should be of the right class. Before its organization, much of the produce of the State was purchased by foreign capital, and a large portion of the profits of its exportation fell to foreign hands, and when the Bank commenced operations, a year since, the season was too far advanced to afford our own exporters as much aid as was desirable.—The loans, therefore, not required for active business, have, in some instances, been made for the purchase of lands, either from the Government or individuals. That temporary loans should be made for these purposes, cannot be objected to, especially when the funds for payment are expected to be derived from other sources than the sale of the lands. But if funds are borrowed largely from the Bank, to buy lands for speculation; if the farmers of the country forget that their prosperity depends upon raising good crops, and not upon an imaginary rise of the value of their land; if town lots and quarter sections are to become current like promissory notes or bank bills, it must be apparent to every person of reflection, that though a few may realize immense fortunes before the bubbles shall burst, yet the effects must paralyze all that is good and desirable in community. The ordinary pursuits of business are neglected, wherever a speculating mania prevails. Many engage in enterprizes, for which they were never calculated; the throng of competitors prevents all reflection, and a tempest succeeds, amidst which industry, economy, order and good principles are lost. Every intelligent observer must be aware of the impossibility, that general prosperity can be enjoyed, except by gradually improving the conditions of the different classes of community in their respective occupations, yet too many of these are found willing to convulse society to its foundations, for the purpose of rising on the ruins.

* * * * *

"It is gratifying to state that the business of most of the branches has been so conducted, as to have no direct influence in raising the prices of real property in their immediate vicinity, and it is believed that it has not been a leading motive at any of them to effect this object, and if for want of other customers, too many loans have been heretofore made to speculators in lands and town lots, this evil will soon be corrected. Business paper more than can be discounted is now offered to several of the branches, and at all of them a rapid increase of business profitable to them and useful to the country may be perceived.

"If their operations be thus conducted, lands will advance in price, produce rise in value, and towns increase in size, on the basis of solid business, and the occasional depreciations of either will not be seriously felt, either by the Bank or community. That such depreciation may take place and at no distant period is not improbable. Produce for some years has borne high prices from various causes. The three last seasons have not been as productive as usual. A large amount has been required for the accommodation of emigrants. The high prices of cotton, the great amount of foreign capital introduced into some of the southwestern states, and the rapid improvements made there within a few years have occasioned an unusual demand for our products. The price of cotton is already depreciating, that of lands and other property will probably follow, and if such harvests should be here gathered as have been heretofore, the prices may be, as they have been, one third or one fourth of their present rates. The rents and of course the prices of land must fall, to the injury and perhaps the ruin of such as may be in debt and calculating to pay by the produce of the soil or an increase of its value. These fluctuations in prices may be greater than ever heretofore, if a general system of internal improvements be commenced, and nothing should occur to check the extravagant calculations that under such circumstances would be indulged. The Bank may exercise an important influence in these matters, by withholding its aid and encouragement from all business, uncertain in its character and that is adapted more for private advantage than public good, and this will be of the more importance from the vast field for business now opening around us, into which many will rush without any experience of the difficulties to which it has always been subject in the West."

From the annual report of the Directors of the State Bank, December 17, 1836 (Indiana State Journal, 1836-37, pp. 100-05).

1836-37

"During a considerable part of the present year nearly all the Branches have extended their discount to twice and one-third their capitals, which was the limit fixed by the State Board; and the circulation of the bank in general extended nearly as far as is allowed by the charter. Specie was abundant, and the business of the bank and its customers never appeared more flourishing. Within a short period, however, a material change has taken place. Specie has not been imported as usual from Mexico. The efforts of the Government and others to draw specie from Europe have been much counteracted by the Bank of England. The suppression of small notes in several of the states, and especially the distinction made by the Government between specie and paper, in the payment for public lands, have altogether brought about a state of things seriously affecting the money market. A portion of the specie in the vaults of banks represented by twice or thrice its amount in paper has been withdrawn by the paper being thrown upon the banks for redemption, and the circulating medium of the country has been much diminished. Under these circumstances it is evident that the accommodations of banks would necessarily be much restricted; and that banks situated as ours, are peculiarly affected, may be gathered from the following facts:

"At the end of the first six months of the last fiscal year, 30th April, the circulation of the Bank amounted to \$2,204,630. At the close of the year, 31st October, it was \$1,825,150; being a reduction of \$379,480 in six months.

"The private deposits within the same period were reduced \$73,641.73, from \$404,273.37 to \$330,631.64. With the new instalment coming in, the aggregate of our business is of course somewhat since enlarged. To what extent the progressive diminution of circulation will extend after the 15th December, when nothing but gold or silver will be received for public lands, cannot be anticipated. But it is manifest, that from the location of our branches in the vicinity of the land offices, and that the public land in our state continues deservedly to be so much an object of attraction, our circulation must be liable to be so much influenced by these and other causes, that the extent of accommodations which the business of the country calls for, and which for its own interest and prosperity, the bank would be prompt to render, may not be in its power, consistently with its higher obligation to be at all times abundantly safe.

"There appears, however, no sound reason why we may not anticipate that the principal obstructions to the usual banking facilities, and especially with regard to our own Bank will before long be removed.

"Our specie is abundant—our capital is small compared with the actual business, wealth, and wants of the state. The last instalment in the original branches, the second instalment in the eleventh branch, and the increase by private subscription of \$60,000 at Madison, and \$45,000 at Lawrenceburgh, will make our capital actually paid in but \$1,825,000. The Directors of the Branches being personally liable for its correct management, and the separate interests yet common responsibilities of the branches for each other, would seem to secure its solvency under almost any circumstances. If, therefore, it furnishes a secure circulating medium to do the business of the country, if it facilitates our trade and increases the amount of our comforts, all which must be apparent to those who will fully examine the subject, there would seem to be no more necessity of throwing obstructions in its way, than there is of checking the improvements in the mechanic arts, or the facilities of intercommunication between the different parts of our country. As well might we destroy the steamboat, canal and railroad, and return to packhorses and perogues, as attempt to destroy all the facilities, which universal credit and deserved confidence have given to our banking institutions.

"It may not be amiss to inquire in what manner, and at what expense the business of the country would be done, if specie alone were the circulating medium. The advantages of credit could no longer be enjoyed, and capacity for business, integrity, and enterprise, which now not unfrequently, with merely borrowed capital, engage in the most important concerns with success, would no longer find encouragement. Only the few who possess large capitals

could engage in business to any extent, and (as there would be no accumulation of funds through banks for use,) they would gather specie slowly, and much of it would lie long useless, previous to being employed in any important operations. Its transportation would be tedious, expensive and hazardous, and the thousand conveniences that now arise from exchanges, commissions, and agencies, must be lost when credit perishes. What little business could be done, would be at the discretion of the few, whose interest would never lead them to compete with each other.

"But the amount of business which can be performed with specie is far less, perhaps not half that which can be done with even the same amount of paper. The one has, as it were, wings, passes swiftly from hand to hand, and meets with little detention or obstruction in its career of usefulness. The other passes heavily along, or is, upon the slightest suspicion of an unfavorable change in the state of the times, laid aside, so as often sensibly to affect every kind of business in the community; while being collected or in transitu from one point to another, or while deposited in the private desk or money bag, it is not of the slightest use to any one. But banks use even their temporary deposits in exchanges and other useful operations. They calculate accurately, while their funds are being transmitted without hazard of loss, from and to all places where correct business is done; and they may keep in active operation not only the whole means of the country, but by credit and character double, and perhaps treble those means to increase the general prosperity and comfort. It is manifest to every reflecting mind how fatal the consequences to us must be, if, instead of a sound paper currency, sufficient for the business of the country, we were obliged to substitute a medium one third in amount, and with a much diminished capacity for usefulness."

From Report of the State Bank, October 31, 1839 (Indiana Documents, 1838-39, reports to House of Representatives, pp. 79-90.)

1838-39

"Another difficulty arises from the tendency of business, and the constant efforts of borrowers, to turn what were intended to be temporary accommodations, into long loans. When this is effected to any extent, in the same proportion, new loans cease to be made, the Bank paper no longer issues regularly as a circulating medium for the country. Those who would borrow to carry off produce, or temporarily for other useful purposes, are told time after time, "the bank is not discounting." And the institution, instead of resembling the unfailing fountain, which pours a constant stream to cheer and gladden the country, becomes like the exhausted cistern, a mere deposit for dregs.

"Long loans are in general not less injurious to the borrower, than to the Bank and the country. If they were only made while property was rising rapidly in price, and borrowers would be sure to sell before a fall of prices commenced, they might be more fortunate; but all experience shows that no business men are so unreasonable as those who have dealt long on borrowed

capital,—that success only stimulates them to incur increased liabilities; and that the neglect to pay when money is plenty, makes the attempt hopeless when it is scarce.

"The periods during which prices rise rapidly are short, compared with those in which they are about stationary or are falling; and there can be no question that in common times, the farmer cannot afford to pay a rent equal to the interest of the cost of his farm and stock; nor can the merchant afford to pay interest on what, by his credit and capital, he uses in his business. Most active men may, with advantage, pay interest for short periods, on money to aid their operations; but there are few indeed, who can meet a constant drain on their income, equal to the interest of the capital employed.

"Another great difficulty in the way of useful banking is, the accommodation loans to merchants. While the balance of trade is against the State, the money, loaned for the purchase of goods from abroad, only increases the evil. And when the merchant borrows directly from the Bank, in the place of those who would circulate its paper, he takes from the people the means to do business and pay debts; and while his sales increase their liabilities, his policy cuts off the resources for payment. If he would give way to the produce buyer, the manufacturer, the employer, &c., the money loaned, after performing its proper functions among the people, would in the end come to him in payment of debts. But when he insists on being the borrower himself, his conduct is as absurd as that of the physician, who had rather swallow his own drugs, than sell them for the benefit of others."

From report of the President of the State Bank, February 17, 1840
(Indiana Documents, 1838-39, pp. 283-90).

1838-39

"In compliance with a resolution of the 14th instant, the undersigned submits the following Exhibits of the proceedings of the Directors of the State Bank.

"At the late session of the Directors, commenced February 10, 1840, among other proceedings the following items from the Business Committee were referred to the Committee on the State of the Bank:

"To ascertain whether the several Branches have kept their discounts within the prescribed limit;

"The subject of suspension of the various Banks in the adjoining States, and the probable effects upon the future action of the State Bank and Branches;

"The present condition of the Lawrenceburgh and Lafayette Branches, and the steps they have taken to comply with orders and requisitions of the last board of Directors of the State Bank;

"How far the various Branches have complied, with recommendations of the last session of this Board in confining and using their discounts and purchase of bills to the facilitating the conveyance of the surplus produce of the country to market.

"The committee above named, on the state of the Bank, reported on the above subject, as follows:

"That the several Branches have kept their discounts within the limits prescribed;

"In relation to the subject of suspension, we do not conceive, that any change so material has taken place since the meeting of the last Board, as to require any additional action on that subject;

"In regard to the present condition of the Lawrenceburgh and Lafayette Branches, and the steps they have taken to comply with orders and requisitions of the last Board of Directors of the State Bank, that after a careful examination into the affairs of these two Branches, they find, that the Lawrenceburgh Branch, without decreasing the amount of their specie capital more than eight thousand dollars, have paid their whole debt, amounting to about \$47,000 to the United States; that while they have increased the amount of their bills discounted and bills of exchange to some extent, they have decreased their circulation about \$19,000; leaving their immediate liabilities, however, greater than a strict regard to the safety of the Institution, would indicate to be right, when compared with the amount of means in hand to discharge them.

"The committee are well satisfied, that the general condition of both the Branches is better, than at the last meeting of the Board, yet recommend, that in their future operations, they continue to adhere strictly to the orders and recommendations of this Board at its last meeting."

* * * * *

"The committee further state and report, that they have had under consideration the situation of the Branches and their future prospects of business as well in regard to the increase of their specie capital, as their continuing to aid the business of the country, and they feel constrained to recommend to the Branches the exercise of great caution and prudence in their banking operations--such of them as require and receive an instalment of at least one-fifth on all their discounts every 90 days, and such of them as have a third to a fourth of their whole discounts in bills of exchange, which will be promptly paid at maturity, may, without much trouble prepare for any state of things, that is likely to take place, and they may still continue to make discounts, which will keep up a supply of circulating medium in the district in which they are situated, although of course their business will be contracted during summer, to be again expanded, when the exporting season commences. Such of the Branches as have a large debt due them from the State, and in addition a considerable amount of loans from individuals, on which very little reduction can be made, must, without doubt, be considered in a critical and difficult situation.

"Where a Branch ceases to make new loans, the difficulties of collection increase, for the means to make payments diminish, as the Branches lessen their discounts. No pains should be spared to realize from the State, at an early day, the balances that are due, and whenever by sale of property or Bank stock, the debtors of the Bank can diminish the amount of their dues, such sales should be earnestly pressed. Every long loan collected and all stock held by persons, who seldom wish to borrow, furnish additional means to increase the profits of the Bank, and promote the useful business of the country. When old debts are thus collected, great care should be taken, that the money does not again fall into wrong hands. To guard against this, no new loans for any purpose whatever should be made, without requiring at least one-fifth every 90 days. All debtors of the Bank, who are unable to pay instalments of at least a tenth on their present debts, should be debarred from future loans until their circumstances change; and on no account should loans be made to persons, who will not feel it both a pride and duty continually to keep up their credit in Bank.

"As to future business, much must be left to the sound discretion and judgment of the Branch Directors: yet your committee deem it their duty to present the following resolutions:

"Resolved, That none of the Branches of the State Bank ought to have in accommodation notes, and in its debt due from the state, an amount exceeding once and a fourth its capital; and that efficient steps ought to be taken to restrain any Branch, which shall not, at the earliest day practicable, place itself in this situation.

"Resolved, That the Cashiers of each and all the Branches hereafter be required, in their quarterly reports, to add, to the usual mode, the following facts.

"1st, The amount of loans each, of notes discounted, or bills of exchange to merchants, and what number of persons to whom made.

"2d, The amount of loans on notes and bills to producers.

"3d, The amount of loans on notes or bills to those actually engaged in the exportation of produce.

"4th, The amount of loans on notes or bills to manufacturers and mechanics."

From Report of the State Bank, November 1840 (Indiana Documents, 1839-40, pp. 93-98).

1839-40

"As near as could be ascertained at the last semi-annual examination, the discounts to different classes of business men were:

To merchants,	-	-	\$1,032,136,
To farmers,	-	-	600,310,
To manufacturers and mechanics,			610,754,
To exporters,	-	-	723,842,
To all others,	-	-	771,376.

"The loans to exporters will have been increased near a million of dollars before April; and those to others, merchants especially, a good deal diminished.

"The notes and bills under discount amounted to	6,590.
The discounts to directors amounted to	\$430,802.
The discounts to other stockholders, to	907,797.
The discounts to persons not stockholders,	2,399,819.

"Of the private stock, \$820,500, was owned by persons who borrow nothing or to a less amount than their stock; and \$545,353, by persons who owe the bank more than their stock. In eight of the branches, more than seven-tenths of the private stock is held by persons, who usually borrow nothing or very little; and the discounts to their directors were \$203,108, being \$154,888 less than was due from the directors of the same branches in 1838.

"In some other branches, there is more stock held by borrowers than is desirable; yet where there are but few capitalists in a bank district wishing to invest funds in bank stock--where the borrowing stockholders would sell their stock at once if purchasers of the right kind could be found; and where the business is safely and prudently managed, no interference can be required of the State Board.

"There have been almost no difficulties in managing the bank, which have not arisen mainly from the purchase of stock by persons with the expectation of borrowing money on more favorable terms than could be allowed to others. As these difficulties have occurred from time to time, such measures have been adopted by the State Board as appeared necessary to correct the evil, and no positive failure to do so, has yet occurred. In regard to these and all other exceptional proceedings in branches, it is understood by the State Board that they must be corrected; "that the branches which conduct their business properly, "must not be endangered by others, and that "the whole institution can and must carry with it a good share of "favor from the well informed business men of the State."

* * * * *

"The following table shows the highest and lowest discounts and circulation of the bank for the last four years.

1837, highest discounts		Lowest discounts Oct. 31,	\$3,367,267
April 1,	\$4,314,827.		
" highest circula-			
tion April 29,	2,615,275	" " " "	2,205,812
1838, highest discounts			
Jan. 20,	3,596,957.	" " July 21,	3,182,503
" highest circula-			
tion Oct. 31,	2,804,468.	" " Jan'y 6,	2,308,130
1839, highest discounts			
March 15,	4,995,382.	" " Oct. 31,	3,940,382
" highest circula-			
tion March 30,	3,847,503.	" " " "	2,985,372
1840, highest discounts			
March 31,	4,309,757.	" " " "	3,617,249
" highest circula-			
tion March 31,	3,279,897.	" " " "	2,835,902

"Except in the year 1838, when the suspension of specie payments discouraged to a great extent new enterprises, and which accounts for the difference in the business of that year, it appears that the discounts and circulation of the bank are usually considerable larger in the winter and spring than in the summer and fall. While the produce business of the State maintains its relative importance, and is managed as heretofore, these fluctuations must be expected. If more industry and capital were employed in manufactures, and if it would suit a portion of the farming interest to engage more extensively, at the proper season, in buying and fattening stock and hogs, to pay when exporters want their accommodations, the business of the bank might be nearly uniform throughout the year. Any attempt however to force a circulation beyond the business wants for a currency, will not be found advantageous to the bank, or the country.

"Since October, 1839, most of the banks in the middle, southern and western States, have not paid specie on their notes as usual. A heavy drain of specie from these banks was submitted to for some months, in the hope that it would cease with the panic which produced it. But when it was feared that some of them might fail, and this would occasion so much alarm as to others, that the demand for specie would continue and increase, it was believed that suspension for a time was the least of the evils which the banks could make choice of. The most of them by paying out their specie, and forcing collections to the utmost, could have met all demands; but it would have been at the expense of blighting the hopes and blasting the prospects not only of business men generally, but of most of the creditors and debtors of the State.

"By Mr. Woodbury's Report of April 9th, 1840, it appears that the circulation of all the banks in the Union, has been as follows, at the times specified:

January 1st, 1835	- - -	\$103,692,495.
January 1st, 1836	- - -	140,301,038.
January 1st, 1837	- - -	149,185,890.
January 1st, 1838	- - -	116,138,910.
January 1st, 1839	- - -	135,170,995.
January 1st, 1840	- - -	106,968,572.

"The great reduction of circulation in 1838 and 1840, must have been much greater in each case, but for the suspension, which still left a currency not in general five per cent below specie. With this, much of the debt of the country has been paid, often, no doubt, at considerable sacrifices; yet still insignificant to what they must have been, had no suspension taken place.

"The circulation of the State Bank of Indiana has varied more in reference to the business demands of the country, than from any other cause, and yet the baneful influences of the fluctuations in other States, have been severely felt here.

"It is understood that specie payments will be resumed at an early day, and may it not be hoped that general confidence will be restored--that enterprize and industry will again seek their appropriate rewards, and that years of steady improvement and increasing prosperity, may follow the severe lessons which should not have been given in vain."

From Report of Mr. S. Merrill, President of the State Bank, December 1843 (Indiana Documents 1842-43, pp. 276-88.)

1842-43

"The difficulties with which the bank has had to contend from the outset, have not been met by the branches with equal resolution and success. To correct errors and misconduct, that had been discovered, and to prevent injury to the state and the public, the state board have repeatedly ordered admonitions, censures, and restrictions in reference to several of the branches. The South Bend branch was for a time during the past year considered to be in an unsafe position. It was restricted in its discounts and required to make collections, which being effected and the character of the officers of the branch being a guarantee, that the privilege would not be abused, the transaction of bank business to a limited extent was again permitted.

"Almost from the commencement of operations, there have been difficulties with the Lawrenceburgh branch. The officers, directors, and stockholders were accommodated with large loans, many of which were suffered to continue for long periods without any material reduction. These and other illegal transactions in the branch, had from time to time called for severe animadversions from the State Board. During the period from June 1842, to April 1843, the branch was in continual danger of failure. But

instead of making prompt collections, expedients were resorted to, hazardous in their character, and not authorized by the charter. At first they were concealed from the State Board, but when they were discovered by the examiners, a change of policy was required, and had it not been adopted immediately, the branch would have been suspended at the time. From April to November, the policy pursued was satisfactory to the State Board. Payments were required, debts secured, and preparations made to enable the branch to become useful and profitable, though it was understood that the efforts made for this purpose were very unpalatable to many of the stockholders. At the late election of directors, the opponents of the policy approved by the State Board prevailed and all the efforts that had been made for years to reform the branch, appeared to have been fruitless. Other remedies to keep it within the limits prescribed by the charter having failed, its suspension was ordered by the State Board without a dissenting voice, at their last session.

"Whether the branch will be restored or not, must depend on its prospects of future usefulness. If satisfactory assurances can be given that the provisions of the charter will be observed, and if the interests of the state and the safety of the other branches will permit, there will not only be no objections to the restoration of the branch, but every member of the State Board would be gratified and most of the branches would cheerfully contribute to effect the object. Were the means of the branch to be such that it could discount its \$100,000 of prompt paper every three months, the advantages would be so great that there could be little danger of returning to the former vicious policy, or if this state of things could not be effected at once, the State Board ought to have in the known characters and views of those who shall manage the branch, an assurance that there shall be no risk to the other branches and no needless delay in effecting this object.

"The long endurance of the misconduct of the Lawrenceburgh branch, the adoption of all other means authorized by the charter before having recourse to that provided in the last resort, and the repeated applications for assistance to the other branches, which has been cheerfully granted, may be referred to as proofs how unwillingly the suspension was ordered. It is perfectly idle to suppose that a branch can be well managed by men often under protest, accommodating themselves first and manifesting no desire to possess the confidence of the other branches, nor can it be of any advantage to keep a branch in existence, when it has not the means to do real business and cannot or will not contribute its share to the common credit and usefulness of the whole institution.

"The State Board have had a deep sense of their responsibility in this exercise of the powers committed to them by the charter, and they are well satisfied that the credit of the bank

will not suffer by what has taken place. Not only the other branches, but the public will feel that this dispensation of discipline is a guarantee that the interests of the state and of private citizens, having claims on the bank, must and will be secured.

"Receivers are now in possession of the effects of the branch. Until redeemed by them, its paper will be taken as heretofore by the other branches, and whether it be restored, as there is some reason to hope, or closed up entirely, there will be but little if any loss, and this must fall entirely on the private stockholders, of whom a considerable number approve fully the proceedings against the branch.

"A majority of the branches have, ever since their organization, managed their affairs with prudence and propriety. Their officers and directors possess and deserve public confidence and though persons of influence and presses of both political parties occasionally assail the bank with much injustice, yet the effect in general is not seriously to impair its interests."

"

From Report of the President of the State Bank to the General Assembly, December 1844 (Indiana Documents, 1843-44, pp. 111-19).

1843-44

"Since the last annual Report, the Lawrenceburgh Branch, which was then under suspension, by order of the State Board, has been restored to its former functions and franchises, under auspices altogether favorable to its future prosperity and usefulness. The re-instatement took place on the 26th day of February last, and thus far, its career has not disappointed the hope then formed of its prospective utility and efficiency.

"The South Bend Branch is gradually emerging from its late crippled condition, and it is now only subject to those restrictions that are common to all the Branches.

"While on the one hand, the Bank as a unit, is in a sound and healthy condition, and the Branches abundantly able to extend all needed facilities to all classes of the community, so on the other, the stockholders in most of them, are realizing fair profits on their investments. Some one or two of them however, have not been so active as it is thought they might be, and most of them are still laboring under the burden of a large suspended debt, which if no heavier amount of it be ultimately lost, than may be reasonably anticipated, will be fully met by the surplus fund in each."

From Report of the President of the State Bank to the General Assembly, December 1846 (Indiana Documents, 1846, pp. 127-33).

1846

"It will be noticed, that the "Suspended Debt" in several of the Branches continues large; and independently of its inconvenience to the Branches themselves, it is otherwise injurious---affording occasion for misrepresenting the condition of the Bank. In mercantile communities, suspension is only another name for bankruptcy; but it is believed that by far the greater portion of the suspended debt of this Bank, is as well secured as any other debt the Bank has.

"To obviate, however, the objection which that item presents to the minds of those unacquainted with its real character, the Board of Directors have resolved to carry an increased portion of the profits of the several Branches to the "Surplus Fund," until the aggregate surplus in all the Branches shall equal the amount of the suspended debt, and the amount invested in banking houses. In pursuance of this resolve, an order was made at the last quarterly session of the Board, that at least one-sixth part of the then net semi-annual profits of the respective Branches should be carried to the Surplus Fund; that, at the next May session of the Board, at least one-fifth part of the profits, and at each half-yearly dividend thereafter, at least one-fourth of the profits should be carried to such fund; and that, when the surplus profits of the whole Bank should equal the suspended debt and amount invested in banking houses in the whole Bank, no extra dividend should be allowed by which such surplus should be reduced below that point."

~~From Report of Mr. S. Merrill, President of the State Bank, December 1846~~

From Statement of the President of the State Bank showing the amounts loaned to stockholders and others (Indiana Documents, 1850-51, pp. 413-15).

1850-51

TABLE

Of Loans in all the branches of the State Bank of Indiana (except the Richmond Branch) to stockholders, and others, during the past year.

Branch	Loans to Stockholders	Loans to others not Stockholders	Total loans
Indianapolis	\$ 10,323.64	\$1,517,419.75	\$1,227,743.39
Lawrenceburgh	284,215.00	1,595,034.77	1,879,249.77
Madison	71,470.71	1,442,532.76	1,514,003.47
New Albany	45,063.00	429,229.45	474,292.45
Evansville	195,712.04	515,573.37	711,285.41
Vincennes	51,500.00	367,500.00	419,000.00
Bedford	125,000.00	215,000.00	340,000.00
Terre Haute	235,791.00	1,149,594.00	1,385,385.00
Lafayette	328,303.00	1,136,150.00	1,464,453.00
Fort Wayne	103,000.00	650,000.00	753,000.00
South Bend	70,654.16	772,616.21	843,270.37
Michigan City	478,660.56	547,226.25	1,025,886.81
	<hr/>	<hr/>	<hr/>
	\$1,999,693.11	\$10,337,876.56	\$12,337,569.67

JAMES M. RAY, Cashier.

State Bank, Indianapolis, Feb. 3, 1852.

From Report of the Auditor of State showing names, etc., of the free banks organized and applied for. (Indiana Documents, 1851-52, pp. 223-25)

1851-52

REPORT

OFFICE OF AUDITOR OF STATE,]
Indianapolis, January 22, 1853.]

Hon. O. B. Torbet,
Speaker of the House of Representatives:

Sir—In answer to a resolution of the House, I submit the following statement showing the names, location, capital, and names of Stockholders of the several Banks organized, or for which applications are filed, under the act approved May 28, 1852, to wit:

STATEMENT Showing the Names, Location, Capital, and the names of Stockholders of the several Banks of Indiana.*

Names of Banks	Location	Capital
Bank of Connerville	Connerville	\$500,000
State Stock Bank of Indiana	Peru	200,000
Plymouth Bank	Plymouth	50,000
Indiana Stock Bank	Laporte	50,000
Prairie City Bank	Terre Haute	200,000
Southern Bank of Indiana	Terre Haute	100,000
Public Stock Bank	Newport	100,000
Bank of North America	Newport	50,000
Government Stock Bank	Lafayette	50,000
Gramercy Bank	Lafayette	100,000
Merchants' Bank	Lafayette	50,000
State Stock Bank	Logansport	100,000
Wabash Valley Bank	Logansport	200,000
City Bank	Indianapolis	500,000
City Bank of Indianapolis	Indianapolis	500,000
Bank of Richmond	Richmond	500,000
Bank of Richmond	Richmond	500,000
Bank of Indiana	Indianapolis	400,000
State Stock Bank of Madison	Madison	500,000
Commercial Bank of Madison	Madison	200,000
Madison City Bank	Madison	500,000
City Bank of New Albany	New Albany	500,000

State Stock Bank of New Albany	New Albany	300,000
Traders Bank of Terre Haute	Terre Haute	100,000
Merchants' Bank	Terre Haute	50,000
Bank of Eastern Indiana	Rushville	500,000
Bank of Lawrenceburgh	Lawrenceburgh	500,000
Bank of Goshen	Goshen	200,000
State Stock Security Bank	Newport	50,000
Bank of Northern Indiana	South Bend	200,000
Canal Bank	Evansville	100,000
Bank of Salem	Salem	250,000
Bank of Cannelton	Indianapolis	800,000

Total number of Banks	33
Total amount of Capital	\$8,900,000
Total number of Stockholders	97

E. W. H. ELLIS, Auditor of State.

* Names of stockholders not copied.

From Report of the Select Committee appointed by the House of Representatives relative to the Bank of North America (Indiana Documents, 1851-52, pp. 367-70).

1851-52

"The select committee appointed on the part of the House to inquire into the facts relative to the late reported refusal of the Bank of North America, at Newport, Indiana, to redeem its paper, have had said resolution under consideration, and beg leave respectfully to submit the following report:"

* * * * *

"From the above testimony, it appears that the run upon the Bank of North America was the result of some sort of an arrangement between certain citizens of the State of Ohio and others of the State of Indiana. What particular object they could have had in view, it is difficult to conjecture, unless, as is most probable, they intended, by throwing temporary discredit upon one of the free banks of this State, to influence the action of the present Legislature upon the system of free banking. Certain it is, no good whatever has resulted from the course which has been pursued; on the contrary, no little inconvenience has

been experienced by many citizens of the State. The brokers of Cincinnati, improving upon the hue and cry raised against the Bank of North America, by their united efforts on the street and through the public press, appear to have succeeded in casting a temporary reflection upon the value of all Indiana free bank paper, and to be now reaping a very fair pecuniary harvest in a shave of something like five cents on the dollar.

"It is seriously to be regretted that there should be any in our midst apparently disposed to use undue influences in order to break down and cast odium upon a system of banking now in its infancy in the west, but which is the result of many centuries of financial legislation, and is, probably, the best which has ever obtained in the world.

"It is, nevertheless, the unanimous opinion of the committee that every bank should be compelled to redeem its paper upon presentation. Sound policy and a due regard to the interests of the people of the State dictate that a suspension of specie payment should not, under any circumstances, be countenanced by our laws.

"The committee would respectfully suggest that some very stringent provisions are necessary in order to compel foreign bankers to carry on a legitimate banking business within the State. There are, doubtless, a number of institutions in the State similar to those which, in the State of New York, are denominated "movable" banks. As subjects of taxation and offices for redemption they will prove almost inaccessible to the people. The committee would respectfully recommend that every bank be compelled to have a regular banking office--to keep said office open a certain number of hours each day--and to pay a heavy forfeit, or be subject to be put in a state of liquidation by the Auditor, upon every failure to redeem its paper.

"Your committee ask to be discharged from further consideration of the subject."

From Annual Report of the Auditor of State for the State of Indiana to the General Assembly, November 1, 1854 (Indiana Auditor, 1854-56, first section, pp. 80-87.)

1854+56

FREE BANKING

"The duties of the Auditor in the Banking Department of his office, have been peculiarly important, laborious and responsible. From about the first of May, last, from several ^{relative} causes, a heavy run commenced upon the State Stock Banks of Indiana, for coin. The scarcity and demand for Eastern Exchange, which yielded a sufficient profit to the Brokers of our neighboring cities to induce them to collect and assort the notes of our banks, and to

send them home in large sums for redemption in coin, caused such a drain upon their specie as to give them great trouble to keep an adequate supply on hand. So inveterate was the demand for coin and nothing but coin, that many of the banks which had provided themselves with Eastern exchange, and offered it to those who presented large amounts of their paper, were told in reply, that the notes promised to pay dollars, and that exchange would not be taken instead thereof. This unprecedented, and almost unheard of run, continued to increase for more than sixty days, before any one of those banks declined to furnish to the numerous bands of brokers and bankers, who continued to assort and send home their paper, the heavy sums demanded by them in specie.

"A crisis then showed itself in the whole monetary operations of the Western country. A large number of bankers and brokers in Cincinnati, who had supplied themselves in a great measure, with exchange and coin drawn from the Indiana Banks, under their assorting system, were compelled to suspend business, when they could no longer use the Indiana Banks as the fountains of their existence. Indeed, several of the Ohio banks, in other cities than Cincinnati, felt the same want of a place for the supply of the precious metals, and at Cleveland, Columbus, Circleville, Toledo and Sandusky, banks which had hitherto been in full confidence, were also brought to suspension, and their notes to a very severe and ruinous rate of discount. Chicago and Illinois generally were next the theatre of the effects of this combined demand for coin, also, resulting in the failure of several banking houses, and a depreciation of their notes. The fact that the notes of the Indiana banks, under the General Banking Law, were secured by interest paying bonds of the several States of the Union, and in many instances by the very best securities that any State issues, seemed to be of no value in the estimate put upon their notes by the public. A general depreciation ensued. Those banks which continued through all the pressure that was made upon them, to redeem in coin, were alike discredited with those which had refused to pay to brokers, bankers and their agents. There are many banks in the State, which have rigidly complied with the demands made upon them for specie at all times, when they might have saved or made much money by refusing to pay, and by surrendering bonds to note holders.

"Added to the disorganization of financial affairs in the West, at the same time, an unusual stringent state of the money market exhibited itself in New York, and the other great commercial cities in the East. This tight condition of money facilities in the East, being the point at which all heavy transactions in State Stocks and bonds are usually made, served materially to depress Indiana Stock secured paper, for capitalists could not be found, who were able and willing to protect the paper to purchase the State bonds which secured it, unless they were sold at unreasonable depreciation and loss.

"The excited and unsettled condition of European affairs seemed, at this crisis, to be also unfavorable to the Stock market of New York, and there was a consequent falling off of foreign orders for the purchase of State Stocks. The large amount of those Stocks which by the redemption of bank paper was liable to be thrown upon an already depressed market, produced the conviction upon my mind, that if they were, by operation of law, to be forced to sale for what they would or might bring, much loss must ultimately result to the public by an insufficiency of the securities to meet the issues of the banks. If a bank has notes out to the amount of one hundred thousand dollars, which were issued upon an equal sum in State bonds, if those bonds be forced into market at a loss of twenty per cent, a deficiency of twenty thousand dollars must be the result, which sum must fall upon the note holders, if there be no other assets or personal responsibility.

"To avoid such a state of things, I resolved, after due deliberation, to exercise such power as was conferred upon me by law, to give as much opportunity as the emergency would allow, for a re-action in the money markets, and to give opportunity to foreign capitalists, through their friends in this country, to make orders from abroad. It is my belief that in thus acting under the law, the bill holder was benefitted, and the interests of the bond owner promoted, and, that, at no distant day a heavy foreign competition in our own markets will bring our State securities back to their face, and to their full value. In order that all persons interested in these results should be placed upon a footing of equality, I published a Circular, dated on the first day of November last, and which is in these words, to-wit:

CIRCULAR.

Office of Auditor of State,]
Indianapolis, Nov. 1, 1854.]

"To correct an erroneous impression, entertained by many persons, that the holder of notes of the Stock banks, having them protested thereby acquires a priority in the payment, the undersigned deems it his duty to state that such is not the fact. In case of the winding up of any bank under the Statute, the notes not protested, are placed on the same footing as those which have been protested, and a dividend of the assets will be made pro rata.

"Holders of notes should also bear in mind that the amount of the dividend would be essentially diminished by the costs and fees of protests, and expenses of sales of assets.

The undersigned has also determined, that in discharging his duty to all the creditors of any bank which may be forced into liquidation, he will not proceed to offer any of the assets

of such bank in the market, until after at least sixty days' notice in New York, London, and Paris, so as to insure the largest and best price for the securities, and not then, if, in his opinion, the ultimate interests of all concerned will be promoted by a further extension.

"He is, also, authorized to exchange the State Stocks deposited in his office as collateral by several of the banks, at par for their circulation, when presented in sums of not less than one thousand dollars.

"JOHN P. DUNN,
Auditor of State."

"So great has been the commotion throughout the whole country, on the subject of money and currency, that the history of the times has marked it as an epoch. The whole effect may not yet have been felt, nor the great results known.

"The circulation or issues of the banks organized under the security system of our general banking law, was on the first of May last, near nine million of dollars, since which period, and up to the 15th of December there has been cancelled and destroyed of said amount, near the sum of two million, eight hundred and fifty-four thousand, two hundred and seventy-nine dollars, thus reducing to less than six millions, at that day, since which time the work of redemption and cancellation is still in rapid and extensive progress, giving almost positive assurance that full five-sevenths of the whole amount ever issued, will be retired before the first of May next, which will leave but about two millions in circulation or existence at that time: provided the same unfavorable course is pursued by the public in demanding coin for every bill which falls into their hands.

"In such a contraction of the circulating medium of a State, so vigorous, industrious and enterprising as Indiana, much embarrassment and difficulty must ensue, unless some other and better circulation shall fill this suddenly vacuum.

"It will be one of the most difficult and important duties of the Legislative department to devise a system which can furnish, on a safe and reliable basis, so large a sum, or a sum sufficient for the trade, business, and commerce of our people. The want of confidence, now so generally diffused, in reference to banks or bankers, will make it exceedingly difficult to organize any system of credit, as represented by paper promises to pay, which will command the confidence of the public.

"If bank notes issued upon the stocks of States which have never failed to pay the interest as it became due upon their bonds, with the additional securities of personal responsibilities, in many cases worth more than the whole issues of the bank, and the whole specie and assets of the bank faithfully applied to the

redemption of their notes, are insufficient to inspire confidence, in the safety and value of the paper, then indeed, it would seem to be very questionable whether any system of paper currency would be regarded with public favor. Indeed, those banks which have been most prompt and unceasing in the redemption of every note as it is presented, have met with but little more favor, than have those who conveniently allowed the brokers, bankers, and other bill holders to take what they can get under the compromises of parties or the strength of the law. If this want of public confidence, this desire to make trade and traffic of exchange and of coin shall continue, and what shall abate it? What hope is there that the old system of mere confidence banking, with power to issue two or three dollars in paper to every dollar of specie in their vaults, and in many cases five dollars to one in coin, can ever again obtain favor, countenance or confidence among a people who can compare the advantage and disadvantages of real security and nominal words of confidence. It is true that the paper of the Indiana Stock Banks has depreciated under the general panic, and has been sold at a loss, but to all who took the trouble to read and to learn, it was always manifest, that there was no great necessity for large losses. Whilst on the other hand, old and respectable confidence banks which failed in Ohio and elsewhere, were so little upheld by public opinion, and the protestations of their officers, that their notes fell almost valueless in the hands of innocent holders.

"The securities of no bank have been lessened in any instance, but, where parties, by agreement, have surrendered notes and taken bonds. Care has been taken to give the least valuable securities first so that no deterioration should ultimately occur.

"Where banks have failed, or may fail, to protect or take up their notes to the satisfaction of holders thereof, I have determined to collect the accrued interest upon their bonds, and reinvest it in additional securities, to strengthen the fund for the redemption of their notes, by the action of compound interest.

"It is quite probable that a number of the existing stock banks, will voluntarily close their operations and finally wind up. Several have already signified their intention to close, and are engaged in redeeming all their issues. Others have made their arrangements to continue business in a legitimate and regular manner provided the action of the legislature be such as to permit them to operate without embarrassing and impracticable restrictions.

"It is obvious that the existing banking law, requires careful revision and amendments.

"The great amount of capital which has been invested in banks in the State, should be permitted to remain, if it be

content to remain upon terms compatible with the public interest, and that interest can only be properly protected by requiring the most certain and prompt payment of all the notes of every bank that may be allowed to issue bills.

"No security should be taken upon any other pretext or basis than the absolute intrinsic value of such security. Five per cent and six per cent bonds should only be estimated at the relative value between them, without reference to any fluctuating condition of the market, which may be made to vary according to the cupidity and stock jobbing schemes of those who expect to profit by ephemeral prices or fictitious or fancy rates of the stock market.

"The reliable character of the State and its ability to pay the interest upon its bonds, should form the principal estimate of their value.

"There are some alterations and restrictions to be made to the present law which seem to attract general attention. It is conceded that every bank should have a location and a business house, of a permanent character. That it should be subjected to the ordinary rules of banking business. It should be kept open at least five hours in each day—it should have a due portion of responsible stockholders—it should never be permitted to suspend specie payments except upon the forfeiture of all of its franchises—it should give such undoubted security, as to availability and value as would leave no apprehension on the mind of the bill holders, of its ability and certainty to pay the last cent of its issues. It is suggested, as to location, to prevent the practice of selecting remote and unknown situations, that no bank should be located at any point which does not contain from two to three thousand permanent citizens. That an amount of from twenty to twenty-five percent of securities, over and above the amount of bills issued, be required in all cases, that such security should either be in good interest paying bonds, equal to six per cents, or in good real estate, valued at a two-thirds value, without reference to the improvements of a perishable nature thereon, to be appraised by disinterested appraisers, under oath, in such manner as similar real estate is taken in security for the trust funds of the State.

"It is also respectfully suggested, to require the establishment of an agency of equalization or redemption, at Indianapolis, or at some other convenient and proper point in the State, where the several banks will be compelled to have their paper redeemed in eastern sight exchange at a rate varying from one to one and a half per cent, where bill holders may be disposed to receive such exchange, at such rates. A plan similar to this in principle, is in existence in New York, and in Massachusetts, and serves to keep up a uniform value of the notes of all the banks, however remotely they may be located.

If, under such a regulation, bill holders refuse to receive exchange, as before suggested, then the bank upon which they may hold bills, should have such reasonable time as may be just, to furnish and pay coin.

"With these and such other improvements as experience and the wisdom of the Legislature may indicate, it is confidently believed that a very useful, safe and necessary system of Banking may exist, capable of resisting the effects of panics and pressures, and of affording a circulating medium which will have credit, both at home and abroad, and which is absolutely necessary to the business wants of our enterprising community.

"Whilst I have never been the advocate of any system of banking, as being better than the use of the precious metals, I am free to say that I think the day has passed when the people will be willing to create or sustain any other system of Banking than that which is based upon the most positive and available securities.

"As the charter of the State Bank of Indiana will expire before another Legislature shall convene, it will be the duty of the present General Assembly to make such disposition of the interests of the State now in that institution, as will best accord with the safety of those large funds, which consist of the capital stock, sinking fund securities, surplus fund of the Bank, real estate and banking houses, together with a variety of other assets and claims.
* * * * *

From Governor's Message delivered to the General Assembly of the State of Indiana, January 4, 1855 (Indiana Documents, 1853-54, pp. 609-53).

1853-54

"Before the next session of the General Assembly, the charter of the State Bank will expire; and, therefore, it devolves on the present Legislature to make some disposition of the interest that the State holds in that Institution. It is wisely provided by the constitution that, hereafter, the State shall not be a stockholder in any bank, nor lend her credit to any corporation. With the object of carrying out this principle, and keeping in view the interests which the State holds in the Bank, consisting of stocks, sinking fund, surplus revenue, real estate, and other assets, I recommend the appointment of a Board of Commissioners with full authority to make a settlement of the affairs of the State and the Bank, on the expiration of the charter.

"The State is liable for the bonds originally issued for the capital stock, upon which the Bank has promptly paid the interest, and the stock, at this time, commands a premium.

"The whole legislation of the State, as well as the letter and the spirit of the constitution, declares the expediency of a separation of the interests of the State from all corporations. I concur, fully, with the Auditor of State in his views as to the propriety of the future investment of the sinking fund in the bonds of the State.

"The law upon the subject of General Banking, has failed to accomplish the purpose for which it was enacted. It has not furnished,

for the use of the people, a sound circulating medium. The experience of the two past years fully establishes the correctness of my remarks addressed to the last General Assembly on the subject of banking; and I may adopt, in its fullest meaning, the sentiment then expressed, "that past events have clearly shown that the restrictions provided by the law are insufficient to prevent abuses of the privileges granted."

"It is a matter of regret that this subject did not engage the attention of the General Assembly at its last session. I again urge upon your consideration, the views expressed on this question at that time.

"The country having over-traded, a necessary demand for exchange to meet Eastern liabilities, was created. This state of affairs caused the broker to seek for gold; and, in pursuing this object, he placed himself in the position of the merchant or business man, and was fulfilling one of those vocations not uncommon in such conditions of the country. It was a fortunate circumstance that the broker came early. We had, in less than six months, issued more than six millions of currency—an amount not required for the maintenance of a healthy condition in our monetary affairs; and if the broker had delayed his visit for a year longer, a greatly increase amount of paper circulation would have resulted in greatly increased pecuniary losses to the people.

"The practical operation of the law in many instances, has been that the individual has not sought to locate and commence the business of banking to accommodate the commercial community, but to borrow money for himself under the sanction of the law. Men without capital or with barely credit sufficient to borrow a few thousand dollars of stocks, have been furnished facilities under the law, to become bankers to the extent of millions. With the currency procured upon the first deposit of stocks, other securities have been purchased, and other notes procured, and thus a large circulation has been created without a dollar of actual capital.

"Directors and Bank Presidents are now issuing this depreciated currency over their own counters without any effort, or, it is believed, intention ever to redeem it. With this currency they purchase bills payable East, and the farmer instead of getting an equivalent for his products, is paid in a circulation which he cannot dispose of without sacrifice, nor retain in his possession without danger. Instances are not wanting where the proprietors of Banks, after suffering their institutions to suspend, have themselves embarked in the business of buying up their own paper at a heavy discount, and thus plundering the laborer of his hard earnings. You will be wanting in your duty to an outraged people if you fail to adopt prompt measures to suppress this practice, which is not only unjust and disreputable, but subversive of public morals.

"The indispensable duty of protecting the people of the State from the evils of a depreciated paper currency, required that no special indulgence should, under any circumstances, be granted to

any banking institution that neglects or refuses to redeem its issues in coin. Any bank refusing to redeem its circulation, with the constitutional currency of the country, should be immediately wound up. No state of facts should be allowed to justify any delay in closing the business of such a bank. Every hour's delay affords to the broker and the speculator, a harvest--yielding as the delay continues, richer and more abundant fruits; and always at the expense of the laborers and the business men of the country.

"The law itself is not only glaringly defective, but the construction given to it, and consequently the practice under it. It was evidently contemplated by its framers that no Bank should be established with a capital of less than fifty thousand dollars, that it should have a convenient and accessible place of doing business, that it should redeem its issues promptly on demand, and that its proprietors should be at least men of pecuniary ability, and that it should embark in no other than a legitimate bona fide banking business. And yet in how few instances have these requisites been complied with.

"Under the 12th and 28th sections of the law it was undoubtedly competent for the Auditor to wind up any Bank not doing business at the place where its bills were payable. To give more efficiency to this provision, and to make the duty imperative upon that officer, I called the attention of the Legislature to the subject in my last annual communication, but having failed to procure the required legislation, I renew my recommendations on this point.

"The great error in the law, is, that the entire responsibility of the system is placed in the hands of a single individual, and he an officer of the State already charged with duties and trusts of the most important character. This single individual determines upon the validity of the organization, the character and value of the stocks, issues the circulation, holds the securities, passes upon the correctness of the reports, delivers powers of attorney for the collection of interest, and in short settles all questions connected with the Banks according to his own unaided judgment. With a bond of only \$10,000 he is the custodian of near \$10,000,000 of the public securities.

"If it be the design of the Legislature to continue this system, it will, in my judgment, be necessary, in order to secure the confidence of the people, and to protect their interests, to provide for the organization of a Bank Department, with a Board of Bank Commissioners, with full powers to determine upon the locality of the Bank, the necessity for its creation, the solvency of the securities offered, and who should, also, be charged with their custody.

"I also recommend, that, inasmuch as the term of the present incumbent is about to close, a committee of the two Houses be appointed to investigate fully the condition of all matters pertaining to the Banks connected with the Office of the Auditor of State. A full report will doubtless do much to allay the apprehensions of the public, and establish confidence wherever merited.

"The valuable and interesting report of that officer will present you in detail the operations of the Free Banking system in his hands.

"It will doubtless be the policy of the Legislature to provide for the immediate closing, and withdrawal from circulation of the paper, of all such institutions as persist in the violation of the palpable provisions of law. In doing so, due regard should be had both to the interests of the people, and of the banker so as to prevent undue excitement and apprehensions on the one hand, and loss and insolvency on the other. A contrary policy might involve the solvent with the insolvent, the upright man of business with the dishonest and corrupt.

"With the state of things we have had for the last year it was not possible to avoid revulsions and monetary excitements.

The circulation of the State Bank in Oct., 1853, was	\$3,834,765.50
Circulation in October, 1854,	2,803,648.00
Decrease	\$1,031,117.50
The Stock Bank circulation July 1st, 1854,	\$9,299,575.00
Circulation January 1st, 1855,	5,565,099.00
Estimated am't in hands of Bankers not in circulation	1,000,000.00
Decrease in six months	\$4,734,475.00
The precise amount surrendered at the Auditor's office up to the 1st day of January 1855, is	\$3,734,475.00

"Here we have a withdrawal from circulation in twelve months, and the greater part in four months, of \$5,766,123.00, or more than one-half of all the circulation called money in the State. More than three millions of this circulation is depreciated; its value being at the mercy of the broker and speculator. The same facts, in regard to the decrease of the currency, are true, although perhaps in less proportions, in the adjoining States with which we have commercial intercourse. How can any people have stability under this state of monetary affairs?

"We shall always have revulsions, expansions, contractions, and derangement in the whole business of the country, so long as we foster any system that makes promises to pay, money, instead of gold and silver. If the inferior circulation were this day withdrawn, I have no doubt we should find a sufficient amount of the constitutional currency among our people for all ordinary business purposes.

"We have not only a depreciated currency, issued under the authority of law, but we have a depreciate currency, issued by railroad, plank road, and insurance companies, without the authority of law. Thousands of dollars of this latter kind of depreciated paper have been thrown into circulation, and left to represent an uncertain and variable value in the ordinary transactions of business. The credit of the State and the interests of the people demand an abatement of this evil.

From Report of the Condition of the State Bank of Indiana and Each of Its Branches to the Governor, November 24, 1855 (Indiana Documents, 1854-55, pp. 221-45).

1854-55

"In reference to the power of the Bank to discount, or to issue notes of circulation ceasing after the 1st day of January, 1857, and that the closing of the business of the Bank, for which (two years thereafter, until January 1, 1859, is given by her charter), may be expedited as much as may be practicable, with as little pressure on the community as is possible, the following resolution was unanimously adopted at the late session of the Board of Directors of the Bank, held during the present month.

"Resolved, That in view of the approaching close of the Bank, it is recommended to the several branches, that they call in at least twenty-five per cent every four months, on all standing or accommodation loans; and in future confine their discounts to strictly prompt paper, to be paid at maturity."

From Annual Report of the Auditor of State of the State of Indiana to the Governor, December 10, 1855 (Indiana Documents, 1854-55, pp. 308-12) - (Also in Indiana Auditor, 1854-56, second section.)

FREE BANKING OPERATIONS

The General Assembly of this State, at its last session, appointed a joint committee "to investigate the condition of the Free Banking system of the State, so far as the same was connected with this office." This committee engaged the services of Dr. E. W. H. Ellis, Mr. Jno. Hunt and Mr. J. R. Slack, to examine the Books of the Auditor, and to ascertain the amount of the circulation and securities of the several Banks. The report of these gentlemen as to the circulation outstanding and securities on hand, at the time the Banking Department was turned over to me, formed the basis on which the accounts of the several Bankers were opened anew, ^{and with which the present condition of the suspended banks is} contrasted in the abstract of their condition hereto appended. The tabular statement annexed, gives the condition of the specie paying Free Banks at this time-- setting forth the kind and amount, as their par value, of the securities deposited, and the amount of the circulation issued thereon.

Suspended Free Banks

The circulation of the fifty-three suspended Free Banks as ascertained and reported to be outstanding on the 25th of January 1, 55,	\$2,868,403.00
Redeemed to December 15, 1855	\$2,711,928.00
	<hr/>
Outstanding	\$ 156,475.00

Some of the notes of the following named Banks having been protested, and said Banks having failed to comply with the requisitions of the General Banking Law in regard to protests, the securities of said Bank were sold in accordance with the Law, and the proceeds and other assets applied to the redemption of the circulating notes at the rates affixed to each, which rates were predicated on the circulation outstanding as shown by the Books of my predecessor:

Bank of Connersville	87 cents
Wabash Valley Bank	92 cents
Bank of America at Morocco	87 "
Atlantic Bank at Jackson	80 "
Public Stock Bank, Newport	89 "
Bank of Bridgeport	88 "
State Stock Bank of Indiana, Peru	85 "
Bank of Albany	90 "
Bank of Attica	89 "
Government Stock Bank	80 "
Laurel Bank	82 "
Bank of T. Wadsworth	91 "
Greene County Bank	81 "
Elkhart County Bank	97 "
Traders' Bank at Nashville	92 "
Merchants' Bank, Lafayette	90 "
Merchants' Bank, Springfield	90 "
Orange Bank	100 "

The securities of the following named banks were sold in pursuance of the requirements of the Law, on the 29th day of October last. To guard against the possibility of any error in the amount of circulation outstanding, notice was given for those holding the notes of said Banks to return them to this office within ninety days for cancellation, and a certificate issued for the same, payable after the first day of February, at the rate to be ascertained when the amount of outstanding circulation should be correctly determined:

Farmers' Bank of Jasper
Plymouth Bank at Plymouth
State Stock Security Bank, Newport
Traders' Bank at Terre Haute
Drovers' Bank at Rome
New York Stock Bank at Vincennes

The securities of the following Banks are to be sold under the provisions of the General Banking Law, on Tuesday the 29th inst:

Northern Indiana Bank at Logansport
Bank of Covington
State Stock Bank at Marion
Kalamazoo Bank

It having been ascertained that the outstanding circulation of the following Banks, as reported by the joint committee, was correct—the amount burned by my predecessor, and the amount cancelled and left on hand by him, and the amount ascertained to be outstanding on the 25th day of January, 1855, agreeing with the whole amount originally issued—arrangements were made for the redemption of the circulating notes at par, at the places named:

Upper Wasbash Bank
North Western Bank
Steuben County Bank
Wayne Bank, Richmond
Wayne Bank, Logansport
Bank of Perrysville
Bank of Rockport
Starke County Bank
Bank of South Bend
Great Western Bank

At the Office of Auditor of State

Delaware County Bank, at Central Bank, Indianapolis
Agricultural Bank, at Bank of the Capitol, Indianapolis
Bank of Fort Wayne, at Branch State Bank, Indianapolis

Thus, it will be seen that of the fifty-three suspended Free Banks, all, except the following, are being rapidly liquidated:

Western Bank at Plymouth
Bank of North America at Newport
State Stock Bank at Jamestown

Specie-Paying Free Banks

The Tabular Statement annexed, gives the kind and amount of Bonds deposited by each Bank as security for the redemption of their notes, and the amount of circulation issued thereon, and designates those which have complied with the requisitions of the amended law of the last General Assembly. By this it will be seen that the actual securities in stocks amount to two millions forty-nine thousand and five hundred and forty-four dollars. The amount of notes received by them for issue one million six hundred and seventy-four thousand and eight hundred and seventy-two dollars.

These securities consist of the following State Stocks, viz:

Indiana 6 per cents	\$ 12,000.00
Indiana 5 per cents	700,600.00
Indiana 2-1/2 per cents	387,444.00
Virginia 6 per cents	228,000.00
Tennessee 6 per cents	12,000.00
Missouri 6 per cents	265,000.00
Georgia 6 per cents	73,000.00
Louisiana 6 per cents	298,000.00
Kentucky 6 per cents	42,500.00
North Carolina 6 per cents	30,000.00
Pennsylvania 5 per cents	1,000.00

Thus it will be seen that the securities thus deposited are the Bonds of those States which pay their interest thereon regularly semi-annually, and are of the very best class of State Bonds, whose value is more permanently fixed than the Bonds of other States, and liable but to slight fluctuations.

Those specie-paying Free Banks whose securities were not sufficient at the lowest market value to cover their outstanding circulation, were required to surrender an amount of their issues, or deposit additional bonds to make their securities, on this basis, to cover their circulation dollar for dollar. In almost every instance this requisition has been complied with. This, in connection with the fact, that the securities of those Banks which have accepted the provisions of the amended law, are taken at the lowest market value and ten per cent. additional retained above their circulation, justifies the assertion that the circulating medium of no other State is better secured than that of Indiana.

The experiment of Free Banking in Indiana, disastrous as it has been in some particulars, has demonstrated most conclusively the safety and wisdom of the system. The original bill was crude and imperfect, admitting of such a construction as held out to irresponsible men, inducements and facilities for embarking largely in the business of banking, without the ability to sustain themselves in a period of revulsion.

That revulsion came at a time of universal commercial depression, when the circulation of the Free Banks had been expanded to over nine millions of dollars, when the rate of exchange ruled heavily against the West, and a suspension of a large majority of the Banks had created a wide spread panic, forcing home the entire circulation for redemption; and yet the loss to which the bill holder was necessarily subjected, in many cases, did not exceed five per cent., and in no case exceeded twenty per cent. of the amount in his hands. While, in numerous instances, in other States, under the system so much lauded by the opponents of Free Banking, when the securities were all in the vaults of the Banker, the wreck had been complete, the issues of the Banks proving entirely worthless in the hands of the holders, here was a basis, which although insufficient to re-imburse the bill holder in full, furnished a guaranty against, and ultimately saved him from any heavy sacrifice. Whatever defects there were, it was evident, could not be attributed to the Free Banking system, but resulted from the ambiguity of the law itself.

The amendatory act, enacted by the Legislature at its last session, was designed to remedy these defects, to guard against erroneous constructions of the law by the officers administering it, to prevent the receipt of doubtful or insufficient security, and to require the deposit of such an amount of security, as should

in any emergency, be adequate for the protection of the bill holder. And, so far, the expectations of the authors of the amended law have been fully realized. Several of the specie-paying Banks have come under the provisions of the amended Statute, and assurances given that all will do so within the period named in the act. No suspension has taken place, even temporarily, and should any occur, the public are fully protected.

While the law does not extend to men without responsibility, to speculators and adventurers, facilities for flooding the State with an irredeemable issue, it is yet liberal enough in its provisions to justify men of capital, integrity, and business capacity, to embark in Banking to the extent of the wants of the community. Such, so far as we can judge, are the men now engaged in Free Banking in the State of Indiana, and we regard them as fully entitled to the confidence of the public.

No safer circulation can be produced than the issue of the specie-paying Free Banks, nor any so much entitled to the approbation and encouragement of our citizens. It is the interest of the barker, to have this issue promptly convertible into gold or silver at the pleasure of the holder, and it is, therefore, a closer approximation to the constitutional currency than any other. From these manifest advantages of the system, we feel fully assured that it will increase in popular favor, and that our citizens will be slow in extending their confidence to any mode of banking, which fails to furnish the guaranty of ample collateral securities, deposited in the hands of disinterested and responsible officers of State.

From Annual Report of the Auditor of State of the State of Indiana to the General Assembly, November 1, 1856 (Indiana Auditor, 1854-56, third section, pp. 33-37).

1854-56

FREE BANKING OPERATIONS

Annexed is an abstract of the present condition of the suspended Free Banks, as compared with their condition at the time of my last annual report. By the recapitulation of this abstract, it will be seen that the outstanding circulation of these Banks at that time, was \$155,818

Since which there has been redeemed	\$101,759	
Less excess on Plymouth Bank, New York Stock Bank, and Traders' Bank, Terre Haute		1,130
		<u>100,629</u>
Leaving yet outstanding		\$ 55,189

The circulation of the following Banks, as shown on the Books of my predecessor to have been outstanding at the time of my assuming the duties of this office, has all been redeemed; and the securities and other assets turned over to me, for the redemption

of the circulation then shown to have been outstanding, have been all exhausted, viz:

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

Specie-Paying Free Banks

The tabular statement No. 10, gives the kind and amount of Bonds on deposit by each of the specie-paying Free Banks remaining under the General Banking Law of May 28th., 1852, and the amount of circulating notes outstanding. By this it will be seen that the circulation of these Banks is but seven hundred and seventy-seven thousand and thirty-nine dollars, while the securities on deposit, consisting of the very best of State Stocks, amount at their par value, to nine hundred and three thousand nine hundred and ninety-four dollars.

These securities consist of the following State Stocks, viz:

Indiana 5 per cent	\$288,000.00
Indiana 2-1/2 per cent	139,449.00
Virginia 6 per cent	95,500.00
Louisiana 6 per cent	134,500.00
Missouri 6 per cent	142,000.00
Georgia 6 and 7 per cent	62,500.00
Kentucky 6 per cent	13,000.00
Tennessee 6 per cent	12,000.00
North Carolina 6 per cent	2,000.00
Gold for Bank of Warsaw	15,045.00
	<u>\$903,994.00</u>

The law under which these Banks were organized, permitted Indiana Bonds deposited as securities "to be, or be made to be,

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

The only violation of the spirit of the General Banking Law, which has come to my knowledge, was in the case of the Savings Bank at Connersville. This Bank assumed the right to have its original plate of the denomination of ten dollars, so altered as to leave therefrom the words "Auditor of State" and "Register," and had printed thereon, as appears by the statement of the Engraver, 2,000 impressions. No authority was given for such alteration and for the printing of such notes; and the Bank proceeded to issue the same--unknown to me--and without having deposited any securities for the redemption of the same, although said notes bore upon their face the words "secured by pledge of public stocks," which was liable to deceive the receivers thereof. It is very evident that it was never intended by the law that such a right should be assumed by the Bank~~s~~ organized under it, as it opens a wide door for deception and fraud, and there should be some provision with heavy penalty, to guard against such an occurrence in the future. It is due to this Bank to state, that when its attention was called to this objectionable procedure, ~~and assurances were given that these notes would~~ and remonstrated with against it, that the most positive and satisfactory assurances were given that these notes would be called in. And so far as I have learned, this pledge is being complied with, and the Bank in every instance has continued to redeem all its notes in specie upon presentation. Had not this assurance been given, and all the notes of the Bank presented promptly redeemed, I should have proceeded against said Bank as directed in Sec. 47 of the General Banking Law as amended.

Statement No. 11, gives, in detail, the condition of each of the specie paying Free Banks which have complied with and organized under the General Banking Law, as amended and passed March 3, 1855; showing the kind and amount of securities on deposit, the rate at which the same were taken, as certified to by the Treasurer of ~~the~~ State, and the circulation issued thereon. By this statement it will be seen that the aggregate par value of the Bonds deposited as securities for the redemption of their circulating notes, is one million three hundred and twenty-two thousand five hundred and sixty-seven dollars; the aggregate market value of which is, one

million eighty-nine thousand nine hundred and eighty-seven dollars; while the circulation issued, amounts to but nine hundred and eighty-eight thousand and twenty-one dollars. The whole circulation of the specie-paying Free Banks is as follows:

Banks remaining under the law of May 28, 1852	\$777,039.00
Banks organized under the amended law of March 3, 1855	<u>988,021.00</u>
Total	\$1,765,060.00

Secured by stocks, amounting at their par value, to \$2,226,561.00

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

Within the first two years of its operation nearly one hundred Banks were organized in the State, with an aggregate circulation of over nine and a half millions of dollars. A large proportion of the capitalists who selected Indiana as the theater of their transactions, were citizens of ~~other~~ States, who detected in the loose meshes of the law the opportunitites of speculation and the loopholes of escape. Their sagacity was manifested in the selection of their points for business--points almost inaccessible to the broker, where neither commercial, mercantile or mechanical pursuits existed, to require their assistance. To what extent the mania of Free Banking would have been carried but for the bursting of the bubble in 1854, can only be imagined, but we may well suppose that at the rate it progressed, Indiana could have furnished the commercial world with currency. The decline of the system was quite as rapid as its rise. In little more than two years from the issue of the first Free Bank note, more than one-half of the circulation was returned and cancelled, leaving at the commencement of my official term a balance of \$4,581,833 still outstanding, while the par value of the securities placed in my hands was \$4,941,515. So far as the Banks were owned by citizens of the State a creditable exertion was made to protect the bill holder from loss, and most of the institutions thus held, sustained themselves with honor, and are still solvent and specie-paying. Those still remaining under the law of 1852, having securities sufficient at the lowest market value to redeem their circulation at par in any emergency; while those which have complied with and have organized under the law as amended in 1855, have had retained, as will be seen by the

accompanying table, 10 per cent. off the market value of their securities, thus placing the specie paying Free Banks of Indiana upon the most safe and reliable basis. Those held by foreign capitalists were generally abandoned to their fate, the holders of its notes being compelled to exchange them for depreciated bonds, or accept a pro rata of the proceeds when sold. In no case as applied to foreign bankers was the principle of individual liability resorted to by the bill holder, and the value of that feature therefore cannot be estimated.

The amended act of 1855, while it discourages the operations of speculators and swindlers, affords the public ample guaranty of security. With a strict and vigilant execution of the law there can be no recurrence of the calamity of 1854-55. The present Banks are believed to be solvent and shown to be fully able to redeem all their circulation at par, and are known to be in the hands of men of honor and responsibility.

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

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

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

From Annual Report of the Auditor of State of the State of Indiana to the Governor, November 2, 1857 (Indiana Documents, 1856-57, pp. 139-43)

1856-57

The annexed tables exhibit the condition of the Free Banks of this State, and show the gratifying fact, that there has been no failure among the banks which complied with the amended law of 1855, involving the loss of a dollar to billholders.

The ten per cent. excess of securities over circulation, required by the law, has been an effectual protection from loss, even under the almost unprecedented depreciation of stocks experienced during the last sixty days; so that the notes of the only

bank under protest, which has complied with that law, (Tippecanoe,) will be redeemed at this office dollar for dollar, provided no more notes were issued than the amount of securities on deposit when I came into office.

The promptness with which the Free Banks responded to the call for additional securities, at a time when stocks were heavily depressed, and when old and long tried institutions were failing on every hand, shows that they are controlled by honorable and responsible men, and is a proof of the correctness of the principle of banking with adequate security, that no other system has furnished during the late financial crisis.

Two Free Banks (North America at Clinton and Savings Bank) have been wound up during the past year by this department, at a loss to the billholders; but these banks had only the amount of securities required by the law of 1852, and had not complied with the law of 1855. The circulation of these banks was quite small, and the loss nominal.

The failure of these banks to redeem their notes demonstrates the wisdom of those provisions of the law of 1855 requiring an excess of securities, to guard against sudden depreciation in stocks, and fixing a minimum of capital of fifty thousand dollars; thus preventing the establishment of banks with a small circulation, by adventurers from abroad without capital.

Had the law of 1852 contained the provisions of the law now in force, requiring a deposit of fifty thousand dollars worth of stocks, and ten per cent. above the circulation of a bank, the calamities of 1854 would not have been experienced, and the banks now doing business would not feel so heavily the discredit thrown upon the system by the failure of the brood which sprang into existence under the law of 1852. The securities required by the law now in force, for the redemption of the issues of the free banks, are ample in any emergency likely to occur, provided the officers in charge of this Department are faithful to the law and their duties.

There is a provision in the free banking law requiring the banks to appoint an agent at Indianapolis for the redemption of their notes, but there is no penalty for non-compliance. Such banks as have given notice to wind up will be entitled at the end of two years from the date of such notice, to their remaining securities, by giving bond to the Auditor for the redemption of any notes that may be outstanding. These banks do not appoint the agent required by law, but compel their notes to be presented at the bank for redemption. As the circulation of these banks becomes reduced, and can be collected only in small quantities, it is received at a discount, to repay the expense of sending it home for redemption. Thus community is shaved for the benefit of bankers and brokers, while the securities for the redemption of the notes are ample. The law requiring an agent to redeem at Indianapolis should contain such a penalty as would enforce a compliance on the part of banks winding up and redeeming their circulation.

From Report of the Condition of the State Bank of Indiana to the General Assembly, January 7, 1859 (Indiana Documents, 1857-58, pp. 369-85)

1857-58

The report of this Bank, marked "A," is herewith submitted, exhibiting her condition on the 20th of November last, as required by the charter; by which it will be seen, that the settlement of the business of the respective branches had so far progressed, that the final arrangement therefor could be consummated by the first day of the present year, the period fixed by the charter for closing its affairs.

With such a result in view, the Board of Directors of the Bank, at an early session after the expiration of the period for continuing the active business of the Bank (the first of January, 1857), directed a prompt commencement of the distribution of the capital stock of the several branches of the State and the other stockholders, requiring it to be made in five equal instalments to fall due as rapidly as the means could be realized by the branches therefor, in addition to promptly redeeming their circulation. * * * * *

* * * * *

In regard to the circulation of the bank, earnest solicitude has been shown by the several branches to hasten its redemption by extensive advertisements, and finally by arranging to redeem the notes of all the branches until the last day of the bank charter at Indianapolis in cash or exchange at par. Still it will be seen by the accompanying statement there remained outstanding of the circulation, on the 20th of November last, the sum of \$339,789.00, to which amount it had been reduced by redemption from the sum of \$4,208,725.00, which was the amount of the whole circulation on the first of January, 1857, when the business of the bank ceased. * * * * *

From Report of the Bank of the State of Indiana to the General Assembly, November 20, 1858 (Indiana Documents, 1857-58, pp. 359-64).

1857-58

Since our first report to the Legislature important changes have taken place in the financial condition of the country.

Although a large amount of capital had been invested in unprofitable, not to say disastrous, enterprises, and speculation had in some quarters taken the place of productive industry, there was nothing in the circumstances of the country generally, at the meeting of our State Board, in July, 1857, calculated to excite on the part of the most prudent and far seeing any apprehensions of the crisis that was so soon to follow. The domestic exchanges were regular and easy; the prospect of crops was satisfactory; the foreign demand for our leading staples was encouraging; while the

mines of this and other countries were rapidly adding to the supply and the circulation of the precious metals.

Anticipating, therefore, a prosperous season, our branches liberally increased their discount line and their circulation, for the purpose of occupying the field, from which, by the expiration of its charter, the State Bank was withdrawing.

These favorable indications were, however, of short duration. The unexpected failure, in August, of an institution of large capital, which had possessed for many years, to an unlimited degree, the confidence of the public, carrying down in its fall banking houses of established credit, created a panic throughout the Union, under the influence of which confidence ceased, and enterprise was paralyzed. A suspension of specie payments by all the Banks of the country, except those of Ohio, Indiana, Kentucky and Louisiana, soon followed. A distrust of everything but gold and silver everywhere prevailed, and the notes of specie paying Banks were rapidly returned for redemption.

That our branches under such circumstances, with a liberal discount line and a full circulation, when coin commanded from eight to ten per cent. premium over well secured Bank notes, were able to maintain specie payments, proved satisfactorily the excellence of the system, and the solvent condition of the business of the State. I venture to say, that no Banking Institution in the United States was ever subjected to so severe a trial as this Bank was exposed to, from September, 1857, to January, 1858.

While the Banks of one neighboring State were to a great extent protected by the inaccessibility of the points from which the most of their notes were issued; and a spirit of forbearance was generally exercised toward the Banks of another neighboring State, on account of their embarrassment resulting from the failure of their Eastern depositories, the branches of this Bank, exposed at all points, met and withstood the full force of the storm. It is, perhaps, not an exaggeration to say, that during the months of September, October and November the Bank of the State of Indiana furnished more coin and exchange in the redemption of its notes and the payment of its deposits, than was ever furnished, in an equal period of time, by any other Bank, in proportion to its capital and circulation.

That it was able to do so was not only honorable to the Bank, but creditable to the State, with whose financial interests it has become so largely identified.

I am gratified to be able to state, that the branches generally are in excellent condition. Nearly all of them are under the management of men who have large interests to protect, who have much experience in Banking, and an accurate knowledge of the wants and resources of the State. Our notes are in good credit

throughout the West, and it will be the constant aim of those who manage, and those who supervise the affairs of the branches, to make good the pledge given to the people of Indiana when we commenced business--to furnish them with a currency of undoubted solvency, always convertible into coin at the pleasure of the holder.

By order of the Board of Directors,
H. McCULLOCH, President.

of State
From Annual Report of the Auditor of the State of Indiana, Novem-
ber 1, 1859 (Indiana Documents, 1858-59, pp. 96-124).

1858-59

FREE BANKING

The annexed tables show that there are seventeen banks continuing to do business under the law of 1855, with at least fifty thousand dollars worth of securities at the market value in New York,--seven banks that are winding up and redeeming their circulation with securities remaining in this department, and seven which have withdrawn their securities and given bond to redeem their outstanding circulation, under the provisions of section 52 of the general banking law of 1855.

The seventeen banks under the law have a circulation of	\$1,076,984
The seven winding up have a circulation of	<u>54,411</u>
Making an aggregate of circulation for which there is over ten per cent. excess of securities in this department, of	\$1,131,395
To which add the circulation of the seven banks that have withdrawn their securities and given bond	<u>28,801</u>
Makes the total circulation	\$1,160,196
The total circulation of the Free Banks on the 31st of October, 1858, as shown in my report to the Legislature, was	\$1,233,880
Present circulation as above	<u>1,160,196</u>
Decrease	\$ 73,684

Since my last report the securities of the Bank of Gosport have been sold in New York, and the circulating notes redeemed at par, except a small balance not yet presented for redemption. With this exception there has been no protest filed for non-payment of any of the notes of the Free Banks, and they continue to possess, as they deserve, the confidence of the business community.

From Supplementary Statement, Annual Report of the Auditor of State of the State of Indiana, January 1, 1861 (Indiana Documents, 1860-61, pp. 184-92).

1860-61

Since the first of November and the date of this report, the Boone county Bank has been protested and wound up; its affairs revealing an attempted fraud on the part of those who put it in operation, which, had it been as successful as the projectors hoped, would have cost the people of the Western States nearly a quarter of a million dollars. * * * *

* * * * *

About the first of October the managers of the Boone county Bank were enabled, by an arrangement with other parties, to take up from the Bank of the State a portion of the registered circulation, which was paid out in Toledo, and along the line of the Wabash road, shortly after which they went west in the States of Illinois, Iowa, Wisconsin and Missouri, and sold about ten thousand dollars, with forged signatures of the Auditor and Register, the notes being printed on the genuine plates of the Boone county Bank.

* * * * *

The early detection of this fraud prevented an extensive sale of the counterfeit notes, and, while some individuals have suffered severely, the loss to the public has been quite insignificant when compared with what might have been accomplished.

It is to be hoped that the Legislature, at its approaching session, will so amend the Free Banking Law as to give the Auditor of State the control of all engraving and printing for the Free Banks, and thus prevent any further attempts at such wholesale fraud and villainy.

BLOOMINGTON BANK

On the tenth of December, the notes of the Bloomington Bank were protested for non-payment, when notice was given that the securities of the bank would be applied to the redemption of the same. The stocks deposited by this bank consisting entirely of Missouri 6 per cent. bonds, have been sold in New York, and the circulating notes will be redeemed at this department on and after the tenth inst at eighty-five cents on the dollar.

From Annual Report of the Auditor of State of the State of Indiana, November 1, 1865 (Indiana Documents, 1864-65, Pt. 1, pp. 169-84).

1864-65

As will be seen, in the foregoing statement, the total circulation of the Free Banks, April 1, 1865, was one million two hundred and ninety-three thousand seven hundred and fifty dollars (1,293,750.00). Soon after this date it became evident that the public would not willingly receive and pay out other currency than Government Greenbacks and the notes of the National Banks, and

that without discrediting the ability of the Free Banks to pay on demand, it was preferred to recognize only the notes mentioned, as the uniform currency of the country. In view of this, and the difficulty of paying out Free Bank notes, which immediately followed, the Bankers of Indianapolis, on the 19th of April, 1865, gave the following

NOTICE

"The Banks and Bankers of Indianapolis have unanimously agreed not to purchase or receive Ohio or Kentucky or Indiana Free Bank notes, after the first of May next, at less than 2 per cent. discount; or Eastern notes at less than 5 per cent. discount, and will not pay out any such money after this date, but will have the same sent home for redemption.

April 19, 1865."

The notice was afterwards amended, and notes of some of the Free Banks redeemed at 1/2 cent. discount; others at 2 and 5.

Under the effect of this notice, and the quiet decision of the public previously made, the notes of the Free Banks were rapidly returned to their respective counters, and then by the Banks to this Department for burning.

During the quarter ending June 30, there had been returned and destroyed in the manner mentioned, eight hundred and eighty-four thousand seven hundred and ten dollars; and during the quarter ending September 30, one hundred and ninety-six thousand two hundred and sixty-five dollars, leaving outstanding October 1, two-hundred and twelve thousand seven hundred and seventy-five dollars, as the total circulation of the Free Banks of the State, showing a reduction of one million and eighty thousand nine hundred and seventy-five dollars (\$1,080,975.00) during the six months ending September 30.

The notes were taken up on presentation to the several Banks, without hesitation or delay in any case, and without causing embarrassment or pecuniary trouble to any community.

The prompt recognition of the decision of the public on the part of the Free Banks, and the speedy retirement of their outstanding circulation, without producing panic, or loss, or distrust among the people, have well merited the approbation which has been extended to them.

A majority of the Banks have given the notice required before closing business, though, as will be seen in the statement, five are still continuing business under the law.

From Report of the Bank of the State of Indiana to the General Assembly, January 5, 1865 (Indiana Documents, 1864-65, Pt. 2, pp. 151-157).

1864-65.

Since the report to the last Legislature, two years ago, the policy of the Bank has been the same as during the preceding years after the commencement of the still existing civil war.

The legitimate wants of the communities accustomed to look to the Bank for loans and other business facilities, have been fully met; and, owing to its strong condition, this has been done and the usual dividends declared, without interference with those general measures, which, in the unsettled state of the country, were deemed essential to the welfare of the Bank.

The issues of the Bank have been steadily withdrawn from circulation; the surplus has been largely increased; the suspended debt has been materially reduced; a good reserve of coin has, at all times, been held; the active discounts have been carefully made and closely watched; and, generally, the Bank has been kept in position for all contingencies, whether of war or accident. This has been considered the only true policy for times such as we have been passing through. By it the interests of stockholders and public in the Bank were alike protected, as far as possible to protect them, against the dangers that seemed impending, but which, it is believed, have now gone by.

* * * * *

Owing to the large currency issues and heavy disbursements of the Government in carrying on the war, and the general distribution of money in exchange, at enhanced prices, for the produce, skill, and labor of the country, the demand for loans, except at the more commercial points, has been largely diminished; hence, at a number of the Branches, the capital was found more than ample for the wants of their localities, or than could be prudently or profitably employed. In view of this, reductions were made in such Branches upon the request of their stockholders; in most to \$100,000, the minimum established by the Charter for the organization of Branches.

* * * * *

The Bank was never in a sounder condition than now; and over thirty years experience having demonstrated its value to the business interests of the State, no less than its worth to its owners, (for the Bank of the State is practically a continuation of the old State Bank,) there is no disposition on the part of those who control it, to abandon the Charter to embark in a new, and as yet unproved system. They feel a just pride in a Bank which for so long a period has maintained its position for character and usefulness at the head of all the western banks, and which, through all the changes of times, has been so conducted as to command and secure the confidence of the people. Hence, whatever the discouragements now, they shall patiently await events, leaving the future to determine whether the day is over for this long tried, well approved State institution.

From Annual Report of the Auditor of State of the State of Indiana to the Legislature, November 1, 1866 (Indiana Auditor, 1865-69, second section, pp. 29-39).

1865-69

CONDITION OF THE FREE BANKS

The following statement shows the condition of the Free Banks of the State on the 31st of October, 1866; also the number continuing under the law, the number that are closing and that have withdrawn their securities, and the amount of notes retired from circulation from the 1st of April, 1865, to the date of this report.

Under the influence of the system of finances adopted by the General Government during the war, and which system brought into existence Government currency and National Banks, the Free Banks of Indiana have been compelled to close business as Banks of issue, or continue to transact business under the law of 1855, regulating Free Banking, except so far as the same relates to the issue of circulating notes. There are, however, but three Banks which have not given notice, as the law requires, previous to winding up and withdrawing securities--the Bank of Salem, New Albany, Bank of Salem, Salem, and Bank of Paoli, Paoli. All the rest of the Free Banks--twenty-eight in number--have given notice of closing, and are winding up. Their aggregate circulation is fifty-seven thousand eight hundred and fifty-nine dollars.

The total circulation of the Free Banks, on the first of April, 1865, as shown in the report for the fiscal year ending October 31, 1865, was one million two hundred and ninety-three thousand seven hundred and fifty dollars (\$1,293,750). The amount outstanding October 31, 1866, seventy-three thousand seven hundred and seventy dollars (73,770), a reduction during the eighteen months between the dates given, of one million two hundred and nineteen thousand nine hundred and eighty dollars (\$1,219,980).

This amount of currency was withdrawn and destroyed by the several Free Banks, as stated in the annual report for 1865, in obedience to a decided preference, manifested by the public, for Government Greenbacks and the notes of National Banks, and for the purpose of organizing under the acts of Congress relative to the formation of National Banks.

It is a matter of congratulation on the part of the citizens of the State, and which reflects great credit upon the Banks, to know that the decision of the public was promptly recognized by the latter, and the greater part of their circulation retired without hesitation or delay, and without causing panic or pecuniary embarrassment in any community.

During the quarter following the first of April, 1865, there had been returned to this office and destroyed by burning, eight hundred and eighty-four thousand seven hundred and ten dollars, or more than two-thirds of all the circulating notes of the Free Banks at the date mentioned.

During the six months ending September 30, 1865, there had been returned and destroyed one million and eighty thousand nine hundred and seventy-five dollars; and during the nine months ending December 31, 1865, one million one hundred and seventy-three thousand six hundred and sixty-eight dollars.

In view of the fact that the Banks are winding up business as rapidly as they are enabled to do so by the slow return of the outstanding notes, and that they have now a limited circulation, I would suggest an amendment to the Free Banking law, limiting the time of bonds, given to secure the redemption of notes, so that there may be a time when the bonds can be surrendered, and the business relations between the State and the Free Banks brought to a close.

The average circulation of the several Banks is, at this date, reduced to an amount which probably little exceeds the notes destroyed and lost, and it is not, therefore, necessary to continue a nominal liability of principals and sureties, and their heirs, to an indefinite period.

From Annual Report of the Auditor of State of the State of Indiana to the Governor, November 1, 1867 (Indiana Auditor, 1865-69, third section, pp. 18-22)

1865-69

The aggregate circulation of the Banks is sixty-five thousand seven hundred and ninety-nine dollars (\$65,799), which is seven thousand nine hundred and seventy-one dollars (\$7,971) less than the amount outstanding at the date of the last report --October 31, 1866. The notes are returned to the Banks very slowly; and most of the Banks having a nominal circulation of a few hundred, or thousand, have doubtless redeemed nearly all that are in existence. Nevertheless, the entire circulation is secured as required by law.

LIST OF INDIANA DOCUMENTS REVIEWED FOR MATERIAL
RELATING TO GUARANTY OF BANK OBLIGATIONS

Material from which excerpts were copied

Indiana Senate Journal, 1834-35	Indiana Documents, 1853-54
" " " 1835-36	" " 1854-55
" " " 1836-37	" " 1856-57
Indiana Documents, 1838-39	" " 1857-58
" " 1839-40	" " 1858-59
" " 1842-43	" " 1860-61, pts. 1-2
" " 1843-44	" " 1864-65, pts. 1-2
" " 1846	Indiana Auditor, 1854-56
" " 1850-51	" " 1865-69
" " 1851-52	

Material reviewed by from which no excerpts
were copied

Indiana Documents, 1844-45
 " " 1847-48
 " " 1848-49
 " " 1849-50
 " " 1852-53
 Indiana Senate Journal, 1858
 Indiana Auditor, 1861
 Indiana Documents, pt. 1, 1861-62
 Indiana Documents, 1862-63
 Indiana Documents, pt. 1, vol. 1, 1863-64

Indiana Auditor, 1841-43
 " " 1845-46
 " " 1848-52

Indiana Documents, 1861-62, pt. 2, Vols. 1 and 2,

November 7, 1951

MEMORANDUM

TO: Dr. Warburton

FROM: Mr. Golembe

SUBJECT: Material collected at the Indiana State Library, October 29 to
November 3, 1951

The following notes were taken in the course of an examination of the Letterbooks and Journal of the State Bank of Indiana. Since all of the information secured may not be incorporated in our study of the Indiana banking system as presently constituted, it seems advisable to have a permanent record for our files.

The Letterbooks and Journal of the State Bank are manuscript volumes, now held in the Archives Division of the Indiana State Library, Indianapolis. The Letterbooks, in two volumes, cover the entire period of the bank's operation (1834-1857), while the Journal contains entries for the years 1834-42. Subsequent Journals could not be located.

During much of the pre-Civil War period, Letterbooks took the place of today's carbon copy. That is, letters sent in the course of business were re-copied in a large volume kept for that purpose. Since the Letterbook was for the writer's own use, letters were often copied hastily, and may possibly differ from the originals so far as abbreviations and paragraphing are concerned.

The large majority of letters dealt with routine matters; e.g., the printing of new bank notes or the settlement of branch balances. Those described below probably constitute not more than 10 or 15 percent of the total number of letters read. It will also be noted that there are no entries after 1844. Apparently when Samuel Merrill was succeeded by James Morrison as President of the State Bank, the policy of incorporating other than routine letters in the Letterbook was abandoned. This may have been due to the fact that the new President did not wish to have available for investigatory committees his letters of strong condemnation or praise of the Branch Bank officials. In any case, after 1844 most letters are by the Cashier, James Ray, and the letters of Morrison and Dumont, the last President, are infrequent and of a routine nature.

The Journal contains the minutes of the meetings of the Board of Directors of the State Bank. Again, much of the material is routine and

some which deals with matters of interest to us is covered by the Letterbooks. However, a number of resolutions and committee reports which provide insights on the operation of the State Bank are included below.

Letterbook of the State Bank of Indiana
Volume I - February 20, 1834 - June 22, 1842

November 23, 1834 - Merrill to various people

Series of letters dealing with the possibility of securing the federal deposits, terms to be arranged, etc. The State Bank badly wanted the deposits, although on the best possible terms.

Note: The federal government commenced withdrawing its deposits from the Second Bank of the United States in the fall of 1833 and depositing them in state banks - the so-called "pet banks"; The State Bank of Indiana eventually became one of the largest deposit banks in the West, although the withdrawal of the deposits in 1837 was to cause the bank much hardship. It should be noted that these letters were written before the State Bank had opened for business.

December 16, 1834 - Merrill to Cashier of Bedford Branch

Generally critical of long loans; i.e., six months or more -- "altogether without precedent in banking". Also advises on borrowers banks should favor; exporters, farmers when preparing produce for market, business men.

December 18, 1834 - Merrill to John Brown, Cashier Bedford Branch
Demonstrates how to draw up condition report.

December 19, 1834 - Merrill to Samuel Taylor, Cashier Lafayette Branch

Similar to December 18 letter to Brown

December 22, 1834 - Merrill to President Lafayette Branch

Very critical of statement of condition recently submitted, book-keeping methods. "It is no disgrace to your Cashier or Clerk not to know a business they have never learned." Suggests that competent help be secured or "your affairs will soon be involved in utter confusion."

December 29, 1834 - Merrill to Brown of Bedford Branch

In answer to a series of questions dealing with bank practices and interpretation of the charter. Again indicates inexperience.

January 6, 1835 - Merrill to McLane, President Bedford Branch

General advice on banking, criticizes long loans. Friendly tone.
"The business of Banking is measurably new to us here and it would not be wonderful if at the commencement we should conceive some very absurd notions."

January 15, 1835 - Merrill to R. W. Thompson

Question is whether a Branch Bank may purchase a promissory note at more than a 6 percent discount. If the transaction is not a loan "no one can legally complain however hard the terms may have been." However, warns against using this device to charge more than the legal interest on actual loans.

Note: The State Bank was forbidden by its charter to discount at more than 6 percent. Most banks continually sought ways of avoiding such restrictions and it is therefore noteworthy that Merrill took the above stand in a private letter.

January 15, 1835 - Merrill to J. F. D. Lanier

SEE PHOTOSTAT

January 25, 1835 - Merrill to Fitch, President New Albany Branch

Concerns negotiations for securing federal deposits. States that parent board will want to supervise matter.

"If the deposits are obtained they must be placed in the branches most convenient for receiving and paying them out, but some general regulation must be made which will as far as possible prevent difficulty and jealousy between Branches."

February 4, 1835 - Merrill's handwriting.

To a bookkeeper asking if he desires employment at one of the Branch Banks. "Neither [Cashier of the branch in question] nor his Clk. have ever been in a bank and they are fearful if they were to start their books they might get into some difficulty."

November 21, 1835 - Merrill, Circular letter to the Branch Banks

SEE PHOTOSTAT

November 30, 1835 - Merrill to E. D. John, Cashier of Lawrenceburgh Branch

Long letter defending Board's action in refusing to allow federal funds to be deposited at his branch. Main objection seems to have been lack of a good safe.

December 28, 1835 - Merrill to John Mitchell

Concerns loans from Sinking Fund, of which Merrill was evidently both Treasurer and Commissioner. Gives indication of Merrill's attitude towards real estate loans.

States that a loan cannot be made on some mortgages submitted by Mitchell. "Your part of the country has been long settled and if land is to change prices so rapidly it may change back again in as short a time."

"We do not expect all our acts to be popular, but we hope to protect the rights of the state and this will be approved at a future date if not at present."

Note: The Sinking Fund was established to stand for the redemption of bonds issued by the State to secure capital for the State Bank. Merrill's last statement was correct. Those in charge of managing the fund did so well that after the debt for which it had been created was repaid, over \$3,000,000 was turned over to the Common School Fund.

February 2, 1836 - Merrill to Wm. Crompton

States that policy of the State Bank is opposed to loans on land, the value of which has recently undergone substantial change.

June 30, 1836 - Merrill to D. R. Donahue, Cashier Bedford Branch

Concerns a note discounted at Donahue's branch. Merrill advises granting borrower additional time since it is clear that he was led, perhaps inadvertently, to expect a renewal at the time the loan was granted.

July 7, 1836 - Merrill Circular Letter to Branch Banks

Advises acceptance of new government terms for the keeping of the federal deposits. Deposits help bank maintain its circulation; keep up profits. New terms involved change in interest paid the government, limits on total of deposits which could be held by any one bank.

May 8, 1837 - Ray to Levi Woodbury

Concerns the rapid withdrawal by the government of its deposits in the Lawrenceburgh Branch. Requests that the calls be smaller and extended over a longer period of time.

"The extreme rapidity with which the business would have to be reduced (which must have been induced by the deposits)... would be very severely felt and would bear heavily on our part of the West."

Note: Ray was Cashier of the State Bank during the entire period of its operation; Levi Woodbury was Secretary of the Treasury at this time.

May 19, 1837 - Merrill to Dunn and Tousey

SEE PHOTOSTAT

May 22, 1837 - Merrill, Circular Letter to Branch Banks

Long letter written at the time of the suspension of specie payments. Several parts of interest follow:

"The institution was intended to furnish a sound currency on a specie basis." Proposes, in the present emergency, severe restrictive measures, such as reducing total circulation by \$1,000,000 in three months.

Argues in favor of a paper (bank) currency. "Until we are prepared to dispense with the Cotton and Sugar of Louisiana, the manufactures of New England and the iron of Pennsylvania, we must have a paper medium of exchange. However a small nation supplying its own wants within itself may do its business with specie, such cannot be the case with these U. States."

Asks the branches to be doubly careful now that they no longer have to redeem in specie. The branches collectively; i. e., the State Bank, "will look with much uneasiness upon any transaction of a branch that may be questionable in its propriety and for their own safety they will not hesitate to suspend immediately any one that shall endanger the safety of the others."

Note:

Although the suspension of specie payments in a period of real crisis was a relief to banks, there was a real danger involved. First, anti-bank forces used the suspension as proof that banks were actually insolvent and pushed more strongly proposals for their abolishment. Also, many banks took advantage of the situation to expand their discounts, and therefore their circulation, with the result usually being failure when specie payments were resumed. Clearly, Merrill and the State Board were determined to avoid both dangers and keep the State Bank solvent and in operation.

July 21, 1837 - Merrill to McCulloch, Cashier Fort Wayne Branch

Critical of failure to reduce discounts as ordered by the State Board. Will have to explain this to the Board. "The rapid withdrawal of the U. S. Deposites and the loss of credit we are sustaining by the suspension will probably not allow us for a long time to discount more than twice the capital."

Note: The Branch Banks were ordered to reduce their discounts in a resolution of the State Board on May 19, 1837. See Journal notes. By "suspension" Merrill was referring to the suspension of specie payments.

August 23, 1837 - Merrill to Shields, Cashier New Albany Branch

Recent resolution of the State Board relating to deposits in insurance companies was directed at Shield's Branch and "was in fact a substitute for a much severer [measure] than was proposed.." Apparently Branch had been showing money due from an insurance company as a "bank balance" in its condition reports and Merrill is very dubious that there is any similarity.

September 8, 1837 - Merrill to President Lafayette Branch

Writes in conformity with a resolution of the State Board requiring the President and Cashier of the State Bank to determine the reasons why any Branch Bank might refuse to obey an order of the Board. Lafayette is charged with not reducing its discounts to twice the capital stock. Merrill makes a formal request for an explanation and then, in a long postscript, appears to be urging the Branch to make some sort of explanation so that the Board will not have to take further action.

Note: This is one of a number of letters, some of which will be found below, suggesting that in many instances it was the State Board which was determined to exercise close supervision over the branches, while Merrill did his best to shield the branches. This is of significance, of course, in evaluating the effect of the mutual guaranty provision on the operation of the State Bank.

September 14, 1837 - Merrill to ???

Announces the readiness of the State Bank to resume specie payments "whenever any respectable number of banks make the attempt."

Note: Resumption did not take place until the following year.

December 11, 1837 - Merrill to E. D. John, Cashier Lawrenceburgh Branch

Concerns failure of John's Branch to extend new discounts to exporters:

"If the bank can do nothing in an emergency so important for the general welfare, I fear that it will be regarded as a nuisance and that the attempts making to destroy it will meet with general encouragement."

Note: The emergency referred to is the suspension of specie payments and the general tightness of the money market which lasted from the spring of 1837 to the spring of 1838. This letter, along with others, reflects Merrill's concern with political attacks on the State Bank by anti-bank Democrats.

March 10, 1838 - Ray to Cashier of Vincennes Branch

Routine letter, of interest because it involves shipment of post-notes to that Branch.

Note: The State Bank was authorized by its charter to issue such notes but it is not certain whether any were ever actually paid out, except in the case of the Lawrenceburgh Branch

May 15, 1838 - Merrill to Clark of Lafayette Branch

The activities of the Cashier and several of the directors of this Branch have been disapproved by the State Board and Merrill writes Clark, who presumably is a heavy stockholder, to take over:

". . . it was the opinion if not of all at least nearly every of the State Board that unless Mr. White (Cashier) leave the branch and the directors provide for having their business done in a more satisfactory manner, the branch must be suspended."

Note: This is one of several letters which show that the State Board and Merrill often went so far as to try to handpick officials of certain Branch Banks when they felt that the bank was mismanaged.

June 5 and June 6, 1838 - Merrill to Hanna and Clark

SEE PHOTOSTAT

June 27, 1838 - Merrill to Deming, President Lafayette Branch

White was kept as Cashier of the Branch Bank (see May 15, 1838 above) but several changes were made in the directorship and Deming was installed as President. Merrill is suspicious and announces that he will shortly examine the Branch to secure more definite information. In a thinly veiled threat he states:

"You have gone on as you suppose to set yourselves right with the other branches and the public. If you are so I shall be much gratified, for when you have acted finally in the matter there can be no middle ground. You must either be sustained or the branch must be removed and in all probability never again established at your place."

July 6, 1838 - Merrill to Deming, President Lafayette Branch

Remains on the subject of continuing White as Cashier: "The question must resolve itself into this I presume. Is Mr. White supported by honorable disinterested men on account of his merits notwithstanding some faults or is he supported on account of party and private interest, regardless of the regulations of the Bank and the opinions of the other branches, which as partners are equally responsible."

July 16, 1838 - Merrill to Deming

SEE PHOTOSTAT

August 4, 1838 - Merrill to White, Cashier, Lafayette Branch

Critical letter but in friendlier tone. Perhaps a personal letter rather than one written at the request of the Board.

August 17, 1838 - Merrill to E. D. John, Cashier Lawrenceburgh Branch

Reminds him of Board's resolution urging Branch Banks to attempt to collect debts by other means than use of the courts. Written apparently with an eye to political scene.: "The expense and odium of being frequently on the dockets of the Courts reflect even more discredit upon Banks than upon individuals."

August 21, 1838 - Merrill to Deming, President Lafayette Branch

Still suspicious of this branch. Emphasizes importance of avoiding long loans, particularly to officers and directors.

October 6, 1838 - Merrill to Deming, President Lafayette Branch

White has gone and a new Cashier secured. Merrill urges that the directors support him.

December 11, 1838 - Merrill to Clark and Harrison of Michigan City Branch

States that control of the South Bend Branch has passed into the hands of a group of local men combined with several Michigan residents. Thinks they are not to be trusted. Understands they also desire to secure control of Michigan City Branch and urges caution.

"The safety of the other branches will not be endangered to gratify any set of men. The credit of the Bank is an essential part of the institution and those who manage it must be persons in whom the better part of the community can confide."

January 1, 1839 - Merrill to Deming, President Lafayette Branch

Lafayette Branch not improving as rapidly as might be desired. Warns against long loans.

January 22, 1839 - Merrill to E. D. John, Cashier Lawrenceburg Bank

"I beg leave to call your attention to the preamble and resolution on the 2nd page of the printed proceedings of the State Board February 1838 in reference to the Cashier of a branch engaging in other business than that of the duties of his office. You will also see on the 3rd page the views of the board in relation to officers of the

branches connecting themselves with other institutions. What the board expect from the officers of the branches is expressed so clearly that it cannot be mistaken. If as is represented you are engaged largely in the pork business, even with other to an attempted monopoly of it, there is great impropriety in your continuing in the bank. The resolution it was understood was aimed at Mr. Ross . . . If one of the kind was thought necessary in his case much more must something be if as alleged you are engaged in operations to the amount of hundreds of thousands."

Note: This is the first indication in the Letterbook of ~~serious~~ serious trouble with the Lawrenceburgh Branch Bank. A number of letters bearing on this will be found below. It will be recalled that the situation was finally resolved when the Board suspended the Branch.

January 22, 1839 - Merrill to D. Major of Lawrenceburgh Branch

Long letter on same subject as above. Implies situation may be resolved if the Cashier either leaves his business or the bank.

May 16, 1839 - Merrill to D. Major of Lawrenceburgh Branch

Long letter, same subject as above.

August 3, 1839 Merrill to Tyner

Tyner was apparently a Lawrenceburgh director. Merrill asks his advice on the situation there. Adds: "I much fear that there are almost no stockholders in the Law. br. who hold the stock for any other purpose than to borrow money. . . I fear too that there are at least three directors in the branch who would fail at once if they were called upon to pay even an eighth every three months . . . I do not doubt the good intention of your Cash. according to his notions of propriety but I believe he maneuvers too much . . ."

October 3, 1839 - Merrill to D. Major, President Lawrenceburgh Branch

Severely criticizes Branch for issuing post-notes without consulting State Board. If used at all they must be for short loans and, even more important, must have been furnished by the State Board. Other branches will refuse to accept the notes. Action is not only illegal but strikes at heart of the whole system.

November 2, 1839 - Merrill to Woodbury

Regrets inability of Lawrenceburgh Branch to make a payment due the U. S. on its deposit account. Requests delay until the State Board has change to meet.

November 4, 1839 - Merrill to D. Major, President, Lawrenceburgh Branch

Concerns failure to make payment to U. S. mentioned above: "it appears that the other Branches must be called on in aid of your Branch."

November 15, 1839 - Merrill to Woodbury

Makes arrangements for paying the Lawrenceburgh deposit (see November 2nd and 4th). Implies branches contributed required amount.

Note: No further information is available on this incident. However, it appears likely that the other branches did provide the necessary amount, probably as a loan to the Lawrenceburgh Branch Bank. Significance lies in the fact that the other member banks could, and did, come to the aid of a distressed bank even before they were legally obligated to do so.

November 15, 1839 - Merrill to D. Major, President Lawrenceburgh Branch

On same subject as November 15 letter above. Also presses for the removal of John as Cashier of bank.

November 18, 1839 - Merrill to John Brownfield, Branch unidentified

Concerns struggle for control of Branch by two factions. Merrill wants affair settled immediately.

February 19, 1840 - Merrill to E. D. John, Cashier Lawrenceburgh Branch

Criticizes failure to reduce discounts as ordered by the State Board.

March 3, 1840 - Merrill to McLane, President Bedford Branch

"In looking over the proceedings of your branch I approve in general your mode of doing business but I am under the necessity of complaining of one practice that appears to have been allowed to some extent contrary to the directives of the Charter. In the 79th Section 4th clause there is a provision that no 'Director shall be allowed to borrow out of Bank on any other than the usual banking terms.'^a Though it may not be wrong to loan money to a Director for the promotion of public improvement, or for some useful object in the same manner as would be allowed to others, yet if Directors are suffered to renew their notes without curtailment the reason for each proceeding should appear on the minutes, and if the building a Mill or other sufficient cause be alleged for the grant of such a favor I suppose no complaint could be made. I notice that Mss. Bishop and Vestal have several times renewed their notes without any reduction. If there be any special cause why they are more favored than others, it

would be well to state the same in a Resolution of your Board to be forwarded up to the State Board . . . but if you have inadvertently made allowances in these cases which should not have been it would be well by Resolution of your Board to condemn the practice and abandon it hereafter."

Note: Letters such as these should be considered in light of the very common practice in western banks of doing exactly what Merrill complains of here. Not only was it common, but most banks defended the practice. Note also the conciliatory tone. It may be presumed that the State Board was much more concerned than Merrill.

March 9, 1840 - Merrill to James

SEE PHOTOSTAT

May 12, 1840 - Merrill to William Clark, President Michigan City Branch

Concerns "improper acts alleged to have been committed by the Cashier and several of the Directors." Wrongdoing involved some overdrafts, not further identified. Wants offenders removed from Branch, especially since Branch Board has already condemned them.

"If this is not done at an early date I shall visit your place at once and investigate the whole matter carefully and if there be a Cashier in office, or a Director on the Board, having influence in its management, who in disregard of duty will allow such acts as appear to have been committed there, there will be no delay in proceeding to suspend and close up the Branch."

August 13, 1840 - Merrill to Hanna, President Lafayette Branch

Very sharp letter asking if it is true that several "Directors of your branch had within a short time discounted a number of new accommodation notes in direct violation of orders of the State Board." Threatens investigation and report to State Board unless matter is satisfactorily explained.

Note: Accommodation notes were notes on the personal security of the borrower, usually for the longest term possible. Since they were not based on a specific transaction; e. g., a shipment of hogs to Cincinnati, they were difficult to collect and, in fact when made were usually considered by both the lender and the borrower as subject to renewal.

September 23, 1840 - Merrill to J. F. D. Lanier, Madison Branch

Criticizes purchase by Madison Branch of State Treasury notes. Funds used in this fashion will not be available "to carry off the produce of the country."

"The State already owes the Bank so much it materially cripples our operations."

Note: Indiana had become indebted to the State Bank as a result of failure on the part of some of the purchasers of its internal improvements bonds to make payment. Merrill and the Board were determined that the State Bank not become entangled in the internal improvements projects of the State.

October 7, 1840 - Merrill to Major

SEE PHOTOSTAT

October ??, 1840 - Merrill to Hanna, President Lafayette Branch

Criticizes practice of not fully describing each discounted bill of exchange, of showing dissolved partnerships as debtors of the bank in its reports, permitting loans to run for long periods of time. On latter point: "These must necessarily swallow up your capital so that you only do business on your circulation which could not be kept up a day if specie payments were resumed. Your branch if it were an independent institution must sink at once and you now live on the credit which the other branches give you."

Note: Specie payments had been resumed in 1838 but were suspended again in about a year. Resumption was not finally achieved until 1842.

October 27, 1840 - Merrill to President and Directors South Bend Branch

Criticizes long loans: "One of the orders or rules of the State Board for the government of the branches requires in substance that the branches respectively shall not discount accomodation notes exceeding once and a fourth the capital actually paid in."

Sometime in November or December, 1840 - Merrill to Corney

Evidently the recipient of the letter was considering taking the post of Cashier at Lawrenceburgh. Merrill advises that he be certain the policy of the bank has changed or "it will be hazardous for you to have anything to do with the concern."

March 29, 1841 - Merrill to Hanna, President Lafayette Branch

Criticizes small reduction in circulation. Letter gives impression that Merrill is pushed in this instance by State Board.

April 1, 1841 - Merrill to Thomiston, (?) Cashier Lawrenceburgh Branch

Generally critical of Branch

May 27, 1841 - Merrill to Henry Clay

Sends copy of State Bank charter. Comments: "Nearly all of the difficulties in managing our institution have arisen from the large loans to Directors and stockholders in a few br. who subscribed stock not for the Dividends but to borrow money."

Note: The Whig party, of which Clay was an acknowledged leader, had triumphed in the 1840 presidential election (Harrison) and was pledged to re-establish a United States Bank. Evidently Clay had sought Merrill's opinion and advice.

July 7, 1841 - Merrill to several stockholders of Lawrenceburgh Branch.

The Branch was in new difficulties with State Board. Merrill names three men whom he, and the Board, would prefer to see elected to the Board of Directors.

July 19, 1841 - Merrill to Major, Lawrenceburgh Branch

Very critical. Mentions same subject as in preceding letter.

August ??, 1841 - Merrill to Fitch, President New Albany Branch

Reviews Lawrenceburgh difficulties. A vote to suspend the Branch was carried 8 to 6 but was not sufficient because of the necessity for a two-thirds affirmative vote. "There would I think have been a larger affirmative vote but for zealous efforts on my part to prevent it."

Note: Another indication that Merrill often tried to protect branches from the wrath of the State Board. However, Merrill remained critical of the Branch, especially of those officers who, he felt, were using it to serve their own ends.

December 4, 1841 - Merrill to officers South Bend Branch

Defends himself against charge that he advocated unsafe loans. Maintains his position has always been opposed to such loans.

Note: There seems little doubt that Merrill was unjustly criticized on this point.

April 4, 1842 - Merrill to Cashier Lawrenceburgh Branch

Orders him to reduce the circulation of the Branch which "still continued so large."

Note: See draft of Indiana article for data on Lawrenceburgh's circulation.

April 25, 1842 - Merrill, Circular Letter to Branch Banks

Concerns impending resumption of specie payments: "It is evident that for a successful resumption every Branch must be sustained."

Letterbook of the State Bank of Indiana
Volume II

July 9, 1842 - Merrill to Cashier Lafayette Branch

Describes agreement reached with two Cincinnati banks relative to the mutual redemption of the notes of these banks and of the branches of the State Bank. Apparently one or two of the Branch Banks had been refusing to redeem in specie large batches of their notes presented by the Cincinnati banks. Merrill was concerned lest some branches get the reputation of "good", others "bad".

October 18, 1842 - Merrill to Dunn, Cashier Lawrenceburgh Branch

Resumption of specie payments had taken place in June but the Branch Banks were having a little difficulty. "Several of the br. feel and complain that the Lawgh. br. is not doing its part to keep up the credit of the institution and the time has now come when every br. needs and expects that each other br. shall do its whole duty."

November ??, 1842 - Merrill to Cashier and State Directors South Bend Branch

"I have been instructed by the Directors of the State Bank to inquire and report whether some two or three of the Directors of your br. are insolvent and subject themselves habitually to be protested and sued on their Debts. Merely being poor is no objection but a Director indebted to the Branch without property and not making prompt and habitual payments ought to be removed."

December 2, 1842 - Ray to President Terra Haute Branch

The Lawrenceburgh Branch had just paid out a large amount of specie and was fearful that it would not be able to meet any new demands. "Mr. Merrill conferred with with the Branch here (Indianapolis) and the conclusion was that this Branch handed him \$2,500 with an understanding that before he use it he was to get \$5,000 from Richmond and \$2,500 from Madison." Asks that Terra Haute Branch help also: "It will be to the true interests to the Branches to sustain them."

December 3, 1842 - Merrill to Jacob Noyes

Noyes was apparently a large stockholder at Lawrenceburgh. He had borrowed quite heavily and Merrill urges him to make repayment. Threatens to ask for the suspension of the Branch if stockholders loans are not paid.

February 25, 1843 - Ray to Cashier Lafayette Branch

Routine letter refusing request by Branch to have State Bank pay out of general fund a mutilated note. Apparently the State Bank had decided that the note had been issued by the Lafayette Branch. Letter is of interest because of Ray's observation that the Branch banks are virtually independent and that redemption of notes out of a common fund would diminish the profits of some of the Branch banks.

March 21, 1843 - Ray to President New Albany Branch

Tells of the election of a new President at Lawrenceburgh and the high hopes which Merrill holds for the new administration of the Branch.

June 11, 1843 - Merrill to Defrees (??) (Possibly Lawrenceburgh Branch)

Concerns certain long loans made by the recipient's bank which are causing the State Board much concern. "I would not however deal with you as I wish to be dealt by if I did not say to you that some members of the State Board are very fearful that my opinions are too favorable to your branch and that I am too much opposed to suspending a branch. It is natural that it should be so, for meeting only once a quarter they bring together in their minds the complaints and causes of difficulties that have ??? us if the same men were chargeable with the whole . . . the Directors of the br. ought to be able to manage it better than any Receiver and I hope that they will be able to convince our Board that they are doing so."

August ??, 1843 - Merrill to Defrees

Warns of suspension unless long loans are called.

August ?? 1843 - Merrill to Bates, President Indianapolis Branch

Critical of policy, especially: (1) requiring an unnecessary number of endorsers, (2) "the requiring of larger payments from old Debtors than they could possibly make", (3) sending large batches of small notes to brokers locally to be used for exchange purposes.

October 17, 1843 - Merrill to Blasdale, Lawrenceburgh Branch

Reviews history of difficulty with this Branch, warns that other branches will not permit continuance of its policies for long.

Note: The long struggle between the State Board and the Lawrenceburgh Branch ended on November 16, 1843 when the Branch was suspended by the Board. This is the only instance of the use of the Board's power to suspend, although in several instances other branches were dangerously close to suspension.

December 29, 1843 - Merrill to Lawrenceburgh Branch, circularized to all branches

Calls for a definite guarantee that policies of the bank will be changed before bank can be reinstated. Suggests the selection of officers who will have the confidence of the State Board.

December 18, 1843 - Merrill to Bates, President Indianapolis Branch

Notes of the various branches are being taken in St. Louis at very heavy discounts and in some cases refused. This is due to the large amount of notes in that city and the poor quality of the paper on which they are printed. The situation is serious and Merrill asks Bates to go to St. Louis and buy notes to force up price.

"Considering the large circulation your Branch has, and the probability that a heavy portion of it is west of this State, we feel authorized rather to call upon you but will write also to the Branches at Terra Haute, Vincennes and Evansville for their co-operation. If you are not remunerated for the expense of the trip, as a Branch, we do not doubt the concurrence of the Directors in expenses being incurred on the general account for so necessary an object."

December 29, 1843 - Merrill, Circular to Branch Banks

Suggests advisability of making loans to the State since, if this is not done, the State will probably be forced to issue scrip. "The circulation of the Bank will be injuriously affected and all the business portion of the community must suffer when depreciated paper is continually thrust in their way."

January 11, 1844 - Merrill to Hobbs, Cashier Lawrenceburgh

Long letter in which he quotes statements of many members of the State Board to the effect that the Branch must change its policy before it is reinstated. This was evidently sent to impress upon the Lawrenceburgh officers the fact that it was the State Board they had to satisfy, not Merrill.

Note: The Lawrenceburgh Branch was reinstated in February of 1844, apparently with the State Board completely victorious.

Shortly after the above letter was written, Merrill was replaced as President by James Morrison. The Democrats had secured control of the legislature and Merrill, a Whig, was defeated for a third term. As noted previously, most of the letters after this date are of a routine nature and have not been copied.

Journal of the State Bank of Indiana

November 20, 1834

Unanimously resolves that: "until the next quarterly meeting of the Board the several Branches shall not issue paper beyond once and a quarter the Capital paid and that the Cashier make known this order to each Branch."

Note: The State Bank had not yet opened for business when this resolution was passed.

November 21, 1834

Routine resolution but introduction of interest: "Whereas the prime object of this, as well as all other well regulated banks, is to increase and regulate the circulating medium, to encourage trade and industry and to afford safe depositories . . ."

March 11, 1835

Adopts resolution which permits Madison Branch to borrow up to \$25,000 from other branches. Evidently Madison Branch had been doing a brisk business while other branches were doing little. Madison was, at that time, the major town in the State.

May 19, 1835

Branch Banks which held federal deposits have been refusing to accept notes of other branches on deposit. (Why they did this is not clear.) Committee investigated and recommends that the practice be stopped, or the retaliation which is certain to take place will hurt State bank.

November 17, 1835

Committee of the Board disapproves excessive purchases of bills of exchange, though approves such purchases in general.

November 18, 1835

Committee of the Board investigated Lafayette Branch. Charge it with (1) purchasing promissory notes as commercial paper in order to avoid restrictions on interest, (2) not keeping accurate cash accounts. Board agrees that these practices will arouse public hostility and unanimously disapproves.

February 18, 1836

Discussion of Lafayette affair described above, and also the failure of the Madison Branch to make sufficiently detailed condition reports.

February 19, 1836

Board recommends that branches assent to change in charter and, when such assent is given, will permit discounts to be extended to twice and one-third paid in capital. Recommends that examiners inquire into deposits of branches and investigate possibility of enlarging them by payment of a small interest. Takes occasion to notify branches that its orders as to discounts will be changed as conditions warrant.

Note: The charter was amended by the legislature in January of 1836 to permit the State Board to allow the branches to extend both their discounts and debts (exclusive of deposits and cash in other banks) to twice and one-half the paid in capital. Formerly the limit had been twice the paid in capital.

May 19, 1836

Committee of the Board suggests resolution, which is unanimously adopted, that "the Branches be advised to prepare at the close of this present quarter to reduce their discounts to an amount not exceeding twice the amount of capital paid in, that they be advised to act with great Caution as to the Species of Business they encourage by Bank facilities."

Reason for this action is "state of the currency and exchange in the West, and the heavy demands made by the Secretary of the Treasury on the Deposit branches. . ."

Note: This resolution was passed near the peak of the speculative land boom which had enveloped the West. The withdrawal of the federal deposits was not to take place for about six months so that the "heavy demands" referred to here were probably the result of the large land sales in the area. As indicated, not all of the branches held the deposits, the policy being for the State Board to designate only those branches which possessed acceptable vaults and which were located in areas where payments for the federal government were required.

November 27, 1836

Board permits branches to extend discounts to twice and one-half paid in capital.

May 18, 1837

Board has received letter complaining of activities of the Lawrenceburgh Branch and appoints a committee to investigate. Also, orders branches to reduce discounts to twice the paid in capital because of "the rapid withdrawal of the United States Deposites, and the confusion that now prevails in the money market."

Note: This appears to be the first hint, in the Journal, of trouble with the Lawrenceburgh Branch. The federal government was now in the process of distributing its surplus among the states, which surplus had been deposited with the State banks. It was this action and the panic of 1837 to which the Board refers.

November 25, 1837

Board adopts following resolution: "Whereas it is of great importance to the interests of this State that such Bank accomodations should be extended to the exporters of produce . . ." the branches (1) are authorized to extend discounts to twice and one-quarter times capital by "discounting such paper", (2) must reduce discounts to twice the paid in capital by June 1, 1838 and (3) hold circulation to once and one-quarter time capital unless given for paper which will be punctually paid; i.e., exporters' notes.

February 17, 1838

Resolves that it will not be prudent for the branches, once specie payments are resumed, to discount more than twice capital unless at least one-fifth of their discount paper is paid every 90 days.

Note: In this and the preceding entry it will be noted how actively the State Board encouraged loans to the export trade and how it used its powers of varying the discounts-capital ratio so as to achieve its goal.

May 14, 1838

Report of a committee formed to investigate charges against branches at Indianapolis, Lawrenceburgh and Lafayette. The Indianapolis Branch had been charged with dealing in fictitious bills and making exorbitant exchange charges. Committee finds Branch innocent.

Note: By "fictitious" bills ^{was} was probably meant bill^s of exchange not arising from actual shipments but drawn simply to permit the bank to secure a higher discount than was allowed.

Lawrenceburgh was criticized gently by the committee, primarily because what they did was not conducive to good public relations. Charges that the Lafayette Branch had discounted notes of individuals in arrears to bank and also that the Cashier was a heavy borrower are found to be true. Recommends considering suspension of Branch.

August 16, 1838

Report of a committee of the State Board which investigated Lafayette Branch (see Letterbook notes). Board had actually secured a court order requiring the Branch to show cause why it should not be suspended but committee recommends postponing action to give Branch opportunity to remove its Cashier, Mr. White. Implies that if it does so, order will be dropped.

August 14, 1839

Adopts resolution that branches are not to allow discounts to exceed more than once and one-quarter the paid in capital unless on prompt paper of not more than 6 months. However, if one-fifth of a branch's accommodation notes are paid every 90 days its discounts may be extended to once and one-half its paid in capital.

The Lawrenceburgh, Madison and New Albany branches are specifically ordered to keep at least one-third of their total discounts in bona fide bills of exchange not having more than four months to run.

February 12, 1840

Some discussion of difficulties with Lawrenceburgh Branch.

Among resolutions passed: (1) No branch shall make loans to the State Internal Improvements Board or the Board of Fund Commissioners; (2) branches shall not have accommodation notes in excess of once and one-quarter their paid in capital; (3) liabilities of the New Albany Branch are greater than safety permits and President must take steps to improve matters.

May 12, 1840

Report of committee of the State Board, headed by McCulloch, which investigated Michigan City Branch. Very critical -- misconduct on the part of its directors and officers, also unnecessary demands on other branches for specie. Suggests resolution, which was unanimously adopted, condemning practice and ordering President of Branch to take appropriate action.

May 13, 1840

Long report of a committee of the State Board criticizes Lawrenceburgh Branch.

Another report calls for branches to make only small loans during the suspension period.

May 14, 1840

Michigan City Branch discovered to have made a substantial loan to an individual for the purpose of betting. Adopts unanimously a resolution stating that branches are only to discount business paper and bills of exchange having not more than six months to run.

August 11, 1840

Report of a committee of the State Board which investigated whether branches were obeying order to limit accommodation notes to once and one-quarter paid in capital. Finds 8 branches have not, with greatest offender being Lawrenceburgh.

November 11, 1840

Board orders South Bend Branch to limit discounts to once and one-quarter its paid in capital and permits it to renew accommodation notes only if one-tenth of each note is paid at the time of renewal. It may also discount up to \$30,000 of new bills of exchange, providing they do not run more than six months and are not presented by persons now indebted to the Branch.

August 11, 1841

Board orders branches at Lawrenceburgh, Lafayette, South Bend and Fort Wayne to reduce their circulation. "In the present condition of these Branches profits should be a secondary consideration - the reduction of their liabilities primary. It is evidently our duty to begin now to put ourselves in a condition to meet a resumption of specie payments, perhaps early next year."

February 9, 1841

Board considers series of resolutions by Merrill which severely limit operations of the Lawrenceburgh Branch until it decreases its accommodation paper. Several not adopted, others amended, but Board, in general, accepts them.

S. Merrill to J. F. D. Lanier

Indianapolis

January 15, 1835

Dear Sir;

Your two last reports have almost discouraged me from applying to the Legislature for any alteration of the Charter. I do not see how you cannot be mistaken in the intention of the parent Board to limit the loans and the discounts of the branches to once and a qtr. the Capital until the 2d Monday of February next:--and in this way you should have construed the Resolution on that subject. Our Board has no power to limit the issue of Bank paper, and it could never have intended to prevent exchanges of bank paper even if it had been called for, and could have been issued to a much greater amount. The meaning of the Resolution must therefore have been to limit the Discounts as we are authorized to do in the 40th Section, and this was the kind of paper which is restricted and was intended to be. After you had thus transcended the restrictions you remark in your last "the restriction must be removed," appears very extraordinary when you pay not the slightest attention to it.

But laying these considerations aside, and also the difficulties in which your customers must be involved if by having a large number of their debts payable about the same time they shall not be able to assist each other. I fear very much the effect of the example upon other Branches, and its influence on our Board in reference to your future operations. ~~Will not the Delegates of the other Branches unite against you if you go on rashly as they may be led to think? Will they not wish and resolve to make as much as your Branch? Will they not forget the determination which we all seemed to entertain, that we would proceed cautiously, establish the credit and character of the Bank, and give our Citizens a Dew, or a shower, not a Deluge or an inundation?~~

It is altogether unnecessary for you to say anything about the securities of your loans, the importance of the business operations you have aided, or the ability and judgement with which you conduct your operations. On these matters nothing I am satisfied can be said by yourselves and your friends which I should not assent to at once. Nor must you suspect for a moment that I impeach your motives, but I am so situated as to be bound to keep a look out on the operations of all the Branches. You expect it from me, and were you to imagine that I was careless or inattentive on these subjects, you would be the first to know it and complain. Though your banking reputation is known and appreciated, such is not the case with many of the Branches, and if there be no need on your account to keep always something in reserve, there certainly is in my opinion a necessity of your taking some such course on account of the other branches. I have urged upon some of them, in very strong terms, that large Discounts should not be paid at once, that something should be constantly coming in, or paper will soon cease to go out: that the eyes of the Directors should be constantly over their customers, and on the state of their affairs,

If the deposits be obtained as I trust they may be,

and to make our citizens interested in their welfare, they must always retain the means of doing business. What must these branches think of my recommendations when they find them so far variant from your example, which will be so much looked up to.

In looking over the Charters of the Franklin Bank, Cincinnati, and the Bank of Louisville, I see that they both provide, that the bank shall never owe exceeding twice the amount of the Capital, and the former also provides that the Bank shall not discount at any time notes or bills of exchange to an amount exceeding twice the capital stock actually paid in. This restriction is much like ours, of which you complain of, and yet Franklin Bank stock sells at 4 percent higher than Coml. Bank.

Circular to the Branches

Office of State Bank Nov. 21, 1835

Sir:

In obedience to a Resolution of the Directors of the State Bank I submit for the consideration of your board the substance of several Resolutions adopted at their late session in reference to the Charter. 1st. That the stock in the branches may be increased by the State Board as in their opinion, the wants of the public shall require until the stock in each branch shall amount to \$500,000. 2nd. That debts due the Bank may be created to 2 1/2 times the capital. 3d. That the privilege of discounting upon individual deposits under certain restrictions may be obtained. 4th. That such branches as desire it may open books for the transfer of stock in the Eastern cities. 5. That each branch be requested to suggest any other amendment deemed important, and 6th. That a Committee be appointed by the State board who with the President shall attend a part of the next session of the Legislature, receive the suggestions of the branches, explain the operations of the Bank and the effect and object of the proposed amendments.

In relation to the foregoing Resolutions there was some diversity of opinion in our board and it cannot be expected that the amendments asked will be adopted without restrictions or limitations. The suggestions here made respecting them are not to be regarded as the opinions of the board but merely as the views of one of its members modified by what may be obtained rather than by what is desirable.

If the Legislature grant the power asked in the first Resolution, they may require the consent of all the State board or that of all the branches previous to an increase of Capital. As it respects the second proposition it cannot be doubted that in ordinary times, banks with small capitals may safely discount to a larger amount than twice the Capital. The experience of the interior banks in Pennsylvania, New York, and Ohio is a sufficient proof of this proposition and if this can be done by banks independent and unsupported and more interested to injure than sustain each other, it would appear that an institution like ours, with the advantage of numbers and unity and which cannot supply a sufficient currency for the State, might be allowed to increase the debts due them under proper restrictions. This privilege would be of far more importance to us than to Banks in cities when much of the profits is derived from exchanges and where competition will not allow one-third of the circulation of paper that may here be obtained from the same capital and business.

The uncertain character of Deposits as they are made at this time in the branches would by no means justify their being treated as Banking Capital, but from this paper increase from the growing wants and new facilities required for business, it may be important to inquire how far funds now unemployed can be made profitable to the Bank and useful to the Country. If the time has not now come it will soon arrive, when business paper to run but a short time will be constantly in market. The funds in the hands of individuals which in cities are usually deposited in Savings Banks will ere long become worthy of our attention. As but one bank is authorized by our Constitution, may we not ingraft on our branches something of the savings ~~from~~ principle, and as the

fund

tendency of money is to flow to places of business, may not much of the demand for Capital be met in this way? All classes of the industrious and enterprising would ~~derive~~^{derive} new energy from knowing where their gains might be safely deposited at an interest of from 3 to 5 percent according to the time of continuing the deposits, and if only business paper were purchased with them thus security would be undoubted and the increasing business of our rapidly increasing State might be essentially aided and promoted by means and resources that otherwise would have been wasted.

In relation to the amendments proposed, the adoption of a part of them might render that of the others of less importance. With a large increase of capital, discounts could not be increased in proportion. With the power to make discounts to 2 1/2 times the capital, there would be a less demand for its increase and with the privilege to use the deposits to a certain extent, both the former might for a time be dispensed with.

As all the branches must agree to any Law before it is binding and as the Legislature alone can determine what amendments shall be offered for our acceptance or rejection, it is very desirable that the branches should not prejudge them or determine against any of them until they are made as perfect as they can be and their connection with, and bearing upon each other and the Charter can be fairly examined.

I have the honor to be
Cashr.

Samuel Merrill

President Merrill to Messrs. Dunn and Tousey

May 19th 1837

Messrs. Dunn and Tousey. Gentlemen.

Your Letter and Memorial complaining of the management of the Lawrenceburgh Branch reached this place about the time of my return from Fort Wayne and nothing further being heard from you until last evening: The letter and Memorial were laid before the Board, and by their order Messrs. Morrison, Fitch, and James M. Ray were decided to go immediately to your place and inquire into the state of things there. On the receipt of your last communication, the order for sending the Committee at this time was reconsidered and an order was made, that as soon as practicalbe, I should visit Lawrenceburgh and examine matter over again. The Board do not consider that they have any choice as to passing over malconduct even if the complainants should have been satisfied, for if the facts alledged to exist in your memorial be true, it will not be sufficient for the offending parties merely to reconcile individual complainants. But while it is our duty to keep the officers of the Branch within the limits of the Charter, which from the state of the times is becoming every day more important, we have no wish to excite unnecessary alarm, which might be the case were a Committee of our Branch at this time to visit and spend the time necessary for an examination at your place. My own visit may pass as a matter of course, and will not be noticed. In this time of common calamity, it is much to be desired that the efforts of all business men should be directed to promote the common good and not turned against each other. But if there be guilt or a dangerous tampering with the interests of the Branches, any where, the sooner it is discovered and routed out from amongst us the better, and to effect this no effort of the parent board will be spared. All of you have had much experience in business, and in your judgment as to measures proper to be taken at this time. I should have great confidence, and if you have leisure it will gratify me much to receive such suggestions from you as to the general state of the country, as you may think proper to make. I am Gentlemen

Yours Respectfully

Sammuel Merrill

June 5, 1838 to Jos. S. Hanna

Sir;

It is due both to you and myself that I should explain to you fully my views in regard to your branch, as far as I have formed them, though I shall always be ready to correct them when better advised if I am in error. I need not mention any of the proceedings of the State board at their late session, but I will refer to a matter of which you could not probably have been informed. Before those of the board here, at the latter part of the session separated, they gave me to understand, that it was their wish if your branch did not at once conform to the requisitions of the State Board, that a special session should be called immediately, and your branch and the other branches be notified as the Charter requires previous to suspending a branch, and had not information been communicated of Mr. White's resignation this course would have been taken before this time. The requirement of Mr. White's resignation was not considered by any one of the State board as a matter personal towards him but he had been guilty of several matters, which the branch board had refused to disapprove, and some decisive act was necessary on the part of the branch to satisfy the other branches that no new offence would be committed as soon as those complained of had been passed over. It seemed to those of the State board, who had the subject under consideration that Mr. White's dismissal and the employment of a Cashier in whom universal confidence could be placed would be best for the branch and they also as you will recollect spoke of the propriety of having a Pres. of the same character who without other business to attend to, would take a part of the responsibility. Were there such officers I am satisfied that no further change would be asked to restore your branch to full confidence with the other branches. The indiscrete act of your Exchange Committee in discounting the bills, done without reflection and for no private profit, all of our board felt disposed to pass over after expressing their disapprobation, but the use of the Bank funds by Mr. White and the refusal of the branch board to disapprove the act after fully inquiring into it together with other matters testified to by Henkle called for a strong assurance that no similar occurrences should hereafter take place. Though the changes I have referred to were all that were talked of as indispensable, yet I have no doubt if your branch prefers it a different course may be taken that will be equally satisfactory. All that the State board expect is that your branch shall by its safe prudent and honorable management, recover and retain public confidence and that of the other branches. If this can be done in any other way than that which has been pointed out, no reasonable man will complain. I suppose this might be done much more effectually even than by removing the Cashier, if your Directors who are large borrowers would resign and their places could be supplied by prudent sensible men not borrowers, who would deal justly and liberally with the present condition of the Bank and with such other business men as require accommodations. I know not whether such men can be found in and about your place or whether if they could be they would be sustained by the stock holders. In this place two of our largest dealers and best business men declined originally to serve as directors on the ground that they would wish to borrow often and something of the kind has taken place at most of the branches. If you think this can be brought about and it should be done very little inquiry will be made as to the Cashier

and if he be as he ought to be the agent of safe and prudent directors it is their business alone to select him. But to have Directors generally large borrowers, receiving special favors of the Cashier and each other, suffering their own notes to him under protest, refusing to disapprove misconduct in their Agents, and favors at the expense of the bank granted by the Cashr. to the Directors, such acts when taken together, are of a character not to be tolerated. The State board must have assurance that matters will be managed otherwise or your branch must and will be suspended. Either Mr. White or the persons who have been tempted or who from circumstances seem to have been tempted to use him to their own purposes, must leave the branch. That he regrets the course he has taken I have no doubt, that he has few superiors in capability, I have as little, and that were he under the oversight of Mr. Denning and such Directors as they have at Terre Haute he would be a most valuable officer, I am fully of the opinion and I should be much gratified if he could be so situated. In this letter when I have not stated my own opinion as mine it has been rather what I think the S. board will expect and require. I shall go to Ohio next week to be about 10 or 12 days and when I return I will come out to your place if nothing be done in the mean time for I would take no step not indispensably necessary. I have not the slightest prejudice personally against any one of your Directors and could give no preference or very little. The opinions of your best disinterested men ought to quote you.

June 6, 1838 to Dr. Clark

Dear Sir;

I wrote a letter to Mr. Hanna yesterday which I requested him to show to you, and Mr. White being here, I read it to him, in which I pointed out the reasons why certain changes would be expected by the State board in the branch board at your place. As want of time and room prevented my being as particular as to some matters as might be desirable, I have thought it best to write to you also a little more at length. At the outset I wish to disavow again all personal feeling on the part of the whole state board against any individual connected with your branch, but the easiest remedy for the difficulties at your place seemed to the majority of the State board that there should be a Presd. and Cashier of such standing as to be a guaranty that the business would be done correctly. It did not occur to me nor I presume to others of the State board that changes in the Directors of your branch so that it would be controlled by persons in whom public confidence could and ought to be placed, would answer the same on rather a better purpose than a change of the other officers. I know there must be considerable difficulties in the way of effecting an arrangement of the kind. The stockholders generally are active men, eager in their business, under the necessity perhaps of borrowing largely and with little leisure to attend to any thing but private business. Such and frequently no other materials are to be found for Directors in several of the branches and unfortunately where others are to be had. Strife, selfishness and jealousy might prevent their acting or performing their duties satisfactorily. To have matters fall into right hands, would require at any place a good deal of forbearance and public spirit, especially in a new country where people are ignorant of and little disposed to place confidence in each other. Where nothing of the kind can be effected it is very certain that successful banking cannot be carried on, for without character and confidence, it would be perfectly idle to ask bank paper to circulate or any of the appropriate business of a bank to be done.

If it were proper for me to select, I am not sufficiently acquainted with your business men to say that Messrs. A. B. and C. ought to be directors and Messors D. E. and F. ought not to be, but I can say as I have done in my letter to Mr. Hanna that there ought to be substantial changes either as to the Cashier or directors and not mere formal ones. To have a few changes, by putting out some of the present Directors who have some faults and some good qualities and who perhaps are unpopular, and put in their places irresponsible persons, who will do all the bad things their predecessors had done and none of the good ones, will be regarded by the State Board as a mere mockery. We do expect and will have a course pursued, that will satisfy the intelligent and reasonable part of the public. I dwell on these things not because it is necessary to say any thing to you as admonitory in the slightest degree, for I have the fullest confidence that you will decide correctly as to any matter that you examine into and if you go into the branch I shall at once relinquish all fears. I shall believe that you can meet and surmount any difficulties that your friends and the public have a right to expect of you. But I have thought it my duty to speak plainly for the sake of keeping the branch where it is and that those interested in it, may be aware of the danger of losing it entirely.

It would have been very gratifying if your branch board had come up at once to the wishes of the State board. An honorable individual fearful of having the confidence of others in him shaken, would not lose a moment to remove

every suspicion that affected him. So it appears to me that your br. should at once have placed itself right before the public. I do not say that no other but one of the two modes pointed out will answer, but if there are others they do not occur to me. How much better would your branch stand with the other branches and the public by candidly admitting and repairing their errors rather than from false pride refusing to take a step unless driven to it?

I regret the necessity of saying so much but it is better to talk hard than to act.

SM

President to Pinckney James, Esq.

Ste. Bank March 9, 1840

Sir:

You are appointed an Examiner on the part of the State Bank to visit and examine the Branches at Fort Wayne, South Bend, and Michigan City, previous to the May Session of the State Board. You can consult your convenience as to time, but perhaps it would be best to go on horse back from your place to Fort Wayne, thence 80 miles to South Bend, Thence 37 to Michigan City, Thence by Laporte 82 miles to Logansport. I annex a Copy of Interrogatories propounded to the Branches.

Yours Truly,
S. Merrill, Presd.

Question

- No. 1. Do you know of any proceedings in your Branch which are not allowed by the Charter, and if so what are they?
- No. 2 For what period are your notes discounted, and what is the usual requisition on renewing notes?
- No. 3. Are there any Directors in your Branch who do not regularly pay the usual curtailments on their loans, and if so who are they, and on how many occasions since they have been Directors have they neglected to pay such curtailments?
- No. 4. Are any of your stockholders permitted to renew their loans without curtailment, and if so what is the amount of their loans and the stock held by them?
- No. 5. Can your stock be sold at par or over for cash, or on short credits, or if not, what prices can it be sold in either way?
- No. 6. Are Notes renewed for persons who do not or cannot make any curtailment without requiring better security for the same, and if so what are the reasons for granting such favors?
- No. 7. When notes are renewed without curtailment, are any reasons spread on the minutes by any of the Directors to prevent their being liable in their individual capacities for losses if such should occasion the insolvency of the Branch?
- No. 8. What is the amount due your Branch from persons who do not pay regular curtailments on their notes, and do any such persons obtain new discounts and if so, who are the persons obtaining these discounts, and what is the amount due from each?

- No. 9. What is due from each of your Directors?
- No. 10. What amount is due from stockholders who owe more than their stock and what is the amount of their stock?
- No. 11. What amount of stock is owned by persons who owe nothing or less than their stock?
- No. 12. What is the amount of actual payments on Bills and Notes the last 90 days and what is the usual proportion of payments?
- No. 13. What is the amount of your Loans in the hands of Dry Goods Merchants and what amount of money has been loaned to this class of borrowers within the last 90 days?
- No. 14. Do you know of any Loans being made by your Branch in the name of one person for the benefit of another, or do you know of any Directors or officer of the Bank who use the names of others to diminish their apparent indebtedness, and if so state the particulars?
- No. 15. What is the suspended debt in your Branch, what part of it is in suit, what part is considered doubtful, and what part desperate?
- No. 16. What is the usual premium charged on the purchase of Bills of exchange at the principal points where they are payable?
- No. 17. What is the amount of purchased notes on hand, and what is the average discount charged?
- No. 18. What amount beyond your present discounts could your Branch loan quarterly which would be punctually paid on an average of not more than six months?
- No. 19. What preference if any is given to Directors and Stockholders?
- No. 20. When business paper--of Merchants, Farmers, Manufacturers, exporters of produce, and other classes of business men apply for Loans--what is the order in which they are preferred?
- No. 21. Are new discounts ever made to persons who suffer their paper, either for collection or loans to lie under protest?

To D. S. Major, Prest. Lawrenceburgh br. Oct. 7, 1840

Sir;

Before leaving your place I addressed a note to your Board pointing out a course which I believed should be pursued by your br. that it might be safe at the resumption of specie payments. The rapid reduction of your accommodation paper then and now seems to me indispensable to effect this object. By reference to your Report of the 30th I find only a decrease of \$2743 from the 2 Sept to the 30th. At this rate I must consider, unless there be a great increase of maturity paper, that your branch is not managed safely as respect the others nor for the interest of the State.

It has been heretofore often difficult to ascertain when discounts to individuals were assuming the character of permanent loans and the date changes in the times have not readily permitted a remedy for the evil where it exists, but as I firmly believe that any branch which shall allow loans of this kind to any extent must be in a situation hazardous to the other branches and subversive of the main object for which Banks are established (that of furnishing a regular currency) a high sense of duty will compel me to see that the branches do their duty in this respect. Those which have been out of the way must take and continue taking decisive steps to return to the right path. I had hoped that your Board also would immediately take up the matter complained of in the latter part of my note and that their determination would be expressed that a Director should not sit while his paper remained under protest and that moreover Drafts should even be knowingly allowed.

Our experience has now been such that we must all be presumed to know our respective duties and for myself, while I know I have no personal prejudices against any individual concerned in the Bank I do not expect to yield any thing because others who ought to know better allege the existence of prejudices or partialities.

S Merrill

Announcement ^{from} the President of the State Bank of Indiana to the [Indiana] State, 12/5/34
Indiana State Journal 1934-35, pp. 60-62.

"A bank has been established and not a loan office. Its objects to be effected by the former one to supply a convenient currency - to facilitate exchange - to furnish temporary loans - to aid in carrying away the surplus produce of the country, and to cheapen the price of exports, by affording facilities and getting competition."

"To make loans for short periods and for special purposes, and to require them to be paid punctually ... will suit the business of those who are taking the produce of the country to a market."

"If they [Protestors] deal inequitably with each other's claims, when loans are called for by any of their own board; if they seem to mismanage the export, the manufacturer, the employer, and the safe businessmen of their vicinity, they are scarcely fit to augment rightly the funds, enterprise and prosperity of the state."

(2)

A annual Report of the Governor of the State Bank,
December 12, 1835, (Indiana State Journal, 1835-36,
pp. 69-74)

"Prepare its organization, much of the produce
of the state was purchased by foreign capital, and a
large portion of the profits of its operations fell to
foreign hands, and under the Bank commandment,
a year since, the reason was too far advanced
to afford our own government as much aid as was
desirable. The loans, therefore, not required for
active business, have, in some instances, been
made for the purchase of bonds..."

Report of the President of the State Bank, February
17, 1840, (Indiana Journal, 1838-39, pp. 283-90)

Include a resolution adopted by the Directors of
the State Bank

"In determining the basis for the reserve provisions
have complied with recommendation of the last session
of the Board in confining and using their resources
and purchase of bills to the facilitating the conveyance of the
surplus produce of the country to market."

Report of the State Bank, November ^[1840] 1840 (Indiana
Document, 1839/40, pp. 97-98.

" it appears that the amount and
circulation of the bank are usually considerably
larger in the winter and spring than in the
summer and fall. While the produce business
of the state maintains its relative importance
and is managed as before, these fluctuations
must be expected."

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CAROLINE DUNN, *Librarian*

February 4, 1955

Mr. Carter H. Golembo
Federal Deposit Inspection Corporation
Washington, D. C.

My dear Mr. Golembo:

Enclosed is list of indices of manuscripts in the collection of Samuel Merrill papers in the Indiana Historical Society Library at Indianapolis.

These manuscripts contain references to the Indiana State Bank, and the indices indicate briefly the nature of the references which, we trust, may give you an idea as to whether the matter is sufficiently pertinent to your cause as to warrant transcription of the letters, and possibly photostats, or microfilm.

Mr. Ralph Henderson, who has been working on the Merrill papers, has made these selections from the letters.

Very truly yours,

Caroline Dunn

Librarian

CD:gn

*51 items
marked 7/20 approved*

1834. June 7, ALS. 3p.

S. Merrill, New York, to Mrs. Jane Merrill, Indianapolis. Account of trip via Buffalo, Niagara Falls, Lockport, Rochester, Schenectady, Albany and New York, by stage, canal boat, railroad and steamboat. Prospects for loan good (State Bank). Visited City Hall (N.Y.) until the Capitol in Washington, the most splendid building in U. S.

June 14. ALS (signature partly torn away). 3p.

[Merrill,] Samuel, Washington, D.C. to Mrs. Jane Merrill, Indianapolis. Arrived from New York and Philadelphia where he met Mr. Biddle, Pres. U. S. Bank, Mr. Sargent and "other great men", with Mr. Hendricks (Gov.) called on President and "other big officers". Attended both houses of Congress and heard speeches by Webster, Clay, Burgess, Lane and Ewing. Gen. Jackson looks old and careworn, and Van Buren as he is pictured. Business of the loan in abeyance.

July 25, ALS. 3p. Have transcript.

Merrill, Samuel, Indianapolis to Merrill, Rev. David, Urbana, Ohio. On return home after 59 days absence, learned of death of youngest child 4 weeks prior. Plan for David's trip to Peacham to bring daughter Jane home - expenses paid. Comments on family and other personnel on his trip to Peacham. Activities for loan (to State Bank) in N. Y. uncertain and vexatious but prospect good that arrangements made in New York for the engraving. Returned home and left the matter with McCarty, Linton and Ray.

August, Memo book. 6 pages only of writing.

Memorandum of S. Merrill, Pres., in account with State Bank, indicates deposits with Merchants Bank, City of N. Y. and of drafts to various individuals including W. Purcell, McCarty and Williams, and Ithiel Town, Daniel Comstock, George and Andrew Buchanan, David Merrill, A. Moore, Cashier Franklin Bank, P. Benson, cashier, James Blake & Co., Milton Stapp, C. Fletcher, W. Shiels, N. Noble, T. F. Benbridge, W. Hatch, Ira Grover, Oner Town.

August 10, ALS. 3p. Have transcript.

S. Merrill, Indianapolis to Rev. David Merrill, Urbana, O. Considerable sickness; crops good but scarcity of hands to harvest. Noble elected, also Wallace, Lt. Governor. Legislature unchanged. Plans for trip for David to Peacham, expense to be borne by Father, Hazen, Jesse, James and himself, amount about \$90.00. Loan in N. Y. to State Bank pending. Commissioners were to receive proposals on 6th inst.

August 26, ALS. 3p. Have transcript.

S. Merrill, Cincinnati, O. to Rev. David Merrill, Urbana, O. Arrangements for David's trip east and Jane's return. In Cincy to procure specie in lieu of Eastern funds for State Bank which will go into operation Nov. 20, 1834. Advice for David to "keep cool" in East on subjects of abolition, colonization, and anti Masonry.

November 15, ALS. 1p.

A. H. Dunnihue, Bedford, Ind. to Samuel Merrill, Indianapolis. Introducing George H. Dunn of Bedford, elected Clerk of Bedford Branch Bank, and who seeks information in regard to discharge of his duties.

November 15, ALS. 1p.

A. H. Dunihue, Bedford, Ind. to Samuel Merrill. Request to acquaint his brother, David R. Dunihue, newly elected cashier of Bedford Branch Bank, with banking transactions.

November 27, ALS. 2p.

Thos. H. Blake, Terre Haute to Samuel Merrill, Pres. Ind. State Bank, Indianapolis. Relating views of Capt. Ogden, Supt. of Cumberland Road in re public deposits (govt.) (Comments on Mr. Scott's letter touching on Merrill's attention to private affairs at expense of public interest.)

December 16, ALS. 1p.

Jomathan Lyon, White Lick Mills, to Samuel Merrill, Indianapolis. Request for cash in U. S. paper, balance in Madison and New Albany Branches, to be exchanged for Eastern paper, for convenience of his children sending to Philadelphia for goods.

December 27, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Urbana, O. State Bank in operation and takes 12-13 hours daily of his time. Two branches lag account insisting on local personnel for officers. Hopes for place for Mr. Fyffe, from East, which should correct.

1835. April 2, ADS. 2p.

Draft on State Bank of Indiana, Lafayette Branch, of \$30.12 by Samuel Merrill for cash left at Madison instead of Louisville, \$20.00; cash paid for Ky. specie, \$9.00; cash \$1.12. (Printed form filled in)

April 9, ADS. 1p.

Order on cashier, Branch Bank at Indianapolis by Samuel Merrill to pay to D. Yandes, or order, \$1450.00 and charge to S. Merrill account. "D. Yandes" is crossed out and "washers order" substituted; "or order" is crossed out; "fifty" is crossed out and "twenty-five" is substituted; "seven" is inserted after "and"; "\$425.07" is written in at the bottom.

July 17, ALS. 1p.

Nath. West to Samuel Merrill. Disagreement at the Bank concerning West's deposit. Request Merrill to present West's check of \$140.00 (?) and if refused, to exhibit a regular protest.

1836. October 3, ALS. 1p.

J.F.D. Lanier, Madison, to Samuel Merrill, Indianapolis. Advice on caution necessary in bona fide circulation of notes "or we will be injured by the operation."

November 12, ALS. 1p.

D. L. Kimball, Jr, Wheeling, to Samuel Merrill, Burton's Tavern, Smithfield, Somerset County, Pa. Solicitation on Merrill's accident, and acknowledgment of orders to proceed to Madison; difficulty obtaining specie or drafts at Pittsburgh or Louisville.

November 21, ALS. 3p. Have transcript.

Samuel Merrill, Lawrenceburg, Ind. to Rev. David Merrill, Urbana, O. Recovering from broken and badly torn leg sustained in runaway down the mountain and overturning of stage near Smithfield, Pa., 90 miles east of Wheeling. Previously, at Concord, had picked up Jesse and proceeded to Peacham for visit. Comments on Peacham and family personnel. Accident embarrassing to his State Bank business.

November 27, ALS. 2p.

J.B.D. Lanier to Samuel Merrill. State Bank matters in connection with the Branches.

December 1, ALS. 3p. Have transcript.

Samuel Merrill, Lawrenceburgh, Ind. to Rev. David Merrill, Urbana, Ohio. convalescing from stage coach accident. Col. Kinnard, Representative in Congress, died from burns in steamboat Flora, accident in which 5 others lost lives. Preparing State Bank Report to Legislature. Comments on family and local personnel matters.

December 16, ADS. 2p.

Cashier's check of \$20.00 on Bank of Louisville, signed A. Thruston, favor A. B. Fontaine, to Branch Bank of Indiana at Lafayette. Endorsed credit A. B. Fontaine account; to S. Merrill. Place to credit of Branch at Terre Haute, James White, cashier.

1837. January 2, ALS. 1p.

James White, cashier, to Samuel Merrill. Matter of discrepancy of \$20.00 of Lafayette Branch acct. with Bank of Louisville.

February 25, ALS. 2p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Urbana, Ohio. Details of Bell's judgment and purchase of land. Other details concerning David's land in the north. Planning circuit for State Bank branches - by steamboat and on horseback. Directors in session now.

April 7, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Urbana, Ohio. Return from month's trip visiting Bank Branches. Details of connections for Mr. Bell and purchase of land. Plans for meeting up with David and visiting his land and Covington. Roads are very bad and even ^{was} substituting for stages can't run, so advises not to send his boys west until roads improve.

May 15, ADS. 4p.

Samuel Merrill to Mr. Marshall, Chairman. Copies of Resolutions and Minutes of Proceedings by Directors of State Bank, which have been adopted from time to time as occasion called. Specifying that employes of State Bank shall not be connected with insurance company or savings institution in Indiana, and State Bank Branches to be investigated at Lawrenceburgh.

July 28, ADS. 1p.

Draft by Samuel Merrill on Indianapolis branch of State Bank of Indiana for \$275.00.

December 11, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis to Rev. David Merrill, Urbana, Ohio. Account of trip to Washington, Philadelphia, New York, Harrisburgh and New Berlin. Heard Mr. McLean, Bush, Dr. Philips preach. James Merrill in Penna. making name for himself. Frank Merrill miraculously recovering from congestive fever. His life had been despaired of. Report of State Bank being prepared for legislation. Dispute at State Bank as to security of currency and specie. Recommends Bedwell's Tetter Ointment for David's health. Indianapolis gains in population of good class, Presbyterian and Episcopal churches as well. Letter to build \$4,000 church.

December 16, ALS. 1p.

A. B. Fontaine, cashier Terre Haute Branch, State Bank of Indiana, to Samuel Merrill. Enclosure of Merrill's \$500.00 note and memorandum of disposition of items.

1838. January 5, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Urbana, Ohio. Much interference in management of State Bank by the non initiated and non informed, and may prevent his re-election. Plan to resume specie payments by May 1. Comments on other and local family matters and personnel.

March 14, ALS. 1p.

A. C. Blanchard, Pres., State Bank of Indiana, Branch at Richmond, to Samuel Merrill. Commission to buy eastern funds up to \$30,000.00 for Richmond Branch Bank at New Orleans or elsewhere on the Mississippi.

March 24, ALS. 3p.

J.B.D. Lanier, Madison Branch Bank, to Samuel Merrill. Arrangements for paying \$30,000.00 to Commercial Bank, New Orleans, and list of obligations due the Madison Branch by April 21, 1838.

March 30, ALS. 2p.

D. Deming, Terre Haute, to Samuel Merrill. Report on conditions with Commercial Bank of New Orleans.

March 30, ALS. 2p.

John Douglas to Samuel Merrill. Report on condition of account with disposition in New Orleans and action of Evansville directors to pay off.

April 1, ALS. 2p.

John Douglas, cashier Evansville Branch Bank, to Samuel Merrill, New Orleans. Arrangements for paying off the public deposits and orders by John Douglas, cashier, on Charles Stewart and W.D. Robinson to pay Samuel Merrill \$3,000 and \$2,000 to redeem notes.

September 1, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Urbana, Ohio. Plans for separation in (Presbyterian) Church and for David Merrill coming to Indianapolis. Comments on two mattress's Merrill had ordered. Takes small interest in his election as Bank President scheduled for this winter.

1839. January 24, ALS. 4p.

Samuel Merrill to Mr. Ketcham (Attorney at law, Indianapolis) Forwarding of account and vouchers against Franklin Merrill of about \$2500.00, favor Samuel Merrill. Obligation of \$3700.00 on judgment to Fleming and McIntire and notes of undetermined amounts in McCarty's hands, all at the responsibility of Franklin Merrill. Soliciting help to straighten up the affairs of Franklin Merrill. If his obligations are forced on Samuel Merrill to discharge, the embarrassment will force Samuel to retire from the Bank.

February 24, ALS. 2p.

J.G. Brice, Dayton, Ohio, to Samuel Merrill. Application for employment in one of Indiana State Bank Branches or in office of Indiana State Auditor, as bookkeeper or clerk.

April 6, ADS, 2p.

True copy of resolution signed by Samuel Merrill, President Sinking Fund Commissioners, attested to by James M. Ray, Clerk, for organization of Board of Fund Commissioners as to be competent to negotiate loan of \$1,500,000.00 for Indiana State Bank stock, as authorized by General Assembly resolution of Feb. 13, 1839. Loan to be at 6% interest for 20 to 35 years secured by bonds of State of Indiana in sums of \$1,000.00.

August 20, ALS. 3p.

Lanier (J.B.D.), Madison, to Samuel Merrill, New York. Suggestions for Merrill and Fitch to raise money in New York.

November 20, ALS. 2p.

L.H. Scott, Terre Haute, to Samuel Merrill or James M. Ray, Indianapolis, with copy of confidential letter by J.D. Burt, President North American Trust and Bonding Co., 47 Wall Street, New York, to L. H. Scott, Fund Commissioner, Indianapolis, setting forth that his company, having purchased upwards of 2 million dollars of Indiana State Sterling and Dollar bonds, of which a large proportion has been sent to agents in London and \$850,000 worth to the Morris Canal and Banking Co. on account of the purchase of stock from them. Circumstances have arisen making it necessary for a visit by the Fund Commissioners to preserve the credit of the state. The Dollar bonds are selling freely at 50% discount. Scott's letter to Merrill urges him to go on immediately, or refer the matter to Stapp to act for the board and to confer with Fletcher, who has a cool head, and to keep the matter confidential, as alarm could cause them to refute their taxes, and to say nothing to the legislature.

December 5, ALS. 1p.

Joseph Williams, Philadelphia, to Samuel Merrill, Merchants Bank, New York. Information on specie selling 9% for halves and francs and 12% for Spanish dollars. Deposits in Mechanics Bank for safe keeping. Can arrange to deliver the specie in New York if desirable.

1842. February 11, 1842. ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Peacham, Vt. Legislature investigation of loans made for State. Merrill cleared, but Dr. Coe and Gen. Stapp incriminated. Church revivals successful. Financial stringencies - no collections in money but arrangements in property, very few new indebtedness and much more economy and industry. But for Property Law, there would be many foreclosures. "The hail of adversity will be better for us than the bank paper prosperity of the last 7 years." Help for brother Frank with family of workers, horses, oxen and stock.

April 29, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Peacham, Vt. Comments on brother Frank's financial difficulties, poor character, dilatory habits and vague plans, returned to Samuel as liabilities. Liability of corrupt state officials easing up so will not make David deed to 240 acres near Plymouth.

July 21, ALS. 3p. C.G.W. Comeggs (?), Lawrenceburgh, to Samuel Merrill, Pres. Indianapolis, Ind. As can be noted by the report, the runs on the Branch are unabated and the end will come as the Branch is exhausted and general credit gone. Details of the precarious condition with specie and circulation of large notes.

1843. March 23, ALS. 2p.

R. Morrison, Richmond, to Samuel Merrill. Discourse on three locals elected directors of State Bank; policy of Whig party in Legislature to prostrate the bank; arrangements for Morrison's retirement.

March 25, ALS, 1p.

John H. Cooley, Rochester, Franklin Co., Indiana, to Samuel Merrill. Inquiry on action by State Bank Branches on proposition by Legislature to withdraw stock to meet state deficit. Lawrenceburgh Branch will not honor his check by Treas. of State for \$140.00 until this is done.

May 10, ALS. 3p.

James Kay, Jersey City, to Samuel Merrill, Indianapolis
As employe of Morris Canal & Banking Co., is out of job upon appointment of Receiver for Company and solicits Merrill's influence for job in Branch Bank or state office.

May 22, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Peacham, Vt. Responsibility on securityships, for corrupt state officials, easing up. Comments on his indebtedness to Hazen and good prospects for discharging it eventually. Office of President, State Bank, expires next winter - if re-elected, prospects will be brighter. Appraisal of his present worth: share in Illinois farm \$3500; 600 acres, Fulton County, \$2000.; 1400 acres Marshall County, \$5000; \$4000. in bank stock. Opening of canal Lake Erie to Lafayette and finishing Madison, Indianapolis R.R. to Indianapolis in 2 years. enhances his property. Frank will be replaced on big farm (Illinois) by 2 families in July. He has not done well, and his experience on the smaller farm will be his test. Severe winter in the north. Religious activity good. Mrs. Carter died in Crawfordsville.

August 21, ALS. 3p. Have transcript.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Peacham, Vt. Democrats won election (in Indiana). Senate, tie; House, 8 majority. Chance of re-election (Pres. State Bank) good. Frank settled on (Samuel's) farm 3 miles from town, The worst, as to times, is over. Hopes Hazen will settle debt by taking farm on Michigan Road. Worth \$2.00 per acre. In ten years all land will be worth \$10.00 to \$20.00. Methodists aggressive with 2 churches. Presbyterians progress with 200 members.

1844. January 17, ALS. 3p.

Samuel Merrill, Indianapolis, to Rev. David Merrill, Peacham, Vt. Defeated in election, as President State Bank. Priscilla (Merrill) married to Alex Wilson and moved to Lafayette, where Wilson manages a paper mill owned by Mr. Yandes. Considering readjustment plans. May take up farming in Marshall County, as prospects in northern part of state are good, due to the Northern canal finished from Lake Erie to Lafayette, and soon to Covington. Madison-Indianapolis Railroad finished to Columbus and this summer to Edinburgh, and in 2 years the whole completed. All of which enhances his property. Comments on church matters. Cutting down all expenses until future looks brighter.

March 2, ALS. 4p.

David Merrill, Peacham, Vt. to Samuel Merrill, Indianapolis. Comments on Samuel's failure of re-election after 20 years in service (State Bank and Treas. State) Comments on local and family matters and personnel.

September 16. ALS. 1p.

N. H. Strecknell, N.H., Lafayette, to Samuel Merrill. Answering letter addressed to Mr. Reynolds in re Bank stock. Condisers Merrill's price high. Stock is available at \$45.00 at 4 months, and less for cash. Offers \$45.00 without interest and exchange at 4 months.

Excerpts from
banking history

MEMORANDUM
FOR THE RECORD
DATE: 10/11/54

From "The State Bank of Indiana", TPE, Vol. 1
 (Dec 1895) by William F. Rindley
 P. 107-114

Article on pages 1-56.

APPENDIX.

TABLES RELATING TO THE STATE BANK OF INDIANA.

TABLE I.¹

Date	Discounts	Specie	Circulation	Individual Deposits	Government Deposits
1835, Jan. 1	\$529,843.75	\$751,083.29	\$456,065.00	\$127,236.30	.....
Jan. 31	770,025.11	722,219.03	656,545.00	185,163.03	.....
Feb. 28	948,909.82	708,943.72	753,415.00	186,191.50	.....
Mar. 28	1,057,363.53	631,220.65	831,705.00	183,786.21	.....
May 2	1,151,798.22	652,521.51	997,475.00	191,105.73	\$39,197.12
May 30	1,216,936.43	684,546.13	1,131,240.00	210,814.80	110,800.26
June 27	1,234,723.92	719,028.50	1,185,685.00	272,987.42	180,280.48
Aug. 8	1,348,785.56	739,254.30	1,274,285.00	296,524.37	274,280.13
Sept. 5	1,458,360.34	694,057.51	1,349,955.00	320,891.12	343,691.94
Oct. 3	1,496,638.24	700,201.85	1,361,430.00	300,811.28	410,684.12
Oct. 31	1,547,624.59	698,003.69	1,422,835.00	323,407.94	495,603.88
Nov. 28	1,941,223.50	878,488.69	1,616,290.00	422,433.51	1,098,265.83
Dec. 26	2,212,315.89	865,340.72	1,895,290.00	391,894.37	1,257,819.82
1836, Jan. 23	2,384,531.29	874,340.25	2,054,050.00	342,903.97	1,332,410.42
Feb. 20	2,433,918.14	936,149.07	2,097,990.00	308,418.16	1,228,801.31
Mar. 19	2,686,702.21	982,785.50	2,140,675.00	291,012.34	1,367,319.98
April 30	2,824,149.75	1,007,240.18	2,204,630.00	404,273.37	1,362,436.03
May 28	2,784,726.81	993,775.46	2,043,085.00	404,693.13	1,203,727.94
June 25	2,756,255.13	1,092,153.45	2,016,880.00	434,911.77	1,515,759.70
July 23	2,775,887.02	1,106,112.72	2,001,495.00	446,988.22	1,791,694.30
Aug. 20	2,787,808.01	1,102,595.12	2,032,235.00	392,820.07	2,367,111.97
Sept. 17	2,811,730.16	1,006,457.80	1,927,130.00	336,654.56	1,792,990.1
Oct. 31	2,821,354.12	953,429.90	1,825,150.00	330,631.64	2,036,282.33
Nov. 26	3,179,263.10	1,204,737.59	1,970,595.00	436,294.75	2,271,766.17
Dec. 24	3,666,799.91	1,234,015.16	2,116,505.00	533,254.06	2,104,037.35
1837, Jan. 21	3,892,606.81	1,254,252.29	2,261,385.00	495,405.10	1,899,192.72
Feb. 18	4,166,745.50	1,203,056.44	2,404,595.00	428,802.57	1,682,423.01
Mar. 18	4,271,914.39	1,142,019.67	2,547,045.00	496,775.67	1,559,577.81
April 29	4,219,280.15	1,222,303.82	2,615,275.00	579,637.40	1,435,300.64
May 27	4,165,340.01	1,209,989.38	2,412,915.00	450,306.47	1,481,657.65
June 24	3,902,861.55	1,202,341.35	2,357,770.00	370,284.85	1,106,440.77
July 22	3,764,615.15	999,894.34	2,476,076.00	426,012.58	904,609.51
Aug. 19	3,573,215.77	1,125,687.03	2,475,061.00	395,786.85	910,372.22
Sept. 30	3,495,848.92	1,158,887.72	2,389,451.00	267,527.71	672,319.81
Oct. 31	3,367,267.41	1,048,714.72	2,322,654.00	328,157.27	626,802.06
Nov. 18	3,400,973.29	1,289,605.26	2,303,127.00	336,144.45	582,095.50
Dec. 23	3,520,163.35	1,291,265.42	2,288,458.00	475,083.45	525,972.29
1838, Jan. 20	3,596,957.76	1,223,911.69	2,322,200.00	432,182.32	432,943.22

¹ These figures are taken from a book of semi-weekly statements which covers the period from the beginning until October 1851. This book (now in the office of the auditor of state of Indiana), aside from a book of letters, comprises all of the Bank's office accounts that have been preserved by the state.

TABLE I.—Continued.

Date	Discounts	Specie	Circulation	Individual Deposits	Government Deposits
1838, Feb. 17	\$3,556,818.61	\$1,203,083.30	\$2,336,233.00	\$385,175.85	\$421,541.58
Mar. 17	3,560,649.72	1,205,555.61	2,370,953.00	358,928.15	360,634.86
April 30	3,416,579.77	1,246,943.52	2,357,128.00	318,088.72	354,935.52
May 26	3,318,627.89	1,237,003.06	2,394,882.00	306,120.83	352,896.52
June 23	3,206,331.21	1,260,055.85	2,445,853.00	316,696.76	350,535.32
July 21	3,180,303.52	1,240,622.48	2,471,652.00	302,485.16	334,294.66
Aug. 18	3,248,709.76	1,262,817.21	2,480,360.00	289,266.49	279,498.09
Sept. 29	3,491,234.33	1,256,053.88	2,615,415.00	361,654.78	201,785.71
Oct. 31	3,570,535.94	1,234,479.41	2,804,468.00	354,151.06	208,229.20
Nov. 17	3,679,200.79	1,265,832.08	2,951,795.00	393,549.79	207,329.20
Dec. 22	4,287,409.08	1,331,428.42	3,404,185.00	541,434.45	200,864.15
1839, Jan. 31	4,534,389.43	1,390,298.07	3,548,139.00	553,855.54	200,523.55
Feb. 28	4,765,154.55	1,273,063.67	3,708,842.00	584,351.31	184,101.57
Mar. 30	4,060,866.04	1,303,295.49	3,847,503.00	503,069.75	155,151.57
April 30	4,310,729.16	1,366,053.31	3,834,062.00	512,776.57	125,051.57
May 31	4,619,752.25	1,381,980.41	3,796,675.00	538,390.31	126,519.47
June 29	4,448,296.36	1,317,878.50	3,873,887.00	523,156.33	88,369.05
July 31	4,256,621.52	1,318,815.06	3,646,098.00	473,029.94	49,283.44
Aug. 31	4,166,846.27	1,231,250.51	3,473,189.00	410,788.74	48,690.19
Sept. 30	4,043,429.83	1,174,058.16	3,284,163.00	299,724.02	48,690.19
Oct. 31	3,940,196.68	1,021,490.18	3,124,497.00	320,238.59	48,440.19
Nov. 30	4,008,863.25	966,358.15	3,058,425.00	441,467.38	47,840.87
Dec. 31	4,277,790.68	924,190.51	3,208,488.00	553,442.03	9,840.87
1840, Jan. 31	4,300,553.27	936,521.75	3,271,019.00	536,136.58	133.18
Feb. 29	4,305,414.28	945,370.68	3,265,802.00	461,589.54	133.18
Mar. 31	4,309,757.09	955,524.62	3,279,897.00	407,128.72	.....
April 30	4,202,958.06	958,542.60	3,244,802.00	354,445.13	.....
May 30	3,997,067.49	990,881.44	3,221,912.00	348,993.74	.....
June 30	3,798,952.56	1,019,349.78	3,192,868.00	360,946.54	.....
July 31	3,754,809.70	1,016,767.57	3,132,692.00	346,735.97	.....
Aug. 31	3,627,637.71	1,058,734.76	3,078,385.00	314,936.71	.....
Sept. 30	3,673,697.38	1,058,341.05	3,046,704.00	297,340.31	.....
Oct. 31	3,627,248.54	1,092,963.72	2,991,339.00	309,248.61	.....
Nov. 30	3,773,892.99	1,084,508.98	3,057,321.00	340,325.19	.....
Dec. 31	4,028,899.41	1,098,345.95	3,136,217.00	345,723.24	.....
1841, Jan. 30	3,963,580.23	1,115,363.78	3,154,641.00	320,299.81	.....
Feb. 27	3,995,267.12	1,122,005.10	3,139,117.00	344,329.52	.....
Mar. 31	4,025,301.14	1,134,108.82	3,281,625.00	313,550.91	.....
April 30	4,030,308.24	1,120,880.29	3,264,310.00	288,143.16	.....
May 31	3,912,632.68	1,126,049.34	3,265,038.00	283,560.34	.....
June 15	3,809,998.60	1,129,608.60	3,291,926.00	332,724.29	.....
July 31	3,611,050.75	1,130,288.00	3,255,062.00	260,519.48	.....
Aug. 31	3,681,755.78	1,129,144.16	3,259,623.00	281,736.98	.....
Sept. 30	3,676,395.69	1,127,618.49	3,231,778.00	222,183.70	.....
Oct. 30	3,708,164.06	1,127,518.60	3,138,094.00	251,986.41	.....
Nov. 30	3,728,992.52	1,115,063.55	3,145,152.00	260,645.36	.....
Dec. 31	3,772,950.86	1,124,503.35	3,135,349.00	293,184.15	.....
1842, Jan. 31	3,695,640.19	1,124,905.92	3,074,212.00	248,722.76	.....
Feb. 28	3,592,385.97	1,128,523.91	2,946,226.00	239,750.49	.....

TABLE I.—Continued.

Date	Discounts	Specie	Circulation	Individual Deposits	Government Deposits
1842, Mar. 31	\$3,482,241.13	\$1,125,817.87	\$2,840,933.00	\$211,889.75	.....
April 30	3,381,123.18	1,108,927.05	2,737,150.00	186,743.42	.....
May 31	3,219,308.41	1,066,562.33	2,450,999.00	181,675.91	.....
June 30	3,117,502.96	984,473.68	2,224,897.00	214,818.53	.....
July 31	3,009,254.47	843,030.82	1,952,788.00	176,867.62	.....
Aug. 31	2,970,274.74	800,345.97	1,839,583.00	171,498.26	.....
Sept. 30	2,923,313.74	792,797.18	1,831,136.00	184,270.73	.....
Oct. 31	2,897,917.11	799,047.96	1,802,540.00	181,248.98	.....
Nov. 30	2,886,679.38	807,701.33	1,875,214.00	212,737.75	.....
Dec. 31	2,962,166.12	817,051.00	2,002,482.00	200,238.50	.....
1843, Jan. 31	2,936,334.16	822,666.99	2,041,392.00	184,775.86	.....
Feb. 28	2,963,596.52	812,003.11	2,037,307.00	198,389.95	.....
Mar. 31	2,908,203.02	812,455.26	2,034,282.00	168,455.68	.....
April 29	2,848,753.52	807,570.64	2,023,393.00	159,841.83	.....
May 31	2,789,436.05	826,416.75	1,988,687.00	204,586.06	.....
June 30	2,701,311.41	881,992.93	1,983,295.00	203,672.67	.....
July 31	2,606,160.94	922,087.83	1,990,426.00	211,502.46	.....
Aug. 31	2,620,887.54	958,378.28	2,072,117.00	247,029.53	.....
Sept. 30	2,636,697.55	950,323.76	2,200,394.50	209,266.78	.....
Oct. 31	2,640,695.25	967,306.84	2,235,765.50	200,248.93	.....
Nov. 30	2,798,728.53	969,910.43	2,486,221.00	221,865.39	.....
Dec. 30	3,120,634.14	977,960.02	2,831,488.50	213,686.73	.....
1844, Jan. 31	3,207,170.01	975,348.75	2,941,263.50	230,117.98	.....
Feb. 29	3,249,889.86	969,744.01	2,984,537.00	225,583.94	.....
Mar. 30	3,226,024.52	962,950.54	3,033,490.00	213,012.60	.....
April 30	3,178,164.21	974,298.05	2,977,944.00	245,052.88	.....
May 31	2,995,585.27	1,010,737.16	2,939,769.00	245,389.10	.....
June 29	2,831,034.91	1,058,190.10	2,905,853.00	243,431.50	.....
July 31	2,647,496.12	1,094,343.47	2,879,524.00	233,548.59	.....
Aug. 31	2,651,261.18	1,112,251.89	2,903,115.00	288,193.51	.....
Sept. 30	2,735,381.38	1,126,056.51	2,967,307.00	307,918.14	.....
Oct. 31	2,773,063.23	1,109,341.94	3,002,732.00	276,199.43	.....
Nov. 30	2,980,481.57	1,128,965.54	3,105,807.00	328,651.22	.....
Dec. 31	3,383,102.22	1,100,505.58	3,320,912.00	309,223.05	.....
1845, Jan. 31	3,466,595.25	1,122,219.23	3,352,507.00	310,666.42	.....
Feb. 28	3,567,518.01	1,117,252.53	3,407,867.00	321,714.46	.....
Mar. 31	3,672,827.17	1,105,705.66	3,406,009.00	281,332.42	.....
April 30	3,581,745.98	1,097,440.64	3,390,580.00	313,880.89	.....
May 31	3,407,440.93	1,128,987.92	3,284,651.00	344,317.58	.....
June 30	3,155,139.04	1,114,914.03	3,286,693.00	288,853.04	.....
July 31	2,983,316.38	1,114,114.73	3,284,843.00	366,383.89	.....
Aug. 30	3,144,369.77	1,127,844.57	3,255,974.00	358,430.69	.....
Sept. 30	3,292,688.40	1,127,705.01	3,404,825.00	342,710.60	.....
Oct. 31	3,524,230.47	1,075,978.31	3,512,635.00	309,114.92	.....
Nov. 29	3,827,836.14	1,095,942.83	3,589,024.00	398,272.50	.....
Dec. 31	4,471,978.25	1,055,340.08	3,930,634.00	398,352.30	.....
1846, Jan. 31	4,387,479.72	1,033,322.17	3,993,565.00	389,881.10	.....
Feb. 28	4,449,310.15	1,017,104.78	3,929,627.50	406,740.03	.....
Mar. 31	4,373,516.94	982,850.96	3,873,128.50	399,262.87	.....

TABLE I.—Continued.

Date	Discounts	Specie	Circulation	Individual Deposits	Government Deposits
1846, April 30	\$4,198,927.00	\$970,674.15	\$3,803,611.00	\$343,639.31	.....
May 30	3,951,006.24	989,165.80	3,548,712.00	374,152.31	.....
June 30	3,641,989.66	973,702.64	3,546,922.00	397,047.17	.....
July 31	3,409,996.32	956,856.32	3,529,027.00	422,685.47	.....
Aug. 31	3,515,810.54	974,404.62	3,408,548.00	398,676.90	.....
Sept. 30	3,444,732.79	972,764.42	3,326,547.00	392,951.22	.....
Oct. 31	3,467,565.70	989,587.27	3,501,244.00	353,704.55	.....
Nov. 30	3,643,929.11	1,008,697.68	3,554,956.50	407,099.85	.....
Dec. 31	4,136,727.13	1,006,861.61	3,844,605.50	476,018.43	.....
1847, Jan. 30	4,266,348.38	1,002,490.86	3,904,900.50	464,247.02	.....
Feb. 27	.....	.....	.....	.....	.....
Mar. 31	3,726,881.14	911,971.87	3,994,939.00	.....	.....
April 30	4,329,995.56	989,826.85	3,960,186.00	574,079.56	.....
May 31	4,047,993.08	967,426.60	3,908,966.50	582,363.29	.....
June 30	3,507,907.08	934,357.30	3,927,553.50	541,902.02	.....
July 31	3,165,185.10	987,883.08	3,918,176.50	631,874.13	.....
Aug. 31	3,191,678.08	1,004,826.04	3,921,027.50	579,966.75	.....
Sept. 30	3,344,342.40	1,000,214.49	3,899,612.00	557,482.17	.....
Oct. 30	3,354,795.28	1,079,126.67	3,838,910.00	552,560.31	.....
Nov. 30	3,582,102.42	1,084,223.21	3,909,032.50	562,591.17	.....
Dec. 31	4,291,143.14	1,091,084.48	3,985,075.00	630,362.33	.....
1848, Jan. 31	4,566,488.95	1,060,682.13	3,964,085.00	672,498.69	.....
Feb. 29	4,561,467.39	1,050,656.06	3,928,737.50	624,275.76	.....
Mar. 31	4,537,395.82	1,015,639.70	3,794,652.50	540,961.45	.....
April 29	4,269,004.70	966,847.91	3,774,593.00	570,183.34	.....
May 31	4,048,971.71	921,412.13	3,484,769.00	522,823.77	.....
June 30	3,695,912.08	909,557.79	3,249,468.50	495,964.88	.....
July 31	3,435,475.53	979,809.63	3,284,659.50	449,177.40	.....
Aug. 31	3,515,021.68	1,005,713.58	3,227,693.00	480,693.23	.....
Sept. 30	3,804,567.67	1,040,024.91	3,371,401.00	434,211.01	.....
Oct. 31	3,762,073.85	1,250,590.54	3,396,122.00	444,540.76	.....
Nov. 30	3,971,988.99	1,252,804.90	3,768,138.50	331,239.50	.....
Dec. 30	4,722,844.98	1,249,265.93	4,013,876.50	462,206.77	.....
1849, Jan. 31	4,785,204.59	1,182,475.99	4,008,228.50	536,587.73	.....
Feb. 28	4,901,692.24	1,141,640.84	3,941,520.00	612,215.13	.....
Mar. 31	4,841,197.56	1,146,617.12	3,873,913.50	534,769.33	.....
April 30	4,634,073.40	1,142,862.57	3,760,294.00	557,199.98	.....
May 31	4,378,142.39	1,082,093.22	3,693,020.00	541,100.83	.....
June 30	3,931,393.78	1,043,700.21	3,659,548.00	494,174.42	.....
July 31	3,792,982.44	1,047,006.49	3,655,546.50	515,353.47	.....
Aug. 31	3,799,339.28	1,102,420.40	3,468,180.00	492,837.27	.....
Sept. 29	3,885,365.00	1,109,358.16	3,620,297.00	429,806.93	.....
Oct. 31	3,781,808.17	1,279,163.53	3,398,430.50	409,119.73	.....
Nov. 30	4,269,064.90	1,242,501.16	3,800,360.00	568,609.29	.....
Dec. 31	5,123,599.34	1,110,179.48	4,063,745.50	587,941.36	.....
1850, Jan. 31	5,495,635.48	1,138,791.11	4,021,582.50	599,962.80	.....
Feb. 28	5,280,939.13	1,095,442.11	3,973,396.50	703,095.19	.....
Mar. 30	5,139,298.12	1,071,217.32	3,948,179.00	542,136.66	.....
April 30	4,808,375.14	1,037,349.63	3,850,178.50	504,627.93	.....

TABLE I.—Continued.

Date	Discounts	Specie	Circulation	Individual Deposits	Government Deposits
1850, May 31	\$4,522,916.55	\$1,077,590.76	\$3,696,814.00	\$524,047.23	.....
June 29	4,072,252.21	961,727.63	3,725,652.50	502,794.95	.....
July 31	3,730,302.08	1,071,892.33	3,539,816.50	521,145.83	.....
Aug. 31	4,003,492.97	895,235.49	3,495,777.50	477,721.27	.....
Sept. 30	4,166,904.09	1,019,033.97	3,519,811.50	435,170.48	.....
Oct. 31	4,195,516.10	1,278,353.81	3,454,251.50	494,010.24	.....
Nov. 30	4,756,369.95	1,118,836.89	3,699,877.00	575,248.04	.....
Dec. 31	5,446,411.39	992,626.15	3,994,824.00	571,864.97	.....
1851, Jan. 31	5,588,802.67	990,696.48	4,044,996.00	770,202.11	.....
Feb. 28	5,628,018.54	1,059,485.51	4,032,910.00	729,831.53	.....
Mar. 31	5,360,309.98	1,013,004.64	4,031,855.50	588,631.69	.....
April 30	4,872,946.44	1,070,902.56	3,925,076.00	547,233.21	.....
May 31	4,597,986.50	1,092,079.72	3,939,325.50	618,204.14	.....
June 30	4,105,927.71	1,049,766.55	3,900,423.00	616,267.98	.....
July 31	3,716,295.47	1,125,307.39	3,928,353.50	633,047.74	.....
Aug. 31	4,102,747.71	1,045,903.13	3,940,816.50	566,734.06	.....
Sept. 30	4,405,003.49	926,095.20	3,957,655.50	561,070.48	.....

TABLE II.
SPECIE ON HAND.

Date	Gold	Silver	Total
1835, Nov. 21	\$26,019.68	\$771,095.19	\$797,811.97
1836, " 26	67,027.17	1,137,710.42	1,204,737.59
1837, " 18	165,804.59	962,226.97	1,128,031.56
1838, " 17	186,425.75	1,159,406.33	1,345,832.08
1839, Oct. 31	.....	.....	1,021,490.18
1840, Nov. 21	87,013.69	989,538.25	1,076,551.94
1841, " 20	72,664.80	1,055,236.57	1,127,901.37
1842, " 19	40,621.16	770,613.24	811,234.40
1843, " 18	112,033.28	853,193.57	965,226.85
1844, " 16	220,075.16	899,938.03	1,120,013.19
1845, " 15	214,361.99	865,006.27	1,079,368.26
1846, " 21 ¹	151,247.65	852,399.73	1,003,647.40
1847, " 20 ¹	196,536.28	887,463.11	1,083,979.39
1848, " 18	.....	.....	1,273,895.54
1849, " 17	.....	.....	1,285,406.93
1850, " 16	.....	.....	1,197,880.58
1851, " 15	.....	.....	1,245,407.25
1852, " 20	.....	.....	1,308,933.38
1853, Oct. 31 ¹	1,225,754.33	152,050.48	1,377,804.81
1854, " 31 ¹	1,041,445.44	65,523.42	1,086,968.86
1855, " 31 ¹	1,165,024.98	57,174.82	1,223,199.80
1856, " 31 ¹	1,025,261.83	94,207.66	1,119,469.49
1857, " 31	.....	.....	420,662.68
1858, Nov. 20	.....	.....	140,070.96

¹ At these dates the gold and silver were not separated in the reports of the State Bank, although they were in those of all the branches except Fort Wayne and Lawrenceburgh. An estimate has therefore been made as to these two branches, based upon the proportion in all the others.

TABLE III.
DISCOUNT BUSINESS.

Date	Promissory Notes	Bills of Exchange	Total Loans
1835, Nov. 21	\$1,434,790.19	\$376,175.32	\$1,810,965.51
1836, " 26	2,292,724.69	883,888.41	3,176,613.10
1837, " 18	2,889,116.60	374,955.63	3,264,072.23
1838, " 17	3,037,649.72	500,441.12	3,538,090.84
1839, Oct. 31			3,940,196.68
1840, Nov. 21	2,514,629.21	796,316.76	3,310,945.97
1841, " 20	2,422,305.98	857,168.08	3,279,474.06
1842, " 19	2,132,608.40	327,898.51	2,460,506.91
1843, " 18	1,603,229.77	366,361.21	1,969,590.98
1844, " 16	1,645,332.46	442,830.91	2,088,163.37
1845, " 15	1,830,181.84	1,197,435.05	3,027,616.89
1846, " 21	1,659,358.40	1,359,385.07	3,018,743.57
1847, " 20	1,574,722.47	1,464,075.88	3,038,798.35
1848, " 18	1,647,622.59	1,791,321.88	3,438,944.47
1849, " 17	1,677,088.80	1,911,924.50	3,589,013.30
1850, " 16	1,799,935.38	2,414,951.06	4,214,886.44
1851, " 15	1,522,358.45	2,835,266.55	4,357,625.00
1852, " 20	1,485,172.81	2,764,821.62	4,249,994.42
1853, Oct. 31	1,598,532.41	3,438,862.02	5,037,394.43
1854, " 31	863,574.47	3,345,010.98	4,198,585.45
1855, " 31	1,024,648.69	3,654,132.46	4,678,781.15
1856, " 31	834,708.20	3,855,927.51	4,690,635.71
1857, " 31	499,321.32	298,497.57	797,818.89
1858, " 20	142,273.27	144,755.63	287,028.90

TABLE IV.
CONSPECTUS OF ANNUAL STATEMENTS.

	1835	1836	1837	1838	1839	1840	1841	1842	1843	1844	1845	1846	1847	1848	1849	1850	1851	1852	1853	1854	1855	1856	1857	1858	
Bills discounted	\$1,434,790.19	\$2,292,724.69	\$2,880,116.60	\$3,037,649.72	.....	\$2,514,629.21	\$2,422,305.98	\$2,132,608.40	\$1,603,229.77	\$1,645,332.46	\$1,830,181.84	\$1,059,358.40	\$1,574,722.47	\$1,647,622.59	\$1,077,088.80	\$1,700,935.38	\$1,522,358.45	\$1,485,172.81	\$1,598,532.41	\$863,574.47	\$1,024,648.69	\$834,708.20	\$499,321.32	\$142,273.27	
Bills of exchange	379,175.32	883,888.41	374,955.63	500,441.12	.....	796,316.76	857,168.08	327,898.51	366,361.21	442,830.91	1,197,435.05	1,359,385.17	1,404,075.88	1,791,321.88	1,011,924.50	2,414,951.06	2,835,266.55	2,764,821.62	3,438,862.02	3,345,040.98	3,654,132.46	3,855,927.51	298,497.57	144,755.63	
Total discounts	\$1,810,965.51	\$3,176,613.10	\$3,254,072.23	\$3,538,090.84	\$3,940,196.68	\$3,310,945.97	\$3,279,474.06	\$2,460,506.91	\$1,969,590.98	\$2,088,163.37	\$3,027,616.89	\$3,018,743.57	\$3,038,798.35	\$3,438,944.47	\$3,589,013.30	\$4,124,886.44	\$4,357,625.00	\$4,249,994.43	\$5,037,394.43	\$4,198,585.45	\$4,678,781.15	\$4,690,635.71	\$797,818.89	\$287,028.90	
Real estate	\$14,450.16	\$48,901.32	\$95,569.98	\$139,207.68	\$187,403.10	\$223,630.40	\$241,051.15	\$260,847.46	\$273,064.50	\$326,059.85	\$342,316.47	\$343,845.80	\$308,178.45	382,076.71	\$309,861.04	\$304,233.54	\$324,827.53	298,448.18	\$260,653.09	\$198,488.84	\$177,825.82	\$174,644.97	\$138,202.06	\$90,707.15	
Furniture	5,066.92	6,001.72	5,427.96	5,088.33	.....	6,533.39	5,493.48	5,579.95	5,572.58	5,590.71	5,853.80	5,941.94	5,282.40	.....	4,929.56	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,084.56
Due from Branches	203,091.36	886,025.98	361,105.25	49,621.72	112,268.49	32,477.53	32,269.01	26,310.27	51,562.41	52,708.62	51,918.95	68,534.19	81,271.90	148,642.39	12,020.23	.....	.....	.....	.....	3,808.81	12,338.42	10,990.41	78,270.20	58,590.27	
Due from other banks	957,739.87	1,457,204.65	460,520.51	226,521.94	208,301.96	305,146.67	182,151.07	227,634.86	364,529.93	719,331.92	638,699.74	80,366.41	1,081,194.66	621,064.26	749,863.87	508,014.26	925,326.40	1,423,911.54	931,109.53	1,205,083.02	929,426.79	1,078,242.58	946,841.16	197,642.20	
Commissioners of the Canal Fund, Sinking Fund, etc.	109,701.13	307,181.49	588,484.89	.....	.....	634,413.80	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Remittances, etc	154,494.34	39,316.08	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Stocks, bonds, etc.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Due from state—advances for public works	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Indiana Treasury Notes	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Deficit by robbery	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Suspense and other items	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other items	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Suspended debt	.....	2,650.00	86,901.06	141,109.95	.....	378,049.70	451,477.04	400,122.07	707,939.66	746,258.13	598,928.65	577,647.46	400,115.89	412,601.91	323,783.66	270,213.77	204,101.85	207,803.40	147,099.94	180,600.48	252,192.19	304,388.32	261,104.72	139,410.87	
Bank notes—branches and other banks—and stocks	732,440.77	489,753.39	216,516.00	270,473.00	160,500.00	331,775.55	441,992.70	106,085.23	131,266.25	267,001.00	224,331.50	119,976.00	299,250.00	147,451.00	101,070.00	224,842.00	334,286.00	554,754.00	304,379.00	238,203.00	221,024.00	185,851.00	29,706.00	.....
Specie	797,114.87	1,204,737.59	1,128,031.56	1,345,832.08	1,021,490.18	1,076,551.94	1,127,901.37	811,234.40	665,226.85	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver on special deposit by United States	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total resources	\$4,520,863.46	\$7,536,083.22	\$6,126,215.82	\$6,566,808.01	\$6,666,089.33	\$6,070,701.55	\$6,843,018.90	\$5,332,559.41	\$5,160,313.94	\$6,070,418.25	\$6,727,628.40	\$6,510,289.76	\$7,039,324.54	\$6,997,937.31	\$6,879,649.63	\$7,136,603.60	\$7,717,875.40	\$8,216,069.38	\$7,899,017.17	\$7,347,678.44	\$7,804,703.65	\$7,966,187.64	\$2,987,977.52	\$1,038,703.62	
Capital stock	\$1,199,778.65	\$1,585,481.51	\$1,867,906.25	\$2,216,700.00	\$2,594,000.00	\$2,671,618.75	\$2,743,191.62	\$2,727,532.14	\$2,136,272.25	\$2,194,028.06	\$2,087,894.59	\$2,083,824.37	\$2,082,874.37	\$2,082,910.50	\$2,082,910.50	\$2,082,950.50	\$2,083,007.44	\$2,083,007.44	\$2,150,107.44	\$2,150,106.44	\$2,150,107.44	\$2,150,107.44	\$2,150,107.44	\$336,582.39	.....
Surplus fund	36,179.35	129,312.56	249,958.47	308,958.35	222,944.83	266,771.10	308,742.61	332,632.79	350,580.53	348,306.01	375,239.81	413,563.33	453,444.50	527,799.32	607,992.71	750,678.17	806,913.53	908,926.03	979,199.08	1,108,955.99	1,228,301.96	1,265,202.67	1,434,066.93	599,595.62	
Undrawn dividends	7,000.00	30,345.44	4,598.63	22,131.31	4,839.42	41,805.73	36,068.93	17,121.26	8,091.57	12,507.80	23,616.11	31,832.52	25,710.10	21,581.85	34,683.63	27,661.01	27,807.15	30,893.05	7,284.40	4,045.63	3,972.68	4,658.16	58,504.14	26,939.71	
Profit and loss	11,832.12	30,093.44	170,725.95	78,512.51	148,544.35	15,282.87	71,916.38	64,659.49	67,059.76	76,581.03	20,444.71	19,777.22	105,699.76	83,352.30	97,258.59	124,452.49	50,289.08	204,692.81	211,543.02	195,786.88	207,793.43	36,377.09	.....	.....
Due to branches	203,082.87	832,199.90	329,646.38	53,560.33	146,100.25	34,416.09	49,483.33	16,519.63	13,826.74	9,897.50	20,780.33	73,309.12	69,147.60	71,417.20	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Due to other banks	23,415.22	66,867.08	101,179.19	269,905.30	126,088.74	148,829.74	116,065.19	64,929.47	39,942.11	41,993.74	55,656.97	47,880.42	34,545.88	82,292.66	107,242.87	112,175.47	123,817.41	108,302.77	109,101.59	225,520.65	120,660.76	176,224.91	4,277.34	7,620.41	
Due Sinking Fund, School Fund and other items	46,097.86	68,777.87	19,066.29	64,366.22	70,254.46	140,172.41	156,088.88	80,325.92	47,513.80	91,800.05	61,099.26	92,307.10	101,599.45	101,400.90	183,627.66	80,832.42	133,838.94	319,808.46	.....	.....	.....	.....	.....	.....	.....
United States Treasury	1,062,238.58	2,207,489.68	576,277.75	206,534.10	47,707.69	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Pension Agent, Indiana	17,670.81	8,868.08	5,817.75	795.10	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
State Bank of Indiana	.....	157,984.50	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
United States special deposit	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Due depositors	379,543.00	431,703.16	336,144.45	393,549.79	320,238.59	297,772.80	272,457.74	184,210.82	188,737.54	202,744.31	359,265.30	400,989.13	555,773.42	452,624.73	475,579.81	550,432.70	630,036.26	805,228.52	716,048.76	630,234.64	599,177.90	604,022.78	59,351.56	3,388.41	
Circulation	1,534,025.00	1,927,050.00	2,379,559.00	2,951,795.00	2,985,371.00	3,031,092.00	3,136,437.00	1,828,371.00	2,310,690.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Suspense circulation to supply estimated loss of notes	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total liabilities	\$4,520,863.46	\$7,536,083.22	\$6,202,447.82	\$6,566,808.01	\$6,666,089.33	\$6,070,701.55	\$6,843,018.90	\$5,332,559.41	\$5,160,313.94	\$6,070,418.25	\$6,727,628.40	\$6,510,289.76	\$7,039,324.54	\$6,997,937.31	\$6,879,649.63	\$7,136,603.60	\$7,717,875.10	\$8,107,069.38	\$8,169,834.17	\$7,350,977.44	\$7,804,703.65	\$7,966,188.14	\$2,987,977.52	\$1,038,703.62	

*These statements are taken from the annual reports of the State Bank, and show the condition on this score no trace of suspicion. Several of them, as printed in the Documentary Journal of the legislature, do not balance, owing, without doubt, to typographical errors. If the statements had been really defective, the opponents of the bank would have at once expressed their suspicion; but there is or one day in the year, usually the third Saturday in November.

Chapters from

AN ANALYSIS OF COMMERCIAL BANKING IN
THE STATE OF INDIANA

by

MAURICE O'REAR ROSS

Chapter

III THE DEVELOPMENT OF BANKING IN THE STATE OF INDIANA PRIOR TO 1834

The Establishment of the First State Bank of Indiana
The Farmers' and Mechanics' Bank of Madison
The Bankless Period, 1825 to 1834

IV THE ORGANIZATION AND OPERATION OF THE SECOND STATE BANK OF
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CHAPTER III

THE DEVELOPMENT OF BANKING IN THE STATE OF INDIANA PRIOR TO 1834

As a means of providing a background for the more detailed study and analysis of modern commercial banking practice in the state of Indiana, in which this study is primarily interested, the present chapter introduces a discussion of the development of banking in the state from the early territorial period down to the close of the Nineteenth Century.

Throughout its existence, Indiana has had a varied and colorful history in the field of banking. During the period before the admittance of the Indiana Territory into the Union as a state, there exist no records of any type of banking institution in operation within its boundaries prior to 1811.

Money in the form of specie or bank currency was practically unknown in the early days of the Territory. The media of exchange and the common denominators of value in use were for the most part peltries of animals, such as coonskins, muskrat skins and other furs trapped in pioneer communities.¹ Manufacturing, as known at a later date, was non-existent, and the only trading done was for the actual necessities of life, such as salt, iron, dyestuffs, powder and shot, obtained through the process of bartering peltries and small amounts of agricultural products. Occasionally, a few notes of the First Bank of the United States and small quantities of Spanish milled dollars found their way into the Territory through the trading posts located on the Ohio and Wabash Rivers.

Many of the early settlers of Indiana during the pioneering period were in debt to the United States Land Offices for the land upon which they had located.² This debtor class was anxious to increase the volume of circulating medium, thereby hoping to ease the burden of

¹William H. Smith, The History of the State of Indiana from the Earliest Exploration by the French to the Present Time, 1763 to 1897 (Indianapolis, 1897), II, 592-593.

²American State Papers, Documents, Legislative and Executive of the Congress of the United States, Class III, Finance (Washington: Gales and Seaton, 1832-1861), III, 782.

debt payment. This group, furthermore, shared the widespread prejudice of the people of the West, particularly the western Democrats, against a central national bank. This prejudice was so strongly entrenched that many of the early residents of Indiana preferred to endure the dangers and evils of a "wildcat" private banking system, with its fluctuating and unstable currency, in preference to a relatively stable national currency issued and controlled by a central bank, as in the case of the First Bank of the United States prior to the expiration of its charter in 1811. It is doubtless true that in the case of many of the early settlers the evils resulting from the operation of the uncontrolled private banks of the time were not understood or seen; it is obvious, however, from the records of the period that some of the leaders of the pioneering communities of the West understood the possible dangers involved.¹ The primary reason for the existence of this preference was the greater ease of borrowing from the local institutions on the part of the debtor classes.

As a result of this active hostility toward the operation of the First Bank of the United States - later extended to include the Second Bank of the United States - there grew up in the West after 1811 a type of financial institution which hardly deserved the title of bank. Apparently, any individual could supply himself with a quantity of currency of various small denominations and open an office or "bank" in a conveniently located town or village. These institutions were ordinarily open only one or two days in the week. Since they received no deposits in the ordinary course of business, their primary object was to put the newly engraved notes into circulation through the process of making loans and discounts. Frequently, the operators of these "wildcat" banks, not finding business as profitable as they desired, would leave without notice for more favorable sites, permitting the notes placed in circulation to care for themselves. These institutions have been very aptly described as "nomadic banks" by Professor Logan Esarey, formerly of Indiana University.² The early territorial banks organized at Brookville, New Harmony and Lexington were of this type.

As a result of the expenditures of the federal government for munitions and troops during the War of 1812, increasing quantities of currency issued by banks in the various states and territories flowed into the Territory of Indiana. As already indicated, many of these state and territorial institutions, created after the expiration of the charter of the First Bank of the United States in 1811, issued bank notes without adequate earning resources and reserves. The inevitable result was that wide variations in value occurred. The situation was

¹Ibid., IV, 820, 874; V, 66.

²Logan Esarey, State Banking in Indiana, 1814 to 1873 (Indianapolis, 1912), I, No. 15, 221.

complicated by the increase in circulation of spurious or counterfeit notes. As a result of this confusing situation, agitation arose in Indiana for the creation of more permanent banking institutions issuing currency of uniform value.

Consequently, the territorial legislature of 1814, meeting in what is now the southern portion of the state, in the small town of Corydon, was presented with a petition on Monday, August 21, 1814, signed by Nathaniel Ewing, receiver for the federal land offices located at Vincennes and the leading business man of the territory, and others, requesting the legislature to grant a charter for the establishment of a bank in Vincennes.¹ Not to be outdone, a few days later, on August 24, 1814, citizens of Madison, located on the Ohio River, led by a Mr. Brown, also petitioned the territorial legislature for the chartering of a similar institution in the village of Madison.² Both petitions were granted and legislation was enacted permitting the organization of the Bank of Vincennes and the Farmers' and Mechanics' Bank of Madison.

The powers and privileges embodied in the charters granted these two institutions were quite similar, excepting that the Bank of Vincennes was permitted to have a capitalization of \$500,000 and the Farmers' and Mechanics' Bank of Madison, capitalization of \$750,000. The charters of both institutions stated that neither was permitted to go out of business until it had redeemed fully all of its notes issued and paid all outstanding debts. The length of life of each charter was the same, fifteen years; the officers of both banks were required by the terms of the charter to wind up the business of the two institutions immediately upon the expiration of the charter period. Both banks were given the specific right by charter to issue circulating notes redeemable in specie. The rate of interest charged to borrowers, furthermore, was limited to a maximum of six per centum annually.

Within a few months after the organization of the two banks chartered by the territorial government, the Territory of Indiana was admitted to the Union as a state. The members of the first constitutional convention of the newly created state, in addition to specifically recognizing the territorial charters granted the Bank of Vincennes and the Farmers' and Mechanics' Bank at Madison, placed the following provision concerning banking in the organic law of the state:³

¹Manuscripts of the Territorial Legislature of 1814 now preserved in the office of the Secretary of State, Capitol Building, Indianapolis.

²Ibid.

³Francis N. Thorpe, Federal and State Constitutions, Colonial Charters and Other Organic Laws of the States, Territories and Colonies (Washington: Government Printing Office, 1909), pp. 1069-1070.

"There shall not be established or incorporated in this State, any bank or banking company, or moneyed institution for the purpose of issuing bills of credit or bills payable to order or bearer; Provided, That nothing herein contained shall be so construed as to prevent the General Assembly from establishing a State Bank, and branches, not exceeding one branch for three counties, and to be established in such places and in such counties as the Director of the State Bank shall select; Provided, There be subscribed and paid in specie, on the part of the individuals, a sum equal to thirty thousand dollars."

The reason for the insertion of this stringent restriction upon the organization and operation of other banks than the existing territorial banks and a state bank with branches is found in the experience of the Territory with the unsatisfactory bank note currency in circulation in the years immediately prior to the admission to the Union in 1816. The rapid inflow of private bank note currency as a result of the huge war time expenditures of the federal government had produced in Indiana as elsewhere a period of speculative activity in lands and commodities, and prices rose accordingly. The War of 1812 came suddenly to an end, and government expenditures ceased abruptly. Consequently, a deflationary movement got under way. To the difficulties of a downward trend in business activity, was added the disrupting influence of an unsound currency situation. During the progress of the war, specie payments by banks of issue had been universally suspended in the West. Many of these institutions had issued a much larger quantity of notes than they could hope to redeem, even under more favorable circumstances. Again, the situation was complicated by the fact that many notes had been issued through the process of making unsound and unjustified loans, thus creating additional liabilities without an accompanying increase in sound earning assets. Moreover, due to the large number of banks issuing notes, counterfeiting was facilitated.

The Establishment of the First State Bank of Indiana

The first General Assembly of the state of Indiana enacted legislation on January 1, 1817, designating the existing Bank of Vincennes as the state bank, authorized by the recently adopted constitution, with the power of establishing a maximum of fourteen branches to accommodate and provide banking facilities for the fourteen

districts into which the state was to be divided.¹ It is noteworthy that neither the action of the constitutional convention nor the provisions of the legislation of January 1, 1817, gave the Bank of Vincennes additional powers as a consequence of being adopted as the state bank, with the exception of the fact that the authorized capital stock was increased by \$1,000,000.² Of the ten thousand shares of new stock authorized, the Governor was permitted by the statute to subscribe for three thousand seven hundred and fifty shares in behalf of the state, if and when he thought it advisable to do so. The remaining six thousand two hundred and fifty shares were authorized to be subscribed to by individuals, companies and corporations.

The Act provided that each branch organized should have eleven directors, chosen by the stockholders, with three additional members of the board appointed by the state government. Each branch was to be a constituent part of the Bank of Vincennes. The Act, moreover, laid down definite regulations concerning the presentation of reports of condition and operation to the state authorities, providing for an annual report to be made to the General Assembly and monthly statements to the Governor containing information concerning capital stock outstanding, debts incurred, deposits received, notes in circulation, and specie maintained for redemption purposes.

The state government was authorized to borrow from the new state bank to the extent of \$50,000. Limitations were placed upon loans to directors, and a maximum interest rate of six per cent annually was placed upon all loans.

It was evidently the object of the proponents of the First State Bank to secure for it a monopoly of the banking business, and to place under its control the issuance of notes within the state—since this was at that time the most important function of banking institutions. In order to make complete this power and control, the Bank of

¹Laws of Indiana, 1816-1817, p. 185.

The law provided that the first branch was to be organized at Centerville, with capital of \$20,000, and the others were to be located as follows: second branch at Brookville, capital \$35,000; third branch at Lawrenceburg, capital \$35,000; fourth branch at Vevay, capital \$20,000; fifth branch at Madison, capital \$30,000—It apparently was hoped that the Farmers' and Mechanics' Bank would reorganize into a branch of the state bank; sixth branch at Charlestown, capital \$35,000; seventh branch at Brownstown, capital \$10,000; eighth branch at Paoli, capital \$10,000; ninth branch at Salem, capital \$10,000; tenth branch at Corydon, capital \$35,000; eleventh branch at Troy, capital \$10,000; twelfth branch at Darlington, capital \$10,000; thirteenth branch at Poseyville, capital \$10,000; fourteenth branch in Gibson County, capital \$10,000.

²Ibid., pp. 187-193.

Vincennes was empowered, conditionally, to absorb the Farmers' and Mechanics' Bank of Madison, the second bank created by the original territorial government, as one of its branches.

It is apparent also that a secondary object existing in the minds of the organizers of this state institution was to so control and restrict the bank note issue within the state that the State Bank could not issue more notes than it would be able to redeem. Although the empowering act of the legislature did not set a maximum limitation on the right of the bank and its branches to issue circulating notes, yet it did require that the total debt of the bank was never to exceed twice the amount of paid up capital stock. Moreover, should the total debt at any time exceed this limit, unlimited liability in a common law suit for debt against the bank was imposed upon all of its directors.

The organizers of the new State Bank seemed to have felt that the patronage of the state government was assured to the bank due to the ownership of a portion of the capital stock by the state, and that many of its officers and directors also held political offices. It appeared, moreover, that the patronage of the United States government was likewise assured, since the first president of the State Bank, Nathaniel Ewing, held, in addition, the office of receiver for the largest federal land office in the state.

There were, however, certain economic conditions existing in the state unfavorable to the successful operation of the new state bank. The most densely settled area was located in the southern portion of the state, along the banks of the Ohio River, one of the arterial highways of early commerce, trade and travel in the Mississippi Valley. The town of Madison was the commercial and industrial center of this area, the banking needs of which were being adequately met through the operation of the Farmers' and Mechanics' Bank of Madison. The Act of 1817 provided that this institution should become a branch of the state bank, the Bank of Vincennes, on condition that the consent of the owners was secured. The stockholders and officers of the Madison Bank, however, persistently refused to permit it to be converted into a branch, in spite of the appeals of the organizers of the state institution. The population, furthermore, in 1817 was slightly less than 75,000, ninety per cent of whom were cultivators of the soil. A very large number of the land owners were still deeply in debt to the federal land offices for the land upon which they lived and worked.¹ In the face of this relatively small population, the major portion of which lacked large

¹American State Papers, Finance, III, 782. In January, 1819, land buyers owed to the office of the federal land bureau at Vincennes the sum of \$1,390,909, and to the Jeffersonville office there was due the sum of \$1,021,834.

monetary incomes, the organizers of the first State Bank of Indiana sought to dispose of bank stock amounting in the aggregate to \$2,225,000, or an average of \$30 a person living within the state. In certain of the fourteen districts, moreover, in which branch banks were to be organized, there did not exist villages of sufficient size to accommodate a branch. This was particularly true of the thirteenth and fourteenth districts. In the case of Troy, Darlington, Paoli and Brownstown, the villages were so small that they did not possess commercial or industrial enterprises of any importance whatever.¹

There was, in addition, active opposition to the new state bank on the part of various interests in the state. One of the severest critics of the bank was Elihu Stout, editor of the *Western Sun*, the first newspaper to be printed in Indiana. A personal friend of Andrew Jackson, Mr. Stout had come to Indiana from Nashville, Tennessee, and had settled in Vincennes to publish his weekly paper.² The news sheet was used to support the Democratic Party and the principle of competition and opposition to monopoly. It was inevitable that the advocate of such principles should strenuously oppose the organization and operation of the State Bank.

The primary reason for the establishment of the headquarters of the State Bank at Vincennes in 1817, rather than at Madison, which was the commercial and industrial center of the state, was in order that it might act as depository for the federal land offices located at that point. This particular federal land office was the most lucrative in the West at the time, and it was, therefore, expected that the use of the large deposits of the land office would accrue to the profit of the state institution. This situation was, likewise, of advantage to the land office at Vincennes, since the regular depository of all United States funds, the Second Bank of the United States, had established no branches in the state of Indiana, the nearest branches being located at Louisville, Kentucky, and Cincinnati, Ohio. Transportation facilities were slow and at times extremely hazardous.

In the days of distress following the close of the War of 1812, the Bank of Vincennes had suspended specie payment along with all other financial institutions west of the Alleghenies. On February 20, 1817, the directors of the bank, now the first State Bank of Indiana, voted to redeem all of their own notes in gold and silver, whenever presented for that purpose.³ In the meantime, the Second Bank of the United States, organized during the preceding year, had forbidden the depositing of federal funds in local banks refusing to redeem their notes in specie. Upon being notified that the Bank of Vincennes had resumed specie payments, Secretary of the Treasury Crawford, on May 7, 1817, directed the land office receivers of the state

¹Esarey, op. cit., p. 228.

²William H. Smith, Recollections of Early Indiana (Indianapolis, 1899), p. 84.

³American State Papers, Finance, IV, 713.

of Indiana to use the offices of the Bank of Vincennes as a federal depository. The continuation of the privilege of acting as a federal depository was made dependent upon certain prescribed conditions involving, on the part of the federal government, a guaranteed deposit with notice beforehand of federal drafts drawn, and, on the part of the depository bank, presentation of monthly statements of condition, and the agreement on the part of the depository to accept as cash all money received at the land offices.¹

In spite, however, of the business prospects of the State Bank and the enthusiasm of its organizers, the new institution was never successful. Only three of the proposed fourteen branches were organized. These were located at Brookville, Corydon and Vevay. Shortly after its organization as a state bank, the Bank of Vincennes entered upon an era of such pronounced mismanagement, marked not only by ignorance of what constituted sound banking practice, but by dishonesty, that its ultimate failure was assured. Twice during the period from 1817 to 1822, the federal government ceased using the bank and its branches as a depository, due to its inability to meet government time drafts.² By the year 1821, mismanagement of the institution had become so obvious that the General Assembly of the state authorized legal proceedings to cancel its charter. In the subsequent investigation by a committee of the legislature of the condition and operations of the bank from the time it was reorganized as a state bank to 1822, it was proved, among other things, that the officials of the bank had embezzled \$250,000 deposited by an agent of the United States government, that they had issued, with fraudulent intent, more bank notes than the bank had power to redeem, that dividends were declared and paid to stockholders while the bank was refusing to pay specie to its note holders, and that loans were made in unwarranted amounts to business organizations operated by some of the larger stockholders of the bank.³

The report presented by the Bank of Vincennes to the Governor for January, 1822, is indicative of the situation into which the State Bank had been precipitated by its management. The combined capital stock of the bank and its branches amounted to \$129,363. The obligations owed to the bank equaled \$184,735, of which approximately two-thirds, or \$116,284, was owed by a manufacturing company in Vincennes, known as the "Steam Mill," in which the officers of the bank, including its president, Nathaniel Ewing, and many of its stockholders, were financially interested. Another sum of \$17,330 was owed the institution by its directors. Among its assets, the bank's report to the Governor listed \$3,218 in currency of various descriptions and \$30 in specie.⁴ Yet, in the face of the precarious condi-

¹Ibid.

²Ibid., III, 735.

³"Report of the Investigating Committee," Journal of the House of Representatives of the State of Indiana, 1822, pp. 283-4.

⁴Esarey, op. cit., p. 239.

tion of the bank revealed in this report, early in 1822 the board of directors of the bank voted a forty percent dividend to the stockholders and the sum of \$3,500 to Nathaniel Ewing as president of the institution.¹

Upon hearing of the insolvency of the Bank of Vincennes, the Secretary of the Treasury of the United States sent an agent to arrange settlement of the amounts due the federal government. The directors of the bank turned over to the agent whatever bonds they possessed plus all real estate belonging to the bank. As a commentary upon the management of the bank, the deeds to the real estate held by it were so imperfectly drawn that a decision of the Supreme Court was necessary to settle the title.²

In June, 1822, a jury in the Knox County Circuit Court found in the light of the evidence presented that the bank had violated its charter in various ways. The judge, consequently, issued a writ of "quo warranto" closing the institution. This decision on appeal was sustained by the Supreme Court of the state of Indiana.

The Farmers' and Mechanics' Bank of Madison

As described earlier in this chapter, the Farmers' and Mechanics' Bank of Madison, located in the southern portion of the state on the Ohio River, approximately half way between the cities of Cincinnati and Louisville, was one of the two territorial banks chartered by the legislature of the Indiana Territory in 1814. Under its territorial charter, the bank was given the right to issue notes payable in specie on demand. Its capital stock was limited to a maximum of \$750,000. In return for the charter granted by the legislature, the Madison bank agreed to make loans to the territorial government in anticipation of taxes levied. The maximum rate of interest on loans was fixed by the charter at six per cent annually.³

The record of this bank is in striking contrast to that of the Bank of Vincennes. Its business of making loans to settlers to purchase and cultivate their land and to traders transporting merchandise to and from various river ports as distant as New Orleans, was conducted by men of conservatism and integrity. Among the officials of the bank were such men as J. P. D. Lanier, later famous internationally as a financier, and John Sering, the bank's first cashier.

¹Western Sun, March 6, 1822.

²Esarey, op. cit., p. 239.

³Territorial Laws of Indiana, p. 95.

As in the case of similar institutions located in the Northwest, the Farmers' and Mechanics' Bank was peculiarly dependent upon the policies pursued by the federal land offices in disposing of the sums received in payment for federal lands sold to settlers. The refusal of the land offices to accept certain issues of bank notes in payment for land made it difficult for the issuing bank to maintain its circulation. On April 6, 1816, Congress directed that all payments made to the federal authorities be paid in legal currency.¹ This Congressional mandate was interpreted by the Secretary of the Treasury to include specie, the notes of the newly established Second Bank of the United States, and the notes of other banks redeeming their obligations in specie on demand. The Second Bank of the United States, however, acting as the federal depository of funds, suffered losses at various times due to the acceptance by land offices of the notes of different banks of the Northwest that were nominally redeeming their notes in specie on demand. Consequently, orders were issued, going into effect on June 30, 1818, to all federal land offices to receive only specie and notes of the federal bank in payment of obligations due the national government.²

As a result of this action brought about by the Second Bank of the United States, the Farmers' and Mechanics' Bank found itself in the situation of having its notes returned to it for conversion into specie as soon as they were put into circulation. The directors of the institution, therefore, decided to cease issuing notes rather than suspend specie payments.³

Due to the inability of the land buyers of the state to secure adequate amounts of specie and notes of the federal bank to meet their contractual payments at the federal land offices, since the Bank of Vincennes had suspended specie payments and the Farmers' and Mechanics' Bank had ceased issuing additional notes, protests were made to the Secretary of the Treasury by the state officials. Due to the increasing political power of the western states, these protests were effective in securing the agreement described above,⁴ whereby the two banks operating in Indiana would again receive deposits of the federal government and their notes would, once more, be acceptable at the land offices.

There is no record of any failure on the part of the Farmer's and Mechanics' Bank of Madison in meeting its obligations under the agreement with the Treasury and the Second Bank of the United States acting as depository for the Treasury. Yet, the officials of

¹Esarey, op. cit., p. 223.

²American State Papers, Finance, V, 69.

³Ibid., pp. 739-746.

⁴Supra, p. 34.

the federal bank and of its branches at Louisville and Cincinnati seem to have adopted a definitely hostile attitude toward the Indiana institution. This inimical position taken by the federal bank officials is illustrated and partially explained by the following excerpt from a letter written by the president of the Second Bank of the United States, Langdon Cheeves, to the Secretary of the Treasury at the time:¹

"The Bank refuses to deal with the banks in Tennessee, Indiana and Illinois, for reasons it would be invidious to mention. But among them are the general bad conditions of the currency in these states and the laws impairing the obligations of contracts passed by their legislatures and the actual depreciation of their notes."

The truce between the Indiana banks and the Second Bank of the United States, however, was short lived. In August, 1821, the Bank of the United States refused to permit the Farmers' and Mechanics' Bank to act as the disbursing agent for the federal pension funds, and a few weeks later the notes of the Madison were for the second time refused at the federal land offices under orders of the Second Bank of the United States.²

As a consequence of the apparently implacable hostility of the Bank of the United States, the directors of the Farmers' and Mechanics' Bank decided to dissolve the institution. Liquidating operations were started immediately. Finally, in the spring of 1825 the bank closed its doors, after having met in full all obligations to its creditors.

The Bankless Period, 1825 to 1834

From the closing of the Bank of Vincennes by court decree in 1822 and the ultimate liquidation of the Farmers' and Mechanics' Bank of Madison in 1825, the state of Indiana was completely lacking in banking institutions of any type. The period following the cessation of operations of the two banks was marked by economic depression throughout the state. Land values declined. Congress, hoping to alleviate distress in the Northwest, lowered the price of government land from the former price of two dollars and acre to one dollar and twenty-five cents. The results, however, of this reduction were not as expected, since the land held by private individuals and business organizations in the state also declined in price. One historian of the period estimates that in the three-year period from 1821 to 1823, one-fourth of the state's population died from epidemics or moved from Indiana.³

¹American State Papers, Finance, IV, 956.

²Ibid.

³William H. Smith, History of the state of Indiana, II,

The economic difficulties of the state during the period from 1821 to 1834 were complicated by an unsound currency. The primary sources of currency for the inhabitants of Indiana were the branches of the Second Bank of the United States, located at Louisville and Cincinnati, and, more important still from the standpoint of volume, the notes of banks of issue located in Ohio and Illinois. During the latter portion of this period, beginning with the year 1831, the state was flooded with bank notes from Michigan, where a very liberal and lax banking law had recently been enacted permitting the establishment of banks of issue with very inadequate regulation and supervision. Many of the banks organized under the Act possessed virtually no sound assets back of their note issue. The same was true of the notes issued by many of the banks of Ohio and Illinois that circulated in Indiana. Consequently, the notes of these various banks of issue were accepted in Indiana at varying rates of discount. The process of "shaving" or over discounting such notes by merchants and other recipients became quite prevalent.

Additional turmoil was added to the already confused currency situation in the state during this bankless period by the practice of merchants, millers and other persons engaged in commerce and industry of issuing their own private bills redeemable in merchandise at the issuer's place of business. These private bills, or "shinplasters," as they came to be known in the vernacular of the time, were of little value outside the particular neighborhood in which they were originally issued. Many of the business organizations issuing these trade notes failed, leaving their worthless notes in circulation.

In 1832, the state of Indiana borrowed several million dollars from the federal government and with the proceeds of the loan began a series of internal improvements, which aided in ushering in a period of prosperity by giving employment to labor and capital in the state.¹ Unfortunately, however, wages were paid frequently in the notes of the banks of the neighboring states, most of which circulated at varying rates of discount. As a result, the practice of shaving notes by merchants and others grew at a rapid rate, causing widespread discontent and the development of agitation for currency reform within the state through banking legislation.

The financial leaders of the state, among whom were Victor King, a former president of the Farmers' and Mechanics' Bank of Madison, and J. F. D. Lanier, a former cashier of the same institution, felt, however, that any attempt to establish additional banking institutions in the state would be unsuccessful as long as the Second Bank of the United States was in operation and maintained its hostile attitude toward banking institutions in the Northwest.

¹Ibid., p. 596.

In 1832, however, the Whig Party and its candidate, Henry Clay, were defeated, and Andrew Jackson was re-elected to the presidency of the United States. The victory of President Jackson, who was known to be an implacable enemy of the Second Bank of the United States, gave definite assurance of a decline in that institution's influence and forecast its possible extinction. In the light of these events, a movement got under way immediately in Indiana to provide the citizens of the state with a banking institution and a more stable currency. The results of this movement will be considered in the succeeding chapter.

CHAPTER IV

THE ORGANIZATION AND OPERATION OF THE SECOND STATE BANK OF INDIANA FROM 1834 to 1859

As a result of the insistent agitation for currency reform in the state of Indiana and the passing of the domination of the American banking and currency situation by "that monster," the Second Bank of the United States, the state legislature of 1834 enacted legislation chartering the second State Bank of Indiana.

Profiting by the experience of the state with the first State Bank of Indiana, the Bank of Vincennes, and, furthermore, by the experience of other states during Indiana's bankless period, great care was taken by the legislative committee in drafting the bill creating the new bank. This was accomplished under the guidance of Governor Noble, who had stressed in his message to the opening session of the General Assembly the general demand for banking legislation and the need for care to be exercised in its formulation.¹ The excellent record made by the Second State Bank of Indiana was due in no small measure to the carefully drawn charter created by the legislation of January, 1834. The progress of the institution established by this legislation marks a bright chapter in the all too drab history of other banking ventures in America during the twenty-five years of its life.

The second State Bank of Indiana was not so much a central bank with branches, as it was a federation of banks under the broad general control of a central board of directors, located in Indianapolis, the capital of the state. There was no parent bank. The branches of the new state bank were given equality and protected against any undue influence being exercised over them by the head office at the capital.

The capital of the institution was set at \$1,600,000, to be distributed in shares of fifty dollars par value, one-half of the entire capital stock to be subscribed to by the state government. An interesting provision was inserted in the original legislation, providing that the state should issue bonds to secure the funds to pay for its share of the bank's capital stock. In compliance with this provision, the state government issued five per cent bonds to the amount of \$1,300,000, selling them in the eastern portion of the

¹Journal of the House of Representatives of Indiana, 1833,
p. 10.

United States and in Europe. From the proceeds of the sale of the state's obligations, \$800,000 was used to pay for the state's share in the bank's capitalization, the remaining \$500,000 being set up as a loan fund from which loans were made to individual subscribers to the remainder of the bank's capital stock, in order to enable them to purchase more readily the shares. Each individual subscriber was permitted to borrow up to the sum of \$31.25 on each share of \$50.00 per value subscribed to, interest being paid the state at the rate of six per cent annually. It is even more interesting to note the provisions made by which the subscriber's indebtedness to the state could be paid. The bank authorities were required by law to hold the dividends on the stock purchased by individual subscribers under this plan and pay them into the state treasury in payment of both principal and interest of the debt. The operations of the bank were so profitable that the individual subscribers under this plan were able to secure their stock by a cash payment of \$18.75,¹ the loan being repaid from dividends earned.

In order to administer the state debt created to pay for the subscription of the state to the capital stock of the bank and aid in the financing of individual subscribers' stock purchases, a sinking Fund Commission was organized. The charter of the bank granted by the legislature required that all dividends upon the state owned stock, all semi-annual interest payments on the loans extended to individual subscribers, all funds received in the payment of the principal of such loans, and all sums received by the state in winding up the affairs of the bank at the expiration of the charter period should be paid into the sinking fund set up under the supervision of the Sinking Fund Commission. The legislation creating the bank specified, furthermore, that any funds remaining after the payment of principal and interest of the state debt created for the purposes of the bank and after meeting all operating expenses of the Commission, were to be paid into a permanent fund, to be known as the Common School Fund, to be used for the benefit of common school education in the state. During its lifetime the profits of the bank were so large and the administration of the sinking fund of such nature that a sum in excess of \$3,000,000 was eventually turned over to the Common School Fund.²

The original charter granted provided for the division of the state into ten districts, in which an equal number of branches would be located, immediately, and for the creation of three more such districts in the future, as the growth of population and industry demanded. The various branches established were required to be mutually liable for the obligations of the system as a whole.

¹Smith, History of Indiana, II, p. 597.

²"Annual Report of Auditor of State," Documentary Journal of Indiana, 1861 (Indianapolis, 1861).

The central board was given the power to limit the loans of any branch to one and one-fourth times its paid in capital. In addition, the board was given power to demand monthly reports of condition from the various branches, and, in case of necessity or danger to other branches, to suspend a branch or close it entirely. The same power was permitted to be exercised in case a branch after a year's operation failed to pay a profit of six per cent on paid in capital. Again, the board might take funds from one branch were they were not being used and transfer them to another branch in need. The board was required to examine the condition of each branch at least once in each six months' period and was permitted to make as many additional examinations as it saw fit; it could call on the branches to make up deficiencies occurring in case of insolvency of any branch; it could regulate the dividends of the branches in order to insure that the capital of the institution would not be unduly diminished and that a surplus fund of at least one-sixteenth of the aggregate capital be maintained; the board had the power to fix the number of directors for each branch between the limits from ten to thirteen in number, of which at least three were to be appointed by the central board; and the board was to print and engrave all notes issued by the various branches, the notes to be signed by the president of the State Bank. Finally, no branch was permitted to accumulate debts in any form in excess of two times its capital.

Since the state owned one-half of the entire capital stock of the bank, it reserved the right to appoint the president and elect one-half of the members of the central board of directors. The bank was authorized by its charter to buy and sell gold, silver, and foreign coins, receive deposits, lend upon commercial paper, and to issue circulating notes payable to bearer. The charter definitely stated that the bank was at all times to redeem its notes in specie under penalty of paying twelve per cent on the obligation. Each branch was required to be mutually responsible for all notes issued. The smallest denomination of notes permitted was five dollars.¹

Any loan made by a branch in excess of \$500 was required to be concurred in by at least five of the directors of the branch. In case the application for a loan was in excess of \$5,000, the consent of the central board in Indianapolis was required.

One of the most unusual safeguards placed on the operations of the bank by its charter, in the light of the practices of other banks in existence in the period, was that the bank could invest none of its funds in "goods, wares, or merchandise" or in real estate, excepting such real estate as was necessary for the transaction of banking practice or such as came into its possession through the legal process of foreclosure. Additional restrictions upon the extension of credit by the bank were that it could make no loans upon the security of its own stock, nor upon the security of one director for another.

¹In 1841, the General Assembly amended the Act permitting notes with denominations as low as one dollar to be issued by the Bank.

By charter the directors were required to deduct from earnings annually the sum of twelve and one-half cents for each share of capital stock outstanding in the hands of others than the state and pay this sum into the sinking fund. This deduction was the only form of taxation permitted in connection with the operation of the bank. It is noteworthy that even this small tax was paid only in the case of profits being accumulated.

A requirement resembling that of a more modern period was that in case of fraudulent insolvency of the institution, the president and the members of the board of directors were unlimitedly liable to the creditors. It was further provided that if this liability was not sufficient to satisfy the claims of the directors, stockholders became individually liable to an amount equal to the value of their shares.¹ In case insolvency should result from non-fraudulent causes, the charter is not clear as to whether or not the liability of stockholders would be the same. One of the officials of the bank, writing in later years, states that the liability of stockholders was equal to the par value of their shares under any circumstance.²

In November, 1834, the ten branches originally provided for in the charter were opened for operation.³ By 1837, three additional districts had been created out of the rapidly settled northern area of the state and new branches located at Fort Wayne, South Bend and Michigan City.⁴ The first president appointed by the state was Samuel Merrill, a very capable and highly respected business man of the state. It is interesting to note that the original directors and officers of the bank were practically all entirely without experience in the field of banking, though all were definitely experienced in various fields of business.⁵

The charter of the Second State Bank of Indiana seems definitely to have been modeled after the charter of the Second Bank of the United States. Both charters restricted the life of the institution to a definite period, each allowing two years after cessation of active operations for winding up the affairs of the bank. The penalty for suspension of specie payment was the same in both charters. The restrictions upon credit extension were quite similar; both prohibited dealings in real estate and merchandise, and the interest rate which might be charged was in both cases set at six per cent. Accumulated debt in both cases was limited to a definite ratio to capital.

¹Charter of Second State Bank of Indiana, Section 102.

²Hugh McCulloch, Men and Measures of Half a Century (New York, 1888), p. 118.

³Branches were located at Indianapolis, Lawrenceburg, Richmond, Madison, New Albany, Evansville, Vincennes, Bedford, Terre Haute and Lafayette.

⁴The eleventh branch was opened at Fort Wayne, Nov. 25, 1835; the twelfth at South Bend, November 3, 1838; and the thirteenth branch at Michigan City in December, 1838.

⁵William F. Harding, "The State Bank of Indiana," Journal of Political Economy, IV, (1895), p. 34.

In three important respects, however, the organization of the State Bank of Indiana differed from that of the federal institution. The most pronounced difference in structure between the two institutions lay in the fact that the Indiana bank was a federation of banks without a central bank dominating the situation, while the Second Bank of the United States was composed of a large central bank with subordinate offices located in different portions of the country. Again, the interest of the state government in the State Bank of Indiana was greater than that of the federal government in the national institution. This larger ownership of capital by the state led to greater control over the policies and a greater interest in the management of the bank by the state government. The third difference existing between the two institutions lay in the strict requirement of the charter of the State Bank of Indiana that the entire capital be paid in specie and that a minimum of one-half the amount of the capital stock be paid in before the bank could begin operations.

The Effects of the Panic of 1837 on the State Bank of Indiana

Within the first six years of its life, the second State Bank of Indiana passed through two periods of severe stress and strain, during which its continued existence was in doubt. In fact, the career of the bank has been divided into three distinct periods by one of the historians of its growth; namely, a brief period of prosperity from 1834 to 1836, a period of great depression from 1837 to 1843, and thereafter a more prolonged period of prosperity for the remainder of the bank's existence.¹

In order to understand more thoroughly the difficulties through which the Second State Bank of Indiana passed during the period of depression beginning in 1837, it is necessary to review briefly the economic and financial developments occurring in the United States as a whole at that time. The establishment of the Indiana State Bank in 1834 took place in the midst of a period of nationwide internal improvements in the form of highways, canals and railroad expansion. The completion of the Erie Canal made the northern portion of the country bordering on the Great Lakes more readily accessible. Steamboat navigation on the western rivers grew rapidly resulting in the more rapid settlement and development of the Mississippi Valley. Railroad mileage increased greatly. In 1830 only twenty miles of railroad was in use in the entire country; by 1835 this figure had mounted to 1,098 miles, and by 1837 to 1,498 miles.²

¹Ibid., p. 13.

²Harold U. Faulkner, American Economic History (New York: Harper and Brothers, 1924), p. 344.

Canals for the transporting of heavy freight were being planned and built in different portions of the country. As an inevitable result of these rapidly expanding internal improvements, the trans-Alleghany area of the United States was brought nearer to the eastern markets, causing a rise in its price and giving an impetus to land speculation. During this period there was a rush of immigration into Ohio, Indiana, Illinois and Wisconsin, extending even across the Mississippi River into Missouri.

The state of Indiana did not escape the mania for internal improvements. In the period prior to 1837, definite plans were made to construct within the state 800 miles of canals and 200 miles of railroad to be built simultaneously and to connect with like facilities planned and in process of construction in neighboring states.¹ These grandiose schemes were undertaken at a time when the population of the state was still less than 700,000 and the natural resources of the state largely undeveloped.

The capital for the development of the Northwest area during this period was furnished extensively by eastern capitalists. An additional source of capital was found in Europe, where, due to the policy of the federal government of the United States of rapidly reducing its debt, the credit of the nation was rated highly. Apparently, the demand for new land for settlement and speculative purposes became almost insatiable in the years between 1832 and 1836. According to the records of the federal land offices located in various portions of the frontier regions, sales of land, which had amounted to the relatively small sum of \$2,623,000 in the year 1832, mounted to \$4,857,000 in 1834, to the sum of \$14,757,000 by 1835, and, finally, to the unprecedented amount of \$24,877,000 in 1836, just before the panic of the succeeding year.² During this period of rapidly mounting sales, the price of government land had remained constant at the figure of \$1.25 an acre. As in similar periods later in the history of the United States, the widespread speculative mania that developed throughout the nation tended to inflate all values. One writer of the period described the extreme speculative frenzy which developed as follows: "It was a universal carnival, in which people seemed to vie with one another in madness of adventure and expectation."³

The federal fiscal and financial policies of the period had the effect of stimulating excessive speculation and the resulting inflation of values. Upon the assumption of office of the Democratic candidate for the presidency, Andrew Jackson, in 1835, the depository of federal funds was the Second Bank of the United States and institutions designated by it. Due to a long existing hostility against

¹Harding, op. cit., p. 13.

²Katherine Coman, Industrial History of the United States (New York: Macmillan, 1910), p. 165.

³Smith, History of Indiana, II, p. 604.

that institution, President Jackson determined to withdraw the funds of the United States and place them in other banks selected by him with the aid of the Secretary of the Treasury.¹ Upon being ordered to withdraw federal funds from the Second National Bank, Secretary of the Treasury William J. Duane of Pennsylvania refused to do so, upon the ground that the Act of Congress appointing the Second National Bank of the United States as federal depository, enacted in 1817, did not give him the power to remove them from its custody. As a consequence of the refusal of Secretary Duane to do the President's bidding, President Jackson removed him from office and replaced him with Roger B. Taney of Maryland, who, as Secretary of the Treasury, obeyed the President's wishes by ordering the removal of United States funds from the care of the Second National Bank.

The state banks selected to receive government deposits were instructed by the Secretary of the Treasury to expand their accommodations to business interests and to extend loans freely. Upon encouragement from such high authority, and having millions of government funds in their possession, these institutions obeyed willingly. The imminent downfall of the Second Bank of the United States upon the expiration of its charter in 1836 and the possibility of securing government funds caused a rapid increase in the number of new banks being organized throughout the country. In 1830 there were 333 state banks in operation in all the states and territories,² with capital of sixty-one millions and currency in circulation of approximately the same amount. By the year 1837, the number of these financial institutions had increased to 634, with capital of nearly two hundred and ninety-one millions and currency in circulation of one hundred and forty-nine millions. In 1830, the loans of these banks amounted to two hundred millions; in the latter year, 1837, this figure had grown to five hundred and twenty-five millions.³

By 1835, the government debt had been completely paid off and on June 1, 1836, there was a federal surplus accumulated and deposited in the hands of thirty-five selected banks amounting to \$41,500,000. Congress, becoming alarmed at the prospect of a steadily growing surplus, in the session of 1835, enacted legislation requiring that the deposit of federal funds in any one bank should not exceed three-fourths of its paid up capital stock; that the banks should pay all drafts drawn by the government on deposits in specie if required; that no bank should hold any deposits who refused to redeem its notes in specie, or that circulated notes of smaller denomination than five dollars; and, more important still, that all surplus funds at the disposal of the federal government on January 1,

¹American State Papers, Finance, III, 184.

²Compiled from the Reports of the Comptroller of the Currency of the United States.

³Ibid.

1837, excepting five millions, should be deposited with the several states in proportion to their representation in the House of Representatives.¹

The result of this regulatory legislation was to redistribute government deposits throughout the nation, taking deposits from some institutions and adding to others. These surplus funds were nominally in the hands of the state banks; actually, however, they had been loaned to individuals and business enterprises. The redistribution involved the calling of loans and a general disarrangement of economic activity, described graphically in the following quotation:

"The exchanges between different parts of the country were violently disturbed, so that when the first installment of the surplus was delivered to the States, the bodily transportation of specie and bank notes from place to place became necessary to an extraordinary degree. Millions and millions of dollars went on their travels, north, south, east and west, being mere freight for the time being, while the business from which the money was withdrawn gasped for breath in its struggle with a fearfully stringent money market.

"The first installment of the treasury surplus, amounting to \$9,367,000, due on January 1, 1837, was taken from the deposit banks amid great agony, and transferred to the several states; also the second, about April 1. But before the third fell due, the general collapse came. First, the influx of capital from England ceased.... Discounts went up and prices went down.... The manufacturing industries, which, carried along by the general whirl, had produced beyond demand, had to reduce their operations, and the price of cotton fell more rapidly than it had risen.... The cotton houses in the South went down. Nine-tenths of the merchants in Mobile suspended. New Orleans was in a state of financial anarchy. Tobacco shared the fate of cotton.... It became painfully apparent that the speculation in public lands had anticipated the possible progress of settlement by many years. The imagined values of great possessions in the West vanished into thin air. The names of paper towns located in the wilderness sounded like ghastly jests.... The banks, being crippled by difficulties in their dues, and by the sudden depreciation of the securities they held, could afford very little, if any, help. In May, 1837, while the preparatory steps for the distribution of the third surplus installment were in progress, the Dry Dock Bank of New York, one of the deposit banks, failed. Runs on other institutions followed; and on May 10, the New York banks in a body suspended specie payments—the effect of the surplus distribution

¹Smith, History of Indiana, p. 607.

²Ibid., pp. 609-610.

act and the heavy drafts for specie being given as the principal causes. All the banks throughout the country then adopted the same course. Confusion and distress could not have been more general."

It is certain that the redistribution of the surplus Act of Congress was not the sole cause of the Panic of 1837. The Act does appear, however, to have been a contributing factor. There does not seem to be much doubt that the financial and fiscal policies of the federal government had encouraged the unreasoning speculation that swept the entire country prior to the Panic. The period of speculation resulted in a rapid increase in the number of banks and in the volume of paper currency put in circulation. President Jackson further complicated a bad situation by issuing on June 5, 1836, his now famous specie circular, requiring the government land offices to receive only gold and silver in payment for federal lands. This order immediately created a heavy demand for specie from the regions west of the Alleghany Mountains, thereby causing it to flow from the commercial centers where it had been used to uphold the credit of banking institutions.

In 1832, the state of Indiana had borrowed several millions of dollars from eastern capitalists for internal improvements. Upon the establishment of the Second State Bank of Indiana in 1834, the funds used for improvement purposes were deposited in the bank. Frequently, the officials in charge of the construction overdrew their accounts.¹ In addition, the federal government designated the Indiana bank as one of its depositories. In spite of the fact that federal deposits at times formed a very important part of the bank's total deposits, their extreme fluctuations in volume were a contributing factor in the bank's difficulties during this period. In 1835, the deposits of the federal government in the possession of the State Bank mounted to \$1,062,238; in the following year, this figure rose to a maximum of \$2,267,489.² On April 29, 1837, government deposits had declined to \$1,435,300, and in the latter part of that year a low of \$576,277 had been reached. In 1840, such deposits had entirely disappeared.

On April 29, 1837, the State Bank of Indiana had \$2,615,275 of notes in circulation. Against this amount of notes outstanding there was \$1,435,300 of specie in its possession, while the deposits of individuals amounted to the figure of \$579,637, or slightly in excess of one-third of the deposits of the United States Government.³

¹Harding, *op. cit.*, pp. 115-138.

²From the Report of Condition of the Bank issued as of that date.

³Esarey, *op. cit.*, p. 258.

Approximately one month later, on May 20, 1837, information reached the directors of the bank that all of the eastern banks had been forced by the culmination of the speculative mania in a crisis, accentuated by the fiscal policies of the federal government, to suspend specie payments. The directors were in a quandary. The charter of the bank definitely prohibited it from suspending specie payments under any circumstances. On the other hand, if it did not suspend specie payments, its specie supply, amounting to more than \$1,000,000, would be drained away. The situation of the bank was made even more critical by the fact that the federal government had a sum of \$1,500,000 on deposit in specie, while the state bank, in turn, had deposited in eastern banks \$1,000,000 of its own notes, a portion of which had been put in circulation through loans and which could be used to draw specie from the various branches of the Indiana Bank.¹

Faced with this precarious situation, the board of directors of the State Bank immediately suspended specie payments, in spite of the fact that the charter forbade such action.² In order to retain the goodwill of the United States Secretary of the Treasury and prevent the State Bank of Indiana from being stricken from the list of federal depositories, as a result of specie payments being suspended, the directors of the bank dispatched the bank's cashier, Mr. J. F. D. Lanier, on a now famous journey to Washington, bearing \$80,000 in gold, to interview the Secretary of the Treasury, Mr. Woodbury, concerning the retention of deposits by the State Bank of Indiana.³ It is interesting to note that the State Bank of Indiana was the only bank in the United States acting as a federal government depository to offer even part specie payment on government funds deposited during this period. As a result of the success of Mr. Lanier's mission, the federal deposits were left with the bank, to be withdrawn only in the course of ordinary business.

The credit of the Second State Bank of Indiana was not seriously impaired by the suspension of specie payment. The reasons for the suspension of payment were made known to the citizens of the state in a public statement issued by the directors, showing that its assets were more than adequate to meet all its liabilities, and that suspension had been resorted to solely for the purpose of preventing undue abstraction of its specie by other banks. The merchants of Indianapolis immediately notified the public that the notes of the bank would be acceptable at par for merchandise purchased. The next session of the General Assembly appointed a committee to investigate the violation of the bank's charter. The committee reported back that the charter of the institution had been violated, but

¹Ibid., 259.

²Journal of the House of Representatives of Indiana, 1837,
May 20th.

³J. F. D. Lanier, Sketches of the Life of J. F. D. Lanier
(New York, 1870), p. 15.

advised against its revocation on the general grounds of expediency,¹ since they considered the bank necessary to the welfare of the state.

On August 13, 1838, as a result of a conference held in New York City during the previous April, between eastern and western bankers, at which the State Bank of Indiana was represented by J. F. D. Lanier, the bank resumed full specie payment.²

The Second Suspension of Specie Payment

Shortly after the resumption of specie payment by the Second State Bank of Indiana, in the late summer of 1838, additional difficulties began to beset the bank from another source. In the years prior to the Panic of 1837, the State of Indiana had borrowed large sums in order to carry out extensive internal improvements. The advent of the Panic and the ensuing deep depression found many of these improvements only partially completed and the borrowed funds almost exhausted. An historian of the period has described the difficulties of the state as follows:³

"By 1839 the state had gotten into such a financial condition that it could not meet its bills as they fell due, and a remedy was sought for. The money borrowed from the East had been expended, yet the canals, railroads and pikes were not finished, and they were, like the Horse Leech's daughter, constantly crying 'give, give! Money matters in the East had assumed a darkening aspect, and the State could borrow no more on anything like favorable terms. The people of Indiana had speculated and had piled mortgage on mortgage on their properties, on the faith that the State would complete its internal improvements, and that a flood of immigration would flow into the state. The State Bank was very chary of loaning money, and would only loan small amounts, and that must be well secured. The people could get no money; the State could get none."

In 1839, the state government failed in its payments, thus involving the State Bank in an unpaid overdraft of \$650,000.⁴ This domestic threat to the bank's existence, combined with the fear that continued national depression would cause specie to be drained from the West to the eastern seaboard, again caused the directors of the bank to suspend specie payments on November 19, 1839. In the following year, however, the government of the state came to the rescue of the State Bank by issuing, as a measure of temporary relief, \$722,640 of scrip to bear six per cent interest and to be receivable as taxes. With the proceeds of this issue, the state paid off its large obligation to the bank.

¹Mr. Judah's Report, January 1, 1838," Journal of the House of Representatives of Indiana, 1838.

²Lanier, op. cit., p. 17.

³Smith, History of Indiana, II, 611.

⁴"Report of Treasurer," Documentary Journal of Indiana, 1840.

The scrip issued by the state was in denominations of five and fifty dollars. Since it was printed upon red paper, it shortly became known throughout the entire state as "red dog" currency. In the beginning, the state currency was well received by the business interests of the state, but as the volume of the issue was increased to one and a half million dollars, its value in exchange declined until it was quoted as low as forty cents on the dollar.

The example of the state government in issuing scrip to meet its obligations was shortly followed by millers, merchants and plank road companies. Even contractors on public works paid their bills in their own issues of paper money. The issues of currency put in circulation by the plank road companies was made acceptable in payment of road tolls. These bills were issued in denominations as low as twenty-five cents and as high as three dollars. These notes were commonly known as "blue pup" in the state, since it was customary to print them on blue paper.¹

On June 15, 1842, the State Bank of Indiana resumed specie payments on the order of the state legislature and never again suspended such payments from that date until it ceased operations in 1859.

Rising Criticism of the State Bank of Indiana

During the difficult period from 1837 to 1842, it was inevitable that the State Bank was subjected to severe criticism from various quarters. Samuel Merrill, president of the institution during this trying period, as early as 1836 was conscious of the tightening money markets, and recognized that in all probability the bank would be blamed for the resulting financial difficulties. Shortly after the Panic of 1837, he warned the officials of the various branches of the State Bank that suspicion and attacks would be directed at them, stating, "there are many who will throw upon the bank the blame for the present distress."² During this time of widespread depression, the bank was confronted with drains upon its specie reserves by its note holders, irregular and unpredictable demands for specie on the part of the federal government, demands for aid from the state government to meet state deficits, by state laws making collection of debts due the bank difficult, and widening suspicion on the part of the public as the depression continued.

During the periods of suspension of specie payments, the circulating notes of the State Bank were received outside of the state at a discount of approximately five per cent. One of the most lucrative practices of the bank was the purchase and sale of bills of exchange on New Orleans and eastern cities, particularly New York. Bills drawn on New Orleans banks were purchased by the State Bank in the fall and

¹Smith, History of Indiana, II, 611.

²House Executive Documents, No. 79, 25th. Congress, 2nd. Session, pp. 785-786.

winter months. On their maturity an official of the bank would journey to New Orleans and present them for payment, using the proceeds to purchase exchange drawn on various eastern cities. These, in turn, were sold to the merchants of Indiana who wished to make payments for goods bought in New York and other eastern points. The discount on these bills as a result of depreciated currency was high. According to the records of the bank during these years of depression, it made profits on these commercial banking transactions varying from ten to fifteen per cent.¹ Furthermore, during the period of specie payment suspension, the bank took advantage of the situation to expand its note circulation from thirty to forty per cent. It is natural that the accumulation of profits by the bank during a period of economic distress should have been regarded with jealous suspicion by the public.

A committee of the legislature appointed to investigate the operations of the bank reported on January 1, 1839. The report is of particular interest since it expresses the widespread opposition to the bank. Banking, according to the report read to the legislature by Samuel Judah, should be considered a trade open to all men, the only restraints which should be imposed are the natural ones of lack of capital and credit.² In its analysis of the operations of the State Bank, the report stated the number of borrowers of the bank amounted to 4,951 out of a total population of the state of 105,000; 600 of the debtors of the bank being directors and stockholders who had borrowed almost one-half of the total credit extended.³ In its estimates the investigating committee stated that only one-twentieth of the state population enjoyed the benefits of its credit, the directors and stockholders of the bank receiving nearly one-half of that credit, and that, as a matter of fact, credit extensions were generally limited to the thirteen communities in which the branches were located. The report, moreover, added that the merchants of the state, constituting only one-fiftieth of the population, received twice the credit granted to farmers, who formed three-fourths of the population of the state.⁴

In reply to these criticisms of the legislative committee, President Merrill made the following statement in the annual report of the State Bank made public on October 31, 1839:⁵

¹Lanier, op. cit., p. 17.

²"Bank Report No. 13," Documentary Journal of Indiana, 1838.

³House Executive Documents, No. 172, 26th. Congress, 1st. Session, pp. 893-908.

⁴Ibid.

⁵"Report of State Bank," Documentary Journal of Indiana, 1839.

"The failure of the \$1,000,000 of extra capital is making money scarce and depressing prices. The Bank has had to curtail its loans to the extent of \$730,000 in thirty days. It has too many useless officers and directors. State regulations also hamper the actions of the Bank. We would open the Thirteenth, Fourteenth and Fifteenth Branches, but the state cannot get capital for its part of the stock. Politicians are injuring the Bank by catering to its enemies. In many cases worthless directors get on the bank boards only to insure themselves a loan from the bank. Long time loans ought to be avoided, especially to merchants and speculators. The state has made a net profit on its bank stock of \$391,334 up to 1839...."

Later in the same report, he added, prophetically:

"But if to party contests already sufficiently bitter, there is to be added each year a struggle 'for the power of lending money,' it will not be difficult to foretell the result."

As a result of the report of the investigating committee and the suggestions of the president of the institution, the State Bank began, as a matter of policy, to extend a smaller volume of credit to merchants and larger sums to exporters and other borrowers. The annual report of the Bank, published in December, 1840, showed loans to merchants of \$1,032,136; to farmers, \$600,310; to manufacturers, \$610,754; and to exporters, \$771,376.¹ The report of the following year shows a continuation of the tendency.² Loans to merchants had decreased to \$982,602, while loans to exporters had increased to the amount of \$1,111,747.

Despite the attacks directed against the Second State Bank of Indiana during the years of depression following the Panic of 1837, it survived, resumed specie payments in 1842 permanently, and continued to operate successfully until its liquidation in 1859, at the expiration of its charter. During its lifetime the bank was a strong and conservative force making for financial stability not only within the state of Indiana but throughout the western portion of the United States.

¹Ibid., 1840.

²Ibid., 1841.

Summary: The Second State Bank of Indiana

In accordance with the provisions of its charter, the Second State Bank of Indiana began the process of liquidation on January 1, 1857. Since its organization in 1834, the dividends paid by the bank on the stock held by the state had enabled the Sinking Fund Commission to pay interest upon the bonds issued by the state for the purpose of financing the purchase of bank stock by the state and individual stockholders, and, in addition, accumulate a surplus of \$1,955,461.¹ Dividends paid by the bank ranged from a low of six per cent in 1843, when for the first time the bank operated with a deficit, to a high of 23 per cent in 1856.² The dividends in the period from 1843 to 1845 inclusive, were low, as a result of the fact that approximately \$700,000 of the loans extended by the bank were in a frozen condition. Total dividends paid into the Sinking Fund Commission in excess of interest requirements amounted to \$1,891,214 for the entire period of its operation.³ Through the process of investment of the surplus dividends paid in, the Sinking Fund Commission was enabled to increase the surplus to the figure indicated on the preceding page. To this figure must be added a suspended debt of \$216,000 existing at the time of the liquidation of the bank, practically all of which was eventually collected, and property belonging to the bank evaluated at \$100,000, plus an accumulated surplus held by the bank itself of slightly over \$1,000,000.⁴ The total of these figures approximated three and one-half million dollars, which the charter of the bank provided should be turned over to the State School Fund.

It is a striking commentary upon the period that in spite of the fact that the bank had made large sums of money for the state and its private stockholders, had maintained its currency at par with the exception of the two periods of suspension of specie payments in the period between 1837 and 1842, had accumulated a large fund later turned over to the State School Fund, and had been generally acknowledged as being a powerful influence in the direction of financial stability in the community, that long before the expiration of its charter all hope of its renewal had been abandoned, due to steadily developing opposition to the State Bank.

The most frequently heard and most important objection to the operation of the Second State Bank was that it had failed to supply an adequate volume of currency to meet the demands of the rapidly growing industry and commerce of the state. The critics of the State

¹House Executive Documents, No. 87, 34th. Congress, 3rd. Session, pp. 218-219.

²See Appendix, p.

³See Appendix, p.

⁴Esarey, op. cit., p. 297.

Bank pointed with increasing emphasis to the growing disparity as the years passed between the capital stock, loans and notes in circulation of the bank when contrasted with the growth of population, evaluation of the property of the state and acres of land assessed. The facts upon which this criticism of the policy of the bank is based are indicated in the following tables, in which are contrasted in terms of index numbers the growth of capital stock, loans and circulating notes of the State Bank of Indiana with the increase in population, taxable property and acres assessed during the life of the bank.¹

TABLE XIV

INDEX NUMBERS OF GROWTH OF CAPITAL STOCK, LOANS AND
CIRCULATING NOTES OF THE SECOND STATE BANK
OF INDIANA, 1836-1856

(1836 = 100.0)

Year	Capital Stock	Loans	Circulating Notes
1836	100.0	100.0	100.0
1837	116.7	102.7	114.4
1838	139.8	115.8	153.1
1840	168.5	113.8	147.1
1845	131.7	114.1	183.0
1850	131.4	129.8	184.1
1856	135.6	147.6	175.5

TABLE XV

INDEX NUMBERS OF GROWTH OF POPULATION, PROPERTY EVALUATION
AND ACRES ASSESSED IN INDIANA, 1836-1856

(1836 = 100.0)

Year	Population Growth	Property Evaluation	Acres Assessed
1836	100.0	100.0	100.0
1837	110.9	125.2	112.7
1838	119.2	123.5	120.9
1840	132.9	116.7	150.8
1845	157.7	151.2	294.3
1850	199.1	174.9	310.3
1856	232.0	390.3	380.4

¹See Appendix, p.

It is apparent from these tables that the volume of circulating currency maintained by the bank did not keep pace in its growth with the population, property evaluation and acres settled. It must be remembered that the state legislature had the definite power to increase the authorized capital of the bank, if it wished to do so. It, therefore, appears that the failure to increase capitalization and loans as rapidly as the rate of increase in population and property evaluation must be shared by the representatives of the state's inhabitants in the General Assembly. Moreover, the notes of the State Bank were not the only form of currency in circulation in the state during the life of that institution. In 1840, one and a half million dollars worth of scrip or promissory notes were placed in circulation by the state government, remaining in circulation for a period of several years.¹ In 1853, two years after the adoption of the Constitution of 1851, the free banks organized in the state had put in circulation approximately six million dollars of currency.²

This popular criticism of the State Bank of Indiana is a reflection of a theory of banking current at the time—incidentally quite prevalent today—known as the Banking Principle. This ubiquitous theory of banking advocates that the quantity of the circulating medium should not be restricted, but permitted to vary in amount with fluctuations in business activity. If thus left free to vary, the proponents of this theory argue that the issue of bank notes would of necessity and in fact vary precisely with the volume of business. The originators of the Second State Bank, its directors and officers, however, seemed to have adhered to the opposite theory of banking, frequently named the Currency Principle. This is evidenced by the fact that the original legislation creating the institution fixed its capital at a definite figure and limited all obligations, including note issue, to twice the amount of the capital as a maximum.³ At no time during the life of the bank is there any record available indicating that the directors or officers of the institution ever sought to have these limitations removed.

Other objections raised by the opponents of the State Bank were that it had been partial to its directors and stockholders in the extension of credit, that the bank had suspended specie payments twice during its lifetime in direct violation of the provisions of its charter, that it had favored merchants during its early history, while later farmers had been the favored group, and, finally, that it had created a banking monopoly and had at times opposed and interfered with the financial plans of the state government.

¹"Annual Report of the State Treasurer," Documentary Journal, 1841.

² Documentary Journal, 1854.

³ See supra, pp. 42-43.

In addition to all the specific points of protest raised by the opponents of the bank, the popular political and economic thought of the period in the West was opposed to it. The Whig Party was declining in prestige and influence. The principles of the Democratic Party and the teachings of Andrew Jackson and Thomas Jefferson, its two outstanding leaders, were opposed to the formation of monopoly of any type, the creation of state banking institutions and even the issuance of paper currency. Moreover, in a rapidly growing community such as Indiana during this period the debtor class forms a considerable and vociferous portion of the population, and this group as a whole, regardless of political affiliations, favors the issuance of currency in large quantities. Finally, there was lacking a general knowledge of even the rudiments of sound banking practice on the part of the population of the state and many of its officials.

It may be said, in conclusion, that the Second State Bank of Indiana was a success. From the standpoint of the public, it had provided a sound and reliable currency and the process of extending credit had been carried on in a conservative manner. The stockholders of the institution found it to be a most profitable investment.¹ The benefits of the Common School Sinking Fund, into which the profits derived by the state from its ownership of one-half of the capital stock of the bank were turned, accrued to the increased efficiency of the school system of the state for many decades after the bank had ceased to exist.²

The success of the bank can be attributed, first, to certain provisions embodied in the charter, and second, to the ability of the bank's management. The charter provided for the mutual liability of all branches, each being responsible for the debts of the others, thereby placing a premium upon vigilance exercised by each over all. Another characteristic embodied in the original charter promoting safe operation of the bank was the definite limitation placed upon the debts, including note issue, which might be contracted. The charter provision requiring that all capital stock issued be paid for in specie also increased the conservatism of the management and provided more adequate reserves than in the case of many other banking institutions organized during this period.

¹After the liquidation of the bank in 1859, the average amount realized upon each \$50 share was \$76.85. This amount varied from \$58.50 to \$90.53, according to the branch.

²In 1870, the Auditor of State reported that the School Fund had received up to that time from the Sinking Fund, the sum of \$3,500,000, with \$1,250,000 in the process of collection.

The Second State Bank of Indiana was peculiarly fortunate in the type of men secured to manage its affairs. None of its leading officers possessed experience in the field of banking,¹ but all were men of character and ability in other fields of activity. This lack of experience in the banking practices of the day on the part of the bank's officials accrued probably to its benefit, since it tended to promote conservatism without the bias of improper banking theories.

An historian of the period has summarized the history of the Second State Bank of Indiana as follows:²

"Looking back over the whole history of the State Bank of Indiana, one is compelled to say that the bank was successful. Its success is the more striking because it stands against the sordid background of 'wildcat' banking. Its career fell largely in that most unhappy period of our history called the Panic Era of 1837, and it surely had little in its favor as far as the era was concerned.... One is tempted to reflect that Jeffersonian politics and laissez faire economics never won a more regrettable victory than when they overthrew the State Bank."

During the final years of the existence of the Second State Bank of Indiana there were organized within the state two additional banking systems, a free banking system and a privately owned central bank with branches. The operation within the state of these two types of banks was made possible by the adoption in 1851 of a new state constitution.

¹The first president was Samuel Merrill, a business man; the second, James Morrison, a lawyer; the third, Ebenezer Dumont, a business man.

²Esarey, op. cit., p. 263.

CHAPTER V

THE FREE BANKING ERA AND THE
BANK OF THE STATE OF INDIANA

Eight years before the date of expiration of charter of the Second State Bank of Indiana, the course of events in the state had definitely removed all possibility of its renewal. On October 7, 1850, the second state Constitutional Convention met in Indianapolis, for the purpose of formulating a new basic code of law for the citizens of the state. The mounting opposition to the State Bank had grown to such an extent that it dominated and influenced not only the legislature of the state, but also the Constitutional Convention.

The constitution eventually adopted by the convention in its final session on February 1, 1851, was drafted by a body composed of ninety-five Democrats and fifty-five Whigs.¹ Shortly after the convention assembled, three distinct viewpoints developed in the attitude of the body toward the important question of the future relation of the state to banking; the first group favored the continuation of a state bank; a second group, viewing banking as a field which should be open to anyone, advocated a free banking system, and the last group, hostile to all banking institutions, favored the constitutional prohibition of all banking activity in the state.

It is noteworthy that nine members of the Constitutional Convention of 1850 had, also, been members of the state legislature of 1834, which had enacted the legislation creating the Second State Bank of Indiana. At that time the majority of these nine members had favored the chartering of the State Bank. Sixteen years later, when a proposal to extend the charter of that institution arose in the convention, only one of the nine former members of the legislature voted for it.²

The records of the prolonged debates held by the members of the convention on the subject of banking are a rich source of information concerning the divided opinion of the time. A proposal for the establishment of a free banking system was tabled during the first sessions of the convention by a vote of 89 to 43. Later, another proposal to renew the charter of the State Bank was tabled by a vote of

¹Leonard C. Helderman, National and State Banks, A Study of Their Origins (New York: Houghton Mifflin, 1931), p. 52.

²Report of the Debates of the Constitutional Convention of Indiana, 1850-1851 (Indianapolis, 1851), p. 1995.

75 to 57.¹ These votes seemed to indicate that the free bank group was sufficiently strong to hold the balance of power in the proceedings of the convention. This group was led by two of the ablest members of the convention. Judge John B. Niles of LaPorte desired to see the free banking plan adopted to the exclusion of all other forms, basing his advocacy on the theory that the government should attempt nothing which could be accomplished with equal benefit to the public through private initiative.² Robert Dale Owen, son of the founder of New Harmony, was also a leader of the proponents of free banking. In his various addresses to the convention, he seemed to recognize the soundness of the State Bank, but he objected to it upon the ground that it was a monopoly organization. He suggested on the floor of the convention that the State of Indiana adopt the free banking system then in operation in the state of New York, with the additional feature of reserving to the legislature the right to repeal or modify for cause at any time the charter of any bank established and the prohibition of investment on the part of any chartered bank in real estate mortgages.

Banking Provisions of the Constitution of 1851

After months of wrangling a constitution was adopted by the convention containing a peculiar and interesting compromise among the various views held by the members on the subject of banking. Upon being submitted to the voters of the state, the proposed constitution was adopted by a majority of 86,000 votes. The provisions of the constitution concerning banking are as follows:

Article XI

"Incorporation of Banks. - Section 1. The general assembly shall not have the power to establish or incorporate any bank or banking company or moneyed institution for the purpose of issuing bills of credit or bills payable to order or bearer, except under provisions prescribed in this constitution.

"General Banking Law.-- Section 2. No bank shall be established otherwise than under a general banking law, except as provided in the fourth section of this article.

"Registry of Notes. - Section 3. If the general assembly shall enact a general banking law, such a law shall provide for the registry and countersigning, by an officer of the state, of all paper credit to be circulated as money; and ample collateral security readily convertible into specie for the redemption of the same in gold or silver, shall be required; which collateral security shall be under the control of the proper officer or officers of the state.

¹Ibid., II, 1445-47.

²Ibid., pp. 1447-49.

"Banks with Branches. - Section 4. The general assembly may also open a bank with branches without collateral security as required in the preceding section.

"Branches Mutually Responsible. - Section 5. If the general assembly shall establish a bank with branches, the branches shall be mutually responsible for each other's liabilities upon all paper credit issued as money.

"Liability of Stockholders. - Section 6. Stockholders in every bank or banking company shall be individually responsible, to an amount over and above their stock, equal to the respective shares of the stock, for all debts or liabilities of said bank or banking company.

"Redemption. - Section 7. All bills or notes issued as money shall be at all times redeemable in gold or silver; and no law shall be passed sanctioning directly or indirectly the suspension, by any bank or banking company, of specie payments.

"Holders' Preference. - Section 8. Holders of bank notes shall be entitled, in case of insolvency, to preference of payment over all other creditors.

"Interest. - Section 9. No bank shall receive directly or indirectly a greater rate of interest than shall be allowed by law to individuals lending money.

"Twenty Years' Limitation. - Section 10. Every bank or banking company shall be required to cease all banking operations twenty years from the time of its organization, and promptly thereafter close its business.

"Trust Fund. - Section 11. The general assembly is not prohibited from investing the trust funds in a bank with branches, but in case of such investment, the safety of the same shall be guaranteed by unquestionably security.

"State Not to be a Stockholder. - Section 12. The state shall not be a stockholder in any bank, after the expiration of the present bank charter, nor shall the credit of the state ever be given, or loaned, in the aid of any person, association, or corporation; nor shall the state hereafter become a stockholder in any corporation or association."

The new constitution provided for a combination of a central bank with branches and a free bank type of organization. The bill of rights presented in the first article expressly forbade the "granting to any citizen or class of citizens privileges or immunities which, upon

the same terms, shall not equally belong to all citizens."¹ A provision embodied in another article prohibited the state from contracting any debts for the purpose of establishing any corporate enterprise.²

Specific provisions concerning the carrying on of banking within the state gave permission to the state legislature by enactment to create a bank with branches, all branches being required to accept mutual responsibility for notes issued.³ The state, however, was forbidden to become a stockholder in case such an institution was created by the legislature.⁴

The legislature, furthermore, was empowered by the constitution to enact by specific legislation a general banking law, creating a free banking system with the privilege of note issue, provided that such note issue be protected by a deposit with a designated state official of "ample collateral security, readily convertible into specie for the redemption of the same in gold or silver."⁵

The holders of bank notes issued under each system were given additional constitutional protection in the form of a prior lien upon the issuing bank's assets in case of insolvency.⁶ Stockholders, moreover, were required to accept liability over and above their stock holdings by an amount "equal to their respective shares of stock."⁷

The life of all banking institutions granted charters by legislative enactment was limited to twenty years.⁸

The Establishment of the Free Banking System in Indiana, 1852

On May 28, 1852, in spite of a veto by the governor of the state, the Honorable Joseph A. Wright, an act was passed by the legislature authorizing the creation of a free banking system in Indiana. The Auditor of State was empowered to act as controller of the free banks organized under the new legislation, issue all bills and keep the plates from which they were printed. The law required that these notes be guaranteed and secured by a deposit with the Auditor of State of bonds or stock, as then called, of the state of Indiana, United States bonds, and bonds of other states of the Union bearing six per cent and

¹Article I, Section 23, Constitution of the State of Indiana, adopted 1851.

²Article X, Section 5, Constitution.

³See Article XI, Section 5, supra, p. 64.

⁴Ibid., Section 12.

⁵Ibid., Section 3.

⁶Ibid., Section 8.

⁷Ibid., Section 6.

⁸Ibid., Section 10.

paying this interest regularly. All notes issued were to be registered, counted and countersigned by the Auditor of State. Upon each note issued, the legend, "secured by pledge of public stock," was stamped.¹

The denominations of the free bank notes ran from one dollar to five hundred, with the requirement that not more than one-fourth of the entire issue should be less than five dollars in denomination. A legal specie reserve of twelve and one-half per cent was required to be maintained by the issuing bank against all notes in circulation. The penalty of suspension of specie payment by the issuing bank was set at immediate closing by the state of the bank. All banks established under the general banking act were required to present semi-annual reports of condition to the Auditor of State.²

The General Banking Act of 1852 went into effect July 1, 1852. Within six months' time fifteen free banking institutions³ had secured charters and were in operation, with a total capitalization of \$1,865,000. These fifteen institutions had deposited bonds eligible to support circulation with par value of \$910,000 with the Auditor of State, and this official had issued notes to the amount of \$800,000 on December 15, 1852.⁴ As time passed, seventy-four more free banks were chartered and organized under this law.

On December 15, 1854, the report of the Auditor of State, indicated that a total of eighty-nine free banks were in operation in the state, with a nominal capital of \$30,400,000 and with an aggregate circulation of \$9,299,574.⁵

¹Laws of Indiana, 1852, p. 132.

²Ibid., pp. 136-138.

³These free banks, with name, location and capital were as follows:

	<u>Capital</u>
Bank of Connersville, Connersville	\$400,000
State Stock Bank, Peru	200,000
Indiana Stock Bank, La Porte	50,000
The Plymouth Bank, Plymouth	50,000
Government Stock Bank, Lafayette	50,000
Gramercy Bank, Lafayette	100,000
Public Stock Bank, Newport	100,000
Bank of North America, Newport	50,000
Prairie City Bank, Terre Haute	200,000
Southern Bank of Indiana, Terre Haute	100,000
Traders Bank Terre Haute	100,000
Merchants Bank, Terre Haute	50,000
State Stock Bank, Logansport	115,000
Wabash Valley Bank, Logansport	200,000
Bank of Evansville, Evansville	100,000

⁴Documentary Journal, 1853, p. 98.

⁵Ibid., 1855, p. 313.

This remarkable and extraordinary growth in the number and note circulation of the free banks organized under the Act of 1852 was accompanied by activities which, although apparently legal under the law, resulted in disaster throughout the state. Banks sprang up everywhere, "on the hilltops, in the valleys and among the swamps. Many of them had no banking house or place of business. They made no pretension of being banks of deposit, their only mission being to float notes or bills."¹ Groups of individuals were able to buy the bonds of other states, frequently at heavy discounts, due to the weakened credit of some, deposit them with the Auditor of State, and receive notes from his office equal in amount to the par value of the securities deposited. Banks were frequently located in remote places in order to make more difficult the presentation of notes for redemption. Other banks were opened, notes issued and the bank closed shortly afterward.²

Such a situation could only result in disaster. A disturbance in the American money market in May, 1854, precipitated trouble. As a result of war in Europe, American securities were being resold to American buyers, thereby creating a demand for gold which shortly went to a premium. Eastern holders of the notes of the various banks in Indiana began to present them for conversion into specie. Enemies of the Second State Bank charged that its officials aided in the accumulation of free bank notes and their presentation for redemption to the already embarrassed issuers.³ The people of the state joined in the run upon the banks, with the result that between the first of May and December 15, 1854, the circulation of the free banks of the state declined by the unprecedented sum of \$3,454,279.⁴ Consequently, free banks began to close their doors.

In January, 1855, the legislature was convened in regular session in Indianapolis. Governor Wright, who had been unfavorably disposed toward the free banking experiment since its enactment in 1852 and had denounced the system as a failure in his annual message to the legislature of 1852,⁵ immediately brought pressure to bear upon the legislature to enact legislation creating a sound currency system.⁶

In response to the message of the governor, the legislature took up the task of reforming the newly established free banking system. Two months later, in March, 1854, a bill rewriting the General Banking Act of 1852, was passed over the governor's veto and became a law. The

¹Smith, History of Indiana, II, 616.

²The condition of the free banks was so notorious that it was necessary for merchants and business men to provide themselves with copies of a periodical published during this period known as the "Bank Note Reporter," in which the current rates of discount upon the notes of the various free banks operating in the state of Indiana and in the neighboring states were quoted.

³Esarey, op. cit., p. 284.

⁴Documentary Journal, 1855, p. 83.

⁵Bankers Magazine, VII, 667, 739, 740.

⁶Documentary Journal, 1855, p. 82.

free banking principle was retained but revised by the provisions that a minimum of eleven persons were necessary to organize a bank under the Act, that the aggregate amount of bank notes issued by all free banks in operation in the state could not surpass a maximum sum of \$6,000,000, and that all bonds purchased for the purpose of serving as a basis for note issue must be six per cent obligations and be taken by the Auditor of State at a ratio of \$110 of bonds at par value for each \$100 worth of notes issued.¹

Governor Wright vetoed the bill primarily on the ground that it did not actually remedy the former situation, that it still permitted individuals to purchase certain depreciated bonds of other states and use them as the basis of currency in the state and that the bill presented for his signature made no effort to prevent the free banks from failing as a result of runs on their small specie reserves. He stated,²

"It is impossible to give the public confidence in any system, managed as the present one has been, and the sooner it is put into other hands, confident and faithful, or entirely wound up, the better it will be for the people and character of the state, which has already suffered a loss it will take years to retrieve."

Despite the governor's bitter opposition to the bill, it became law and remained the basic banking law of the state, with slight modifications in 1861, until the passage of the Banking Act of 1873.

After the rewritten General Banking Act went into effect in the spring of 1855, some of the public confidence in the free banks that had been lost in the preceding years was restored. In 1861, however, these institutions were of less importance in business done than the Bank of the State of Indiana. The total capital of the eighteen free banks in operation in 1861 amounted to only \$1,226,935.³

The Bank of the State of Indiana

Due to the fact that the Second State Bank of Indiana had been a very profitably institution from the standpoint of its stockholders and directors, and in addition had accumulated a surplus of approximately \$1,000,000 by the year 1854, a group of individuals composed for the most part of former members of the legislature and stockholders of the State Bank set about securing the continuation of the institution. Several of the directors of the State Bank were approached by this group of lobbyists in that year to discuss the matter of securing a renewal of the Bank's charter. Upon being informed that

¹Laws of Indiana, 1855, pp. 33-48.

²Journal of the Senate of Indiana, 1855, p. 721.

³House Executive Documents, No. 1161, 37th. Congress, 3rd. Session, p. 164.

it could be done for the sum of \$200,000, part of which would be used in influencing the legislature to enact the necessary legislation, the secretary of the board of directors of the State Bank refused to have anything to do with bribing the members of the state legislature.¹

Not to be defeated in their purpose by the refusal of the State Bank officials to aid, the promoters of the scheme began a campaign to charter a new bank with branches, permitted by the recently adopted Constitution of 1851. A bill, therefore, was drawn by the promoters, supposedly modeled after the charter of the Second State Bank of Indiana granted by the state legislature in 1834, with certain changes necessary to cause the bill to conform to the provisions of the new constitution. In the first of these changes it was proposed that private subscribers be permitted to subscribe to the stock held by the state in the old bank and pay for their subscriptions by presenting at par obligations of the state of Indiana, then selling at a discount of approximately ten per cent. A second proposed change would give the power of locating branches of the new institution to a group of commissioners, to be appointed by the General Assembly. A third provision permitted the commissioners to open the books for public subscription to the stock of the new bank between the hours of nine and twelve in the morning, rather than from nine to twelve.²

The first of these proposed changes aroused such opposition that it was not enacted; the other two became a part of the bill enacted into law to charter and create a bank to be known as the Bank of the State of Indiana. Governor Wright had vetoed the bill on the ground that its title was misleading, that the manner of subscribing to the stock of the new bank invited fraud, that the provisions of the proposed charter permitting the bank to discount paper to an amount equal to three times capital stock plus deposits was too liberal, that the state did not have sufficient power under the charter to control the bank, and that the enactment of the bill was tainted with suspicion of fraud.³ The bill was passed over the governor's veto on February 24, 1855.

The Bank of the State of Indiana, created by the Act of 1855, under the provision of the constitution permitting the organization of a bank with branches in addition to the free banking system, was a privately owned bank with from fifteen to twenty branches and a charter to run for twenty years. All branches were required to accept mutual liability for the obligations of all, and stockholders, in addition, were made doubly liable for the obligations of the entire system.⁴

Immediately upon the adjournment of the legislature which enacted the law creating the Bank of the State of Indiana, Governor Wright

¹Report of the Joint Commission on Bank Frauds in Indiana, 1857, (Indianapolis, 1857), p. 41.

²Ibid., Section 79.

³Journal of the Senate of Indiana, 1855, p. 562.

⁴Acts of Indiana, 1855, pp. 229-51.

brought suit to prevent the organization of the bank. A lower court decided against him, and on appeal to the Supreme Court of the state, the decision of the lower court was affirmed.¹ Apparently undaunted, however, the governor continued his fight against the bank at the next meeting of the state legislature in 1857. In his message to the legislature, he made the following statements:²

"The means and appliances brought to bear to secure the passage of this charter would, if exposed to the public gaze, exhibit the nakedest page of fraud and corruption that ever disgraced the legislature of any state. While men of pure and honorable sentiment were led into its support in the belief that the approaching close of the existing bank required them thus early to provide a successor, others supported it upon the promise of stock, equivalents in money, or pledges as to the location of certain branches. To make up the constitutional vote in its favor, the names of members were recorded on its passage who were at the moment absent and many miles distant from the capital."

Upon the Governor's insistence, a legislative committee was appointed to investigate the organization of the Bank of the State of Indiana. After their investigation had been completed, the committee reported to the legislature that many dishonorable and questionable methods had been resorted to by the promoters of the bank in securing the passage of the Act granting the charter and in the organization of the bank, and recommended to the legislature that the charter be revoked.³ Among many questionable transactions reported, the joint committee emphasized particularly the unfair means used by the commissioners in controlling the subscription of stock of the bank. Proof was presented that subscription books were opened only long enough in certain communities to permit the sub-commissioners in charge to inscribe the names of a list of prospective stockholders prepared by the promoters. In other communities books were opened for subscription for from five to ten minutes and only certain chosen persons permitted to subscribe. In one community, New Albany, the subscription books were not opened at all.⁴

Judging from the report presented by the investigating committee, the promoters of the bank promised almost anything to anyone with influence in securing the passage of the bill. A member of the House from Monroe County was promised that a branch of the new bank would be located at the county seat, Bloomington; another member of the House from Madison was promised all the stock he wanted; a senator was promised a branch in his home town; the editor of the "Indianapolis Sentinel" was offered a block of five hundred shares of stock in the bank on condition that he would support the bill.⁵

¹Bankers Magazine, XIII, 825.

²Journal of the House of Representatives of Indiana, 1857,

p. 11.

³Report of Joint Commission on Bank Frauds, p. 35 ff.

⁴Esarey, op. cit., pp. 290-94.

⁵Ibid., p. 295.

In spite of the recommendation that the charter of the Bank of the State of Indiana be revoked, no action was taken by the legislature of 1857 or later sessions on the report of the joint investigating committee.

Although the new bank had been conceived in the midst of fraud and organized under very suspicious circumstances, it very largely redeemed its reputation as a result of the very excellent management provided for it. Hugh McCulloch, a former president of the branch of the Second State Bank of Indiana located at Fort Wayne, was chosen as president of the new bank; and James M. Ray, former secretary of the board of directors and cashier of the Second State Bank of Indiana, was appointed cashier.

Under the direction of these two able bankers, the Bank of the State of Indiana prospered and became one of the strongest in the West.

By the latter part of the year 1857 the bank was in operation with a total of nineteen branches scattered throughout the state.¹ Very shortly after its organization, the bank was forced to withstand the difficulties of another recurrent period of business depression, made acute in the West by the failure of the Ohio Trust Company, one of the largest financial institutions in the nation, possessing headquarters in Cincinnati and branches as far east as New York City. As a consequence of the depression of 1857, all banks in the eastern portion of the United States suspended specie payments with the exception of the Chemical Bank of New York. In the West, many free banks were forced to close their doors, and all banks in this area were likewise forced to suspend specie payments, with the exception of the Bank of Kentucky and the Bank of the State of Indiana. The notes of the latter institution were redeemed as rapidly as offered throughout the depression.

This depression record of the Bank of the State of Indiana is a tribute to its able management, made all the more exceptional by the fact that every free bank in the state, with the exception of two located in the capital, Indianapolis, and one at Fort Wayne, failed in the course of the depression.² / *negot.*

Four years after the final organization of the bank, the Civil War broke out. At that time it was larger in terms of capital and circulation than the eighteen free banks in operation in the state combined, having capital outstanding amounting to \$3,000,000 and a total circulation of slightly less than \$6,000,000.³

¹Branches were located at Lafayette, Logansport, LaPorte, Lima, Plymouth, South Bend, Fort Wayne, Indianapolis, Richmond, Connersville, Rushville, Madison, Jeffersonville, New Albany, Bedford, Vincennes, Terre Haute, Muncie and Lawrenceburg.

²Annual Report of the Auditor of State, 1858.

³House Executive Documents, No. 1161, 37th. Congress, 3rd. Session, p. 61.

During the early portion of the Civil War period, the Bank of the State of Indiana continued to prosper, aiding materially in the mobilization of Indiana's troops and resources for war time purposes. As a result, however, of the enactment by Congress of the National Banking Act, creating a system of national banks, chartered and controlled by the federal government and imposing a prohibitive tax upon the circulation and issue of notes by state banks, the Bank of the State of Indiana found its functions very definitely restricted. Consequently, the state legislature of 1865 gave the bank permission to discontinue operations and liquidate its assets.¹

It is noteworthy that Hugh McCulloch, to whom above all others the Bank of the State of Indiana owed its success, later became recognized as one of the leading financiers, not only of Indiana, but of the nation. Upon the organization of the National Banking System, Mr. McCulloch was appointed Comptroller of the Currency, the chief administrative office of the new system. So successfully did he fulfill this task that three times he was called upon to fill the office of Secretary of the Treasury under three administrations.

Summary

The Bank of the State of Indiana was the last of three state-wide banking systems. Upon its liquidation, banking in Indiana was left in the hands of the remaining free banks and the newly organized national banks. The General Banking Act of 1852, enacted under the provisions relating to banking of the Constitution of 1851, and revised under the Act of 1855, remained the basic banking law of the state until the passage of the Deposit and Discount Act of 1873.

Prior to the post-Civil War period, the most lucrative and primary function of all commercial banks was considered to be the issuing of circulating notes in response to the demand for loans and discounts on the part of commercial and industrial interests. The receipt of deposits and the use of these deposits by means of a system of checks had not developed extensively. In fact, during the pre-Civil War period, many banks charged their clients for the privilege of depositing their funds with the bank for safe-keeping.²

As a result of this widely held view concerning the function of commercial banking, it is not surprising to learn that the provisions of the Indiana Constitution adopted in 1851 concerning the regulation of banking sought primarily to control the extension of credit through note issue. The same object was embodied in the General Banking Acts of 1852 and 1855. Consequently, upon the passage of the

¹See Appendix, p. for statements of resources and liabilities.

²H. B. Wells, Report of the Study Commission on Indiana Financial Institutions (Indianapolis, 1932), p. 13.

National Banking Act, imposing a prohibitive tax of ten per cent annually upon the note issue of banking institutions other than national banks, it appeared to many that the primary reason for the existence of state banks had ceased to exist.

Furthermore, the period from 1851 to 1865 marked the victory in Indiana of the free banking principle. The adoption of this principle by the state of New York in the organization of its banking system and its subsequent operation in that state had made a profound impression on American bank regulation. The essence of free banking is that a prescribed number of persons, by complying with a specified procedure, can obtain a banking permit from designated state officials or official under a general banking law. This is contrasted with the system used formerly by many states, and, incidentally, still used by the state of Delaware, of granting charters individually by specific legislative enactment. The free banking theory assumes that banking is a business that should be open to all citizens to engage in, provided that they can meet certain minimum capital and residential requirements. Obviously, this theory of banking is very definitely opposed to a state monopoly of the banking process.

The adoption of this theory of banking in Indiana, as elsewhere, resulted in the formation of a large number of relatively small banks, owned and operated by persons of slender resources, and, frequently, without adequate banking experience and training, with a resulting large number of failures and losses in periods of stress.

The control of the state banking system under the constitution of 1851 and the enabling legislation immediately passed was placed in the hands of the Auditor of State, a politically appointed official. It was not specified that he should be an experienced banker. Neither was this official given the power to discriminate between applicants for bank charters. Under the provisions of the Acts of 1852 and 1855, the Auditor was required to grant all applications for charters, provided they were in proper form, regardless of applicant's lack of experience or training in the technical field of banking.

No provision was made under the law for the examination by state officials of the many free banks organized under the new system, although the amending Act of 1855 did require semi-annual reports of condition to be made to the office of the Auditor by each bank.

It does not necessarily follow that in the course of substituting a general incorporation law for the granting of special charters to individual institutions, a state will be flooded with a multitude of small banks. That result did follow in Indiana, however, after the adoption of the general banking law in 1852, because the opportunity to organize a bank was accompanied by a tempting arrangement to issue bank notes. A speculative element was introduced into

the banking business of the state through the legalization of a free bank note issue secured by the purchase and deposit with a state official of the long term obligations of the various states of the Union acceptable for note issue purposes at par regardless of the market price. This speculative opportunity attracted into the banking business a large number of persons who had little or no qualifications to act as bankers.

The Act of 1855, amending the General Banking Act of 1852, seems to indicate that its framers sensed at least some of the more modern functions and problems of commercial banks. The provisions of the Act more fully defined than did preceding legislation the functions to be performed by banks chartered under it. These included the power to discount bills, notes and other evidences of debt, receive deposits, purchase and sell gold and silver bullion and coins, buy and sell bills of exchange, lend money on personal security, and to charge an annual interest rate not to exceed six per cent. The constitutional provision concerning double liability of stockholders was dealt with at length in the Act of 1855.

Under the amending Act, the Governor, the Secretary of State and the Auditor of State were empowered to appoint a commission to examine into the condition of any and all banks operating under the state law, thus introducing into Indiana banking supervision through examination as well as through required reports of condition.

FORT WAYNE'S BANKING HISTORY

"Fort Wayne's Banking History" had its beginning during October, 1835 when the State Bank of Indiana established its eleventh branch in this city. Hugh McCulloch, grandfather of our own J. Ross McCulloch, was its Cashier and Manager.

"The State Bank of Indiana" was chartered during the winter of 1833-34. It was limited to thirteen branches. Each branch had a capital of \$160,000.00. One half of this was furnished by the state. The other half by subscribers. Since money was scarce during those early pioneer days, subscribers had the option of buying on terms calling for cash payment of \$18.75 and a note to the State of Indiana for \$31.25 per share. The shares had a par value of \$50.00. The notes to the State had to be secured by first mortgages on real estate at not more than one half of its appraised value. The State of Indiana financed its bank operation by an issue of bonds floated in London. The bank's charter expired in 1856. A new bank was organized to take its place under the name of "The Bank of the State of Indiana."

Mr. Hugh McCulloch was the President of the new bank. He was proud of these pioneer state institutions. Every other Hoosier may also point with pride to their practices and records. They were Banks of Issue. Their notes circulated as our five, ten, twenty dollar Federal Reserve Notes. They were redeemed in specie, and the other obligations of the banks were paid on demand when due. We can understand and appreciate that he would be opposed to the National Banking Act because of its provision for a tax of 10% on the note issues of such banks. He made a trip to Washington to protest its enactment with "might and main." But the results of his visit were strange and unexpected. President Lincoln and Secretary of the Treasury Chase made him see the imperative need of such a system to float the U. S.

Bond issues so that the Civil War could be financed and brought to a successful conclusion. They also persuaded him to serve as the first Comptroller of the Currency. His success in organizing and conducting that office was such that he was later appointed Secretary of the U. S. Treasury. He served as such under Lincoln, Johnson, and Arthur--the only Secretary of the Treasury to serve under three Presidents of the United States.

The business of the local branch of the State Bank of Indiana was taken over by the Fort Wayne National Bank which was established in 1865 with Jesse L. Williams, President and Jarred D. Bond, Cashier. After twenty years its charter expired, and the Old National Bank was established to take its place. It was merged with the First National Bank in 1931. It seems to me that the first banking institution of Fort Wayne, the Branch Bank of Indiana, had a continued existence of ninety-six years, since its several changes in name followed only from the twenty year limitations of charters granted in former years.

Allen Hamilton and Company, the second banking house in Fort Wayne, was established twenty years later in 1855. During 1874 the Hamilton National Bank was organized and established to take over its business. The latter was merged with the First National Bank in 1917.

The Merchants National Bank was the third bank in Fort Wayne. It was chartered in 1865 and established at the northwest corner of Calhoun and Berry Streets. Later its site was moved to Calhoun and Main Streets where it remained until discontinued. This bank was still being mentioned after my employment in a bank. I came to understand that Judge Dawson was its chief executive officer.

About that time Mr. Isaac Lauferty operated a private bank which was discontinued in 1889. I seem to remember seeing the name "Lauferty's Bank" over the door of a room on the east side of Calhoun Street about one hundred feet north of Main Street.

The Fort Wayne Savings Bank was established in 1869 at Berry and Calhoun Streets. It discontinued business in 1875, the year of my birth. I'm sure that this was just a coincidence.

My first contact with a bank and banker was made on February 3, 1890 ---a day I shall not forget. As the cub and youngest employee of the wholesale department of Root and Company, I was told to deliver two papers of pins to the Cashier of the First National Bank. After asking several questions I arrived at his desk and said to the man who was there, "Here are the pins from Root and Company." He reached for them, and when he had them in his hand he exclaimed, "My goodness alive!" When he saw my surprise, he smiled and asked me to sit down. He then asked me many questions regarding my age, health, education, and did I understand and speak German. After I answered these, he told me to take the pins back to the store and to come back with two packages, because his order had not been correctly understood. When I returned with the two packages, he asked me to sit down, took the packages to the space back of the counter and came back with money to pay the bill. He then told me to mark the bill paid, sign the name of Root and Company per my name. While I was doing this, he followed the movement of my hand, then examined my writing, adjusted his glasses, gave me a searching look from head to foot, and then asked me, "How would you like to work in a bank?" From my halting, stammering reply, he probably understood that I'd like to do that, "though I'd never thought about it." It was understood that I was to discuss it with my father and mother than noon, and then to let him know whether father and I would meet him that evening at his desk at eight o'clock. When I left his desk with the money in my hand, he held me back and told me to put it in my pocket and never walk the streets with money where people would see it. That evening, after father and I had replied to his many other questions, it was understood that I would report for duty on the morning of February 5, 1890 for \$15.00 per month. During the course of our conversation, he gave me another admonition which I have not forgotten: never discuss the business of a customer with the bank with anyone outside of the bank, father, mother, or whosoever it might be.

I reported to the bank at 7:30 A. M. on the appointed day. During the following weeks, I was brought to see that the only things that I had of use to the bank were

pair of legs and knowledge of German. At that time many in Fort Wayne were not able to converse in any other language, and I was called quite often to act as interpreter. The banks of that day were the Hamilton National Bank, Charles McCulloch, President, John Mohr Jr., Cashier; The Old National Bank, S. B. Bond, President, his brother, J. D. Bond, Cashier; The First National Bank, J. H. Bass, President, and my employer was Lemuel R. Hartman, Cashier. The First was the first national bank established in Indiana, and the eleventh in the United States. It was organized by J. D. Nuttman, who had come to Fort Wayne from Decatur, Indiana. Its charter was issued in 1863. When it expired twenty years later, Mr. Nuttman retired and established his private banking house - Nuttman and Company, which his son-in-law managed until about 1926, when it was discontinued. After I'd been in the bank a month or so, we were told that the deposits of the Hamilton National Bank had reached a total of one million dollars. When the called reports were published, it did report total deposits of one million and twenty thousand dollars, the Old National Bank had nine hundred and some odd thousand dollars, and the First National total deposits were several thousand dollars less than eight hundred thousand. I'm of the opinion that the deposit total of Nuttman and Company did not exceed fifty thousand dollars. The combined total of deposits in all the Fort Wayne banks was, therefor two million eight hundred thousand dollars, or several thousand under that sum. At that time the local banks paid no interest on deposits.

Building and Loan Associations, on the other hand, had public appeal as they paid dividends. These associations had been discussed at home, and I learned to know something about them. Many such small local associations were doing business during the early nineties. One of the bookkeepers of another bank was the Secretary of seven associations and received an annual salary of \$100.00 from each of them. The Tri-State Building and Loan Association was established in 1889. Its office was on the second floor of the Pixley and Long Building. C. A. Wilding, its Secretary, and F. C. Heine were its only employees. George W. Pixley, President of the Tri-State, was the owner of a Men's Ready-to-Wear store in one of the two store rooms of that building. Mr. Wilding was alert,

energetic, well-known, and a successful salesman of the business of his association. It continued to grow in size and importance. As banks were feeling its impacts, they were brought to view with alarm its theories and practices. One day a paid-up stock certificate of that association got in the hands of the bankers. It covered ten shares-- total value \$1000.00. And to the surprise and dismay of the viewers, coupons bearing 7% interest were attached to that certificate. It reflected policies and practices that were unsound and, not only that, but incredibly foolish and silly. Probably this was also true of a building project which was later divulged. After Fort Wayne's only Fire Department's house had been moved from the forty foot strip between Court and Clinton Streets, along Berry Street to East Main Street, Messrs. Pixley, Wilding, Klinkenberg, and others acquired control of this Real Estate. Then one day we were thrilled by a picture of a seven story office structure to be known as the "Tri State Building", which our papers reported was contemplated for that site. The public reactions to this news could not have been too favorable, because the site was improved with the buildings that are there to-day. The Tri-State moved to a room in the new building at the corner of Court and Berry Streets.

During 1892 the banking interests were disturbed by a rumor that Captain James B. White, owner of the White Fruit House was organizing a bank. The truth was even more disturbing when it was announced that the new White National Bank would issue Certificates of Deposit payable on demand with 2% interest after four months, and 3% after one year. A new three story building for the bank was erected on the northwest corner of Wayne and Clinton Streets. It was finished in 1893, when the White National Bank was established and opened for business. John W. White, eldest son of Captain J.B. White, was the President, Harry A. Keplinger, Cashier, and such well known and able men as Max B. Fisher and his brother Samuel Fisher were members of its Board of Directors. After several weeks the other banks realized they would have to meet its interest terms.

During the summer of 1893 I went to Chicago to see its World's Fair. It was known as the "World's Columbian Exposition." The day I arrived at the room I had

previously engaged was without special incident. The next morning, as I was leaving the house I said "Good morning!" to the landlady, who was sweeping the front walk. She replied that it was a good morning, and especially so because of the good news of the day before. When she saw that I didn't understand her reference to the news, she told me that P. D. Armour had gone to London and obtained 5,000,000.00 dollars in gold that was being shipped and would probably arrive in Chicago when Mr. Armour would get back home. She then went on to say that business was bad, that unemployment was increasing everyday, and that the gold would serve to restore confidence and business. When I got back, the home atmosphere was not too cheerful. Father's work week had been cut from six to four days.

During the days at the Fair I'd noticed the branch of the Chemical National Bank of Chicago in an attractive building on the most attractive promenade of the grounds. I was intrigued by it's big round vault door in plain view back of its counter. They seem to be doing all right I reflected with some surprise, because my impressions, formed from the publicity it had, were not favorable to the bank which had just been established just a short time before. During the winter of 1892-3 the establishment of banks with a capital of 10,000.00 dollars in many of the villages and small towns of the Chicago area caused talk and uneasiness. In October 1893, our newspapers published the news that customers who called at that branch shortly after the opening hour were told that a mistake had been made when the time clock was set, and the door could not be opened before noon. At noon they were told that the National Banking Department had taken charge of its main office and the Fair Grounds branch. A bank examiner had stumbled on its house of cards and kicked it over. The revelations from that examination were as weird and amazing as the name combination of its officers and promoters: Ezra Higgins and Zimri Dwiggin. All the recently established country banks were closed too within two or three days from after the fact became known. This pair of men had formed and carried out a plan that established this chain of country

banks, where the local subscribers were required to pay cash for forty-nine shares. The remaining fifty one shares were issued to Higgins and Dwiggins against credits of \$5,100.00 by the Chemical National Bank, their Chicago correspondent. This resourceful pair of men balanced such credits by personal loans which they obtained from the Chemical bank, and their young and inexperienced country correspondents. The bank at Monroeville, Allen County, Indiana, was one of the number so organized and established. It was reorganized and continued in operation. It's latest published report showed total deposits in excess of \$3,000,000.00, about one-half million more than the combined total deposits of the four Fort Wayne banks of sixty years ago.

As time went on we were brought to realize that business was in the throes of a real depression. Coxe's marching army of unemployed, and Soup Kitchens, where men without jobs or money were fed, were some of its bizarre manifestations. Another of it's results was the adoption by the democratic party of the free silver money theory. It's 1896 platform contained a plank that favored the free and unlimited coinage of silver at the ratio of sixteen to one of gold. I shall always remember the campaign that followed. The plank was discussed by W. J. Bryan, Dick Bland and other proponents, and Senator Allison of Iowa, Benjamin Harrison and others who opposed it. Both the pro's and con's were able and effective debaters. Some were the most eloquent of our fine list of orators. In my opinion it was the most instructive and informative campaign since I've had the right to vote.

During these years other Building and Loan Associations attained size and importance. One was the Allen County Loan and Savings--Gottlieb Haller, President, F. C. Rogers, Secretary. The other was managed by its Secretary, the late P. J. McDonald. It seems to me that It's name was the Fort Wayne Loan and Savings, but Don McDonald was not able to confirm this. Some time between 1895 and '98, Henry C. Paul and associates established the Fort Wayne Trust Company. In 1903 this company was merged with much of the business of the Tri State Loan and Trust Company in the Court and Berry Street rooms of the Building and Loan Association. Charles A. Wilding was

its President and George W. Pixley its Secretary. The Citizen's Trust Company was formed in 1898 with John Ferguson, President and Ernest Cook as Secretary. Its office was established at the southwest corner of Berry and Clinton streets. It succeeded to the business of the Allen County Loan and Savings. In 1917 it moved to the premises at the northwest corner of Calhoun and Main streets which had been vacated by the Hamilton National Bank when it was merged with the First National Bank. During the last days of 1929 it acquired possession of the building now known as the Gettle Building. Here it continued its business until May 1932 when it closed following the death of its Secretary Will B. Gutelius. You may recall that it was committed to decent, if not honorable oblivion, by paying 107 o/o of all claims and debts when it's Receiver was discharged on June 22, 1945.

During 1902 or thereabout the Bank of Wayne, a private banking house, was established by Sol. Mier and Company. It was managed by Simon Ackerman and E. J. Lindeman until 1914, when it was discontinued.

The Commercial Bank was the name of a private bank established by Straus Bros. in 1902. Abe Ackerman was its Manager and Clinton R. Willson was his assistant. During the early twenties it was merged with the Lincoln Trust Company when it was moved from the Court Street office of the parent bank to the building erected for the White National Bank at the northwest corner of Clinton and Wayne streets.

During the period from 1915 to 1920 a State Bank Examiner, by the name of Head, came to Fort Wayne and promoted a bank, First State Bank was it's name I believe. It was established at the southwest corner of Calhoun and Baker streets, with Al W. Zimmerman, President, and Mr. Head as Cashier. I cannot remember how or when it was discontinued. Some of the men who were interested in that bank established the Broadway State Bank at the northwest corner of Broadway and Taylor streets. All Zimmerman was its president also, and George Clark its Cashier. It had quite a useful existence cashing the pay checks of many employees of the industries in that part of town, but since such transactions are not profitable it was discontinued in 1931.

The Farmers Trust Company was established in 1918 at the corner of Main and Court Streets. The first officers were Dale W. McMillen, President, John Pfeiffer Vice-President, Harley Somers Secretary. Several years later Mr. John B. Spatz succeeded Mr. McMillen as President. During March 1931 it discontinued business when the Citizens Trust Company assumed its deposits and liabilities for borrowed money.

The Bowser Loan and Trust Company was established during 1919. S. F. Bowser was its President and O. W. Scheumann its Secretary and Cashier. It's first office was in the Bowser Company office building. Later it was moved to it's new building on East Creighton Avenue on a corner across the street from the Bowser plant. The primary purpose of its founder to provide mortgage loan funds for his employees was well observed until it was discontinued in 1931.

The South Side Bank was established in 1927, or thereabout on the southwest corner of Calhoun Street and Woodland Avenue. W. C. Rastetter was its President and Fred D. Hoham Jr. its Cashier. It was discontinued in 1931.

The North Side State Bank was established also at about the same time on Wells Street. Walter E. Cook was its President and Lauren Smith its Cashier. The East Side State Bank was another to be established with Ben F. Geyer, President and Ora Blaker, Cashier, on Maumee Avenue. Both commenced business in new buildings that were especially built for them and well suited to their purposes.

The movement to establish neighborhood banks had become widespread in other cities before it was followed by the First National and Lincoln National banks. Traffic and parking problems in down town districts had come to be annoying. Therefore was it not intelligent to establish neighborhood banks in residential shopping centers? Such banks would sooner or later become the outlying branches of the banks that sponsored them. But experience proved that the reasoning that brought the movement about was not as sound as it seemed when the conclusions were formulated.

Lemuel R. Hartman, Cashier of the First national Bank died in 1902. I learned to know him well and intimately. During the twelve years since he hired me I heard

him say "My goodness alive" many times, because they were the only words he'd use to express surprise, disappointment or anger. He was a good friend, considerate, thoughtful and helpful. New men were elected to our Board of Directors - - C. H. Worden, C. A. Wilding and E. F. Yarnelle. M. Bass continued as President, Mr. Worden was appointed Executive Vice President and Henry R. Freeman, Cashier. In 1905 the White National Bank was merged and J. W. White, M. B. and Samuel E. Fisher and Harry A. Keplinger were elected directors of the First National Bank. In 1917 another merger was effected with the Hamilton National Bank. To weld the several organizations together into a single unit was a big job, but it was accomplished. The impairment of our capital structure by a serious embezzlement might have been overcome by a realistic attitude. During April 1929, an agreement was executed to merge the Tri State Loan and Trust Company with the First National Bank, but the physical merger was not accomplished until December 16 of that year. About two months before that date we'd had the big "Wall Street Crash", and the conditions that followed were not favorable to form a successful unit from parts created under policies and practices that were decidedly different. On the 21 day of June 1931, the longest day of the year, a meeting was held that adjourned at the break of dawn of the following day. It was considered a successful meeting. \$2,500,000.00 were subscribed so that the Old National Bank would be authorized by the national banking department to take over the business of the First and Tri State National Bank and Trust Company. It was a big undertaking that was accomplished with the cooperation and contributions of competitor banks. They demonstrated a civic spirit that was fine and admirable. The name of the Old National Bank was changed to Old First National Bank and Trust Company, and its business was moved to the West Berry Street building of the First National Bank. It continued to operate until March 1933, when the Bank Holiday was promulgated by President Roosevelt. Thereafter it was operated by a Conservator under rules that prohibited withdrawals of balances on its books when the holiday was declared. Liquidation by Receivers the tragic fate of the banking businesses established by such able men as Samuel

Hanna, President of the branch established in 1835, Hugh McCulloch, Allen Hamilton, J. D. Nuttman and J. B. White.

As we look back over the record of the past forty years or so we note mistakes and errors of judgment. We recall defaulted loans that should not have been made and investments that brought serious losses. In retrospect they make one look foolish and silly. Then we recall other loans and investments that looked bad, and they were paid and liquidated without loss of principal or interest. Our hind sight was better than our foresight. This will always be true in human affairs. Risks are elements of credit. Banks are credit institutions and established to assume normal risks, but their norms are changed by the course of events which is unpredictable. In 1929 and the early thirties bank reserves for losses were inadequate to cover the many serious losses and defaults that followed the depression. Moreover banks deposits were not insured. Many bank depositors withdrew their savings for a rainy day and put them in safety deposit lockers. By so doing they assured themselves that they would be available when the rains came. Paying four percent interest on savings and rendering Account Services without compensations, policies of banks of former years, were practices that could not be expected to yield profits that would pay fair dividends to share-holders and establish reserves that would meet the shock of subnormal conditions. Such policies were due to errors of judgment. I believe that such were the most serious of their faults.

I do not recall a time when the published reports of local banks reflect sound reserve policies and liquidity as revealed by their current reports. By comparing them with their previous reports they show a substantial part of their good earnings are set aside for the time when they may be needed.

The Peoples Trust and Savings Company is the oldest of our present day banks. It was chartered during the month of October 1902 and established in business on November 17 of that year. William L. Moellering, former President of the Home Telephone Company was its first President, Robert T. DeWald, Vice President, and P. J. McDonald

its Secretary and Treasurer. Other directors were W. P. Breen, M. C. McDougall, W. F. Moellering, Barney Fitzpatrick, John Morris, James McKay, William Stephan, Henry Beadell and A. E. C. Becker. \$100,000.00 - one half of its authorized capital was paid in when it opened for business.

The Lincoln National Bank and Trust Company had its origin under another name. In 1905 Theodore Wentz moved from the Buckeye state to this city. Here he met S. M. Foster with whom he became associated to establish the German American National Bank. The bank opened for business in 1905. Its first officers were S. M. Foster, President, Theodore Wentz 1st Vice President, C. F. Pfeiffer 2nd Vice President, Henry C. Berghoff Cashier, George Waldschmidt, Asst. Cashier. The German-American Trust Company was organized in 1910 with Samuel Foster as President and Henry Lepper as Secretary. The south branch was opened the following year. The main offices of both banks were in the room now used by the First Federal Loan and Savings Association. In 1914 their respective names were changed to Lincoln National Bank and Lincoln Trust Company. Several years later the Trust Company moved its office to the building now used by the Dime Bank. In 1928 the Trust Company was absorbed by the parent bank. Their consolidation was reflected by the new name "Lincoln National Bank and Trust Company." Toward the end of 1928 the several offices were consolidated when it moved to its new building "The Lincoln Tower."

The Dime Trust and Savings Bank was organized June 20, 1921. J.C. Hutzell served as President from November 21, 1921 to February 13, 1923. He was succeeded by Harry G. Hogan. Its first Board of Directors was composed of the following: W. F. Ranke, D. O. McComb, Henry Eckart, Oscar Fox, F.C. Parham, O. G. Foellinger, Guy Colerick, W. C. Quimby, J. C. Hutzell, H. G. Hogan, J. I. Evans, J. E. Ford. The first business office was at Court and Berry Streets. It was moved to its present

location at Wayne and Clinton Streets in March 1931. It's paid in and authorized capital of it's opening was \$200,000.00.

Fort Wayne National Bank was established October 28, 1933 in the First National Building. It's officers who directed the opening were F. S. Hunting, President, G. Albert West, Executive Vice President and F. J. Mills, Cashier. It's first report was published as of November 14, 1933.

Anthony Wayne Bank was established under that name on January 17, 1944, but it's business was established Sept. 13, 1915 as The Fort Wayne Morris Plan Company. Theodore F. Thieme was its President for many years, and E. J. Lindeman its Secretary-Manager until the day of his death. Today it conducts a general banking business directed by Grace A. Binder, Chairman of the Board, Clinton R. Willson, President, W. E. Morton, Executive Vice President, Paul Gronauer, Cashier. It's office is in the Standard Building on East Berry Street, where it's business was established in 1915.

The Fort Wayne Clearing House Association was organized on February 28, 1905 by the four commercial banks of that day; - First-Hamilton, Old and White National Banks. The officers elected were Charles McCulloch, President, John W. White, Vice-President, Paul F. Kuhne, Secretary-Manager. It was established at 723 Court Street where its office has been maintained to the present day. During June of that year the German American National Bank was established and admitted to membership. The institution served to facilitate the exchange of checks and settlement of balances between banks, and provided a means to compile statistics which serve as barometers of trade and business. When established the Association did not contemplate or consider the issuance of Fort Wayne Clearing House certificates. However only about two and one half years later the members were brought to authorize and use them. The decision to put them out was taken suddenly and unexpectedly.

"Currency Stringincies" appeared at the turn of the century during the crop moving seasons. They recurred each year more severe and critical than the year before. The business of moving crops from grower to elevators - to market centers and processors was and still is on a cash basis. Our industrial and agricultural production increased and expanded by leaps and bounds with the enormous growth in population. Our supplies of coins and currencies were more or less fixed and inelastic. Their volumes could not be expanded and contracted with the flow and ebb of trade. Credits arising from crop shipments to market centers were counter-acted by orders for currency shipments to agricultural centers. They inaugurated a flow of currency, almost constant for several months, from city to country banks. By reason of the seasonal drains on their money stocks the banks of New York City resorted to the use of Clearing House Certificates in 1902 to settle Clearing House balances. A year or so later banks in other cities were brought to adopt such measures.

These seasonal currency shortages were not brought home to the banks in the Fort Wayne area. This may have been because the fall tax collections served to supply this additional need. But of course our press and periodicals kept us well informed of their on-sets progressive stages, et. cet. "Currency Stringincies", "Currency Crisis" "Currency Panic" were the terms they used to denote the increasing force of these impacts as the harvest seasons advanced, and as our production and population grew from year to year. There was nothing unusual in the affairs of Fort Wayne on the first Saturday of October 1907. On the following Monday morning the reverse was true. The public was aroused by the news that Fort Wayne Clearing House Certificates had been prepared and would be used to settle the balances as of that day and until further notices. Moreover that they might be put to public use and that the cash withdrawals from banks would be limited to \$100.00 per day until further notice. Railroad employees would be paid by drafts payable to bearer in 5, 10 and 20 dollar denominations on city banks. All business firms were urged to

accept them in trade inasmuch as banks would accept them on deposit. All these unusual steps had been taken by the members of the Clearing House Association at a meeting held on Sunday -- the day before -- at the behest of the Chicago correspondents of the local banks. This abrupt change from usual practices was not only unexpected but ludicrous and cock-eyed as well, because all local banks had supplies of lawful monies that were ample for their needs. In view of that they decided it would be foolish to use Clearing House certificates for the payrolls of local industries as the city banks had urged them to do.

The "Currency Panic" of 1907 passed off as the stringencies and crises of the foregoing years had cleared up. It was not followed by a depression or a recession that was more than noticeable. It did, however, bring the U. S. Congress to do something about our monetary system. To forestall such recurrences it passed the Aldrich-Veeland bill. By virtue of its provisions National Banks were authorized to take out additional circulation against their own obligations secured by their approved receivables pledged in the ratio of 120%. The Congress also appointed the Monetary Commission with instructions to go into our currency and banking system and report to Congress with recommendations of such changes and additions as it deemed necessary. Its report was before the Congress that met after the election of Woodrow Wilson in 1912. Its resultant action established our Federal Reserve System.

Fort Wayne national banks found it expedient to use the provisions of the Aldrich-Veeland Act during the latter half of 1914. The outbreak of World War I in Europe was followed by a stockmarket crisis in New York City and other stock exchange centers. The New York Stock Exchange was closed by its governors. The business and financial outlook was cloudy and threatening. Larger cash reserves were considered advisable. Under the terms of the A-V Act the Clearing House approved an application of the First National Bank for \$250,000.00 additional circulation. Thereupon the bank placed its note obligation for a like amount with Wm. P. Breen, the local custodian for the Comptroller of Currency, with its receivables pledged as collateral security.

He reported their receipt in due form to the Comptroller. Within a week's time the \$250,000.00 additional circulation was received by the bank. I was instructed to place the money in the Reserve Chest. It remained there undisturbed until January 1915, when it was exchanged for the bank's obligation and collateral.

National banks were not authorized to make mortgage loans until some time during the early twenties. But even so, Fort Wayne has been known as a city of home owners for many years. One of the reasons for this may be that groups of people pooled their savings by establishing local building and loan associations. Seventy years or so ago they became the means by which they were able to finance the ownership of homes. The oldest of our financial institutions is the "Home Loan and Savings Association", which was established March 22, 1893. Its business is conducted at 132 E. Berry Street. Edmund A Bittler, President, Hazel Calvin, Secretary.

First Federal Savings and Loan Association of Fort Wayne was organized by J. H. Haberly and associates under the provision of the Federal Loan and Savings act of the U. S. Congress. It's charter was issued December 19, 1933, its business was established in the Court Street room vacated by the Lincoln National Bank. The first officers elected to direct its affairs were J. H. Haberly, President, M. B. Larimer, 1st Vice President, John Suelzer, 2nd Vice President, Irwin Kaiser, Secretary, H. Paul Haberly, Treasurer, Ralph W. Doctor was later elected Secretary. With this one exception the officers elected when first organized have continued to manage its affairs to this day.

I've reached the end of a long story and of a paper that may have been too long. However, I have some totals which I believe will "make you sit up and take notice"---

April 1890	Total deposits in banks	\$ 2,800,000.00
	With building & Loan associations, probably less than	700,000.00
	Total Deposits	\$ 3,500,000.00
Dec. 31, 1949	Total deposits in banks	179,500,000.00
	With Loan & Savings Associations	10,000,000.00
	Total Deposits	190,100,000.00
	Increase in 60 yrs.	186,600,000.00

Another striking fact is revealed by the figures published by the country banks in Allen County. The total populations of New Haven, Woodburn, Monroeville, and Hoagland is probably under 3,000 or less than 10% of Fort Wayne's population in 1890. However, the combined totals of their banks deposits aggregate a sum in excess of \$10,000,000.00, which is three times the total deposits of sixty years ago in Fort Wayne in 1890, when its population was more than ten times the combined totals of their population at this time. Don't you think that these comparisons reveal a most graphic picture of the enormous increase in the supply of money, and the great changes that have taken place in our business and economic affairs in the past sixty years. Total population 10% - total bank deposits 300%.

Statistical
data

WESTON RECORD

Branches.	Number of debtors at last report.	Liabilities of directors.				Liabilities of other stockholders.				Proportion of loans.	
		As drawers individually.	As drawers as partners.	As endorser ^s individual ^y .	As endorser ^s as partners.	As drawers individually.	As drawers as partners.	As endorser ^s individually.	As endorser ^s as partners.	In town.	In country.
Michigan City	125	\$29,890 00	\$22,800 00	\$20,482 00	\$13,650 00	\$11,580 00	\$5,500 00	\$2,820 00	\$2,300 00	small	large
Terre Haute	470	24,005 34	†	-	-	26,678 00	†	36,550 00	†	\$77,727 00	\$21,390 00
Lafayette	506	19,120 00	†	39,068 00	-	175,737 00	†	†	†	176,494 00	75,367 00
New Albany	348	27,764 29	†	70,458 78	†	45,273 23	†	73,434 00	†	as 3 to 1	
Lawrenceburg	220	82,000 00	†	80,000 00	†	127,000 00	†	115,486 00	†	50 per cent.	25 per cent.
Fort Wayne	423	56,619 50	†	83,519 27	†	85,961 00	†	100,211 00	†	150,000 00	78,000 00
Indianapolis	260	46,335 00	25,132 00	-	83,074 00	135,098 00	44,964 00	-	93,981 00	218,435 00	25,325 00
Madison	68	38,686 00	†	13,109 00	†	54,135 00	†	24,176 00	†	220,839 00	73,815 00
Bedford	300	38,200 00	†	24,063 00	†	25,167 00	†	54,565 00	†	47,600 00	27,700 00
Evansville	260	51,358 00	†	27,965 00	†	48,200 00	†	62,106 00	†	136,000 00	19,670 00
South Bend	225	49,337 00	†	41,247 00	†	90,807 00	†	62,367 00	†	55,723 00	86,354 00
Vincennes	540	32,800 00	†	-	-	64,500 00	†	-	-	105,000 00	25,000 00
Richmond	560	23,641 95	†	23,941 95	†	-	-	-	-	88,615 00	130,090 00
	4,951	520,957 08	47,922 00	423,854 00	96,724 00	890,136 23	50,464 00	531,715 00	96,281 00	1,376,433 00	562,711 00

* Including indebtedness of firms, &c.

† Included in preceding column.

STATEMENT—Continued.

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Branches.	Borrowers.						Persons holding stock to the amount of					Total number of stockholders.	Number of stockholders that are borrowers.	
	Producers and farmers.		Manufacturers and mechanics.		Merchants.		\$500 and under.	Over \$500 and under \$1,000.	Over \$1,000 and under \$5,000.	Over \$5,000 and under \$10,000.	Over \$10,000.		Number.	Amount.
	Number.	Amount.	Number.	Amount.	Number.	Amount.								
Michigan City	-	-	-	-	-	-	53	6	5	2	-	66	32	
Terre Haute	-	-	-	-	-	-	24	16	23	2	1	66	32	
Lafayette	219	\$104,462 00	44	\$31,568 00	105	\$160,138 00	67	28	30	9	-	134	82	
New Albany	59	19,310 00	151	97,847 00	70	90,382 00	60	22	17	3	1	103	45	
Lawrenceburg	65	142,308 00	24	68,567 00	56	205,970 00	9	7	18	6	4	44	33	
Fort Wayne	229	102,000 00	69	28,500 00	65	106,900 00	47	5	11	4	-	77	50	
Indianapolis	56	48,216 00	54	57,613 00	105	234,302 00	17	16	27	5	3	68	25	
Madison	-	127,700 00	-	89,199 00	-	92,344 00	6	9	24	4	3	46	34	\$92,831 00
Bedford	100	34,500 00	50	57,500 00	90	130,009 00	25	20	26	1	1	73	40	63,000 00
Evansville	150	41,547 00	41	41,294 00	65	111,968 00	24	18	25	2	-	69	37	99,553 00
South Bend	78	42,883 00	50	30,034 00	33	43,934 00	154	6	3	-	-	163	69	
Vincennes	-	-	-	-	-	-	67	18	12	1	1	99	48	90,000 00
Richmond	-	160,000 00	-	75,000 00	-	75,000 00	90	24	21	2	1	138		
	956	822,936 00	583	577,122 00	589	1,240,989 00	643	195	242	41	15	1,146	527	

* With directors.

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Branches.	Suspended debt at last report.		Amount of stock owned by persons indebted to that amount or beyond it.	Amount loaned out of the State.	Amount of specie in vault.			
	Amount.	Due from stockholders.			Highest.	When.	Lowest.	When.
Michigan City	\$24,945 85		\$15,050 00 paid in	\$40,325 54	\$88,239 30	August 31	\$75,509 32	December 21st
Terre Haute	35,452 35	\$5,390 00	125 shares	10,000 00	155,680 06	Oct. 6, 1838	41,811 21	May 30, 1831
Lafayette	32,797 00	15,143 00	1,376 shares	740 00	97,097 84	Dec. 29, 1838	58,928 24	Nov. 13, 1839
New Albany	947 90		457 shares	2,020 00	122,765 14	Nov. 15, 1838	33,564 10	Dec. 20, 1839
Lawrenceburg	39,286 18		\$103,650 00	16,536 70	185,405 79	June 1838	12,986 59	Dec. 20, 1839
Fort Wayne	18,959 98	4 or 4,740 00	875 shares	3,500 00	134,585 31	Oct. 31, 1839	95,455 95	Dec. 14, 1839
Indianapolis	5,592 00		\$78,100 00	23,500 00	190,282 00	April 1836	48,852 00	Aug. 15, 1835
Madison	35,669 00	2,150 00	25—72,450 00	13,055 00	123,728 47	Aug. 4, 1838	81,894 44	Jan. 3, 1840
Bedford	31,321 56		354 shares	31,700 00	100,590 96	Aug. 24, 1839	63,677 88	Dec. 14, 1839
Evansville			\$49,150 00	2,260 00	106,850 47	Feb. 24, 1837	38,980 76	March 24, 1835
South Bend	4,320 00	3,000 00		33,000 00	85,974 00	Nov. 30, 1839	70,733 00	Dec. 31, 1839
Vincennes	7,151 00		415 shares	50,000 00	118,583 90	April 6, 1835	60,302 00	Feb. 27, 1837
Richmond	16,454 00			5 or 6,000 00	140,476 63	Sept. 17, 1839	83,291 87	Nov. 30, 1839
	252,896 82	30,423 00		230,637 24				

STATEMENT—Continued.

Branches.	Loaned to State or its officers.			Amount of liabilities of br'ch directors appointed by the State when appointed.	
	Amount.	When.	By what authority.	As drawers.	As endorsers.
Michigan City - - - - -	\$10,000 00	To pay interest due Jan. 1, 1840	Fund commissioner - - -	\$5,300 00	\$4,350 00
Terre Haute - - - - -	30,000 00	To pay interest due Jan. 1, 1840	Fund com'er, governor, secretary, and treasurer of state.	5,500 00	3,904 00
Lafayette - - - - -	177,119 60	For public works - - - - -	Fund commissioner - - -	1,244 50†	
New Albany - - - - -	87,835 80	June and July last for public works	Do. - - - - -	5,302 00	11,877 96
Lawrenceburg - - - - -	49,723 70	For White-water canal - - -	Do. - - - - -	39,569 00	20,788 00
Fort Wayne - - - - -	25,000 00	} To pay interest due Jan. 1, 1840	Do. - - - - -	17,259 00	46,223 00
	45,000 00*				
Indianapolis - - - - -	84,511 00	} For public works in Nov. last	} Do. - - - - -	27,075 00	15,700 00
	25,000 00					} For interest due Jan. 1, 1840
Madison - - - - -	15,000 00	} Specie loan for public works -	Do. - - - - -	5,050 00	3,350 00
	46,407 00				
Bedford - - - - -	20,000 00	} Last summer for public works	} Do. - - - - -	3,275 00	4,980 00
	10,000 00					} Last fall specie loan
Evansville - - - - -	- - - - -	- - - - -	Do. - - - - -	4,335 00	7,178 00
South Bend - - - - -	10,000 00	For interest due January 1, 1840	Do. - - - - -	4,435 00	14,072 00
Vincennes - - - - -	35,000 00	} For public works to pay interest	} Do. - - - - -	2,400 00	
	15,000 00					} due January 1, 1840.
Richmond - - - - -	14,000 00	} For public works to pay interest	} Do. - - - - -	9,651 00	10,669 50
	17,500 00					} due January 1, 1840.
	16,597 49			130,395 92	143,392 56
	602,500 00†				
	619,097 49				

* For public works.
 † To pay interest on State bonds 1st January, 1840, for public works, besides State bonds held.
 ‡ Collectively.

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Letter from The Secretary of
the Treasury April 9, 1840
Document # 172

Indiana

25th Cir

3rd Sec. can

1838-39

I do not.

Richmond Branch.

I do not.

Lafayette Branch.

New Albany Branch.

We know of no such proposition or insinuation.

Terre Haute Branch.

I do not.

Fort Wayne Branch.

I do not.

Evansville Branch.

I do not.

Indianapolis Branch.

This question was not propounded.

Madison Branch.

I do not.

Bedford Branch.

No.

South Bend Branch.

I do not.

Vincennes Branch.

No.

Lawrenceburg Branch.

I know of no such proposition or insinuation.

STATE BANK, February 7, 1840.

SIR: Please present to the House of Representatives a communication in reference to the charge against the president and directors of the State Bank, reported by the bank committee.

S. MERRILL, *President.*

Hon. J. G. REED,

Speaker of the House of Representatives.

To the House of Representatives:

Your attention is respectfully solicited to a brief review of the report made by the bank committee to the House, on the 4th instant. It is the earnest wish of the undersigned to avoid all appearance of feeling and excitement, and to use no language which can be considered unkind or disrespectful in the slightest degree to the gentlemen who compose the com-

mittee. If, in the hurry of business, and amid the haste of examination into matters with which they were not conversant, they have unintentionally committed mistakes, or done injustice to any one, it will, I trust, be gratifying to them to be undeceived, and to have it in their power to repair the injustice before it has produced any ill effects.

The importance of maintaining a sound currency; the deep interest of the State in the bank, as the owner of about half its stock; and justice to the persons whose characters are assailed before you, present strong claims for a candid hearing, and a fair allowance for the haste with which this communication is prepared. The necessity is so pressing for an early explanation of the difficulties suggested by the committee, for the correction of its errors, and the denial of its accusations, that it is hoped the circumstances will be a sufficient apology for some imperfections both of manner and matter. Enough, however, will be presented to show either that the facts alleged to have taken place have been mistaken, or that the law supposed to apply to them does not exist, or that the directors of the State Bank have used the proper means for the correction of any errors or misconduct in the branches which have come to their knowledge.

The bank committee, as will be shown, have labored under great disadvantages in making their examination and report.

Instead of having time or opportunity to investigate the whole subject, their attention appears to have been mainly engrossed by a few matters not particularly connected with each other; and, though they have collected some valuable information, yet, as it is of a limited or partial character, it was, in the opinion of the undersigned, led them to a number of wrong conclusions. If the questions to the bank officers had been more general, so as to cover their whole mode of doing business; or if those who answered had been aware of the information desired by the committee, many things would have been so fully explained, as to appear in a very different light from that in which they are now exhibited. Thus, by the remarks of the committee on the loans to directors, stockholders, and merchants, and on the number of bank borrowers, it would seem that they supposed the same persons had had the same accommodations for the last five years. If the cashiers had been further questioned on this matter, it would have been shown that there have been more than 300 instead of 150 directors; that the bank so frequently changes hands, that the number of persons who have held it is more than five times that stated by the committee; that these directors and stockholders, in general, pay the same instalments as other borrowers; and that, though the number of borrowers is only 5,000 now, and may have been about the same three months ago, yet several hundred of them must be new names, occasioned by the paying up of old customers, and the accommodation of new ones. Forty-six persons, none of them in bank on the 1st of October, obtained loans in the Indianapolis branch between that time and the 1st of February.

At the same rate in other branches, the new customers in the whole institution would be about 2,400 a year. There have been notes and bills discounted in the Indianapolis branch for more than 1,600 different persons, and the number is no doubt as great in other branches; so that the direct loans of the bank have been to more than 20,000 persons. The indirect benefits of the loans of the bank must have been continually felt by all who transact business, in all their operations.

It is much to be regretted that the committee did not make particular inquiry as to the persons for whose benefit loans are generally made. If they had done so, they would have found that the payor is generally the borrower; that this has been a subject of inquiry by the examiners of the branches; and though accident or mistake may occasionally place the name of the endorser where that of the payor should be, yet this is not frequent, nor with any intention to conceal the real debtor. And it is also a matter of regret that the words "loans," "liabilities," "borrowers," "endorsers," "partners," &c. are so thrown together, that those who read the report in haste may suppose the real debt of the directors and stockholders to be much greater than it is in fact. It seems scarcely necessary to state that, though endorsers are ultimately liable, yet prudent men who deal in banks expect to avoid danger from these liabilities. The undersigned, and the State board generally, concur in opinion with much of the report relative to the loans to merchants for purchasing foreign goods; yet, from the general question to the cashiers, and the intimation that produce dealers are to be reckoned as merchants, he is constrained to believe that the calculations of the committee, and their remarks in reference to them, will not be fully understood without further explanation.

A few instances will illustrate the real character of many of the loans to directors, stockholders, and merchants, and make it very questionable whether much of this part of the report be not founded in error.

The Messrs. Early, at Terre Haute, are stockholders, merchants, and partners, and one of them a director. When the branch was examined in March last, \$45,000 had been discounted and laid out in produce by them, and the whole was expected to be paid without renewal. N. Smith was in March last a director and stockholder in the Vincennes branch, and was also, in the estimation of the committee, a produce-merchant. His loans of the branch at that time amounted to \$31,540—four thousand dollars more than was due from all the rest of the board. This money was all laid out in the produce of the country, which, when sold, was to be applied to pay his debt to the branch. A similar course has been adopted at most of the branches.

At the Indianapolis branch, in November, persons likely to engage in the produce business were invited to become borrowers; several farmers did so. As there were, however, not sufficient applicants, some of the merchants of the district unwillingly engaged in the business. Seventy-eight thousand dollars was loaned to them; it has been laid out in produce, which is on the way to market, and the branch will be paid in full when the produce is sold. Such are many of the cases which help to swell the amount in the hands of directors, stockholders, and merchants. The most useful citizens of the State may thus be proved guilty of monopolizing bank loans, and held up to public odium. Most of the calculations of the committee could, with a little trouble, be shown to be as groundless as that "a million and a half of the discounts is now invested in foreign goods." The branches which have loaned too much to merchants are now suffering for their imprudence. Such loans gave no circulation to the paper; they helped to increase the balance of trade against the State; and now debts cannot be collected at once, without great sacrifices both by debtors and creditors. It is undoubtedly the interest of the country that much indulgence should be shown by all parties concerned. When merchants owe the bank, they have often five times

the amount due from the people; one of them, of whom inquiry has been made, has about four thousand debtors in the branch district he lives in; others have twelve hundred, some seven hundred, some five hundred.

Shall the bank indulge such a creditor, or must he, like the bloodhound on his prey, hold the hundreds who owe him by the throat, until his demands are paid?

There is no doubt some reason for the grave rebuke of the committee in reference to the loans in the towns and counties where the branches are situated. The capital of the bank has heretofore been supposed to be less than is required by the wants of the country, and therefore customers best known and most convenient would naturally be first accommodated. But the benefits of many of the loans made at the exporting points extend through the whole branch district. The borrower often takes no money from the bank, but, as he makes purchases, it is taken out check by the seller of produce. As the business and travel of a country seek out for themselves the most convenient channels, so banking facilities take the same course.

It is the interest of the bank to have safe and punctual customers, and it can never be long before those who deserve credit will obtain it. By reference to the law of last session, it will be seen that it contains a section (drawn by the undersigned) which provides for distributing the loans on the new stock among the counties of the district. By examining this provision, it will be seen that it is an entire and rather astonishing mistake of the committee, (as the law was in their hands,) that there was no security that the loan under the new capital would be fairly distributed through all the counties of the State. On the contrary, it is expressly secured by law—not a law which the committee, by another mistake, say the branches agreed to, but a law which the Legislature made, without asking their concurrence, under the power reserved in the charter to invest additional State capital “on such regulations as will secure the safety of the same, and make the funds more productive, and guard the rights of those concerned.” (See 109th sec. *charter*.) As this relieves the subject from a great part of the objections of the committee, if they had understood the law of last winter, or the power of the Legislature without amending the charter, they might have come to a very different conclusion.

A considerable space in the report is taken up with statements and calculations as to the mode in which the bank is governed, the officers elected, what influence it uses, how it has disposed of its specie, &c. A brief explanation of the true state of affairs, drawn from an intimate knowledge of the whole of them, is believed to be a sufficient answer to the speculations of the committee on these matters. That the stock was actually paid up in specie, and not in stock notes, is evident from the specie averaging for the 1st year over \$720,000, when the stock was only \$800,000. It averaged the 2d year \$1,000,000, when the stock was only \$200,000 more; the 3d year \$1,200,000; and the 4th and 5th years \$1,250,000. It was reduced last fall by redemption of paper to about \$1,000,000, and afterwards near \$150,000 by paying the State's interest in New York. It is now about \$1,000,000. The private stockholders of each branch are first to lose all their stock, before the State stock is affected; and in case of fraudulent insolvency, the private stockholders are liable to pay a further amount, equal

to their stock. The directors of the branches are also personally liable for neglect, &c. For the liabilities specially imposed on the private stockholders, they choose eight directors in each branch, and each branch one delegate to the State board. The officers appointed by the State are sufficient to watch its interests, and to throw the balance of power, where there may be a division, in favor of safety and right. In more than half the branches, a majority of the stockholders seldom or never borrow; and in all the branches, there are many such stockholders. Their interest in the dividends, the liability of the branches for each other, and of the private stockholders to lose their stock, and an equal amount besides, and the interest and duty of all concerned, would seem to be sufficient guaranties that the institution shall be correctly managed.

So far from having different interests from the community, the stockholders and directors of banks have even a greater interest than most others in the general prosperity; for when a pressure comes—when distress pervades the country—it is not in the nature of things that the owners of stocks and dealers on credit should escape. It is a great absurdity to imagine the bank “controls” the business of the country. The necessities of the times, the course which business takes, and the reasonable demands of public opinion, are the “controlling powers,” against which a bank is like the leaf before a tornado. It is fortunate for the bank that, when the committee attempted to show that the private stockholders had withdrawn their stock in specie, they did not also show that the State had done the same by the payments to contractors, and their paying the 4th instalment of surplus revenue for State bonds. If that had been done, the credit of the bank must have been injured; for the same arguments that prove the abstraction of specie by the stockholders, would show that the same has been done by the State; and the legitimate conclusion would be, as the State owes nearly the amount of her stock, that there was really *no specie left!!!*

In reference to the alleged suspension of specie payments in November, and the duty of the State board in that respect, the undersigned will not attempt to follow the train of reasoning pursued by the committee. He will submit, however, his own views, that have not been formed without careful reflection. The government of the State Bank, as such, is vested in a president and four directors appointed by the State, and thirteen directors on the part of the branches, one being chosen by each. This is the only body representing the whole institution, for the branches in their distinctive capacity have nothing to do with each other's business. For the safety of the public, and to secure watchfulness on the part of all concerned, the whole institution is made liable for the debts of a branch becoming insolvent; but while this is the case, full power is given to the State board to “examine, suspend, and close up” any branch that is so mismanaged that the “interest of the other branches is endangered.” The branches thus stand under a heavy responsibility, but the means are provided for protection from injury in the powers vested in the State board; which interest and duty prompt them to execute on proper occasions. But if the individual stockholders of the branches, in addition to being liable for the debts of the other branches, against which they may guard themselves through the State board, are also exposed to a forfeiture of the charter because others over whom they have no control commit an illegal act, then indeed no rights or property can be so unsafe as theirs. The framers of the charter provided, minutely, how the sound branches should pay the debts of a fail-

ing branch, or of a branch closed for violating its privileges; and could they intend that the whole institution should sink for an act of one branch, and yet make no direct provision on the subject?

But this matter is not merely omitted. The provisions for suspending and closing up branches leave nothing to inference. They show how a part of them may be taken away, and the institution itself exist as before. They show, beyond dispute, that only the offending branches are to be closed up; and this course is so consonant to justice and propriety, that no unprejudiced person can doubt it was the one intended by the charter. For who would take stock in an institution that might be totally destroyed for no fault but in one of thirteen branches? By a careful examination of the charter, it will be found that the State board was intended to be a species of court to settle and determine difficulties that arise in the management of the bank. This board is not a mere machine, so that the directors must either violate their oaths of office, or proceed to sacrifice the interests of the State and the

The sections of the charter prescribing their duty show clearly that much is left to their *discretion and judgment*. The powers given in the 40th section are to be "exercised as circumstances may require;" and the 44th section, *that* relied on by the committee, describing an offence which authorizes the suspension of a branch, qualifies it with the words "whereby the interest of the other branches is endangered;" and as if this might not be sufficient, it is afterwards added, in the same section, that the State board is to close up the affairs and business of a branch "if the interest of the State or the safety of the other branches requires it." It is said that the words "it is hereby made the duty of said board forthwith to suspend," in this section, are positive, and allow no discretion to the State board. But there is no magic in the word *suspend*. Its meaning has never been settled by legal decision so that it must always be used technically and in the same sense as the words *close up*. If that were the case, there would be either an idle repetition, or the section would say in one line that the duty to suspend was positive, and immediately after the duty was only to be exercised "if the interests of the State or the safety of the other branches requires it." A total suspension of a branch would leave neither directors nor officers, and of course discounts and renewals of notes must cease. The receiver appointed by the State board would have no power but to collect debts, so that in this situation nothing else could be done but "close up the concern."

It would seem evident, then, that the charter did not intend the *total suspension* of a branch, except for sufficient cause, as the directions for "closing up" a branch are of so different a character. When the offence was merely the neglect of an unimportant order of the State board, as in not making "a return" properly; or when some minor regulation of the charter was casually transgressed, as if a director should by mistake "endorse for another," the punishment of a total suspension would be altogether out of proportion to the offence. The true meaning of the word "suspend" in this section, is, that the State board shall *take away* or so limit the powers conferred on the branches as to effect the object intended. It may be either a *partial* or *total suspension*, as circumstances may require. The State board has had occasion frequently to suspend or take away a portion of the powers or privileges that might be allowed to the branches. By the 49th section of the charter, an order for the total suspension or closing up of a branch must "be carried by at least two-thirds of the members pres-

ent at some meeting, to attend which all the members of the board shall have been notified." If, then, the State board can and ought to exercise a sound discretion in their proceedings, the words "may be closed," in the 8th section, can mean no more than that the State board by a vote of two thirds shall have power to close a branch "if the interest of the State or the safety of the other branches requires it," which would be the case if it were insolvent, or were mismanaging its affairs.

It is said, perhaps, that *all corporations are monopolies, and their powers special privileges, which should be construed strictly.* This language is oftener in the mouths of politicians than anywhere else. Such expressions are not used in courts of justice, but, on the other hand, cases innumerable occur in which judges give a strict construction to the words of a statute providing for the forfeiture of the property and rights of the citizen.

It is a well known principle of law, that where a distinct penalty is given for violation of any law, it excludes the inference of any other effect or consequence. The eighth section of the charter gives to the person entitled to demand specie of the bank, interest at the rate of twelve per cent. from the time of the demand made; and the payment of this is all the penalty attached by law to the *mere fact* of suspension. In 6th Cowen's New York Reports, 215, this question was made on an information in the nature of *quo warranto* against the Washington and Warren and Hudson Banks. The charters in these cases provided, that if at any time the banks should fail to redeem their notes and bills in gold and silver, they should immediately close their doors, and cease doing business, until they renewed specie payments, under pain of forfeiting their charters; but subjected the bank to ten per cent. penalty for such refusal to redeem their notes.

They suspended and closed their doors; but the suspension was relied on as a forfeiture. On this point, and in reference to this provision of the charter, the court say: "It is manifest the Legislature did not intend that refusal to redeem their bills on demand should be a ground of forfeiture, whatever may have been the cause of refusal. Whether, therefore, the suspension was six months, or six years, there was no cause of forfeiture. It was considered the ten per cent. damages, in addition to legal interest, would be a sufficient impulse to resume business at an early day, without making it, as by a subsequent general act, a cause of forfeiture when continued for a year."

There are numbers of cases where the courts have punished officers of corporations for improper acts, and forced them to do their duty; but scarcely a single case of forfeiture can be found, and then only in extreme cases. That the law has been well understood to be as stated, has induced the Legislatures of some of the States to provide specially in charters to banks for their absolute forfeiture when specie payment was suspended for a stated period. That such provisions were required, shows that previously, or without such provision, the law was different. No provision of this kind can be found in the charter of the State Bank of Indiana; and therefore there can be no doubt of the decision which the courts would make, unless the conduct of the State board should be alleged and proved corrupt.

The undersigned has never seen the evidence taken by the committee in reference to the suspension of specie payment by any of the branches in November last. He has not, however, understood the facts to be as stated by the committee. The State board were aware, at their last meeting, that

some of the branches had under consideration the propriety of suspending specie payment under particular circumstances; but they were not informed of any actual suspension. Absence at New York, and other indispensable business, have not permitted the undersigned to inquire particularly into the conduct of the branches since November; but he understands that, although some of them may have waived payment of specie to brokers and foreigners, until they consented to take paper of the banks where they resided, yet no notes of the branches have been protested, and no demands have been made, although some have been threatened for the penalties given by the charter.

Under the circumstances, no proceedings could yet have been had to close up any of the branches, as the charter requires. The proceedings of the State board on that subject, at their last session, were, it is believed, such as all judicious men, under the circumstances and prospects, would approve; and were all that could then be done. They may be seen set out at length in Mr. Ray's testimony, to which the House is respectfully referred.

The position of the branches at this time, and for a few months past, is one of singular delicacy and difficulty. With one million in specie, and three millions in circulation, they suddenly see all the banks around them suspend the payment of specie on their notes. For some time previous to this, and as if preparatory thereto, the demand from brokers and foreigners of some of the adjoining States had been incessant and heavy on the most exposed branches. Specie commanded a premium; and had the branches, under the continued calls from the abovenamed sources, made no show of resistance, half the specie of the bank would have been drawn out and carried away in half the time named by the committee, and the remainder long before this period. Brokers and foreigners, the first to be informed, and most active in these matters, would have derived all the profit; while, as it has resulted, they have been compelled to receive the paper of their own banks. Specie is still at a premium at Cincinnati, notwithstanding the nominal resumption. I say *nominal* resumption; for the issue of post-notes for circulation and the transaction of business generally, in the notes of this and other adjoining States, as is the case in Ohio, cannot be called a business resumption.

Little or no anxiety on this subject has been felt by the citizens of this State; and if the public feeling on this matter has generally settled on the propriety and correctness of the course pursued, will the Legislature now direct a different course? If they declare, in the language of the charter, or its equivalent, that "the interest of the State" demands that all the branches which have refused, in any one instance, specie on a single note, even to a broker, should be suspended and closed up, and if such a declaration appears to coincide with the public sentiment on the subject, very little time need be lost. The citizens of the State will have profited somewhat by the delay, even to this time; for thereby much of their produce is now sold, and on the way to market.

By sacrificing her profits, and pressing her debtors to extremity, the bank could, without doubt, at once meet all demands, even from brokers or foreigners. But to whose benefit would this result? Not, surely, to the State; for, as the owner of half of the stock, she would suffer an equal half of the loss, and still have the interest to meet on her \$1,690,000 of State bonds issued for banking purposes, which the bank now regularly pays from her profits. Not the people of the State; for the oppressive demand

necessarily required from the debtors of the bank would, in its turn, have reached the hundred-fold indebtedness of others to them; which, in addition to their unusual embarrassments otherwise, would have created immense suffering, without any adequate good. And the broker only is the individual who would have fattened on the ruin advocated by the committee. It is, however, proper to remark, that, as to requiring specie payments of the branches to brokers and all others, the bank not only feels alive to the subject, as every citizen would who was liable to double interest on his debts, but also feels that anxious solicitude which all honorable men feel whose pride it is at all times to meet every obligation against them. Toward this object, it is, and will be, the determination of the State board to go forward in good faith, and secure its being done by every branch, as soon as the condition and business of the country will admit.

If the bank is in danger or unprofitable—if its proceedings have been corrupt or injurious—it should be assailed openly and directly. But if it has afforded a better and more uniform currency than is found in any of the adjoining States—if the clear profit to the State, after paying the interest on the bank loans, and providing for the principal thereof, has been as estimated and reported by the cashier, \$481,745—if it has made the produce of the State more available, and the industry and business of the citizen more effective—then, although perfection cannot be claimed in its management, through all the diversified business of thirteen branches, its correction could scarcely seem to call for the blows or covert insinuations calculated to impair its usefulness and character, or for ruinous amendments intended utterly to destroy the checks and balances to which the framers of the charter, with great care, committed its interests.

The circulation of the bank was reduced, from the 1st of August to the 1st of November last, \$549,565. If it had gone on to lose \$500,000 in specie, as the committee admits it would have had to, by the 1st of December, and as they think it ought to have submitted to, and its circulation had necessarily been thereby reduced accordingly, (for the bank has generally about three dollars in paper to one in specie,) there would then have remained less than two millions of the circulation of the bank among the people for business, both within and without the State, instead of about three millions, the present amount. If there be now a loud call for stay laws and appraisal laws, what would have been the language of the people if, in a few short weeks, their circulating medium had been thus reduced? And what still further would have been their call, if, in addition to our having lost half our specie by the 1st of December, as the committee admit—which would have been in six weeks from the suspension in the adjoining States—we had in the next six weeks (say by the middle of January) have lost our remaining specie, and the proportionate circulation been taken from the hands of the community? For the views of the committee do not seem to have extended beyond the commencement of the session of the Legislature, as if their assembling, and the appointment or investigation of the bank committee, would have prevented brokers and foreigners from continuing their specie runs upon the branches.

If all confidence had thus been destroyed—if, by the want of a circulating medium, the abundant produce of the last season had met with no purchasers—if all stimulus to exertion had been lost—years must have passed away before the State again reached its former prosperous condition.

But the injustice to creditors is alleged, as if it were worse for a few creditors to receive their dues in something less valuable than specie, than for

creditors to be unpaid, and most debtors to be ruined. And it should be recollected, in the change of times, that were bank paper even to depreciate 20 per cent., it would still be much more valuable than the currency which most debts were contracted.

As to the obligations of the bank, and the remark of the committee that the 12 per centum penalty was only given to satisfy the billholder, I would simply remark, that if by receiving thus double interest, the billholder is thought to be satisfied, surely those who do not hold any of the bills of the bank ought to be content.

It may be said by some, that, although the bank has done about right, it is best to take advantage of what has occurred, to bring the institution under the power of the Legislature. If this could be done, will the stockholders be expected, as at present, to lose all their stock, and even an equal amount in addition, before the State shall lose a dollar on her stock? If they are to lose their power, they must be released from responsibility. A political bank could not for a single year supply half the applicants of a predominant currency; and even if supplied, the result would be in a short time, that, in place of a suspended debt of \$250,000, as ours is, we should have four or five millions of desperate debts, as Alabama has.

We are not left to conjecture in these matters. The losses of the State Bank of Alabama, where the directors are appointed by the State, are estimated at five millions; while the ascertained losses of the State Bank of Indiana do not yet exceed five thousand. While on the subject of specie payments, much might be said of the debt due to the bank by the State, for advances on the public works—of the bonds taken for the 4th instalment of surplus revenue—of the interest voluntarily paid in New York on the State bonds, to save the credit of the State—and of the difficulties which every citizen must have felt if the bank had reduced its discounts, instead of enlarging them, in the business and exporting season of the year. But these matters will be duly appreciated by all who give them due reflection.

It is much to be regretted that the committee did not look into the proceedings and evidence on the *scire facias* against the Lafayette branch, before they stated that the State board had acted in this case "on more questionable authority, and for much more trivial cause, than existed in many other cases." The facts proved on this trial were, that the cashier of that branch, in conjunction with the exchange committee, had bought bills of exchange to the amount of 14,200 dollars, when the discounts of the branch were up to the limits fixed by the charter; that, to conceal the violation of the charter, these bills were not added to the amount of discounts; that the discounters, without having funds in the Merchants' Bank, New York, (and that well known to the cashier,) gave him time checks on that bank, which he charged as a balance of cash against it, without ever sending the checks; and knowing that there were no funds there, that he illegally applied five hundred dollars of the funds of the bank to his own use; and that he loaned illegally the further sum of five hundred dollars of bank funds to Taylor & Marshall. The defence set up by the cashier was, that, in taking from the bank these two sums, his conduct was merely informal, as he was at that time acting secretary of an insurance company, and he only intended to use the money of the company. But it was proved that this pretence was not true; for, by the accounts of the insurance company kept in bank, it appeared beyond dispute that the company had not the amount of funds on hand which the cashier alleged, and which he used. The branch board at La-

fayette had refused to disapprove these acts, when they were proved before them, though they are made highly penal by the 80th section of the charter. The decision of the State board was by a unanimous vote, the delegate from the Lafayette branch having been excused from voting.

It is alleged by the committee that the receipt and payment of notes of other banks below five dollars, by some of the branches, is a violation of the 22d section of the charter, which says "no note shall be issued of a less denomination than five dollars." The word "issue" by a bank is usually applied to paying out its own notes. If the framers of the charter had intended what the committee suppose, they would probably have added the words, "nor shall the notes issued by other banks, under five dollars, be received or paid out by the State Bank."

The purchase of common promissory notes at a greater discount than 6 per cent. is believed to be allowed by the charter, yet the power has been very sparingly used. Many of the branches have never bought such paper, and is not sought for at any branch. The discount charged is understood to be about 10 per cent. The small amount of specie in the Lawrenceburg branch in December was occasioned by the payment of \$48,000 in specie, a deposite balance demanded by the Secretary of the Treasury. The specie of that branch has since increased more than \$18,000, and its circulation reduced \$22,000.

The committee commence the remarks on the negotiations with the Morris Canal and Banking Company by making two mistakes as to matters of fact: one, that the undersigned acted under "an amendment of the charter;" and the other, that his negotiation was "for the benefit of the bank." The power to increase the State stock in the bank was reserved in the charter originally, and the law of last winter providing for that increase did not propose any amendment to the charter. This increase of the State stock was never thought of as being "for the benefit of the bank," as it would increase the risk and lessen the profits; and very few concerned in the bank, if they could have avoided it, would have consented only because they would yield private interest to public good. The addition of State stock was expected to aid in the payment of taxes; and as a provision was made for dividing the new loans among the counties, it was hoped the effects would be, on the whole, advantageous to the public, and not injurious to the bank. Not "under the charter," nor "for the benefit of the bank," but as the agent of the State, the undersigned was called unexpectedly, as he has already communicated to the House, to accept or reject an offer for a loan. He understood that State bonds were generally sold on a credit, the purchaser expecting from another sale to realize the money for payment. He understood that the Morris Canal and Banking Company had previously bought of the State of Indiana about \$5,000,000 of State bonds, and had paid punctually, and that the directors of that institution were gentlemen of high character and reputed wealth. He examined the sworn statement of the cashier of the institution, and made such inquiries, confidential and otherwise, as induced him to believe that the contract was a safe one on the part of the State. But the change in the value of the bonds, and all stocks, between April and August, was such as to prevent payment. Security sufficient to indemnify the State is believed to have been taken. No part of this whole matter was referred to the bank committee; yet the undersigned has no objection that it should have its full weight in the decision that is to be made in reference to him. Though his testimony before the bank committee, except the an-

swer to one question, was required to be taken down on the spot, and it does not therefore explain some matters as fully as he would have wished, had he known the objects in view; yet he is anxious that those who read the summary of the committee shall also read his testimony. They will be found, it is believed, to have very little resemblance to each other.

In regard to the censures passed on the directors appointed on the part of the State, little need be said by way of defence to those who know them. Messrs. Morrison, Fletcher, Worth, Scott, and Norris have acted in that capacity, and are all more or less implicated. However prejudice may for a time prevail, it cannot be long before their exertions to reconcile the conflicting interests of the branches, to allay jealousy, to quiet party spirit, and to make the institution an object of pride to their fellow-citizens at home and abroad, will be rewarded with general approbation. It was not their province, by the charter, nor has it been their disposition, to exercise the powers intrusted to them, except for the public good. They have been aware of occasional errors and mistakes in the branches, and they have taken such steps to remedy the evils that were discovered as in general have been attended with success; and as difficulties have presented themselves in new forms, they have constantly made preparations to remove them. When there have been found to be long loans in branches, the discounts have been restricted accordingly; and when directors are found to loan to themselves on different terms than they allow to others, they are required to vacate their seats. Dividends have been diminished or withheld, loans to the merchants and stockholders specially censured, while the branches have been strongly urged to favor the exporters and the enterprise and industry of the country. There has been scarcely a session of the State board in which some action has not been had in reference to the duties of the branches under the charter; yet they have never conceived that the business and operations of the branches should be suspended and closed up without sufficient cause. The injury to the business of the district, to the debtors of the branch, and the risk of loss to the private stockholders and to the State, all forbid that the final closing up of a branch should be determined on unless in case of real necessity. Were such necessity to exist, the other branches, for their own interest, would urge the adoption of this course. But no member of the State board, either of those appointed by the State, or those delegated by the branches, ever yet thought that duty compelled him to wind up a branch for an inadvertent error or an improper act, regretted and not likely to be repeated, when neither the error nor the act was vital to the interests of the institution. Persons who talk lightly of the ruin occasioned by the unnecessary suspension of a branch, as if the waste of a few hundred thousand dollars was of no consequence, have not as yet had a seat in the State board.

The members generally have been men of business; there has been rarely a partisan among them. They have talked, and reasoned, and decided, without noise or parade, and their decisions have been generally respected; though, occasionally, from the difficulty of the times, less has been done by the branches to set things right than was desirable. If the committee had looked over their proceedings, (*which they have not done*,) they might not have found quite as much *thunder* as they wish, but they would have found good sense, and candor, and honesty. It is much to be regretted that the committee *did not* examine the proceedings of the

State board, the letter-book of the bank, and the reports of the examiners of the branches. If they had done so, it would have relieved them of much uneasiness.

The plan of the committee for increasing the stock in the bank is no less extraordinary than the other parts of the report. It is to be composed of State bonds, which cannot be sold, and mortgages from individuals not to be paid for five years. There is but one thing wanting to make the plan perfectly complete. The specie in the bank should have been paid out; and then, when the machinery became too light for the earth, could easily be raised to the moon.

Stock can now be had in most, if not all, the branches at its par price, and the only difficulty in equalizing this stock among the counties is the want of persons wishing to hold it. It is becoming so common to be up to public odium all who are concerned in the banks, that it is not surprising that the stock should be so little in demand. If half of the directors of the bank and branches are to be appointed on the part of the State, as proposed by the committee, so that "if party or political feeling were introduced on one hand, and private local interests on the other, they would be mutually counteracted," it would be very questionable whether individuals can be found to take the stock, even in "real estate." But at any rate, those who have paid money would soon be out of the concern.

Hitherto the bank has been free from political intrusion. There has been constantly in the State board men of both parties; and no party vote has ever yet been given there, nor has there ever yet a complaint reached the State board of a loan made or refused, in any branch, on political grounds. But if to party contests, already sufficiently bitter, there be added each year a struggle for "the power of lending money," it will not be difficult to foretell the result.

It has been scarcely possible for the undersigned to notice all the mistakes of the report, without more time than can now be spared, and without extending this article to an unreasonable length; and in some of his hasty remarks, he, too, may have been mistaken. He has not seen the evidence taken by the committee, and, of course, can say nothing to the remarks about the South Bend, Michigan City, Bedford, and Lawrenceburg branches, though he would fain hope and believe that some of the blameable matters alleged may be satisfactorily explained.

In conclusion, the undersigned begs leave to return his thanks to the committee for their kindness in permitting him to hear the report on Saturday evening last, and to the House of Representatives for their directing him to be furnished with a copy.

As, under the recommendation of a large majority of the bank committee, this may be the last communication which it will ever be the duty of the undersigned to make to the representatives of the people, whom twenty years he has endeavored to serve with what of faithfulness, honesty, and ability he possessed, in different stations, it is hoped and trusted that, however the decision may be made at present, the candid and unbiased judgment of the public will, in the end, be right. When, in addition to honest differences of opinion within these walls, you hear also from without the most audacious falsehoods, which never reach the ears of the undersigned until they have effected their object, it will be a matter of regret, but not of surprise or complaint, if temporary injustice be done him.

Respectfully submitted.

S. MERRILL.

B B—Continued.

INDIANA.

Date.	Number of banks.	Number of branches.	Capital.	Loans and discounts.	Stocks.	Real estate.	Other investments.	Due by other banks.	Notes of other banks.	Specie.	Circulation.	Deposites.	Due to other banks.	Other liabilities.
1819	1	1	\$202,857	\$300,278	\$25,000	\$2,656	-	\$395,932	-	\$86,350	\$276,288	\$216,748	\$104,737	-
Jan. 1, 1835	1	1	800,000	531,843	-	1,715	\$1,708	29,417	\$78,150	751,083	356,065	127,236	3,985	-
Nov. 21, 1835	1	1	1,199,778	1,810,965	-	14,460	58,233	923,304	572,083	797,611	1,534,020	1,511,548	23,415	-
Jan. 9, 1836	1	1	1,279,857	2,304,683	-	17,214	226,404	1,278,223	557,612	869,639	1,981,650	1,673,887	78,823	\$128,392
Nov. 26, 1836	1	1	1,585,481	3,179,271	-	48,901	270,197	1,457,204	489,753	1,204,737	1,970,595	2,738,405	66,867	63,777
May 13, 1837	1	1	1,846,921	4,208,956	-	71,914	100,279	1,006,996	124,865	1,196,187	2,516,790	1,898,061	135,698	37,149
Sept. 2, 1837	1	1	1,845,000	3,551,669	-	78,283	148,523	686,967	477,376	1,172,500	2,434,238	1,097,877	104,884	12,419
Oct. 31, 1837	1	1	1,847,125	3,366,267	-	97,854	208,943	569,372	201,000	1,048,714	2,205,810	1,003,292	69,725	-
January, 1838	1	1	1,900,187	3,556,341	-	97,301	298,658	281,393	209,185	1,221,181	2,308,130	952,009	136,647	5,720
Nov. 17, 1838	1	1	2,216,700	4,532,965	-	144,386	-	226,521	155,813	1,345,832	2,951,795	490,617	269,905	270,008
Oct. 31, 1839	1	1	2,595,221	4,581,486	294,000	180,343	91,728	208,301	169,500	1,021,490	2,985,370	372,784	126,088	-

Doc. No. 172.

1857

2. Deposits and Circulation of Banks in Indiana and Percentages Held by Banks Participating in the State of Indiana
 Guaranty Fund (i.e. Branches of the State Bank of Indiana or of the Bank of the State of Indiana)
 SOURCE: Annual Reports of Auditor of State (see worksheets for page references), Knowlton's History of Banking, pp. 697, 700, 703, Ross article
 Annual Reports of the Comptroller of the Currency, 1863, p. 61, 1864, p. 35, 1865, pp. 100-01

Year (nearest Dec 31)	Percentage of all banks held by branches of State Bank			All banks in State			National banks			Branches of the State Bank or Bank of the State of Indiana			Free Banks		
	Dep. + circ.	Dep.	Circulation	Deposits + circulation	Deposits	Circulation	Deposits + circulation	Deposits	Circulation	Deposits + circulation	Deposits	Circulation	Deposits + circulation	Deposits	Circulation
1834	100	100	100	588,219	132,154	456,065				588,219	132,154	456,065			
1835	100	100	100	3,264,069	1,730,049	1,534,020				3,264,069	1,730,049	1,534,020			
1836															
1837			100			261,527.5						261,527.5			
1838															
1839	100	100	100	3,878,405	776,068	3,102,337				3,878,405	776,068	3,102,337			
1840	100	100	100	3,546,917	515,825	3,031,092				3,546,917	515,825	3,031,092			
1841															
1842															
1843	100	100	100	2,561,289	250,599	2,310,690				2,561,289	250,599	2,310,690			
1844	100	100	100	3,458,204	357,204	3,101,000				3,458,204	357,204	3,101,000			
1845	100	100	100	4,126,812	459,317	3,667,495				4,126,812	459,317	3,667,495			
1846	100	100	100	4,096,814	563,016	3,533,798				4,096,814	563,016	3,533,798			
1847															
1848	100	100	100	4,416,213	708,182	3,708,031				4,416,213	708,182	3,708,031			
1849	100	100	100	4,499,818	882,323	3,617,495				4,499,818	882,323	3,617,495			
1850	100	100	100	4,332,510	784,242	3,548,268				4,332,510	784,242	3,548,268			
1851	100	100	100	4,863,626	869,820	3,993,806				4,863,626	869,820	3,993,806			
1852	n.a.	n.a.	84.5	5,116,619	1,119,248	4,622,587				5,016,619	1,109,248	3,907,371	n.a.	n.a.	715,216
1853	52.3	42.2	55.5	9,326,529	2,209,701	7,116,828				4,882,353	933,072	3,949,281	4,444,176	1,276,629	3,167,547
1854			24.0			1,249,861.8				3,909,612	913,324	2,996,288	7,410,939	2,191,839	5,219,100
1855					2,289,605	8,165,856				4,151,282	754,031	3,397,251	n.a.	n.a.	n.a.
1856										n.a.	n.a.	n.a.	3,000,874	1,526,979	1,473,895
1857			32.2	3,838,167	1,709,745	2,128,422				2,197,633	1,486,728	1,310,905	n.a.	n.a.	n.a.
1858	75.3	58.4	81.4	7,510,491	1,977,887	5,532,604				1,038,979	354,260	684,719	2,799,188	1,355,485	1,443,703
1859	73.2	67.8	80.8	7,139,932	1,817,969	5,321,963				5,657,889	1,155,543	4,502,346	1,852,602	822,344	1,030,258
1860	76.4	57.5	82.2	9,141,285	2,145,209	6,996,076				1,804,614	761,014	1,043,599	1,804,614	761,014	1,043,599
1861										5,229,137	925,851	4,303,286	1,910,795	892,118	1,018,677
1862	78.4	68.2	83.3	10,163,491	3,538,031	6,625,460				2,154,814	812,348	1,342,466	2,154,814	812,348	1,342,466
1863										6,986,471	1,232,861	5,753,610	2,016,407	866,745	1,210,262
1864										1,794,773	861,557	933,116	1,794,773	861,557	933,116
1865	33.6	36.7	29.0	13,173,623	7,798,491	5,375,132	796,590	796,590		2,292,714	1,131,449	1,161,265	2,292,714	1,131,449	1,161,265
							698,2669	415,4469	282,8200	4,420,971	286,1391	1,559,580	2,510,746	1,407,407	1,103,339
							1,933,272	1,168,316	827,4956				1,769,983	782,631	987,352

1) Figures given are for the State Bank of Indiana 1834-57, Bank of the State of Indiana, 1858-64

2) Circulation ^{but not deposit} figures are available for 7 additional banks (presumably in active operation) in amounts aggregating \$240,158

3) Figures for these banks for this year do not cover all banks which were reported in existence, but as most of the banks were reported suspended or liquidated in the next Auditor's report, they may have started liquidation prior to the date of the condition statements

FEDERAL DEPOSIT INSURANCE CORPORATION

Included in "deposits" of branches
of the State Bank or Bank of the State

Individual deposits
Unclaimed dividends X
Branch balances X
Other bank balances
Due Commissioners of Sinking Fund
" Treasurer of State
" Pension agent
Certificates of deposit
X = not incl. by Knox

Included in "deposits" of free banks
Amount due other banks
" " depositors
~~Due to ba~~
Unpaid dividends

Circulation = "notes, bills other
evidences of debt issued by bank"

1. Number of banks in Indiana, 1834-65

Year		All banks in State		National Banks		Branches of the State Bank or Bank of the State		Free banks	
		Estimated	Condition reports	Condition reports	Condition reports	Estimated	Condition reports	Estimated	Condition reports
1834	100	10	10	-	-	10	10	-	-
1835	100	10	10	-	-	10	10	-	-
1836	100	11	7	-	-	11	7	-	-
1837	100	11	-	-	-	11	-	-	-
1838	100	13	-	-	-	13	-	-	-
1839	100	13	13	-	-	13	13	-	-
1840	100	13	13	-	-	13	13	-	-
1841	100	13	-	-	-	13	-	-	-
1842	100	13	-	-	-	13	-	-	-
1843	100	12	13	-	-	12	13	-	-
1844	100	13	13	-	-	13	13	-	-
1845	100	13	13	-	-	13	13	-	-
1846	100	13	13	-	-	13	13	-	-
1847	100	13	-	-	-	13	-	-	-
1848	100	13	13	-	-	13	13	-	-
1849	100	13	13	-	-	13	13	-	-
1850	100	13	13	-	-	13	13	-	-
1851	100	13	13	-	-	13	13	-	-
1852	46.4	28	23	-	-	13	13	15	10
1853	30.2	43	43	-	-	13	13	30	30
1854	12.6	103	59	-	-	13	13	90	46
1855	12.3	106	13	-	-	13	13	93	-
1856	24.1	54	33	-	-	13	-	41	33
1857	27.0	48	38	-	-	13	13	35	26
1858	52.6	38	37	-	-	20	20	18	17
1859	54.1	37	17	-	-	20	-	17	17
1860	50.0	40	19	-	-	20	-	20	19
1861	52.6	38	18	-	-	20	-	18	18
1862	52.6	38	38	-	-	20	20	18	18
1863	37.1	54	23	Org 20	9	20	-	14	14
1864	31.2	64	61	34	31	20	20	10	10
1865	21.1	95	75	70	70	20	-	5	5

Condition of all banks in Indiana, 1862, 63
 Homans Bankers Almanac, pp. 76, 81

	No. of banks	Jan. 1862	Jan. 1863
<u>Liabilities</u>			
Capital		4,579,985	4,492,835
Circulation		6,844,700	6,782,890
Deposits		2,076,548	3,017,597
Due to banks		162,890	110,126
Other liabilities		1,400,385	1,303,776
Total			
<u>Resources</u>			
Loans		6,249,043	5,250,245
Stocks		1,358,002	1,589,768
Real estate		354,799	348,860
Other investments		—	—
Due from banks		2,012,986	2,801,282
Notes of banks		445,144	1,901,359
Cash items		67,275	—
Specie		4,577,259	3,455,731
Total			

Capital, Circulation and Specie - p. 100

	Jan. 1862	Nov-Dec. 1862
Capital	4,580,000	
Specie	4,578,000	3,520,000
Circulation	6,844,000	6,660,000

Condition of the State Bank of Indiana

Annual Report of the Auditor of State, 1854

	Oct. 31 1853	Oct. 31 1854			
Assets					
Bills discounted	1598532.00	863574.47			
Bills of exchange	3438862.00	3335010.98			
Suspended debt	147099.00	180600.48			
Banking houses + furniture		150596.82			
Other real estate		45862.02			
Due from Eastern banking institutions	394177.00	514067.32			
Due from other " "	536931.00	694045.70			
Remittances and other items		173573.79			
Notes of other banks		272879.00			
Gold and silver	1377804.00	1,086,962.86			
Total		7,319,178.44			
Liabilities					
Capital stock		2,150,107.44			
Surplus fund	979,199.00	1,108,955.99			
Profits since last dividend		211,543.02			
Due (from) other banks		225,520.65			
Sinking fund, school tax, other items		41,825.07			
Undrawn dividends		4,045.63			
Individual deposits		271,491.35			
Suspended circulation (to supply est. loans) <small>1854</small>		143,108.04			
Circulation: under fives	571,961.00				
Fives & upwards	2,478,327.00				
	2,996,640.00				
Less notes on hand	192,640.00	383,476.50	280,364.80		
Total		7,309,128.44			

Statements of the Bank of the State of Indiana, 1859, 1860
 Reports of the Condition of the Bank, in Indiana Documents
 for 1859, in 1858-59, Part I, No. 4, p. 350. for 1860 in 1860-61, Part II, No. 12, p. 509

	Nov. 15 1859	Nov. 17 1860
<u>Assets</u>		
Notes discounted	1,626,934.55	2,770,315.89
Bills of exchange	4,586,725.30	
Banking houses	125,336.82	2,639,49.89
Other real estate	82,514.72	
Remittances	278,723.37	1,151,63.80
Other items	81,206.63	
Eastern means	361,377.53	656,458.48
Other bank balances	355,254.34	369,905.62
Due from branches	14,780.45	10,591.29
Notes of other banks	264,964.—	217,429.—
Gold & silver	1,411,500.82	1,917,368.22
Total	8,938,467.53	11,341,182.19
<u>Liabilities</u>		
Capital stock	2,988,431.—	3,323,850.—
Surplus fund	553,250.95	738,905.92
Profit & loss	177,115.90	237,031.26
Unclaimed dividend	541.50	
Other bank balances	64,659.87	45,991.26
Other items	16,993.33	
Individual deposits	652,597.83	1,186,870.18
Certificates of deposit	181,591.15	
Circulation	430,328.6—	576,361.0—
Other liabilities		84,923.57
Total	8,938,467.53	11,341,182.19

✓ Less \$83,627.00 notes in branches in 1859, \$197,109.00 in 1860

Indiana Bank Statistics Homans Bankers Almanac

	Year		Circulation	Specie	Capital	
p. xxvii	1851	13 Br.	3300000	1280000	2082950	
p. xxix	1852	"	3681000	1300000	2082151	
p. xxx	1853	"	4014800	1060000	2082151	
p. xxi	Apr. 1854	" 31 brs	6514800	1270000	4552151	(If free brs listed figures inc.)
p. 32-3	Jan. 1855	" 27 "	5335000	1290000	3785107	
p. 43	Dec. 1855	13 br. 38 "	5300000	1500000	4600110	
p. 20	Jan. 1857	20 br. 39 "	5300000	1500000	4529500	
p. 19-20	Jan. 1858	20 br. 22 "	4600000	1329000	3555200	
p. 20	" 1859	" 19 "	3343000	1269000	3852000	
p. 21	Dec '59	" 17 "	3343000	1269000	4394500	
p. 37	Apr. 1861	" 18 "	5408000	2079000	4738129	
p. 19-20	Dec. '61	19 br 18 "	5408000	3018296	4456504	
p. 19-20	Dec '62	20 br. 18 "	6608000	3537000	4561135	
p. 18	" '63	20 br. 18 "	4500000	2156480	4164135	
p. 17	" '64	20 " 10 "	4500000	2156480	3964135	
p. 49-50	" '65	11 " 4 "	n.a.	n.a.	1388400	
p. 203	1854	Nov. 41 brs	5300000	1500000	3785108	

- 1) Branches of State Bank of Indiana
- 2) " " Bank of the State of Indiana

Data from Knox, History of Banking
 State Bank of Indiana

Year	Total deposits and notes a)	Circulation	Ratio of circulation to total
1835	1,936,978	1,534,020	79.1
1840	3,299,573	2,835,902	85.9
1845	4,072,416	3,667,495	90.1
1850	4,216,874	3,548,267	84.1
1853	4,117,094	3,397,251	82.5

Bank of the State of Indiana

1858	5,635,566	4,502,348	79.9
59	5,219,137	4,303,286	82.5
60	6,986,471	5,753,610	82.4
62	7,269,127	4,975,332	68.4
64	4,348,794	1,501,865	34.5

a) Individual deposits, due other banks, and circulation

State Bank of Indiana - from other sources

	Deposits	Circulation
Nov. 26, 1836	\$1,927,050	\$431,703
May 13, 1837	2,516,790	483,969

CAPITAL AND SPECIE RATIOS, 1835-64

Year	Branch Banks		Specie ratios, Free Banks 2/	Specie ratios, All U.S. Banks 2/
	Capital ratios 1/	Specie ratios 2/		
1835	28.5	41.7	-	23.5
1836	3/	3/	-	15.7
1837	3/	3/	-	13.4
1838	3/	3/	-	17.4
1839	42.9	30.3	-	20.0
1840	44.7	32.3	-	18.1
1841	3/	3/	-	20.3
1842	3/	3/	-	19.2
1843	49.5	38.6	-	28.7
1844	41.9	33.0	-	31.2
1845	37.7	26.8	-	24.8
1846	37.6	26.8	-	20.8
1847	3/	3/	-	17.8
1848	37.9	31.8	-	19.8
1849	37.9	34.0	-	21.3
1850	40.1	30.1	-	18.7
1851	38.0	28.3	-	17.2
1852	36.6	28.0	-	3/
1853	40.1	29.5	10.5	16.1
1854	45.9	30.0	11.8	15.0
1855	45.2	30.6	12.2	14.3
1856	3/	3/	11.8	14.5
1857	60.5	56.6	10.4	13.0
1858	33.8	30.7	11.5	21.7
1859			11.3	23.2
1860	3/	3/	8.7	18.2
1861	3/	3/	11.7	19.2
1862	32.5	45.9	12.1	21.2
1863	3/	3/	10.1	16.0
1864	49.8	55.9	22.1	3/

1/ Computed by dividing the sum of capital stock, surplus and profit and loss by total assets.

2/ Computed by dividing specie by the sum of deposits and circulation.

3/ Sufficient data not available.

General Statement of the Bank of the State of Indiana and Branches, Nov. 20, 1858 - ASSETS
 Indiana Document, 1857-58, Part I, No. 4 (General Assembly) p. 363

Branch	Bills discounted	Bills of Exchange	Suspended Debt	Bkg Houses + ORE ✓	Remittances + other items	Branch balances	Bank balances (Eastern + Other)	Branch notes	Other Branch notes	Other Bank notes	Specie	Total
Lima	127,141.03	67,051.86	699387	3757.99	500 -	108.75	55406.72	11886 -	1103 -	12347.45	52670.30	338966 ⁹⁷
Laporte	11,200. -	166,993.51	22101.12	15101.23		3.44	50076.79	5370 -	7298 -	20577 -	70030.18	368451 ²²
Plymouth	133,071.92		4850 -	6541340	18347.34	545.34	34797.80	4063 -	1526 -	6872 -	41867.18	311353 ⁹⁸
South Bend		265,363.16	85 -	6750 -	72.33		44308.45	19383 -	1603 -	9443 -	76944.14	363972 ⁰³
Fort Wayne	8,349.68 ^{9469.38}	199,572.83	7800 -	11220 -	1225.46	2.72	50926.53	2045 -	1700 -	6212 -	67192.24	356366 ¹⁶
Lafayette		315,192.23	7609.13	929.72	4975.09	9686 -	114944.91	4564 -		33446 - ^{31116 -}	101121.33	590468 ⁴¹
Logansport	2,866.33	148,204.40	5595 -	70 -	11961.81		57661.38	6930 -		25112 -	57294.96	315695 ⁸⁹
Indianapolis	25,899.07	330,655.02	8617.69	1170 -	35.92	1294.49	69020.92	5234 -	4021 -	25616 -	100048.14	571612 ²⁵
Richmond		513,950.96	4981.87	70 -			17936.96	6041 -	2499 -	19480 -	191454 -	756413 ⁷⁹
Connersville	41,161.69	202,173.41	6300 -	10070 -	4.16		27861.00	5000 -		14722 -	68619.44	275911 ⁷⁰
Rushville	21,704.80	223,254.17	5555.83	70 -	509.76	452.50	31049.54	2352 -	6855 -	10108 -	67282.48	369194 ⁰⁸
Madison	24,010.36	297,311.29	20848.92	5070 -	33430.97	1416.24	26534.84	21200 -	7000 -	18934 -	84689.95	540446 ⁵⁷
Jeffersonville	1,000. -	125,689.12	12701.67	70 -	1119.58	899.01	1832.14	1076 -		5726 -	70206.84	220300 ³⁶
New Albany	64,318.60	372,563.69	100 -	19400 -	346.50	2957.6	67141.57	22001 -		35788 -	131052.28	713005 ⁴⁰
Bedford	45,327.86	168,508.66	7331 -	3404.29	5367.28	69.92	24895.43	13000 -	10000 -	28827 -	70005.70	376677 ¹⁴
Evansville		309,036.05		70 -	1491.7 -	1356.99	44285.64	28300 -	6112 -	7739 -	111061.09	522877 ⁷⁷
Vincennes	27,232.14	203,564.75		70 -	185.70	500 -	66465.11	60500 -	59500 -	5600 -	75732.86	499350 ⁵⁶
Terre Haute	38,002.99	254,815.43	13800 -	8070 -	68.69	4337.04	47032.54			9867 - ^{19887 -}	95764.90	481698 ⁵⁹ ✓
Muncie	14,177.11	209,092.40		8670 -			50268.04	4900 -	21510 -	30128 -	72652.64	411398 ¹⁹ ✓
Lawrenceburgh	15.80	255,977.05	11163 -	4344.25	14.05		50285.60			3705 -	80205.88	405710 ⁶³
Total	585,599.08	4,568,919.99	146443.10 ^{146434.12}	163610.88	93021.64	20968.20	732731.92	223845 -	130727 -	338189.45	1,685,894.48	8889971 ⁸⁴ -

✓ This item is chiefly Banking Houses, with the exception of the Plymouth Branch

✓ These totals do not agree with corresponding totals by liabilities but the error is offsetting.

General Statement of the Bank of the State of Indiana & Branches, Nov. 20, 1858 - LIABILITIES

	Capital Stock	Surplus Fund	Circulation	Branch notes	Indis. deposits	Certif. of deposit	Other items ¹⁾	Branch balances	Office bank balances	Profits Loss	Total
Lima	100,000 -	17377.08	188114 -	11886 -	14306.07	720 -	165.93	141.19		6256.70	338966.97
Laporte	100,000 -	28374.90	192630 -	5370 -	31255.96	4208.45		745.37	35.36	6131.18	368751.22
Plymouth	100,000 -	15020.37	178437 -	4063 -	8812.29	2066.60		203.55		2751.17	311353.98
South Bend	100,000 -	21996.55	180617 -	19383 -	19405.76		250 -		16455.91	5663.86	363772.08
Fort Wayne	100,000 -	17563.30	195555 -	2045 -	13972.30	10598.94	880 -	281.10	6682.10	8788.42	356366.16
Lafayette	130,000 -	20003.54	255211 -	4564 -	133396.32	30807.24	1489.98	489.15	788.88	13720.30	590468.41
Logansport	70,209.33	8234.33	170570 -	6930 -	17772.22	13299.97	2167.64	200 -		6312.40	315695.89
Indianapolis	150,000 -	17599.58	294666 -	5234 -	65190.38	23198.94	46 -	1448.62	2263.41	11965.32	571612.25
Richmond	225,000 -	33334.49	443959 -	6041 -	29037.12				199.35	18842.83	756413.79
Connersville	100,000 -	18000 -	195000 -	5000 -		48576.41				9335.29	375911.70
Rushville	100,000 -	2001.87	197648 -	2352 -	32867.37		6327.98			7996.86	369194.68
Madison	150,000 -	6668.28	254800 -	21200 -	58535.11				40416.12	8827.06	540446.57
Jeffersonville	100,000 -	8780.57	98924 -	1076 -	5548.04			229.72	4433.62	1308.41	220300.36
New Albany	200,000 -	11607.04	376999 -	22001 -	68542.99	3463 -	1517 -	1750.69	14096.11	13028.57	713005.46
Bedford	100,000 -	15261.01	183916 -	13000 -	43433.74	11130.01			924.18	7012.20	376677.14
Evansville	141,350 -	17789.81	233700 -	28300 -	49687.89	8873.05	248.65	1711.17	31095.07	10822.13	522877.77
Vincennes	129,000 -	12762.02	179500 -	60500 -	96172.76	12721.75	898.01	915.49	.02	6880.51	499350.56
Terre Haute	150,000 -	18516.12	260000 -		43714.93	9153.92		250 -	10008.15	10055.47	501698.59
Muncie	109,000 -	17229.51	203100 -	4900 -	29232.04	18364.75				9571.89	391398.19
Lawrenceburgh	111,700 -	20262.30	217000 -		28397.47				19352.29	8998.57	405710.63
Total	2,486,259.33	348382.67	4502346 -	223845 -	789280.76	197183.03	13962.19 12989.19	8366.05	146750.57	173569.14	8889971.74

¹⁾ Includes "Unclaimed Dividends" and "Treasures of State"

General Statement of the State Bank of Indiana and Branches, Jan. 1, 1835
 Indiana Senate Journal 1834-35, pp 321-23

Resources

Branch	Bills discounted	Bills of exchange	Balances due to other branches	Deposits due to other banks	Banking house	Fixtures, Furniture	Expenses current	Notes & bills of other banks	Specie on hand	Total
Indianapolis	53313.60	2103.08	3349.05			448.69	637 ⁰⁸	31854-	89039.61	178745.11 ✓
Lawrenceburgh	26191.58	43758.40	301.34			309.19	716.36	7620-	79620.69	158517.56 ✓
Richmond	43489.22		108-	6499.66	1715.58	65.62	19.37	18240-	81698.88	151836.33 ✓
Madison	51108.57	57042.68	603.50	12256.10			215.40	11547-	38483.90	171257.15 ✓
New Albany	41373.96	1513.19	614.45			788.84	177.60	3597-	75889.23	123947.27 ✓
Evansville	34727.34					20.83	752.71	560-	68074.04	104134.92 ✓
Vincennes	34055.03					75.45	73.10	1805-	79708.56	115717.14 ✓
Bedford	42780.50			109.63			642.70	755-	79140.24	123428.07 ✓
Terre Haute	49064.70	1500-	247.41	1052.34			83.75	2124.52	77677.67	141250.39 ✓
Safayette	47821.90	2000-	153.50	2020 ^{at}			197.19	55-	81750.47	133998.06 ✓
Total	421926.40	107917.35	5337.25	31437.73	1715 ⁵⁸	1708.62	3515.26	78150.52	751 ⁸⁹ 329	1402832- ✓

Liabilities

	Capital stock paid in	Notes in circulation	Income	Balances due to other branches	To other banks	Sinking Fund	Deposits	Total
Indianapolis	80000-	59580-	879.71	4.61	776.52	3226.40	34277.87	178745.11 ✓
Lawrenceburgh	80000-	59020-	1769.26		614.46		17113.84	158517.56 ✓
Richmond	80000-	56150-	756.08				14930.25	151836.33 ✓
Madison	80000-	77395-	2841.84				11020.31	171257.15 ✓
New Albany	80000-	30260-	868.71		2595-		10223.56	123947.27 ✓
Evansville	80000-	20320-	733.36	464.45			2617.11	104134.92 ✓
Vincennes	80000-	28240-	680.49				6796.65	115717.14 ✓
Bedford	80000-	39150-	1188.72	462.45			2626.90	123428.07 ✓
Terre Haute	80000-	42240-	826.97				18183.42	141250.39 ✓
Safayette	80000-	43710-	841.67				9446.39	133998.06 ✓
Total	800000-	456065-	11386.81	931.51	3985.98	3226.40	127236.30	1402832- ✓

Statement of Condition of State Bank of Indiana and Branches, 1836
 Indiana Senate Journal, 1836-37 (see page references below)

(could not find reports from
 rest of Branches)

Page reference	Branch	Date of statement	Resources												
			Bills discounted	Bills of exchange	Suspended debt	Real estate Bkghouse F+F	Deposits Branches	Deposits Other banks	Remittances	State Bk of Indiana	Comm'nry Sinking Canal Funds	Notes of other Banks	Specie	Expenses	Total
101-2	State Bank of Indiana	11-26-36	2272724.69	883888.41	2650 -	54903.02	886025.98	1457204.65	131568.72	229256.2	40165.13 69536 -	489753.39	1204737.59		7536083.22
40	Bedford	11-19-36	164910.58	80908.65	1500 -	1631.31	7044.31	3594 -			30359.38	19005 -	77081.55	329.87	386364.65
49	Madison	11-19-36	170532.21	269107.02	.	9178.91	140106.16	253969.70				76092.75	150747.30	362.55	1070096.60
56	Fort Wayne	11-19-36	162104.90	24387.37		236282	7615.73	7852.49				26935 -	140861.52		372119.83
109-10	Tenetteauke	11-19-36	196037.55	39344.22		8963.50	3085.74	90011.65		8232.13		21698.37	64229.29	2/ 18 ²⁵	421620.74
111-12	Evansville	11-19-36	203996.61	36404.57		1875.39	3086.01	18885.69				9325 -	88305.10	9.74	361888.11
113	Vincennes	11-19-36	209495.92	12572.57	PREMIUM 28.13	2928.07	31929.50	33345.93				41310	72228.02		404319.14
115-6	Lawrenceburgh	"	163875.34	156974.42		10669.73	217852.62	192687.63	20000 -			42169	101912.14	93.67	906244.55

2/ Protest

Page reference	Branch	Date of statement	Liabilities												
			Cap. Stock paid in	Notes in circulation ^{3/}	Treasurer of U.S.A.	Pension Agent of Indiana	Deposits Branches	Deposits Other Banks	Dividends due stockholders	State Bank of Indiana	Comm'nry Sinking Canal Funds	Permanent School Fund	Surplus profits last div.	Indiv. Deposits	Total
101-2	State Bank of Indiana	11-26-36	1585481.51	1927050 -	2267489.68	8868.08	832199.90	66867.08	30345.44	157984.50	37324 - 27253.87	4200 -	12931.256 30003.44	431703.16	7536083.22
40	Bedford	11-19-36	139000 -	198250 -	PROTEST 24.84	272.49	7459.28	DISC. EXCH. 1457.16	169.97	7298.16		200 -	5688.91	26544.34	386364.65
50	Madison	11-19-36	202996.88	280000 -	347602.83		145632.21	15072.32		18468.04		200 -	19133.25	40991.07	1070096.60
57	Fort Wayne	11-19-36	86703.12	98320 -			126271.79	346.44		8166.32			3886.71	48425.45	372119.83
109-10	Tenetteauke	11-19-36	120000 -	184505 -	10.18 ²⁵ 8649.12		53550.18	9146.36	196.10	DISC. PREM. 1362.17 PROFIT LOSS 1384.93		200 -	6958.97	37042.62	421620.70
111-12	Evansville	11-19-36	130953.14	156015 -		921.72	30553.27	851.42	268.14	(PL) 6884.93 1313.18	40 -	200 -	3417.90	30428.91	361888.11
113	Vincennes	11-19-36	120000 -	208805 -		481.99	30240.88		377.18	5836.96 1014.54		200 -	4298.79	32983.80	404319.14
115	Lawrenceburgh	"	205000 - 2700 2/	147825.90	159251.83	449.80	298625.73	130495.6	35.50	19242.16 1478.68		200 -	7955.05	59076.24	906244.55

3/ Interest

65950
- 1700
3025
1413
249
6412
78749

Indiana
 Report of the State Bank of Nov. 1840
 House of Representatives Document No. 32 (Indiana Documents 1839-40)
 Statement of Condition Oct. 31, 1840

Assets

Liabilities

Discounted notes	2,912,619.42	Notes in circulation	2,835,902.00
Bills	704,629.12	Branch balances	73,998.00
Branch balances	71,766.41	Balances due other banks	154,423.69
Balances due from other bks	335,505.68	School tax	3,605.13
Banking house, furniture, etc.	204,805.77	Dividends not called for	6,815.10
Due from State for advances	646,284.49	Sinking fund, etc.	79,227.07
Indiana bonds	274,000.00	Due individual depositors	309,248.61
Remittances, etc.	86,153.98	Capital stock - State	1,304,950.00
Notes of other banks	195,724.00	" " Indiv.	1,365,883.13
Specie	1,092,963.72	Undivided profits	410,429.86
	<hr/>		<hr/>
	6,544,452.59		6,544,452.59

✓

Circulation 10-31-39 2,965,371.00
 Specie " 1,021,490.18

X

Report of the President of the State Bank in answer to a resolution of the Senate - Indiana Documents, Senate, No. 25

The Committee on the State of the Bank further reported the following exhibit of the Condition of this Institution Jan. 31, 1840

Assets		Liabilities	
Notes discounted	3,258,906.64	Notes in Circulation	3,096,271.00
Bills of Exchange	1,044,646.63	Branch notes among alt. Bns.	174,748.60
Branch Balances	118,167.04	Branch balances	116,754.76
Banking Houses	190,247.56	Individual deposits	536,136.58
Debt of State, State Bonds, etc.	1,243,473.54	Unclaimed Dividends	8,574.25
Furniture	7,313.89	Pension Fund	133.18
Notes of other Banks	134,700.00	Surplus Fund	261,982.51
" " alternate Branches	174,748.00	Sinking Fund, Special Deposits, etc.	150,500.16
Specie	936,522.35	School fund	3,180.13
Other Bank Balances	93,264.88	Capital stock	2,623,228.13
		Profits	85,496.91
	7,198,995.53		7,198,995.53
	201 0		7,057,006.21
		This left out	
		Balances of other banks.	141,989.92
			7,198,996.13

Condition of Each Branch of the State Bank of Indiana, Nov. 15, 1851
 Indiana Documents, 1850-51, Report of the State Bank of Indiana to the General Assembly, Part 1, No. 6, pp 208-11

Resources

Branch	Bills Discounted	Bills of Exchange	Suspended Debt	Byg House ORE, + Furniture	Branch balances	Eastern balances	Other bank balances	Remittances	Other items	Other Branch notes	Other Bank notes	Specie	Total
Indianapolis	259410.22	284586.61	7674.26	23993.03	858.30	46994.49	53381.27	26650.54	1542.01	2520-	25831-	128108.27	861550
Lawrenceburgh	49215.27	508915.91	35321.69	26866.52	80.32	7077.6	15800.35		28928.46	10751-	20335-	100314.59	797226
Richmond	72200.46	316216.76	5822.81	5658.83	2275.59	1818330	19202.31		27552.61	1634-	11022-	106412.91	586181
Madison	146786.79	330772.81	47755.74	27655.29	1467.20	8914.50	42824.74	10000-	10496.40	6663-	78625-	122000.99	833962
New Albany	212757.93	199910.22	4162.50	16441.80	399.25	59429.87	5456.72		1471.16	6296-	25213-	80904.29	611118
Evansville	72134.66	164461.33	6360.14	23641.80	2595.42	12639.32	74146.19	10700-	23.57	12781-	15234-	102834.23	517551
Vincennes	158240.68	52195.02	35798.75	31096.62	2850.53	13577.19	72781.30	13601.50	8000-	7390-	13302-	100919.26	509752
Bedford	48762.74	24810.80	27316.98	14766.24	284.67	50995.66	23462.49		112.10	5161-	30300-	70512.58	296485
Terre Haute	216403.33	42755.69	11056.07	14564.80	44.13	34734.19	122660.64		17616.61	41066-	30000-	73659.94	624561
Lafayette	130812.43	291989.91	27617.28	24878.47	3272.94	47718.09	20866.72	14133.12	23210.18	39534-	22667-	86150.79	732850
Fort Wayne	94873.74	211835.85	30763.87	37019.62	1353.72	88300.74	15551.17	40873-	3504.84	4157-	36686-	103410.90	668330
South Bend	22333.92	144156-	16012.89	58092.88	11892.77	1530384	4500-		1071.97	17721.50	4523-	72892.31	368501
Michigan City	38426.48	262659.64	8438.27	20151.43	4252.55	28091.16	9102.61	22709-	5428.30	5940-	20548-	75285.49	501032
Total	1522358.45	2835266.55	264101.85	324827.53	31627.39	425589.56	499736.54	138667.16	127634.21	161613.50	334286-	1245407.25	7911115

Liabilities

Branch	Capital Stock State	Capital Stock Indiv.	Profit & Loss	Surplus Fund	Unclaimed dividend	Cont'n's of Sinking Fund	Other items	School Fund Tax	Branch balances	Other bank balances	Indiv. Deposits	Circulation	Total	
Indianapolis	29750-	75300-	116850-	28474.25	102397.30		6.78	5919.67		1512.75	5933.69	89292.86	408112.50	861549
Lawrenceburgh	36250-	80000-	78750-	25155.30	81068.13	2652.14			1675.72	6895.59	41210.49	423579.50	797226	
Richmond	1250-	57000-	108750-	1601-	63233.78	5171.44	3918.75	271.87	138.75	58-	52839.99	291937-	586170	
Madison	50000-	126550-	28008.3	100319.03	588.38	15936.66	3591.05		20350.61	25053.05	73441-	359331-	833961	
New Albany	76750-	87100-	2975.05	49993.47	5520.22	4605-		217.75	4477.65	19782.39	43483.21	316214-	611118	
Evansville	10316.27	68000-	79266.27	775.91	34465.68	3272.66	5428.59	183.88	1485.85	10453.29	27850.29	278532-	523266	
Vincennes	6450-	65000-	75750-	297.27	35129.17	3029.11	3800.24		1207.26	16655.70	16311.90	286123-	509752	
Bedford	40000-	51762.50	221.34	11167.49	1930.84	48.25	515.45				12588.39	180251-	296485	
Terre Haute	4500-	67800-	85600-	705.53	68364.14	3292.14	5177.10	13769.43	201.50	2484.10	4943.47	65829.59	301691-	624558
Lafayette	80000-	107750-	21716.77	80576.62		393.49	598.27		919.27	29849.28	43911.23	367136-	732850	
Fort Wayne	33088-	64150-	48650-	15730.87	86852.90	1645.54	337.87	56598.37	121.26	2699.50	3520.71	64381.43	290554-	668330
South Bend	70000-	32340.67	7977.29	34043.66	704.68	3.55	5991.99		425.18	225.63	24994.93	191793.50	368501	
Michigan City	50000-	63000-	15817.08	59291.16		1067.76	1582.77	315-	10059.63	446.61	53900.95	238552-	501032	
Total	126604.27	2870000-	1076413.17	124452.49	806913.33	27807.15	40724.04	71803.64	1311.26	47436.27	123817.41	630036.26	3933806.50	7911125

1) Sinking, Saline + Bank Tax funds

Amounts credited correctly from books but do not balance

General Statement of Branches of the State Bank of Indiana, Nov. 20, 1858
 Indiana Documents, 1857-58, General Assembly, Part I, No. 5, pp. 374-5

Am'ts are entered correctly from book, but figures don't balance.

Resources

	Bills discounted	Bills of exchange	Suspended Debt	Banking Houses	ORE + Furniture	Branch Balances	Eastern Bank Balances	Other bank Balances	Other items	Other bank notes	Specie	Total
Indianapolis	13312.37	1125.50	47722.06	1841.81	1589-	2221.53		2103.29	788-	2799-	32745.61	106248 ¹⁰
Lawrenceburgh	5487-	44460.16		1841.86		18337.92		446-	50671.66		7283.86	128528 ⁴⁶
Richmond				1841.80				15798.16	9.75	222-	14255.85	32127 ³⁶
Madison	9996.20	602.03	55705.35		2991.44			4012.12	12779.53		2179.99	88266 ⁶⁶
New Albany	10582.78					5434.44	5969.78	69-	10999.71	1146-	13423.52	47625 ²³
Evansville			8336.71	21841.80		53.08		11747.62			10000-	51979 ²¹
Vincennes	9633.27		7908.27	15000-	1474.70	714-		19016.24		18600-	14006.37	86352 ⁸⁵
Bedford		3376.18	3760.05	2238.46		5804.56	10498.17	220.44	108.36	52-	5560.69	31618 ⁹¹
Terre Haute	400-		11194.38			23318.77		919.60	3255.36		8774.29	47782 ⁴⁰
Safayette	66527.51	31879.06		13899.30	475.09	1790-	18614.59	19983.53	9083.03	1717-	6046.65	169515 ⁷⁶
Fort Wayne	9087.96	7681.90	4859.80	1841.80	12956.04	1227.50	2156.18	20901.80	6702.05	5023-	3610.99	75951 ⁰²
South Bend	17144.25		4.25	1841.80	1400-	1385-		16593.91	39.26	79-	17113.17	56200 ⁶⁴
Michigan City		55630-		8716.80		1998-	48206.67	485.10	26-	68-	5170.17	120200 ⁷⁴
Total	14227327	14473563	139410.87	70905.43	20986.78	62284.72	85345.39	112296.81	94462.71	29706-	140070.96	1042478 ⁵⁷

Liabilities

	Surplus Fund	Unclaimed Dividend	Comm'n of Sinking Fund	Other Items	Branch Balances	Other Bank Balances	Indiv. deposits	Circulation	School Tax	Total
Indianapolis	55584.23	1342.50	445-	3949.07	3214.67	6889.63		34773-		106248 ¹⁰
Lawrenceburgh	97362.34	381.51		6669.63	32298			23792-		128528 ⁴⁶
Richmond	5281.43	1604.43						25241.50		32127 ³⁶
Madison	60583.17			458.55		266.40	214.97	26428-	316.37	88266 ⁶⁶
New Albany	4291.10	9005.27		241.86				34087-		47625 ²³
Evansville	15087.82	3885-	7262-	2399.56		291.75		23055-		51979 ²¹
Vincennes	60848.48			690.38				24814-		86352 ⁸⁶
Bedford	9994.91							21624-		31618 ⁹¹
Terre Haute	8394.04	3825-	9606.54	30.33	74.80		425.19	25426.50		47782 ⁴⁰
Safayette	135785.64	1410-			82.10		820.62	31417.50		169515 ⁸⁶
Fort Wayne	48603.40	3323.85		49.70			1135.45	22717-	121.62	75951 ⁰²
South Bend	16935.56	2162.15	14000-	2744.99		172.63	232.31	19953-		56200 ⁶⁴
Michigan City	80843.50		11380.84	9560.3			559.87	26460.50		120200 ⁷⁴
Total	599595.62	26939.71	42742.38	18190.16	3694.45	7620.41	3388.41	339789-	437.99	1042398 ⁰⁷

Statement of the Condition of the Branches of State Bank of Indiana on November 21st, 1835
 Indiana Senate Journal, # 1835-36, p. 77 insert

Branch	Bills		Deposits + Due from					Resources		Notes		Specie	Total
	discounted	exchange	Other Branches	Other Banks	3kg House, RE, F+F and Protot + Ind	Cash Commissions + of State Fund	Drafts on Eastern BR	Remittances to New York	Other Branches	Other Banks			
Indianapolis	176602.97	7000-	153144.83	209016.23	917.34	7450-	126234.78	5000-	59355-	239583-	106752.72	1091056 87	
Lawrenceburgh	57649.08	125841.71	1473.89	82847.47	3888-					26322-	79896.79	377918 92	
Richmond	198969.69	2000-	5145.32	184754.49	3047.49			13750-	32500-	90700-	109111.68	639978 67	
Madison	144905.15	119172.82	61880	33951.73	461981	1850			250-	77607.50	82892.25	460035 76	
New Albany	146223.07	36299.16	25125-	31328.34	1076.05				28070-	26760-	76349.65	371231 27	
Evansville	153874.27	12053.94	8357.61	53755.45	1867.39				2555-	16860-	50289.93	299613 59	
Vincennes	149615.76	1785-	7084.16	22663.86	528.07				10280-	52015-	70692.16	314664 01	
Bedford	119712.26	17200-	419.18	10000-	1135.82		15000-		765-	4810-	82914.40	251956 66	
Tene Haute	156995.92	6000-	1579.07	97107.76	1629.81				7210-	18861.17	50245.98	339029 71	
Lafayette	130842.02	52823.49	125-	34174.76	826.90	45705-	3720-			18515-	88666.43	375398 60	
Total	1434790.19	376175.32	203072.86	759600.09	19536.68	5317350	144954.78	18750-	140985	572033.67	797811.97	4379899.06	

Public deposits Liabilities

Branch	Capital Stock paid in	Profit + Loss	Transfers of U.S.A.	Pension Agt of Ind.	Commiss of Sinking Fund	Deposited by Other Branches	Due to Other Banks	Dues of lot Dividend to Indiand.	Permanent School Fund	Surplus Fund	Notes in Circulation	Divid. Deposits	Total
	Indianapolis	120000-	1393.48	693758.33	10002.53	1598-	14758.15	650-	700-	200-	4952.65	135745-	107298.73	1091056 87
Lawrenceburgh	120000-	1565.45		421.26	1500-	77604.53	540.16	700-	200-	4447.73	57850-	13088.79	377918 92
Richmond	120000-	1112.12	287400-	1453.49	20484.36	10562.18		700-	200-	4164.15	171050-	22852.37	639978 67
Madison	140000-	2547.93			1500-	54208.22	6820.36	700-	200-	6450-	195255-	52354.25	460035 76
New Albany	120000-	1153.13	81080.25	1730.34	11500.25	650-	12082.96	700-	200-	2482.77	119770-	19881.57	371231 27
Evansville	120000-	804.24		517.43	1500-	12968.75		700-	200-	2057.93	126885-	33980.24	299613 59
Vincennes	120000-	570.39		1215.21	1500-	9778.75	226.05	700-	200-	1718.46	161480-	17275.15	314664 01
Bedford	100000-	367.11		1598.16	1508.25	5343.75		700-	200-	2314.72	131520-	8400.67	251956 66
Tene Haute	119920.87	1199.44			1507-	6782.62	508.22	700-	200-	2667.38	169970-	35574.18	339029 71
Lafayette	119857.78	1139.43		732.39	1500-	10425.92	2587.47	700-	200-	4923.56	164495-	68837.05	375398 60
Total	1199778.65	11851.72	1062238.58	17670.81	44097.86	20308287	23415.22	7000-	2000-	36179.35	154020-	379543-	4379899.06

Balance perfectly to general totals - everything OK except grand total in ink.

General Statement of the Bank of the State of Indiana and Branches, Nov. 19, 1864
 Indiana Documents, 1864-65, Part II, No. 6, pp 156-7

ASSETS

Branch	Bills discounted	Bills of Exchange	Suspended Debt	Br & Home + ORE	U.S. & State Bonds	Other items	Branch balances	Bank balances	Other bank notes	Other Br notes	Specie & U.S. Treas. Notes	Total
Lima	11,5609.50	8,144-		6813.62		917.03	56304	38345.65	1894-	46452-	27957.15 ^(sp.)	246695 ⁹⁹
Laporte		69,373-	16830-	15011.56		1161.42	387-	153894.76		1117-	76279.19	387969 ⁵³
Plymouth	11,17536	19,725.75	1033.75	12565.83		8978.99		60212.31		2664-	33915-	184776 ⁸⁹
South Bend		202,161.28		10760.34	6100-	994.88	303-	10421.81	980-	2251-	50000.84	304296 ⁰⁷
Fort Wayne	14,592.76	299,380.86		7061.12		14527.12	399.58	5864.92	2566-	102664-	73420-	517220 ⁸¹
Lafayette	474,929.26			875-		30204.92	2001.49	93403.88		29319-	54606.76	743348 ³¹
Logansport	1,467.65	43,193.60	11142.11	875-		2677.54	51-	299.32	465-	3556-	49000.7	167527 ⁴¹
Indianapolis	182,862.78	229,319.89	3045.25	875-		12286.39	546.84	17414.96	4355-	18446-	77130.59	670087 ⁷⁷
Richmond	15,534.39	500-	12865.83	8875-	115000-	2354.93	4123-	20181.33	5178-		26670-	260541.90 [✓]
Connersville	192,397.88		2329.39	14875-	24000-		807-	27541.97	2066-		4743-	287469.98
Rushville	34,760.49	79,911.40	6992-	16487.14	20000-	1603.18	1256-	12188.43	3525-		6124.74	278081.23 [✓]
Madison	88,059.17	159,953.90	33338.71	5875-	150000-	450-		15832.00	3552-	1299-	17318-	623566 ⁸³
Jeffersonville		165,578.42	5244-	1629.45	9650-	964.10	70.74	15878.17	2007-		50816.59	305462 ²⁸
New Albany	6,628.-	269,205.50	9202.03	13312.33	196200-	12194.22	148-	41596.59			119051.88	749127 ⁷⁹
Bedford		159,782.10	23666.47	8875-		17560.35	5550.95	41092.41	476-		0000.40	749127 ⁴⁴
Evansville	1,656.-	405,662-	12303.38	10875-	78000-	25619.66	142-	62494.13	1900-		94440-	380598
Vincennes	82,835.70	225,219-	2736.13	8775-		22029.32		34405.70		51894-	70000.16	792444 ⁹²
Terre Haute	36,350.46	169,168-		8775-	101700-		2479.38	59037.13	2250-	5704-	100430.75	527894 ⁸⁵
Muncie	100,000.-	145,922.30		10875-	68200-		984-	44063.27	500-	200-	93362-	662482 ²⁷
Lawrenceburg	3,500.-	104,098.53		5149.25	5000-	2485.91	114.28	1320.04	26000-		165000-	550825 ³¹
Total	1,362,359.40	2,756,299.53	138729.21	169315.64	773850-	157029.96	19927.30	755470.44	57714-	265566-	1147957.89	8867154 ³⁷

to add down yet.

There was no report made to the Legislature between Nov. 1862 + Nov. 1864

1) These two totals don't agree with some totals for liabilities. But differences are offsetting.

General Statement of the Bank of the State of Indiana and Branches, Nov. 19, 1864 - 2

LIABILITIES

	Capital Stock	Surplus Fund	Circulation	Indiv. deposits	City of deposit	Unclaimed Dividend	Other items	Branch balances	Other Bank Balances	Profit and Loss	Total
Lima	100,000 -	43337.83	44746 -	18168.87	9340 -			106 -	9998.54	20998.75	246695.99 -
Laporte	100,000 -	49605.68	49173 -		186127.16		2300 -			763.69	387969.53
Plymouth	100,000 -	2356.47	58363 -	11518.84	7745.83				3506.02	1286.73	184776.89 -
South Bend	100,000 -	82839.05	54862 -		44933.05	50 -	135.71			21476.26	304296.07
Fort Wayne	125,000 -	95370.50	54140 -	167374.02	42690.48		12312.87	578.49	9683.52	10070.93	517220.81 -
Lafayette	200,000 -	144279.12	95750 -	211415 -	48651.38		1156.92		137.46	41758.43	743348.31 -
Loganport	100,000 -	18513.72	20449 -	6390.40	3410 -		2149.93		16159.08	455.28	167257.41
Indianapolis	250,000 -	106588.23	123181 -	131903.49	34934.45		2417.15	4511.68	2463.36	14090.41	670089.77
Richmond	100,000 -	62641.90	89900 -								252541.90
Connersville	100,000 -	64608.66	37983 -	60360.76	19594 -	25 -			4036.53	852.03	287459.98
Rushville	100,000 -	49353.37	66216.50	63731.48		25 -			249 -	6505.88	286081.23
Madison	200,000 -	66528.53	184361 -	135093.66			6167.14		13521.32	17895.17	623566.82
Jeffersonville	100,000 -	26238 -	52740 -	56662.03	28493 -	707.28		3590.75	5816.99	31214.23	305462.28
New Albany	200,000 -	113478.39	63775.50	318215.14	30043.29	1389 -		2322.77	5522.92	14380.78	749127.79
Bedford	100,000 -	33000 -	90916.50	90435.28	4840 -					31386.66	350578.44
Evansville	200,000 -	165917.66	90300 -	291926.48	15460.45			48034	12166.14	16193.85	792444.92
Vincennes	150,000 -	49636.97	91000 -	160043.14	53966.47		5805.64			17442.63	527894.85
Terre Haute	200,000 -	84359.73	76723 -	286770.52	2649 -		3.76	505 -		11472.26	662483.27
Muncie	150,000 -	75000 -	100000 -		194519.89					31305.42	550825.31
Lawrenceburgh	100,000 -	12000 -	115000 -	18281.12		77.38		93 -	7980.45	3330.85	256762.80
Total	2,775,000 -	1,345,653.81	1,559,579.50	2,028,290.23	7,273,984.45	2,273.66	32,449.12	12,188.03	91,241.33	293,080.24	8,867,154.37

General Statement of the Bank of the State of Indiana and its Branches, Nov. 15, 1862. - Resources
 Indiana Documents, 1861-62, Part I, P. 485

	Specie	Bills discounted	Bills of exchange	Suspended debt	Bkgs Houses +ORE	Remittances + other items	Branch balances	Bank balances	Branch notes	Other branch notes	Other Bank notes	Total
Lima	93,459.67		147,598.90	15,542.08	71,73.62	1,000 -	2,670.12	124,848.36	88,309 -	4,109 -	39,632.92	524,344.67
Laporte	172,624.27		49,675.55	60,752.67	14,698.91	10,635.97	8 -	186,793.48	82,740 -	1,000 -	27,665 -	626,603.85
Plymouth	100,000.37	18,586.69 18,856.69		29,767.81	39,427.48			17,156.84	23,150 -	20,146 -	52,218 -	300,463.19
South Bend	150,791.60	7,546 -	92,809.90		10,745.34	26,515.8		232,208.53	72,175.0	20,947 -	35,132.75	561,050.20
Fort Wayne	141,667.54	5,431.47	163,007.66	4,396.17	17,388.15	26,184.24	265.53	108,586.56	10,700 -	28,608 -	87,268 -	542,505.23
Lafayette	197,376.08		283,975.86	31,960.23	9,475 -	37,955.46	24,772.29	218,930.17	52,317 -	10,326.3 -	84,901 -	1,032,631.29
Logansport	114,177.60	5,070.31	79,293.40	12,042.66	8,500.48	832.49		41,493.70	16,034 -		26,231 -	447,988.64
Indianapolis	203,880.10	87,348.93	297,015.78	20,547.44	19,169.25	25,154.5	3,657.58	105,396.85	68,152 -	20,803.25	88,511.53	916,998.16
Richmond	535,121.04	77,896.80	133,120.21	6,456.78	875 -	59,787 -	6,547.95	132,436.0	123,214 -	14,791.0 -	97,736.18	1,221,908.56
Connersville	100,742.45		153,087.65	5,643.09	14,875 -		2,441 -	27,871.17	25,500 -	3,283.0 -	15,138 -	578,128.36
Rushville	124,075.32	72,826.38	148,815.83	13,745.86	15,836.04	1,000 -		48,576.71	9,374.50	3,000 -	12,969 -	450,219.64
Madison	191,065.52	41,442.34	374,607.43	41,082.64	5,875 -	13,150 -		39,504.60	7,425 -	20,717 -	47,218 -	722,027.53
Jeffersonville	115,630.25		78,384.02	26,173.43	18,49.45	21.28	161.53	124,306.14		6,788 -	35,518 -	390,287.16
New Albany	150,843.31	27,730.84	137,066.40	18,349.92	18,642.33	132,100.86	48,668.54	125,872.03	103,181 -	47,229 -	106,000 -	915,624.17
Bedford	145,500.70	8,500 -	193,204.01	33,307.33	11,235 -	26,545.52		64,810.37	19,000 -	12,000 -	24,250 -	547,611.93
Evansville	256,242.35	11,078.82	162,205.16	28,392.64	11,770.48	30,877.42	62,125.92	129,547.25	7,908 -	14,167 -	16,396.0 -	87,224.56
Vincennes	164,024.61	64,558.50	77,450.06	3,695.13	8,775 -	13,305 -	14,559.35	103,465.31	90,000 -	2,350.0 -	15,900 -	579,232.76
Gre Haute	208,424.42	25,245.95	156,388.26	10,672.16	8,875 -	5,472.4	8,523.99	267,193.26	203,000 -	20,500 -	126,132 -	1,035,502.28
Muncie	160,301.05	101,050.09	147,477.10		10,875 -			93,401.10	14,500 -	13,200 -	119,635 -	659,439.34
Lawrenceburgh	146,420.71	11,510.02	166,743.31	17,209.04	51,492.5	4,323.33		41,805.257	2,053 -		77,106 -	694,607.23
Total	3,472,368.96	585,823.14	2,891,863.49	379,742.58	241,210.78	335,661.79	153,556.80	2,490,258.60	1,098,082 -	540,717.25	1,233,122.38	13,422,107.27

General Statement of the Bank of the State of Indiana + Branches, Nov. 15, 1862 - Liabilities

Bank or Branch?

	Capital Stock	Surplus Fund	Circulation	Branch notes	Indiv. deposits	Cont. of deposit	Unclaimed dividends + other items	Branch balances	Other branch balances	Profit + Loss	Total
Lima	150,000 -	36353.22	210091 -	88309 ⁰⁰ -	27417.71	6785.30	1081.46			4306.98	524344 ⁶⁷
Laporte	150,000 -	30173.62	217260 -	82740 -		118383.15	1832.93	8.97	2550.29	3654.89	606603 ⁸⁵
Plymouth	100,000 -		174844 -	23150 -	289.45					2169.74	300453 ¹⁹
South Bend	150,000 -	44892.45	291934 -	7217.50		64346.63	32.25	28 -		2605.37	561050 ²⁰
Fort Wayne	125,000 -	45823.17	237752.50	10700 -	64413.88	28280.48	216 ^{51.88} 73.29	309.70	7.22	8961.10	542503 ³²
Lafayette	200,000 -	78465.78	338683 -	52317 -	186690.40	6802.74	8835.13	48486.55	12231.66	8899.83	1022631 ⁰⁹
Logansport	125,000 -	25761.51	85503 -	160341 -	28116.48	10724 -	3412.67	738 -		8391.98	447988 ⁶⁴
Indianapolis	229,200 -	51324.0 ³	384123.50	68152 -	136162.57	12464.58		16820.05	6428.59	12322.84	916998 ¹⁶
Richmond	300,000 -	105967.23	471286 -	123214 -	471.44				21259.8 -	8371.89	1221908 ⁵⁶
Connersville	100,000 -	40000 -	173500 -	25500 -		7596.35	23468.17	3092 -		4971.84	370128 ³⁶
Rushville	125,000 -	40419.13	240327 -	9374.50	28393.05	1001 -	29.20	595.20	1289.91	3790.65	450219 ⁶⁴
Madison	200,000 -	30302.18	389213 -	7425 -	125456.87		4168.42		10018.20	15503.86	482087 ⁵³
Jeffersonville	100,000 -	21129.58	195356 -		63950.29	6804.03	213.68		1358.85	1474.67	290287 ¹⁰
New Albany	200,000 -	42417.76	296819 -	103181 -	227819.47	21546.20	765 -	1703.71	4457.82	16974.21	915684 ¹⁷
Bedford	150,000 -	33000 -	281000 -	19000 -	26776.90				1557.71	3107.32	514461 ²³
Evansville	200,000 -	45488.07	367285 -	7908 -	223302.35	11947.53		10002.62	5081.55	7259.93	272275 ⁰⁵
Vincennes	150,000 -	38945.47	185700 -	90000 -	94818.97	13737.35			906.64	5724.53	579832 ⁹⁶
Gre Haute	250,000 -	54541.13	291925 -	203000 -	212021.10	8210 -	10.84		1571.96	14222.25	1035502 ²⁸
Muncie	150,000 -	42500 -	285500 -	14500 -		156568.97	1150 -			9220.37	659439 ³⁴
Lawrenceburgh	200,000 -	34720.20	397947 -	2053 -	57172.82		205 -	214.03	1.81	1693.37	494007 ²³
Total	3,354,200 -	862224.53	5,516,049 -	1,098,082 -	1,503,293.75	536,411.31	66,459.92	81,998.83	26,0060.31	143,627.62	13,422,407.27

∇ These totals do not agree with corresponding totals of resources. But the error is trifling.

Summary of data relating to Indiana
Branch Banks, by month, 1835-64

Harding
State & parts

Year	Complete count and liability	Branch Banks collectively, i.e., State Bank or Bank of State	Specie	Currency	Indiv. deposits	Dis. & other, individually, assets & liabilities
1835	"	1,2,3,5,6,8,9,10,12	—	—	—	1, "
1836	"	all months	—	—	—	" (incomplete)
1837	"	all months	—	—	—	"
1838	"	all months	—	—	—	"
1839	"	all months	—	—	—	"
1840	"	all months	—	—	—	"
1841	"	all months	—	—	—	"
1842	"	all months	—	—	—	"
1843	"	all months	—	—	—	"
1844	"	all months	—	—	—	"
1845	"	all months	—	—	—	"
1846	"	all months	—	—	—	"
1847	"	1,3,4,5,6,7,8,9,10,11,12	—	—	1,4,5,6,7,8,9,10,11,12	"
1848	"	all months	—	—	—	"
1849	"	all months	—	—	—	"
1850	"	all months	—	—	—	"
1851	"	1,2,3,4,5,6,7,8,9	—	—	—	"
1852	"		—	—	—	"
1853	"		—	—	—	"
1854	"		—	—	—	"
1855	"		—	—	—	"
1856	"		—	—	—	"
1857 *	"	21	—	—	—	" 21
1858	"	21	—	—	—	" 21
1859	"		—	—	—	"
1860	"		—	—	—	"
1861 *	"		—	—	—	"
1862	"		—	—	—	"
1863 *	"		—	—	—	"
1864	"		—	—	—	"

✓ Government deposits also available for most months, 1855-39
21 State Bank.

Bonds of State Bank of Indiana issued

Year	Amount	Amount Sold for
1834	500000	505250
"	23000	.
1835 Aug	400000	416955
1835 Sep	50000	52250
1836	440000	444400
1839	1000000	980000

State Bank of Indiana

	Branch	Stock held by individuals
Nov. '34	Indianapolis	116850 -
"	Lawrenceburg	80343.75
"	Richmond	108750 -
"	Madison	126550 -
"	New Albany	87100 -
"	Evansville	66546.87
"	Vincennes	53318.75
"	Bedford	51762.50
"	Terre Haute	152700 -
"	Lafayette	107750 -
11-25-35	Fort Wayne	48050 -
11-3-38	South Bend	32140.62
12-38	Michigan City	63000 -
		1,095,362.49

Annual Report of the Auditor of State, Oct. 31, 1854, p. 195 Appendix

Capital of Branches of the State Bank of Indiana, 1851-56

Howans' Bankers Almanac
p. xxvii

Location of branch	1851	1852	1853	1854	1855	1856	1857	1858	1859	1860	1861	1862	1863	Dec '63 1864	Dec '64 1865	Dec '65 1866
Indianapolis (Parent)	219900	219900	219900	219900	219900	219902	100000	100000	150000	150000	225000	229200	231700	250000	250000	100000
Bedford	91763	91763	91763	91763	91763	91763	100000	100000	100000	150000	150000	150000	150000	150000	100000	100000
Evansville	151866	151866	151866	151866	151866	151866	100000	100000	100000	200000	200000	200000	200000	200000	200000	100000
Fort Wayne	145031	145031	145031	145031	145888	145888	100000	100000	100000	100000	125000	125000	125000	125000	125000	—
Lafayette	187750	187750	187750	187750	187750	187750	100000	100000	130000	200000	200000	200000	200000	200000	200000	—
Lawrenceburg	215000	215000	215000	215000	215000	215000	100000	100000	100000	200000	200000	200000	200000	200000	100000	—
Madison	212550	212550	212550	212550	212550	212550	100000	100000	150000	150000	200000	200000	200000	200000	200000	—
Michigan City	120000	120000	120000	120000	120000	120000	—	—	—	—	—	—	—	—	—	—
New Albany	163850	163850	163850	163850	163850	163850	100000	100000	200000	200000	200000	200000	200000	200000	200000	—
Richmond	167000	167000	167000	167000	167000	167000	100000	200000	225000	300000	300000	300000	300000	100000	100000	—
South Bend	102341	102341	102341	102341	102341	102341	100000	100000	100000	100000	150000	150000	150000	150000	100000	100000
Terre Haute	157900	157900	157900	157900	225000	225000	100000	100000	150000	250000	250000	250000	250000	200000	200000	100000
Vincennes	147200	147200	147200	147200	147200	147200	100000	100000	129000	150000	150000	150000	150000	150000	150000	100000
Connersville							100000	100000	100000	150000	100000	100000	100000	100000	100000	—
Jeffersonville							100000	100000	100000	100000	100000	100000	100000	100000	100000	100000
LaPorte							100000	100000	100000	100000	125000	150000	150000	100000	100000	100000
Time							100000	100000	100000	100000	150000	150000	150000	100000	100000	—
Logansport							100000	100000	100000	100000	125000	125000	125000	100000	100000	100000
Muncie							100000	100000	100000	125000	150000	150000	150000	150000	150000	—
Plymouth							100000	100000	100000	100000	100000	—	100000	100000	100000	100000
Rushville							100000	100000	100000	125000	123850	123850	125000	100000	100000	100000

Totals

Circulation														4300000	5500000	2000000	2000000
Specie														2947296	3300000	1985480	1985480
Capital	2082950	2082151	2082151	2082151	2150107	2150107	2000000	2100000		3050000	3323850	3253050	3356700	2975000	2775000	1100000	

Statement of the Business of Each Branch of the State Bank of Indiana on Nov. 16, 1839
 Source Condition of the State Bank of Indiana on Saturday, Nov. 16, 1839, Indiana Documents (House of Representatives) 1838-39, No. 11, p 117

Resources

Branch	Bills discounted	Bills of exchange	Branch balances	Other bank balances	Banking houses & the real estate	Furniture	Fund Com'r's for advances to the State	Remittances to other cash items	Notes of other branches	Notes of other banks	State bonds	Specie	Total
Indianapolis	272291.99	128715-	5763.22	11457.69	27718.49	927.08	840110.3	2250.17	6542-	9932-	39000-	82045.55	670654 ²²
Lawrenceburgh	379346.69	111023.32	1408.38	10072.16	10706.34	720.65	56858.75	55174.88		10907-	52000-	50800.21	739018 ³⁸
Richmond	283086.32	6700-	16828.90	6299.78	4744.23	238.04	14355.60	491.30	13278-	11500-	39000-	100716.69	497238 ³⁶
Madison	331220.15	93348.30	12233-	24245.59	10098-	599.24	34974.88		11534-	30502-	38000-	89596.84	676352 ⁰⁰
New Albany	220745.45	758350.9	539.34	17985.47	34084.58		88478.80	18644.48	1621-	4900-	29000-	35726.20	527560 ¹²
Evansville	187718.84	336448.9	8649.33	1356.15	25114.85	835.39	93854.34		8375-	4330-	19000-	64247.23	447126 ³⁹
Vincennes	234507.92	39086.17	22066.27	4160.58	16789.90	667.81	15468.27		9278-	24650-		87796.47	454471 ⁴⁷
Bedford	181628.89	79231.47	27548.52	19201.20	3037.83	139.45		72.84	2098-	4192-		82508.27	399658 ¹¹
Terre Haute	221461.80	35612.88	13580.71	45510.62	13087.26	670.25	45355.19	47964.07	14324-	30016-	58000-	50672.33	576255 ¹⁸
Lafayette	356755.03	10500-	946.84	285.60	13545.08	615.34	177119.60	686.84	2705-	13095-	20000-	59122.85	655377 ⁴⁵
Fort Wayne	279214.63	23295.74	3287.58	5286.94	17006.38	643.38	44902.69	11013.55	16225-	3980-		124819.56	529675 ⁰⁰
South Bend	134705.-	37410-	4882.58	4345.3	3066.25	431.59		1810.25	20234-	8973-		85251.60	297199 ⁹⁷
Michigan City	128541.55	49670.81	46.05	202.91	2484.33	580.57		3160.25	44529-	6079-		86867.50	322161 ⁵⁶
Total	3211224.26	724073.67	117780.72	146499.22	181483.52	7068.99	655379.15	141268.63	150743-	163056-	294000-	1000171.60	6792748

Liabilities

Branch	Capital Stock State + County	Individual	School fund	Sinking fund remittances etc.	Public Officers	Circulation	Branch balances	Other Bank balances	Surplus Fund	Unclaimed dividends	Individual deposits	Profits loss	Total
Indianapolis	125300-	170000-	426-	18110.42	1486.92	278442-	42280.3	2499.52	19378.14	6406.97	43264.88	1112.34	670654 ²²
Lawrenceburgh	112000-	170000-		15204.27	47707.69	308290-	2125.80	10222.18	39326.60	194.72	16195.95	17751.17	739018 ³⁸
Richmond	106000-	105000-		305.80		228940-		4480.48	14658.31		25432.61	12421.66	497238 ³⁶
Madison	127150-	191000-	427.50	7417.41	1261.66	229085-	7287.98	33316.24	26788.47	6056.09	43865.57	2696.08	676352 ⁰⁰
New Albany	112000-	87100-	217.75	15201.91	14245.49	169783-	44068.71	30636.07	34489.05	4474.07	13871.97	1472.39	527560 ⁴¹
Evansville	105650-	84950-				189610-	1351.86	9932.98	11915-	845.93	33214.11	9656.24	447126 ¹²
Vincennes	82050-	80000-	200-	4536.72		243115-	7775.24	1748.59	14952.43	4029.35	15577.40	486.60	454471 ³⁹
Bedford	87150-	67150-	217.88	6514.11		212358-		10.25	10955.47	3148.97	10464.34	1689.45	399658 ⁴⁷
Terre Haute	113650-	92300-	230.75		3701.50	273402-	8596.94	17642.91	21324.89	3347.90	40821.44	1236.78	576255 ¹¹
Lafayette	111050-	134550-		286.72		325670-	9023.55	6142.22	16888.91	400.81	37100.65	14270.32	655377 ¹⁸
Fort Wayne	80000-	80000-				304621-	3452.24	1169.47	19414.98	822.16	30387.56	9808.04	529675 ⁴⁵
South Bend	55000-	31171.63				169221-	5965.43	740.75	3289.81		26527.45	5282.93	297199 ⁹⁷
Michigan City	45000-	40000-				169800-	33245.59	3233.10			24777.32	6105.96	322161 ⁵⁶
Total	1262000-	1333221.63	1718.88	67571.36	68403.26	3102331-	127121.37	121784.76	233382.06	29726.97	361501.25	83990.02	6792748

Treasury United States

Statement of the Business of Each Branch of the State Bank of Indiana, Nov. 21, 1840
 Annual Report of the State Bank of Indiana - Indiana Documents, Senate, p. 112 insert

Resources

Branch	Bills discounted	Bills of Exchange	Branch Balances	Other Bank Balances	Banking Houses + O.R.E.	Furniture	State Bonds	State by Fund Com-missioners	Remittances Interest + other Cash Items	Notes of other branches	Notes of other banks	Specie	Total
Indianapolis	208139.01	1539 ⁶⁵ 26	3351.42	44449.27	31129.33	899.70	39000 -	87868.50	7089.25	10202 -	4785 -	88599.52	682478 ²⁶
Lawrenceburgh	298906.18	101066.69	4369.25	16394.21	14104.34	761.65	52000 -	52315.59	2699.79		10745 -	78543.06	631905 ⁷⁶
Richmond	207245.45	61062.82	5990.03	15309.74	8302.70	288.16	39000 -	16393.85	101.50	35176 -	17485 -	74038.58	500393 ⁸³
Madison	285422.32	137792.38	1097.08	60078.15	10456.47	599.24	38000 -	28741.62	18225 -	3000 -	12570.55	89699.59	685682 ⁴⁰
New Albany	189780.38	62916.16	2652.04	17834.44	34443.05		29000 -	53171.13	111.32	14159 -	10056 -	70652.13	484775 ⁶⁵
Evansville	164041.56	36628.13	2392.82	880.55	29862.42		19000 -	101724.65	198 -	8476 -	1970 -	61636.68	426810 ⁸¹
Vincennes	225185.50	23990.92	1397.52	4077.37	22050.80	829.06		38135.51		16880 -	26525 -	87080.37	446151 ¹⁵
Bedford	176128.20	94815.18	1102.10	16956.60	4714.68	141.70		21564.08	235.63	17648 -	10297 -	75375.51	418978 ⁶⁸
Terre Haute	190262.87	32405.85	1861.95	53348.81	13460.73	656.25	58000 -	29696.75	15815.07	9181 -	17400 -	130509.79	552599 ⁰⁷
Lafayette	302897.14	33031.51	426.74	20501.38	23752.26	615.34		152563.87	19770.80	7611 -	20125 -	63943.57	645238 ⁶¹
Fort Wayne	273234.59	12237.85	964.35	35315.48	19976.10	620.88		52238.25	9012.01	700 -	26223 -	81908.09	512430 ⁶⁰
South Bend	174714.60	37002.30		13667.66	8424.72	501.21	10000 -		2790.17	1942 -	5539 -	69196.53	323878 ¹⁹
Michigan City	151591.68	55032.04	6872.23	3333.01	2952.80	620.26	10000 -		588.06	40549 -	2531 -	85368.52	359438 ⁵⁴
Totals	2847549.48	842046.19	32477.53	305146.67	198750.48 223630.40	6533.39	294000 -	634413.80	76636.60	165524 -	166251.55	1076551.94	6670761 ⁵⁵

Liabilities

Branch	Capital State	Stock Individual	Notes in Circulation	Branch Balances	Other Bank Balances	Dividends not drawn	Tax for school purposes	Surplus Fund	S. F. & other credits	Individual deposits	Profit and loss	Total
Indianapolis	125300 -	170000 -	291649 -	2554.95	1648.78	4705.82	850 -	22327.33	17153.12	42725.94	3563.32	682478 ²⁶
Lawrenceburgh	112000 -	170000 -	233719 -		34970.51	3259.48	850 -	46430.07	10859.70	18826.69	990.31	631905 ⁷⁶
Richmond	106000 -	113150 -	231485 -		1982.64	3429.31	625 -	19802.92	2241.08	20595.20	1082.68	500393 ⁸³
Madison	147150 -	171000 -	233535 -	7580.26	47213.80	1564.94	855 -	26555.80	8889.93	38289.52	3048.15	685682 ⁴⁰
New Albany	112000 -	87100 -	165647 -	1381.09	36356.45	3262.69	435.50	37718.31	24310.26	15509.43	1054.92	484775 ⁶⁵
Evansville	105650 -	84950 -	179831 -	229.39	12291.31	2414.25	424.75	13279.84	8768.06	18566.39	405.82	426810 ⁸¹
Vincennes	80000 -	83750 -	240635 -	3459.43	3542.36	2489.96	400 -	17359.25	2189.13	11400.14	925.88	446151 ¹⁵
Bedford	87150 -	87150 -	202305 -	213.63	1852.21	2194.31	435.75	13555.04	7657.48	14586.17	1879.09	418978 ⁶⁸
Terre Haute	113650 -	92350 -	261253 -	6331.55	5261.56	2030.87	461.63	30554.85	6899.34	32963.25	843.02	552599 ⁰⁷
Lafayette	111050 -	135500 -	305938 -	3746.83	1227.16	4669.23	674.88	23637.20	24405.52	33977.38	412.41	645238 ⁶¹
Fort Wayne	80000 -	80000 -	286074 -	369.92	150 -	2608.14	400 -	27172.59	9436.27	25754.89	464.79	512430 ⁶⁰
South Bend	65000 -	31718.75	189296 -	8179.19	470.31	1041.85	400 -	9936.85	2236.79	15455.69	142.76	323878 ¹⁹
Michigan City	60000 -	60000 -	209725 -	369.85	1862.65	1134.88	400 -	8441.05	7913.22	9122.17	469.72	359438 ⁵⁴
Totals	1,304,950 -	1,366,668.75	3,031,092 -	34,416.09	14,882.74	34,805.73	7,212.51	296,771.10	132,959.90	297,772.86	15,282.87	6,670,761 ⁵⁵

Statement of the Condition of Each Branch of the State Bank of Indiana on Nov. 16, 1844
 Indiana Documents, 1843-44, General Assembly, Part. 1, No. 7 insert p. 114

Assets balances & Transition
 balance, but those ^{marked} do
 not agree with corresponding totals
 in resource.

Resources

Branch	Bills discounted	Bills of exchange	Superintd Debt	Plg Houses ORE + Furniture	Due from Branches Other B's	Due from other Banks	Remittances	Sinking fund, Suspense, etc.	Sinking fund + other Treas/notes	Notes of other Branches	Notes of other Banks	Specie	Total
Indianapolis	106691.79	81476.34	87245.05	37677.18	5167.74	166186.90	1400-	50.53	88435-	27615-	11787-	78330.93	692063 ⁴⁶
Reinst. 2-26-44 Lawrenceburgh	159549.36	9250-	101342.70	18976.53	5904.68	38002.42	300-	9546.77	39735-	18011-	680-	39107.04	440405 ⁵⁰
Richmond	134109.75	50547.27	21070.72	5837.34	763.54	83352.31		68.75	6300-	30071-	15105-	86334.94	433560 ⁶²
Madison	167977.13	34907.31	76539.66	14584.70	11549.25	123732.28		27105-	24945-	15055-	48546-	65417.67	626273 ¹³
New Albany	141579.66	36378.69	30708.93	21898.85	4194.28	6330.21	2010.05	15914.13	24945-	679-	22242-	51241.90	626273 ²⁴
Evansville	88279.42	7157-	38125.86	33306.63	28.89	7527.47		193.67	50565-	679-	22242-	51241.90	368022 ¹²
Vincennes	161961.25	8687.36	36651.47	21103.36	2471-	36103.27	20060-	3501.55	89855-	1930-	1165-	92225.80	363102 ⁹²
Bedford	66580.80	3263.08	104832.89	10104.12	7235.82	3266.53	29645-	7969	35200-	290-	8732-	140292.52	471631 ⁶⁰
Terre Haute	107023.69	5250-	72227.70	15988.48	4491.81	85042.83	5935-	25836	8940-	364-	5351-	126651-	366492 ⁵⁹
Lafayette	124773.50	52558.12	67905.80	35346.72	4711.98	43749.45	510.60	13352.80	38760-	5876-	3449-	139294.28	496691 ⁸⁹
Fort Wayne	201095.96	23920.95	36859.32	29783.16	2744.50	86033.23	7390.12	25836	8785-	2533-	4324-	83249.67	505060 ⁵⁸
South Bend	45930.69	60662.50	48715.61	69293.77	2093.89	59633.33	22875-	3187.85	75-	719-	3609-	77062.88	340189 ⁵²
Michigan City	136779.46	68772.99	24032.72	17749.72	1411.24	34041.69		6989.26	1810-	3767-	1362-	62987.23	359702 ⁶¹
Total	1645332.46	442830.91	746258.43	331650.56	52768.62	719331.92	90125.77	99523.39	554982-	121788-	145813-	1120013.19	6070418 ²⁵

Liabilities

	Capital Stock State	Capital Stock Indi. & County	Circulation	Taxon Indi. Cap for School	Due to Branches Other B's	Due to other Banks	Dividends Undrawn	Surplus Fund	Sinking Fund, Superintd	Individ. Deposits	Profit & Loss	Total
Indianapolis	75300-	144600-	387812-	2066.75	836.63	12465	83331	26284.27	5063.44	39334.74	9807.67	692063 ⁴⁶
Lawrenceburgh	80000-	141100-	144105-	2060.50	402-	2704.34	7.12	39465.59	1168.51	18133-	11259.44	440405 ⁵⁰
Richmond	57000-	110300-	221439-	1803.37			3385.66	23630.19	2672.14	12207.90	1122.36	433560 ⁶²
Madison	86000-	134250-	274119-	32.75	963.14	10869.93	3080.94	25181.22	3671.68	87525.91	578.56	626273 ¹³
New Albany	76750-	87100-	145710-	1088.75	1066.35	9738.29	727.84	30621.23	95-	10213.73	4911.05	626273 ²⁴
Evansville	68000-	85216.27 ²	167606-	1048.26	1074.28	1721.48	1026.95	19659.83	537.91	14201.40	3010.24	368022 ⁶²
Vincennes	65000-	87300-	279111-	993.88	55.51	3314.05	691.66	16117.08	506.01	13389.07	5153.66	471631 ⁹²
Bedford	44150-	58650-	181460-	1052.62	1902.57	263.02	493.85	23651.60	26201.08	26727.59	1934.27	366492 ⁶⁰
Terre Haute	67800-	91050-	275651-	231-	196.21	6172.25		35582.68	941.78	16147.17	2919.50	496691 ⁵⁹
Lafayette	80000-	107600-	345805-	1650.63	1753.79	456.11	1189.20	39671.94	3242.19	19267.76	6580.27	607222 ⁸⁹
Fort Wayne	60000-	82422-	271367-	1006.63	1132.10	4147.82	778.73	41544.88	6378.30	27958.65	8324.42	505060 ⁵⁸
South Bend	70000-	32340-	185162-	1000-	428.54	2297.30	344.63	15082.56	24292.38	4293.36	4817.08	340189 ⁵²
Michigan City	50000	63000-	221647-	957.50	86.44	54.50	7.97	11866.94	2096.99	2344.03	6641.24	359702 ⁶¹
Total	880000	1219212 1224928 ²⁷	3101000-	1499264	9897.56	41993.74	12567.86	348366.01	76867.41	292744.31	67059.76	6070417 ⁵⁶

1) Deficit by robbery 2) Includes Saline and Bank Tax capital

Statement of the Condition of Each Branch of the State Bank of Indiana, Nov. 15, 1845
 Indiana Documents, 1844-48, General Assembly, Part I No. 6, p. 116 insert

Resources

Branch	Bills discounted	Bills of exchange	Suspended debt	Banking houses & RE, Furniture	Due to Branch from Brs	Due to Branch from other Brs	Remittances	Sinking Fund & Treas. Notes	Bank stock susp. Int. + other items	Notes of other Branches	Notes of other Banks	Specie	Total
Indianapolis	134139.94	237340.06	82369.67	32469.18	3911.02	78351.39	6.75	60715-	1392.12	13675.50	4648-	83775.29	732793 ⁹²
Lawrenceburgh	246801.98	119659.82	56464.54	22260.53	4193-	58183.44	62621-	38000-	1466.76	2372-	19101-	67733.66	698857 ⁷³
Richmond	126875.76	164635.50	12767.96	59985.7	75369	99463.28	1120-	25210-	35.50	15048-	181-	68877.48	520966 ⁷⁴
Madison	210003.24	84632.31	59379.64	19985.49	1174.11	144737.22		31780-	65946.95 ¹⁾	9173-	29362-	61899.15	718073 ¹¹
New Albany	170507.20	60426.35	17119.36	29491.80		50448.77		48900-	1079.17	9557-	8958-	43495.20	439982 ⁸⁵
Evansville	99784.68	17542-	29150.90	34223.22	1330.32	12140.39	14723-	82855-	180.30	883-	2065-	102371.20	397249
Vincennes	152557-	11392.92	34272.31	21303.36	11870.02	43327.13	6239-	35300-		19442-	8378-	137160.04	481241 ⁷⁸
Bedford	78320.86	1750-	90244.25	11859.33	3312.77	6282.92		7035-	119387	807-	1940-	116933.36	319679 ³⁰
Terre Haute	134956.71	8973.71	54891.48	16371.48	12011.80	32454.05	7069.50	31375-	11396.36	53170-	923-	148127.76	511720 ⁸⁵
Lafayette	165066.17	143885.55	48033.06	31016.82	1683.66	10217.03	2974.50	144330-	46555.8	11674-	3177-	76284.77	642948 ¹⁴
Fort Wayne	165769.58	114106.26	46407.39	35933.28	5388.20	55333.78	2959-	7725-	34958.01	1058-	2857-	65181.19	537676 ⁶³
South Bend	34177.05	98688.49	51827.80	68917.60	2047.59	12068.21	14810.50		3101.10	641-	2299-	50777.26	339355 ⁶⁰
Michigan City	111221.73	134452.08	16000.29	18339.67	4242.77	35692.13		585-	6855.17	2643-	299-	56751.90	387082 ⁷⁴
Total	1830181.84	1197435.05	598928.65	348170.27	51918.95	638699.74	112523.25	513810-	132260.89	140143.50	84188-	1079368.26	6727628 ⁴⁰

Liabilities

Branch	Capital Stock State	Capital Stock Indiv.	Circulation	Taxon Indiv. Stock for Schools	Due from Br to other Branches	Due to other Banks	Dividends undrawn	Surplus fund	Judic. deposits	Sinking Fund susp. Int. etc	Profit & Loss	Total
Indianapolis	75300-	144600-	412638-	2789.75	201.56	692.51	8094.88	36438.72	48001.18	1398-	2639.32	732793 ⁹²
Lawrenceburgh	80000-	135000-	392440-	2413.25	1656.86	1759.16	54.53	39445.67	32381.27	1691.77	12015.22	698857 ⁷³
Richmond	57000 ²⁵⁰⁻³⁾	110500 ⁰⁵⁾	292479-	2078.49	599.16		4451.51	25142.40	22782.14	3946.83	2187.21	520966 ⁷⁴
Madison	86000-	126550-	337183-	667-	7932.68	21976.44	3811.91	37006.22	82578.67	13894.49	472.70	718073 ¹¹
New Albany	76750-	87100-	196632-	1306.50		20148.08	927.61	30437.35	17750.54	653.66	8277.11	439982 ⁸⁵
Evansville	68000 ⁵⁷¹⁶⁻²⁷³⁾	78150-	120554 ²⁸⁸¹²⁴⁾	1247.01	1514.71	1167.04	1271.46	19471.79	14502.60	361.71	5112.42	397249
Vincennes	65000-	83600-	287765-	1372.38	841.84	784.56	1852.43	16930.06	19398.88	2995.85	700.78	481241 ⁷⁸
Bedford	40000-	55812.50	180502-	1199.24	200-	263.02	584.54	24493.73	9872.59	3406.29	3345.39	319679 ³⁰
Terre Haute	67800-	90000-	286697-	458.63	769.83	6097.81		33429.42	19372.99	715.85	6279.32	511720 ⁸⁵
Lafayette	80000-	107700-	357502-	1919.63	4541.05	90.50	927.89	42286.40	33777.20	1798.58	12404.89	642948 ¹⁴
Fort Wayne	64150 ⁶⁰⁸⁸⁻²⁾	74837.15	285452	1419.63	185.15	2572.65	980.75	41793.96	47901.58	2892.41	9403.35	537676 ⁶³
South Bend	70000	32340.67	200601-	1200-	2335.49		622.60	14772.05	4775.71	6836.47	5871.61	339355 ⁶⁰
Michigan City	50000 ⁷⁰⁰⁰⁻²⁾	63000-	236870-	1115-	2-	105.20	36-	13592.04	6169.95	1320.84	7871.71	387082 ⁷⁴
Total	899054.27	1188840.32	3667495-	19186.51	20780.33	55656.27	23616.11	375239.81	359265.30	41912.75	76581.03	6727628 ⁴⁰

1) Includes suspended item from robbery and Bonds of State of Indiana for Madison & South Bend
 2) Sinking Fund Stock 3) Saline & Bank Tax Stock

Statement of the Condition of each Branch of the State Bank of Indiana Nov. 21, 1846
 Indiana Documents, 1846, General Assembly, No. 7, used p. 132

Resources

Branch	Bills discounted	Bills of exchange	Suspended debt	By House of Representatives	Due to Branch from other Branches	Due to Branch from Eastern Banks	Due to Branch from other Banks	Sinking Fund + other Treas. Notes	Penitences susp. int. and other items	Notes of other branches	Notes of other Banks	Current expenses	Specie	Total
Indianapolis	132,825.68	231,460.43	69,573.47	30,748.20	4,810.99	53,324.06	70,019.16	35,555.-	2,079.31	14,597.50	4,759.-	176.32	70,036.56	720,165.61
Lawrenceburgh	228,027.98	148,166.61	35,283.54	22,585.03	635.-	85,837.55	59,653.88	24,370.-	2,351.95	36,444.-	4,758.-	65.27	84,222.62	731,901.43
Richmond	110,991.-	89,590.40	26,343.01	5,519.96	4,500.73	40,130.65	68,817.47	25,020.-	41.84	16,079.-	12,608.-	108.77	67,085.27	466,836.10
Madison	210,834.81	96,213.85	47,443.13	19,021.64	14,946.71	8,374.01	112,999.07	25,760.-	36,000.- 766,208	14,975.-	45,232.-	151.89	82,036.46	710,198.61
New Albany	164,957.82	70,778.27	14,855.40	24,391.80			33,770.38	44,705.-	9,652.52	18,268.-	8,488.-	53.51	53,884.33	443,805.03
Evansville	120,122.43	118,009.8	39,771.45	27,666.04	5,628.67	2,709.06	8,163.06	7,808.-	6,556.28	6,727.-	6,781.-	130.35	103,155.55	417,291.87
Vincennes	133,239.-	220,719.8	36,732.06	21,303.36	3,466.91	6,032.61	11,961.99	32,870.-	.20	736.-	7,204.-	51.60	113,064.51	445,024.22
Bedford	98,485.35	58,767.0	7,926.28	9,928.53	4,543.53	19,233.26	2,266.03	6,840.-	2,761.17	1,168.-	2,846.-	315.18	74,999.07	308,527.10
Terre Haute	86,340.14	65,912.53	54,624.10	20,727.89	16,515.56	68,108.30	9,881.51	26,360.-	24,885.36	10,672.-	5,033.-		108,504.35	497,563.94
Lafayette	120,193.79	220,863.18	41,794.53	40,182.07	7,565.08	19,799.63	20,550.6	11,9750.-	28,782.93	4,7010.-	4,725.-	34.05	62,922.52	715,677.84
Fort Wayne	172,347.30	91,838.48	52,396.57	41,207.71	8,045.95		52,887.36		13,030.41	8,730.-	11,888.-	44.35	76,086.96	528,503.09
South Bend	29,712.11	93,902.03	62,272.63	68,156.64	4,197.56	11,589.22	2.82		5,658.97	8,932.-	1,255.-	190.-	51,848.20	337,717.18
Michigan City	51,280.99	210,909.73	17,293.29	18,349.67	7,129.54	14,055.2	253.75		8,114.97	12,926.-	2,199.-	121.64	55,801.-	385,785.10
Total	1,659,358.40	1,359,385.17	577,647.46	349,787.74	68,534.19	370,333.87	432,731.54	419,310.-	149,577.99	197,264.50	119,976.-	1,442.93	1,003,647.40	6,708,997.19

Liabilities

Branch	Capital Stock State	Capital Stock Indio.	Circulation	Tax on Indio. Stock for School Purpose	Due from Branches To other Branches	Due from Branches To other Banks	Dividends undrawn	Individual deposits	Sinking Fund, Indio. Stock and other items	Surplus Fund	Profit or Loss	Total
Indianapolis	77,750.- ²⁾	116,850.-	376,893.-	361.50	131,310	186,683	2260.02	59,291.40	65,956.55	46,796.57	4,887.61	720,165.61
Lawrenceburgh	70,000.- ³⁾	134,300.-	386,840.-	331.50	53,067.45	15,888.38	35,707.2	33,976.91	74,191.7	28,606.67	1,500.63	731,901.43
Richmond	125,000.- ³⁾	108,750.-	238,478.-	271.87	13,834	308.91	30,278.1	20,248.16	37,563.9	31,606.70	1,999.82	466,836.10
Madison	86,000.-	126,550.-	363,709.-	287.63	31,715.9	8,992.16	12,521.9	68,948.80	28,853.19	19,567.26	2,866.79	710,198.61
New Albany	76,750.-	87,100.-	193,085.-	217.75		22,421.20	4,387.06	24,437.42	14,316.6	32,946.66	1,028.28	443,805.03
Evansville	57,162.73 ³⁾	78,150.-	224,890.-	195.38	216.11	4,296.38	3,236.90	17,972.97	10,854.9	12,984.40	547.97	417,291.87
Vincennes	65,000.-	83,200.-	257,141.-	183.63	385.95	18,876.3	14,275.4	13,658.75	22,215.6	19,169.37	748.79	445,024.22
Bedford	40,000.-	51,762.50	170,724.-	129.41	240.08	263.02	14,597.1	13,956.82	65,575.0	23,129.87	304.19	308,527.10
Terre Haute	67,800.-	90,100.-	264,685.-	225.25	206.26	4,277.56	7,944.3	27,678.13	38,288.7	37,061.20	907.24	497,563.94
Lafayette	80,000.-	107,750.-	361,117.-	269.37	1,666.02			81,185.03	84,113.6	71,979.55	3,299.51	715,677.84
Fort Wayne	134,338.-	68,116.93	280,410.-	188.51	9,244.0	17,242.7	27,473.7	38,924.37	67,395.9	50,000.-	1,739.65	528,503.09
South Bend	70,000.-	32,346.67	187,026.-	200.-	11,979.82	260.08	16,567.7	63,654.4	9,827.47	17,475.55	585.38	337,717.18
Michigan City	70,000.-	63,000.-	228,799.50				6012.-	39,449.3	28,074.6	22,239.53	1,981.68	385,785.10
Total	935,854.27	1,147,970.10	3,533,997.50	2,861.80	73,309.12	47,886.42	318,325.2	409,989.13	89,535.36	413,563.33	22,397.64	6,708,997.19

1) State Bonds for Bank Capital 2) Sinking Fund Stock 3) Saline and Bank Tax Stock

Statement of the Condition of Each Branch of the State Bank of Indiana, Nov. 18, 1848

Resources

Branch	Notes discounted	Bills of exchange	Due to Branch			Suspended Debt	Remittance + Other Resources	State Treasury Notes 5-6 percent	U.S. + State Bonds	Notes of Other Branches	Notes of Other Banks	Bkg Houses, ORE + Furniture	Current Expense Suspended Items, Protest, etc.	Specie	Total
			From other branches	From N. E., Phila., etc.	Other Banks										
Indianapolis	164,606.52	228,015.46	4415.72	54073.07	21211.98	45753.11	6637.71	32125-		18400-	29268-	28908.70	567.72	130697.57	764706.56
Lawrenceburgh	99,903.24	195,665.39	65700.58	7086.70	12001.28	75842.56	22330-	14445-		65522-	6659-	30630.46	809.33	96411.76	693007.30
Richmond	83,760.01	212,981.93	2874.05	19552.50	49885.19	17065.72		20935-	30000-	1839-	4303-	5658.83	33.84	86509.75	530398.82
Madison	199,399.45	232,408.30	11949.78	24269.08	63440.48	40255.09	25806.04	7630-	36000-	596-	15175-	23543.24	3266.91	121157.61	798892.99
New Albany	180,061.52	77,498.72	2910.07	67687.18	2989.68	11965.48	4378.94	31955-		13800-	12030-	22816.80	8333.64	83633.40	520060.43
Evansville	154,993.85	66,393.54	5113.01	7646.70	6959.85	13868.06		39600-		4044-	12880-	25455.31	107.26	119101.66	456163.24
Vincennes	156,178.04	55,599.19	15866.27	51157.26	1974.02	18232.84	11500-	28700-		2060-	10265-	31087.95	250-	116412.87	499283.44
Bedford	121,355.51	22,650-	5237.63	2584.78	357.75	38414.32	1539.85	1830-		6246-	1090-	29576.73	448.52	69251.65	298582.74
Terre Haute	178,426.73	17,659.53	19086.22	62350.36	50885.60	23867.95	16423.79	9490-	4000-	11746-	19839-	19653.40	99.54	85075.69	518603.81
Lafayette	185,365.32	268,679.12	6049.42	22651.42	4152.99	38615.03	4912.48	90395-		12014-	1997-	47648.87	4740.07	115557.06	732777.78
Fort Wayne	127,194.04	125,243.42	1594.84	67068.84	12304.25	44955.13	8696.83			5429-	24108-	39319.89	2395.70	100990.85	559300.79
South Bend	21,431.31	85,050-	3827.40	156.06		37335.48	55301.46		1000-	9420-	5301-	61209.48	807.33	57284.39	338122.91
Michigan City	44,947.05	263,477.28	4017.40	7740.76	876.47	11431.14	46508.50			4705-	4540-	18567.05	6244.82	91811.28	444866.75
Total	1,647,622.59	1,791,321.88	148642.39	394024.72	227039.54	412604.91	204061.60	271105-	71000-	155821-	147451-	382076.71	28103.68	1273895.54	7154767.56

Liabilities

Branch	Indiv. Deposits	Unclaimed Dividends	Due from Branch		Surplus Fund	School Tax	Capital Stock		Circulation	Sinking Fund Comm'rs	Trustees Warrant Erie Canal	Susp. interest + other items	Profit + loss	Total
			To other branches	To other banks			State	Indiv.						
Indianapolis	70,824.33	3788.44	2427.68	4298.95	64297.21	292.12	27750- 75300- 17250- 80000- 1250- 57000-	116850-	388190-	6064.16		172.80	4450.87	764706.56
Lawrenceburgh	19,783.21	995.67	10434.75	2565.40	37710.25		80000- 17250- 1250- 57000-	117750-	386460.50	98-		1956.44	18003.09	693007.30
Richmond	17,526.03	4339.29	903.72		44700.69	271.87	57000- 1250- 57000-	108750-	288314-	3349.22		444.69	3549.31	530398.82
Madison	93,438.96	2114.39	1884.78	23981.69	51859.60	316.37	86000- 126550-	388194-	13395.66			7562.31	3595.23	798892.99
New Albany	30,435.58	4652.31	731.50	13105.88	29848.73	217.75	76750- 3000- 68000- 2850- 65000-	87100-	270623-	3837.50		1751.24	3006.74	520060.43
Evansville	22,278.45	352.41	2740.91	4296.78	20160.19	5716.27	68000- 3000- 68000- 2850- 65000-	75150-	242184-	39.43		444.31	11797.49	456163.24
Vincennes	20,921.97	438.65		19436.50	19063.94		65000- 40000-	79350-	253631-	63.08			8528.30	499283.44
Bedford	13,290.42	323.91	39-	256.88	10814.70		40000- 4500- 67800-	51762.50	176210-	122.12		511.23	5251.98	298582.74
Terre Haute	49,853.28		3218.87	8301.57	42776.76		4500- 67800-	85600-	229789-	21.63	13636.03	55.36	13341.31	518603.81
Lafayette	68,753.27		16474.11	2789.67	81419.67		80000- 33088- 64150-	107750-	333971-	1129.02	21227.51	204-	19059.53	732777.78
Fort Wayne	33,383.13	1019.23	4146.88	3249.71	61785.55	124.62	33088- 64150-	48553.15	284583.50	972.65	12167.92	665.59	11410.86	559300.79
South Bend	5,809.09	560.05	106-		20778.15		70000- 7000- 50000-	32340.67	196580-	267-		5996.01	5685.94	338122.91
Michigan City	6,327.01	2997.50	28309-	6.93	42873.88	157.50	7000- 7000- 50000-	63000-	239301-	3874.76			1019.17	444866.75
Total	452624.73	21581.85	71417.20	82292.96	527799.32	1380.23	96688- 880000- 976688-	1100506.32	3708031-	33234.23	47031.46	19763.98	106700.01	7154767.56

1) Sinking fund 2) Saline fund - part of Capital Stock

Statement of the condition of each Branch of the State Bank of Indiana, Nov. 17, 1849
 Indiana Documents, 1848-49, General Assembly, Part I, No. 5, insert p. 122

Resources

Branch	Notes discounted	Bills of exchange	Suspended debt	Bkgr Houses ORE + Furniture	U.S. + Indiana Bonds	Treasury notes: 5% percent	Due from Banks			Remittances to other resources	Notes of other branches	Notes of other banks	Specie	Total
							Eastern funds	From Other Banks	From Branches					
Indianapolis	203484.18	158257.71	26370.61	25724.53		7405-	64101.60	51507.14	3509.01	29852.87	19019-	4141-	172776.63	766149 ²⁸
Lawrenceburgh	79088.60	278363.85	53201.17	32323.49		10405-	34988.27	15723.93	28852.05	42124.33	35391-	4625-	118335.81	733372 ⁵⁰
Richmond	111224.13	246015.29	8548.63	5658.83	30000-	16030-	10043.05	45535.58	1600.02	391.89	3777-	6541-	81720.29	567085 ⁷¹
Madison	28122.13	235455.64	34503.98	21314.29	36000-	2815-	15999.28	70746.86	21887.81	2697.80	2896-	12305-	109345.87	784089 ⁶⁶
New Albany	207430.51	164787.55	13818.51	22816.80		25650-	12228.67	16133.94	1394.38	8019.37	1028-	2720-	70659.45	546687 ¹⁸
Evansville	163097.22	61733.40	6599.69	23641.80		22220-	31177.74	2994.60	3560.18	405.26	17320-	1180-	75668.91	429598 ³⁰
Vincennes	161523.05	25952.78	17850.46	31060.27		20000-	34480.65	33276.74	3301.93	10350-	19745-	13300-	126007.61	496848 ⁴⁹
Bedford	69440.82	47484.35	37728.41	26526.31			41111.37	4046.93	14106.75	5318.60	1979-	2140-	63264.91	304647 ⁴⁵
Terre Haute	195848.01	49749.98	16940.28	15971.90	4000-	11640-	27861.63	21698.05	749.79	10103-	155200-	6711-	72873.50	609347 ¹⁴
Safayette	112859.10	219519.69	31568.76	47304.87		52050-	41468.14	8234.22	1944.17	11566.98	48099-	16583.48	112104.30	703302 ⁷¹
Fort Wayne	110384.93	154010.99	36803.01	44140.67			97793.33	2978.91	1489.96	5262.88	1467-	11911-	103430.37	569693 ⁰⁵
South Bend	19014.12	66554-	29673.63	58077.35	1000-		30992.23		38633.37	23371.51	5264-	9944-	61193.73	342717 ⁹⁴
Michigan City	34122-	204039.27	10176.52	20229.49			33116.18	1625.13	4271.05	57121.52	2050-	9872-	78025.49	454648 ⁶⁵
Total	1671088.80	1911924.50	323783.69	374790.60	71000-	166215-	475362.14	274501.73	125300.47	205586.01	313235-	101970-	1285406.93	7306164 ⁸⁷

Liabilities

Branch	Capital Stock	Circulation	School Fund Tax	Branch Balances	Other Bank Balances	Undivided Dividends	Comm'n's Sinking Fund	Suspended Items	Surplus Fund	Judic. deposits	Profits Loss	Trustees of Erie Canal	Total	
	State													Judic.
Indianapolis	27,750 - 4													
Lawrenceburgh	62,469.53	116850-	375415-	292.12	3444.26	7809.44	4312.65	7675.31	10553.85	73293.78	62469.53	983.37	753318 ⁸⁴	
Richmond	36,250 - 1	16,229.36	78750-	421577-	7951.01	1379.93	4591.34	6847.19	1292.55	56302.04	16229.36	2202.08		
Madison	4,250 - 1	27,937 -	108750-	300778-	271.87	25.08	95.71	5158.21	3977.81	444.69	58497.31	27937-	2900.03	
New Albany		110,422.91	126550-	321935-	316.37	757.69	29287.73	2883.73	19135.62	7607.39	78303.34	110422.91	889.58	
Evansville	48,298.43	87,100-	223609-		39949.94	21254.65	1461.79	136.86		32740.63	48298.43	15385.88		
Vincennes	5,736.27	29,564.33	79,266.27	212,872-	183.87	460.44	4888.38	1900-	4263.11	625-	18738.23	29564.33	2237.17	
Bedford	6,450 - 1	17,776.29	75750-	286255-	165-	1152.84	14150.95	2372.38	3364.50	406.11	23577.70	17776.29	427.78	
Terre Haute	11,341.76	51,762.50	182,843-					579.66	929.21	530.79	11850.42	11341.76	4810.11	
Safayette	4,500 - 1	41,363.36	85,600-	22,8467-	213.92	5424.98	21598.30	9728.78	12778.58	641.59	47486.67	41363.36	219.69	
Fort Wayne	56,805.10	107,750-	340,503-		29838.61	3791.23				64997.64	56805.10	17476.33	2140.32	
South Bend	33,088 - 1	38,651.26	48,553.15	28,635.9-	121.14	3717.45	2385.80	911.89	1007.65	1401.68	71839.06	38651.26	12786.31	
Michigan City	2918.67	32,340.67	19,709.3-	200-	685-			783.20	63-	6823.42	23980.28	2918.67	7826.95	
Total	118,018.1	630,000-	2,397,789-		198,727.4	600-		992.21		46,385.61	118,018.1	152,070.8		
Total	880,000 -	1,076,306.32	3,617,495 -	176,429	113,280.24	107,242.87	34,683.63	61,171.05	30,327.07	607,992.71	4,755,79.81	83,352.36	9,036,525	7,306,164 ⁸⁷

1) Sinking fund Capital

2) Bank Tax + Saline Fund

Units copied correctly from book. Capital Stock (State) is printed around \$400,000. The totals would have no value

Statement of the Business of Each Branch of the State Bank of Indiana, Nov. 18, 1843
 Indiana Documents, House of Representatives, No. 5 Report of President of State Bank, December 1843

Resources

Branch	Bills discounted	Bills of exchange	Suspended Debt	Banking Houses, OFF + Furniture	Balances between Branches	Balances due from the Banks	Remittances	Comm'n's on Bonds	Suspense other items	Sinking fund & other Treas Notes	Notes of other Branches	Notes of other Banks + Checks	Specie	Total
Indianapolis	98,818.67	106,802.59	86,521.07	34,373.70	13,245.55	83,761.79	2,040.00		27.78	83,350.00	2,009.30	4,401.00	71,326.60	611,200.75
Lawrenceburgh	128,764.77	23,958.88	112,798.72	18,847.05	6,477.70	80,959.80	4,016.00	3,766.19	5015.80	40,000.00	2,534.00	3,647.00	23,438.13	353,967.22
Richmond	139,930.82	39,036.40	24,565.11	5,519.96	1,220.99	16,881.22	3,225.00		74.75	2,600.00	2,811.00	1,457.00	84,348.08	350,670.33
Madison	132,512.58	41,444.10	106,188.71	11,715.71	15,499.73	9,849.20		4,438.60	4,601.33	17,905.00	1,908.00	2,543.00	53,239.28	490,488.04
New Albany	128,737.35	16,030.00	28,746.41	3,015.21		8,854.18		785.15	2,047.40	53,955.00	4,355.00	4,897.00	37,858.04	314,574.99
Evansville	89,060.95	5,678.00	34,100.55	3,320.73	384.15	6,749.73	14,077.40			9,084.00	645.00	1,764.00	59,810.12	323,640.97
Vincennes	143,091.00	31,799.77	41,026.81	21,103.36	7,454.42	6,986.33		540.70	7.60	36,000.00	1,430.00	8,775.00	115,124.24	384,719.42
Bedford	71,884.73	14,103.33	115,515.28	10,073.48	4,155.79	4,076.52	4,635.00		303.29	6,560.00	534.00	821.00	102,242.34	322,211.76
Terre Haute	149,942.80	25,852.76	27,236.61	14,116.98	6,144.49	50,531.09	9,792.21		14,416.44	43,005.00	1,709.00	3,033.00	114,431.56	426,885.94
Lafayette	175,154.13	44,692.44		33,254.80	8,153.54	17,425.71	20,446.67	11,121.16	3,143.23	161,147.00	6,694.00	15,499.00	64,692.67	533,013.35
Fort Wayne	188,107.31	35,384.57	41,380.49	26,413.80	3,167.30	21,878.26	7,223.45		11,689.78	21,935.00	1,481.00	6,470.25	101,630.90	466,782.11
South Bend	71,049.55		73,356.36	22,932.05	427.16	11,886.27	3,021.00	2,100.00	14,391.60	680.00	6,654.00	6,194.00	75,416.44	275,156.43
Michigan City	86,175.11	44,454.17	41,016.54	17,833.34	29,825.59	28,890.85			3,064.57		18,727.00	2,190.00	61,668.45	307,002.62
Total	1,603,229.77	366,361.21	707,939.66	279,537.08	51,562.41	364,529.93	75,952.07	12,742.80	43,988.91	55,777.00	69,575.00	61,691.25	965,226.85	5,160,313.94

Liabilities

Branch	Capital Stock State	Capital Stock Indis. + County	School Tax	Circulation	Branch Balances	Balances due to Banks	Dividends not drawn	Surplus Fund	Sinking fund Sup. Act. et.	Depositors	Profits Loss	Total
Indianapolis	75,300.00	146,600.00	1,700.00	327,029.00	14,300.07	521.06	136.88	24,602.56	5,881.10	18,577.04	9,423.04	611,200.75
Lawrenceburgh	80,000.00	143,450.00	1,700.00	65,950.00	3,025.78	1,413.24		46,462.87	2,495.57	61,423.33	5,573.43	353,967.22
Richmond	57,000.00	111,050.00	1,527.62	139,400.00	468.24	417.68	20,847.73	23,979.03	2,785.62	10,720.10	1,237.31	350,670.33
Madison	86,000.00	136,100.00	1,710.00	169,785.00	3,063.49	15,039.79	117.59	20,162.84	2,062.56	48,896.78	7,589.99	490,488.04
New Albany	76,750.00	87,100.00	871.00	70,842.00		14,507.13	601.02	31,218.06	9,384.13	17,926.26	5,375.39	314,574.99
Evansville	68,000.00	77,500.00	849.51	128,023.00	2,047.37	3,125.12	8,249.77	20,508.44	5,787.75	9,524.12	4,943.42	323,640.97
Vincennes	65,000.00	87,300.00	800.00	201,715.00	91.34	2,658.33	533.91	15,667.65	4,977.88	5,991.42	4,463.90	384,719.42
Bedford	54,150.00	71,400.00	871.50	153,680.00	29.26		223.46	21,522.43	860.96	15,809.41	3,664.74	322,211.76
Terre Haute	67,800.00	91,050.00	1,151.00	212,188.00	163.00	11,958.60	16,088.83	35,257.29	4,251.80	11,844.56	375.60	426,885.94
Lafayette	80,000.00	118,950.00	1,353.25	259,410.00	591.25	10,103.80	11,871.10	49,562.28	2,392.34	12,616.77	5,939.78	533,013.35
Fort Wayne	50,000.00	82,715.31	800.00	256,223.00	803.98	3.50	4,585.51	40,840.78	4,154.80	25,770.60	8,750.95	466,782.11
South Bend	70,000.00	32,340.67	600.00	150,573.00	3,114.91		3,145.57	13,509.57	1,929.36	2,758.94	28,188.83	275,156.43
Michigan City	50,000.00	63,000.00	800.00	175,912.00	1,801.47	50.02		7,286.73	1,490.37	2,159.01	4,503.02	307,002.62
Total	880,000.00	1,262,722.25	14,733.88	2,310,690.00	13,826.74	39,942.11	8,091.57	350,580.93	32,779.92	188,437.54	64,659.40	5,160,313.94

65950
3026
1413
6142
76531
700
78231

School + Bank Tax Capital

Statement of the Condition of Each Branch of the State Bank of Indiana, Oct 31, 1854
 Indiana Documents, 1853-54, General Assembly, pp. 517-18
 (Printing very poor - many figures illegible)

Resources

Branch	Bills Discounted	Bills of Exch.	Suspended Debt	Bk & Houses ORE + Furniture	Branch balances	Eastern balances	Other bank balances	Remittances	Other items	Other branch notes	Other bank notes	Specie	Total
Indianapolis	110985.85	244935.41	4814.46	18492.53	7384.52	85830.28	108405.37	19263.62	796.66	23857-	16401-	109988.47	751085.17
Lawrenceburgh	24555.58	488718.81	17226.26	14152.57	6448.74	6057.93	143999.30	26000-	35138.27		16330-	95636.52	853956.06
Richmond	70222.60	388847.21	11467.86	6157.50	1506.47	14767.29	851.53	3816-	5000-	1525-	40763-	116537.90	661461.56
Madison	60505.53	306049.92	9433.24	19292.30	8162.06	48734.73	65108.04	25683-	9650.19	10796-	27911-	78787.54	678108.54
New Albany	49109.25	213772.67	16374.26	14299.80	1887.30	62975.05	15480.36		178.50	18422-	10754-	58041.40	461294.59
Evansville	25443.80	238411.74	38272.15	21841.80	9556.42	28197.68	94845.06	314-	65.98	24079-	13473-	80904.26	575864.89
Vincennes	118282.31	123905.74	10913.36	26110.13	2208.70	45261.38	38970.10	1693.15	3800-	10000-	51500-	78521.79	511866.66
Bedford	19126.36	130094.53	7383.63	4020.69	1571.64	34114-	117747		1816-	2756-	3200-	51381.75	256638.07
Terre Haute	60993.97	371061.13	4253.58	16743.05	1443.31	10871.71	69286.02	5040-	72.62	27348-	27000-	93130.57	687243.96
Lafayette	166419.48	246032.41	38841.58	17609.67	5433.37	8485-	73656.98	6100-	1745.18	5350-	32158-	73984.59	675816.56
Fort Wayne	91781.32	216357.09	16498.35	19861.34	4764.23	61040.37	51895.68	427-	19636.86	9500-	22518-	100474.76	617055.00
South Bend	16767.35	168300-	5162.55	11191.36	150-	60941.84	7055.86		220.23	23791-	5947-	69375.87	368903.06
Michigan City	41451.08	218533.32		8716.86	1473.50	46390.06	20988.85	2000-	1309.72	3716-	36423-	80203.44	461205.77
Total	863574.47	3335010.98	180600.48	198488.84	51990.26	514067.32	694015.70	90336.77	79427.21	161140-	304379-	1086968.86	755999.89

Liabilities

Branch	Capital Stock State	Capital Stock Indiv.	Profit + Loss	Surplus Fund	Unclaimed Dividend	Commis of Sinking Fund	Other items	Branch balances	Other bank balances	Indiv. deposits	Circulation	Expense Circulation	Total	
Indianapolis	87750-	75300-	116850-	19283.35	115721.25	175.34								
Lawrenceburgh	36250-	80000-	98750-	25704.75	147062.95	120-	85.50	4106.18	1567.61	1683.71	98115.36	345232-	15238-	853956.06
Richmond	51250-	57000-	108750-	16743.90	98966.73	80.66			2374.50	56010.82	4241.95	304206-	11837-	661461.56
Madison	50000-	50000-	126550-	22599.29	114612.21		1394.52	3371.09	1478.20	33204.84	91171.33	182662-	15665-	678108.54
New Albany	76750-	76750-	87100-	12497.17	81235.83	909.89	75-	442.88	4317.79	25691.55	24228.48	136432-	11614-	461294.59
Evansville	5216.27	68000-	73550-	15627.69	65814.02		197.47	405.38	3482.12	27579.36	32932.58	266695-	10765-	575964.89
Vincennes	13600-	65000-	68600-	12611.09	52338.78	695.06			6054.13	15103.61	40899.99	226984-	10000-	511866.66
Bedford	40000-	40000-	51002.50	7091-	17239.01			939.68	973.70		12844.18	119295-	6503-	256638.07
Terre Haute	4500-	67800-	152700-	23192.96	106450.74		297.29	1546.14	4603.92	4009.91	67161-	243790-	11192-	687243.96
Lafayette	80000-	80000-	107750-	19473.76	90222.42		987.73	1066.26	7033.20	20128.44	48335.25	287411.50	13308-	675846.56
Fort Wayne	38088-	64150-	48650-	13982.60	100100-	909.24	28-	19494.16	6529.08	3173.95	48781.05	268307.50	9796-	617055.00
South Bend	70000-	70000-	32340.67	10073.63	58327.60	1175.44	553.35		867.81	172.63	41292.43	148372.50	5727-	368903.06
Michigan City	50000-	50000-	63000-	12661.83	60864.39		1722.02		1842.12	6431.52	63772.39	187345.50	6566-	461205.77
Total	1013754.27	888000.00	1136353.17	211543.02	1108955.99	4045.63	5340.88	36462.57	48181.43	225520.65	630234.64	2996288-	143198-	755999.89

1) Stock of the Sinking Fund 2) State Bank Tax + Saline Fund 3) School Fund

Statement of the Condition of Each Branch of the State Bank of Indiana, Nov. 16, 1850
 Indiana Document 1, 1849-50, General Assembly, Part I No. 15, insert p. 278

Resources

Branch	Notes discounted	Bills of Exchange	Suspended Debt	Bkgs Houses ORE and Furniture	Indiana Treasury Notes	Due from Banks			Remittances + other resources	Notes of other branches	Notes of other banks	Specie	Total
						Eastern funds	From other banks	Branch balances					
Indianapolis	278483.20	259855.35	3787.38	24743.03		49816.75	14043.55	4714.58	28841.77	474-	19754-	169298.97	85281.2 ⁵⁸
Lawrenceburgh	67569.13	357135.24	43460.72	25313.50	6145-	3656.47	5867.47	213.23	67530.56	1797.50	58489-	532476.07	769647 ⁸⁹
Richmond	93633.28	320552.83	10071.25	5658.83	13055-	17149.91	23971.45	2080.56	14.36	7837-	4390-	98073.24	596487 ⁷¹
Madison	225309.20	322876.80	52844.20	24897.29	255-	13675.52	24167.28	2877.14	7483.77	939-	25784-	103020.57	804129 ⁷⁷
New Albany	239678.76	216165.76	5845.72	22816.80	16065-	38947.29	2410.01	1461.26	17422.03	5601-	10539-	78203.74	655156 ³⁷
Evansville	118014.58	150379.30	5692.59	23641.80	4755-		76.50	5811.45	5.66	10846-	5848-	83800.55	408891 ⁴³
Vincennes	157370.05	62544.10	18330.91	16903.17	16700-	19570.79	4514.42	5194.25	13000-	885-	3163-	68025.67	386201 ^{36 A}
Bedford	50824.97	22406.10	46590.25	37014.20		26180.48	6336.40	2867.90	13351	8289-	3495-	54109.55	267947 ^{36 B}
Terre Haute	160042.92	183085.3	13013.97	14977.69	8015-	10862.88	27469.65	525.56	14933.84	43500-	5011-	66934.12	475595 ¹⁶
Safayette	143277.62	221520.02		46548.85	43495-	86984.64	1229.18	5093.67	8001.31	13485-	27656-	95839.79	693130 ⁸⁸
Fort Wayne	117524.88	146446.07	40767.03	39915.27		54336.58	7723.04	2446.34	34708.57	1530-	33863-	100922.84	580183 ⁶²
South Bend	19785.89	87985-	19561.48	61991.46		17632.73	14557.17	861.97	11601.72	22720-	9703-	71169-	337569 ⁴²
Michigan City	38420.90	228775.96	10248.27	20111.85		18339.05	16475.05	4187.17	43370.91	8919-	17147-	76012.47	482007 ⁶³
Total	1709935.38	2414951.06	270213.77	364233.54	108485-	449153.09	148861.17	38335.08	247048.01	126822.50	224842-	1197880.58	7300761 ¹⁸

Liabilities

Branch	Capital Stock		Circulation	School Tax Fund	Branch Balances	Other Bank Balances	Indiana dividends	Comm'r's Sinking Fund	Suspended items	Surplus Fund	Individual deposits	Profit loss	Total
	State	Indiv.											
Indianapolis	27750- ¹			292.12	100337	909731	584445	7391.58	8121.89	935567.2	86176.77	1078.37	25281.2 ⁵⁸
Lawrenceburgh	75300-	116850-	421350-		9823.93	3048.15	1747.60	246-		61866.65	28687.89	22306.17	769647 ⁸⁹
Richmond	36250- ¹	98750-	426921.50										71
Madison	80000-	108750-	308334-	543.74	94.83	153-	3661.51	3977.81		76942.77	32660.65	2819.40	596487 ⁷¹
New Albany	1250- ¹	126550-	355550-	316.37	2771.48	20626.08	2145-	14081.75	3275.08	102458.73	88114.29	2240.99	804129 ⁷⁷
Evansville	76750-	87100-	304990-		19123.31	27749.50	1246.87	35-		39771.80	79169.37	19220.52	655156 ³⁷
Vincennes	3716.272 ¹	73550-	163461-	183.88	2700.55	10215.78	1995.66	4195.86	1930.31	27554.59	43594.88	1192.95	408891 ⁴³
Bedford	68000- ¹	75750-	195599-		1227.94	5685.69	2293.52	3541.42		27952.40	15199.34	566.50	399265 ⁵¹
Terre Haute	6450- ¹	51762.50	126784-			7-	1794.29	108.90	129.41	12126.85	11868.65	301.31	244882 ⁹¹
Safayette	4500- ¹	85600-	218635-	427.92	281.69	1131.60	3719.07	5058.98	2348.83	56345.81	28791.12	955.14	475595 ¹⁶
Fort Wayne	80000-	107750-	333927-		3147.90	26289.19		780.13	450-	80451.76	44000.66	16334.24	693130 ⁸⁸
Michigan City	33088- ¹	48593.15	267784.50	242.40	1973.08	8170.67	1222.28	911.43	11525.74	81900.12	46350.59	14271.66	580183 ⁶²
Total	64150- ¹	32340.67	186545.50	600-	892.21		1691.66	2256.79	6819.40	31314.17	4682.60	426.42	337569 ⁴²
	7000- ¹	63000-	238386-	157.50	14635 ¹	150		882.18		8435.80	47136.19	15544.92	482007 ⁶³
	50000- ¹	1076346.32	3548267.50	2763.93	44503.83	112175.47	27661.91	43467.83	34600.66	750678.17	556432.70	97258.59	7300761 ¹⁸
	880000- ¹												
	571627 ²												

¹ Sinking Fund Capital ² Bank Tax + Saline Fund

³ These two amts do not agree with corresponding totals in Liabilities - Other amts balance

Statement of the Condition of Each Branch of the State Bank of Indiana, Nov. 20, 1852
 Indiana Documents, 1851-52, General Assembly, Part I No 8, pp. 234-237

Resources

Branch	Bills discounted	Bills of exchange	Suspended debt	By houses DRE + Furniture	Branch balances	Eastern balances	Other bank balances	Remittance	Indiana stocks, deposits, other items	Other branch notes	Other Bank notes	Specie	Total
Indianapolis	270522.02	238647.99	5344.36	26992.53	2762.74	110535.54	62500.93	33227.47	970.18	1703-	40290-	119199.92	912696.68
Lawrenceburgh	45861.62	526949.73	25823.01	27548.35	39-		29231.13	490-	55195.66		10038.50	119188.99	840365.99
Richmond	41960.39	369394.23	3986.25	5658.83	884.12	10398.06	86901.53		22011.86	248-	12139-	94555.09	648137.36
Madison	103998.66	318883.43	20115.80	42735.04	7587.06	76521.10	85844.67	265-	9788.77	1634-	66529-	107373.33	841280.86
New Albany	186241.37	277894.03	1506.53	16441.80	15.55		41863.18		126.61	3053-	48829-	89875.18	665846.25
Evansville	105477.17	148044.32	4570.37	22141.42	5505.36	61621.06	36421.48		4020.23	8649-	35735-	127014.17	559199.86
Vincennes	106085.06	36686.02	37258.57	25559.40	7578.70	122987.45	2361.72	1944.80	2240-	3770-	35934-	112775.14	495180.35
Bedford	57863.70	67720.64	30531.10	7411.08	309.35	20210.84	1199.01	15000-	115.60	331-	34000-	57579.03	292190.31
Terre Haute	292897-	313759.4	5119.34	19894.05		95400.78	31342.99	77-	8657		167909-	95088.64	739191.40
Lafayette	134102.20	218513.76	28065.41	24878.47	6967.02	173020.81	5282.61	2030.14	1045.18	10526-	32696-	121666.80	758794.79
Fort Wayne	81476.12	178412.53	28181.62	26609.45	1124.18	180025.84	5001.91	1130-	12559.85	1036-	39133-	107333.29	655023.11
South Bend	13689.09	119356.86	9217.75	49464.60	66-	99726.26			67.72	11724-	2184-	72700.83	378197.13
Michigan City	44998.41	232942.14	8083.29	24189.16	1204.65	85512.64			1453.37	4173-	29338-	91582.47	523477.62
Total	485172.81	2764821.62	207803.40	319448.18	34043.73	1035960.38	387951.16	54164.41	109681.60	46847-	554754.50	1308932.88	8309581.62

Liabilities

Branch	Capital Stock	Profit & loss	Surplus Fund	Unclaimed dividend	Comm'n of Sinking Fund	Other items	Branch balances	Other Bank balances	Ordin. deposits	Circulation	School Fund	Trustees of Erie Canal	Total
Indianapolis	219900-	1567.79	109823.25	3542.36	12343.01	6100-	5802.40	10719.47	119670.78	422935.50	292.12		912696.68
Lawrenceburgh	215000-	4272.58	115641.01	4110.15	8244.63	4415.62	3753.89	15737.31	43777.30	425413.50			840365.99
Richmond	167000-	3483.11	59806.75	3972.44	5825-	6035.6			83331.76	323571-	543.74		648137.36
Madison	212550-	2690.67	105554.74	707.06	15831.03	3010.02	514.57	36135.09	122645.31	341326-	316.37		841280.86
New Albany	163850-	5154.83	61332.20	3464.12	4640-	435.50	4426.21	15752.21	88165.43	318408-	217.75		665846.25
Evansville	151866.27	1617.72	46463.20	3319.76	5009.91	1381.69	2041.46	15650.74	32811.95	298853-	183.88		559199.86
Vincennes	147200-	969.40	37383.54	2366.60	1752.20		1447.27	3539.33	32020.16	256183-		12319.36	495180.35
Bedford	91762.50	410.47	12573.31	1893.01	1447.89	321.58			8695.59	175086-			292190.31
Terre Haute	157900-	1658.52	71092.93	1402.49	3615-	535-	5299.88	580.99	78446.34	264806-	214-	133647.16	739191.40
Lafayette	187750-	24314.98	83492.01		3-	589.99	1549.56	4282.48	71416.31	362297-	269.37	22829.70	758794.79
Fort Wayne	145888-	978.44	82223.47	4426.74	11041.19	25687.96	743.26	3599.80	81011.75	285968.50	242.89	13211.79	655023.11
South Bend	102340.67	155.19	52771.15	1300.16	2148.86		12.91	183.13	18115.04	200370-	400-		378197.13
Michigan City	120000-	3022.38	70768.47	388.16	7165.94	22814.28	73.88	2212.22	65120.80	231753.50	157.50		523477.62
Total	2083007.44	50289.08	908926.03	30893.05	79067.66	65895.20	25665.29	108392.77	865228.52	3907371-	2837.62	182008.01	8309581.62

Statement of the Condition of Each Branch of the State Bank of Indiana Oct. 31, 1853
 Indiana Document 1, 1852-53, Report of the State Bank of Indiana + Condition of its Branches to the Governor

pp. 6-7

Resources

Branch	Bills discounted	Bills of exchange	Suspended debt	By houses ORE + Furniture	Branch balances	Eastern balances	Other Bank balances	Remittances	Other items	Other branch notes	Other bank notes	Specie	Total
Indianapolis	271037.55	338141.61	4901.46	20492.53	5868.23	58389.94	33281-	10000-	788.42	12632-	25027-	149063.27	929623.01
Lawrenceburgh	40048.74	564779.74	22277.90	14527.57	328.88		24496.19		57284.71		12478-	136663.35	872885.08
Richmond	65292.22	385964.61	13263.49	6157.50	1947.81	182.74	22235.71		13.61	1500-	6379-	115687.02	618623.71
Madison	134125.74	390817.04	11520.27	40420.63	3237.73	157.14	56393.18	141-	11028.19	4606-	25958-	111898.40	790253.32
New Albany	134749.19	268924.98	651.03	16799.80	1914.18	19875.54	28309-	12242.82	15164.61	16938-	10805-	94054.81	619888.96
Evansville	151058.22	151119.87	2233.94	21841.80	2519.52	2000.75	83508.10	3035-	496.82	22125-	25430-	111670.36	577039.41
Vincennes	140487.31	66100-	16833.96	33159.41	5632.14	48358.27	110525.91		3108-	32882-	621-	106028.41	563736.47
Bedford	52575.83	133781.60	15305.90	7130.08	585.82	940.93	21.75		1827.10	4743-	25000-	66778.46	308692.49
Terre Haute	291556.96	136612.58	4107.58	19094.05	1287.24	39064.01	122184.73	75-	96.57		21806-	121032.77	756917.85
Lafayette	163073.59	271966.98	24163.51	24878.47	1642.14	81408.68	7101.57	474.49	1197.18	4025-	9534-	119865.25	709330.53
Fort Wayne	98172.57	255384.89	15236.45	8841.80	3720.36	57377.05	42887.49	2577-	23772.51	8279-	39544-	103305.41	659098.31
South Bend	11066.77	264288.12	9036.16	24382.35		5639.45	34-		343.52	5778-	9140-	60606.94	390515.06
Michigan City	45287.72	210980-	7568.29	22927.10	4554.43	80783.31	5935.09		1286.75	1337-	59095-	81150.37	520923.65
Total	1598532.44	3438862.02	147099.94	259753.09	33238.48	394177.81	536931.72	28545.31	116410.06	114575-	270817-	1377804.81	831747.65

Liabilities

Branch	Capital stock	Profit loss	Surplus fund	Unclaimed dividend	Comm'n of Sinking Fund	Other items	Branch balances	Other bank balances	Indiv. deposits	Circulars	Tax to School fund	Total
Indianapolis	219900-	24697.47	111217.26		790.50	5432.12	2387.31	8927.17	130392.56	425586.50	292.12	929623.01
Lawrenceburgh	215000-	27829.24	111244.48	2766.83	134.50	14489.70	2986.62	35196.09	55114.62	407923-		872885.08
Richmond	167000-	17730.99	81511.90	817.37				1147.54	28679.91	321736-		618623.71
Madison	212550-	22333.26	112630.19		1641.54	8108.38	3934.51	28509.63	73247.81	327298-		790253.32
New Albany	163850-	17911.07	68481.20	963.47			2504.70	49084.45	40208.07	276886-		619888.96
Evansville	151866.27	10866.66	53572.06		28-	3719.83	4625.08	5130.78	51731.70	295499-		577039.41
Vincennes	147200-	8518-	44571.88	553.61			1366.72	12122.67	56603.53	292800-		563736.47
Bedford	91762.50	6850.06	15036.12	468.73	459.13	96.82		238.73	21093.38	172687-		308692.49
Terre Haute	225000-	13653.45	96478.30		905.90	3879.91	2616.12	1264.84	64035.97	349063-		756917.85
Lafayette	187750-	14981.96	87794.35		923.14	4008.07	3645.59	17650.60	28563.14	364014		709330.53
Fort Wayne	145888-	17887.68	84578.69	1108.70	1.82	48616.07	7777.06	4319.65	66706.81	28222.50	121.62	659098.31
South Bend	102340.67	8676.84	41037.51	605.69	50.57		1260.83	672.63	35665.07	200205.50		390515.06
Michigan City	120000-	12756.13	70845.14		1013.71	12271.83	1672.25	4826.81	64007.19	233530-		520923.65
Total	2150107.44	204672.81	979199.08	7284.40	5769.81	100622.73	34776.79	169191.59	716048.76	3949280.50	413.74	831747.65

Amounts were copied correctly but total do not agree - but amounts do not add to all total (differences are shown)

Statement of the Condition of Each Branch of the State Bank of Indiana, Oct. 31, 1855
 Indiana Documents, 1854-55, Part I, No. 2, "Report of the Condition of the State Bank of Indiana & Each of its Branches to the Governor"

Resources

Branch	Bills discounted	Bills of exchange	Suspended debt	Rgt Houses ORE + Furniture	Branch balances	Eastern balances	Other bank balances	Remittances	Other items	Other branch notes	Other bank notes	Specie	Total
Indianapolis	245920.47	330420.13	12778.32	16283.38	7319.29	65965.49	17078.94	1400-	10828.73	3850-	45586-	132115.80	889546.55
Lawrenceburg	453686.2	369781.25	78353.52	6966.86	2596.10	63119.22	11050.64	6025-	130573.97		10836-	135668.71	860339.89
Richmond	83205.83	374331.08	14067.22	6157.50	158.15	26546.4	929.30		55800-		4382-	110267.81	651953.53
Madison	78627.18	260706-	51098.47	19292.30	5626.83	85100.88	22844.57	43-	15003.94	2797-	25048-	62216.13	628404.30
New Albany	64973.90	230859.03	15191.16	14299.80	1023.95	67227.96	18354.19		25872.25	7829-	10190-	74255.82	530077.06
Evansville	17305.35	345663.84	12150.91	21841.80	2541.34	25347.96	42511.89		5134.21	8641-	28404-	101623.73	611166.03
Vincennes	118649.33	175981.41	9028.39	26110.13	2289.93	68067.23	9618.55	4022.15	11175-		20100-	89334.90	534377.02
Bedford	15146.50	183217.95	6540.96	3341.80	1693.78	1862.56	2087		1737.50	225-	438-	38919.07	253143.99
Terre Haute	46741.87	444788.23	3992.78	16743.05	1801.36	67146.39	28435.91		2072.62		40817-	106582.60	759121.81
Safayette	184790.32	246396.69	23740.89	17363.97	323.54	60649.30	12164.58	30058	2045.18	9604-	1411-	123585.74	682375.85
Fort Wayne	77784.76	254278.43	20745.69	10066.14	11247.26	106703.96	22181.59	935.33	16061.62	1820-	10858-	96144.07	628826.85
South Bend	8634.56	204495.58	4503.88	10642.29	298.09	55622.50	395-		5.52	26110-	7022-	69485.97	387215.39
Michigan City	37500-	233212.84		8716.80	250.12	38165.79	36206.88	2500-	1199.88	649-	33111-	82999.45	474511.76
Total	1024648.69	3654132.46	252192.19	177825.82	37169.74	707633.88	221792.91	15226.06	277510.42	61525-	238203-	1223199.80	7291059.97

Liabilities

Branch	Capital Stock State	Capital Stock Individual	Profit + loss	Surplus Fund	Unclaimed dividends	Comm's of Sinking Fund	Other items	Branch balances	Other bank balances	Indio. deposits	Circulation	Supreme Circulation	Total
Indianapolis	27750- ¹												
Lawrenceburg	75300- ¹	116850-	23602.39	126683.65	15-		1624.99	2908.54	23930.15	104305.33	370989.50	15587-	889546.55
Richmond	36250- ¹	98750-	15355.34	163007.57	2.04	851.28	3763.15	800.99	2300.74	54013.78	390007-	15238-	860339.89
Madison	80000- ¹	108750-	19483.24	111214.49	6.16			1251.86	11190.08	6143.70	323827-	11837-	651953.53
New Albany	57000- ¹	126550-	15790.78	128459.02		2519-	1883.35	1231.43	20014.18	66554.54	164337-	15065-	628404.30
Evansville	86000-	87100-	13670.60	87126.76	1238.45		442.88	2536.41	16924.49	39565.47	193108-	11614-	530077.06
Vincennes	68000- ¹	73550-	15657.07	69591.08			5776.27 ²	961.38	13722.17	58301.04	287951-	10765-	611166.03
Bedford	13600- ¹	68600-	11716.91	59773.04	74.35			4129.71	10695.86	35728.15	255059-	10000-	534377.02
Terre Haute	65000-	51762.50	7102.16	22298.67		7-	1694.45		668.43	17412.78	105695-	6503-	253143.99
Safayette	40000-	152700-	23722.78	119051.12		84-	5725.28 ²	4252.37	8116.95	58337.06	303258.50	11192-	759121.81
Fort Wayne	4500- ¹	107750-	14284.43	109180.61		967.86	672.25 ²	5401.26	10478.10	30991.91	309072-	13308-	682375.79
South Bend	33088- ¹	48650-	13612.57	103543.34	1902.68	130.05	3332.33 ²	529.91	1091.58	63683.65	285073.50	9796-	628826.85
Michigan City	64150-	32340.67	9928.62	60563.49	734-	243.52		178.98	1113.88	29270.73	177114.50	5727-	387215.39
Total	70000- ¹	63000-	11859.99	67809.12		579.26		64848	420.15	34869.76	231759-	6566-	474511.76
Total	128038- ¹	1136353.17	195786.88	1228301.96	3972.68	5381.97	21489.70	24831.32	120666.76	599177.90	3397251	143198	7891059.97

¹ Stock of Sinking Fund
² State Bank Tax Sinking Fund
³ School fund

Condition of Branches of the State Bank of Indiana, Oct. 31, 1857
 Indiana Documents, 1856-57, Part 2, No. 7 - Annual Report of the State Bank of Indiana & Condition of Its Branches to the Governor
 pp 347-359

For those cities with a ...
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Resources

	Bills discounted	Bills of exchange	Suspended debt	Wk Houses ORE + Furniture ⁴	Branch balances	Eastern balances	Other bank balances	Remittances	Other items ¹	Other branch notes	Other bank notes	Specie	Total
Indianapolis	64090.50	6009.54	7915.41	15430.81	324.92		128923.10	135-	93.11 11750-	25811.50 ²	1896-	48283.67	316663.96
Lawrenceburgh	19439.50	24000-	44842.80	6841.86	27-		77500-		5845- ³	27392- ²	7699-	46129.18	306848.42
Richmond	59697.14	5500-	32330.62	2341.80	76-		106464.04			46688- ²	23080-	19008.81	295416.41
Madison	15795.48	800-	69296.30	24878.75		Trust fund 2925.42	85877.04	245.70	631.93 150-	26052- ²	18333	31890.09	306875.71
New Albany			30928.27	2187.57	194-	32469.39	35210-			19402- ²	47700-	21673.61	189763.84
Evansville	14754.55	3840-	10744.70	24299.51	325-		62228.40		613.78 25.94	65082- ²	24000-	60000-	266481.88
Vincennes	28603.56	29504.93	12406.46	21643.13			8042.41	39125- ³	583.95 375-	1900-	16700-	35025.21	196817.52
Bedford	1970-	13276.70	30758.82	3341.80		28926.46			9601. 63.40	4842- ²	1081-	29089.30	113395.49
Terre Haute	60235.84	30411.24	4811.70	5915.05	43-		145937.02		5209- ³	32238- ²	124-	38331.90	328339.23
Lafayette	150982.28	91815.75	1731.71	1574.10	326.43		45705.87		12745.18	11302-	2818-	6945.85	340114.17
Fort Wayne	44619.55	37759.41	13893.82	11904.76			65616.48		19129.03	36000- ²	28631-	30171.81	287725.36
South Bend	39132.52	3176.71		2550.94			65611.97			45070.50 ²	81-	37802.80	193683.44
Michigan City		55630-		8716.80	3.87	102851.83				49711.50 ²	331- ³	18260.07	233620.51
State Bank - total (not sum of branches)	499321.32	298497.57	261104.72	140869.77	78270.20	466337.65	480503.51	157159.10		60877-	124914-	420662.68	2987977.52

Liabilities

	Capital Stock	Profit + Loss	Surplus Fund	Unpaid Dividends	Comm'n Sinking Fund ⁴	Other items ³	Branch balances	Other bank balances	Indiv. deposits	Circulation	Suspense Circulation	Notes in Bank	Total
Indianapolis	59070-	6569.08	145751.97	728.50		1473.70	839.32	119.75	3432.14	57251-	15587-	25811.50	316663.96
Lawrenceburgh	23250-	2096.47	183362.34	2725-	322.98 13792.50			3842	846.71	37784-	15238-	46688-	306848.42
Richmond	33500-	2289.30	131118.84	2368.27	13306-					54415-	11831-	46688-	295416.41
Madison	42510-		134470.3		1663.32 ⁴ 35480.31	992.02 3063.60		109526	9529.17	35258	15065-	26052-	306875.71
New Albany		336362	93949.37	59.15	18468.02	1586.8				42749	11614-	19402-	189763.84
Evansville	15186.64		85469.43	650-	24300-	8616.7		759.75	3127.48	53176-	10765-	65082-	266481.88
Vincennes	29440-		70329.51	6534- 722.05	20700-	6921.18		826.77	375.01	51083-	10000-		196817.52
Bedford		1211.72	31002.78	10442.50	8015.40				1863.09	46575-	6503-	4842-	113395.49
Terre Haute	46530-	2771.40	138449.29		33600-	4170.61			2267.93	89956-	11192-		328339.23
Lafayette	37550-	3561.08	152153.25	21270-	808.13 3106.41			1277.01	32612.79	74467.50	13308-		340114.17
Fort Wayne	29177.60	4402.10	115000.28	6595.57	33282.70		2.31	26.17	1018.48	52054	7796-	36000-	287726.36
South Bend	20468.15	1526.71	71696.22	1323.90			324.72	172.63	248.41	47105-	-5727-	45090.50	193683.44
Michigan City		79.97	81076.62		23316.88				767.54	72102-	7566-	49711.50	233620.51
State Bank (not sum of branches)	336582.39	36377.09	1434006.93	58504.14	221582.22 230961.57	24745 ⁵⁷	1166 ³⁵	427734	59351.56	684718.50	143198-	346073	2987977.52

1) Includes stocks + bonds, profit, profit + loss
 2) Branch's own notes
 3) Includes suspended items Div. + Int. Premiums + Exp. of Debts + Loans
 4) Includes Current Expenses
 5) Certificates of deposit
 6) Permanent School Fund + other State funds

Abstract of the first semiannual reports of condition + operation of free banks in Indiana on or near first Mon. in Jan. 1853
 Indiana Documents 1851-52, General Assembly Part I. No. 7, pp 215-220

	Assets					Liabilities					
	Securities deposited with Auditor	Real Estate	Due from monied ass'ns	Due to bank	Due from shareholders	Specie	Capital paid in	Due to monied ass'ns	Other debts payable on demand	Notes issued by bank	
1	Covington - Bank of Covington	378890	10000	8629.50	407083.65	5000	40850.86	578695	1095.27	17448.43	356099.37
2	Gen. State Stock Bank of Indiana	70684		1312.37			5305.90	45342	1509.52		25000
3	Laporte - Indiana Stock Bank	35156			30000		4725	50000	712.97	9606.86	22032
4	Ligonport - State Stock Bank	115000		28255.40			11666	115000	51666	50000	100000
5	Ligonport - Wabash Valley Bank	50000		4200				50000			2100
6	Lafayette - Government Stock Bank	50000			50000		1000	50000		50000	50000
7	Lafayette - Gramercy Bank	12500					2000	12500			12000
8	Newport - Public Stock Bank	64000			31196		5500	64000		33000	54600
9	Plymouth - Plymouth Bank	45000					1300	45000			12000
10	Terre Haute - Prairie City Bank	129000	0.12 notes dismounted 131400	2320	100650	66894.60	15375	147500		75199.58	81985
		950230	141400	114717 ²⁷	618329 ⁶⁵	71894 ⁶⁰	87722 ⁷⁶	1158037	54983 ⁷⁶	235254 ⁸⁷	715216 ³⁷
	Total Assets	1984294 ²⁸								Total Liabilities	2163492
1		850454	01							953338	07
2		77302	27							71851	52
3		69821	00							82351	83
4		224921	40							316666	00
5		54200	00							52100	00
6		101000	00							150000	00
7		14500	00							24500	00
8		100696	00							151000	00
9		46300	00							57000	00
10		445039	60							304684	58

X

"This may be the same as" "the debts payable on demand"

Redemption of Circulation of Suspended Free Banks in Indiana, 1855-64 - 3.

	1859			1860			1861			1862			
	Circulation outstanding Nov. 1, 1858	Redeemed to Nov. 1 1859	Cash paid out	Circulation outstanding Nov. 1, 1859	Redeemed to Nov. 1	Cash paid out	Circulation outstanding Nov. 1	Redeemed to Nov. 1	Cash paid out	Circ. outstanding Nov. 1	Redeemed to Nov. 1	Cash paid out	Circ. outstanding Nov. 1
Albion, Bank of Albion	223	42	42	181	36	36	145	13	13	132	2	2	130
Kalanzoo Bank	469	69	62.10	400	8	7.20	392	5	5.40	387		38.70	
Angola, Steuben County Bank													
Attica, Bank of Attica	1232	109	97.01	1123	74	65.86	1049		26.69				
Bloomfield, Greene County Bank													
Northwestern Bank													
Bridgeport, Bank of Bridgeport	64	1	.98	63	-	-	63		14.65				
Cannelton, Perry County Bank													
Connersville, Bank of Connersville	14928	961	836.07	13967	384	333.08	12583	182	158.34	12299.01	12299.01	11233.51	-
Savings Bank of Indiana	480	200	138	280	10	6.90	270	80	55.20	190	-	-	190
Covington, Bank of Covington													
Fort Wayne, Bank of Fort Wayne													
Goaten, Elkhart County Bank													
Indianapolis, Bank of the Capital													
Farmers' and Mechanics' Bank													
Jackson, Atlantic Bank	167	23	18.40	144	2	1.60	142		5.60				
Jamestown, State Stock Bank													
Jasper, Farmers' Bank	642	22	20.02	620	21	19.11	599	43	39.14	556		7.28	
Wabash River Bank													
Kokomo, Indian Reserve Bank													
Knox, Starke County Bank													
Lafayette, Government Stock Bank													
Merchants' Bank													
Laurel, Laurel Bank	368	58	47.56	310	20	16.40	290		36.26				
Logansport, Northern Indiana Bank	233	116	96.28	117	74	61.42	43		47.26				
State Stock Bank													
Tippecanoe Bank													
Wabash Valley Bank	401	126	115.92	275	36	33.12	239		12.80				
Wayne Bank	440	100	100	340	20	20	320	20	20	300	-	-	300
Marion, State Stock Bank				259	11	9.70	248	33	30	215	35	(90)	
Michigan City, Bank of T. Wadsworth	14	-	-	14	2	1.82	12		(?) 6.54	12	-	-	12
Bank of America	339	74	64.38	265	27	23.49	238		17.29		-	-	
Mount Sterling, Agricultural Bank	20	5	5	15	-	-	15	-	-	15	-	-	15
Muncie, Delaware County Bank													
Nashville, Traders' Bank				903	25	23	878	19	17.48	859		93.84	

Redemption of Circulation of Suspended Free-Banks in Indiana, 1855-64 - 4.

		1859			1860			1861			1862			
		Circulation outstanding Nov. 1, 1858	Redeemed to Nov. 1 1859	Cash paid out	Circulation outstanding Nov. 1, 1859	Redeemed to Nov. 1	Cash paid out	Circulation outstanding Nov. 1	Redeemed to Nov. 1	Cash paid out	Circulation outstanding Nov. 1	Redeemed to Nov. 1	Cash paid out	Circ. outstanding Nov. 1
New Albany,	Bank of Albany	894	53	47.70	841	26	23.40	815	27	24.30	788		9.90	
New Corydon,	Wabash River Bank													
Newport	Bank of North America Public Stock Bank State Stock Security Bank													
Newville,	Wabash River Bank													
Perrysville,	Bank of Perrysville	36	1	1	35	4	4	31	1	1	30	20	20	10
Peru,	State Stock Bank of Indiana	859	225	191.25	634	153	130.05	481		116.55		31	(85)	
Plymouth,	Plymouth Bank Western Bank													
Poseyville,	Orange Bank	56	4	4	54 52	-	-	54	3	3	51	1	1	50
Rensselaer,	Bank of Rensselaer Farmers' and Mechanics' Bank													
Richmond,	Wayne Bank	15	5	5	10	-	-	10	-	-	30 (3)	-	-	30
Rochester,	Bank of Rochester													
Rockport,	Bank of Rockport	30	-	-	30	-	-	30	-	-	30	-	-	30
Rome,	Drivers' Bank													
South Bend,	Bank of South Bend	70	40	40	30	15	15	15	-	-	15	-	-	15
Springfield,	Merchants' Bank													
Terre Haute,	Great Western Bank Traders' Bank													
Vincennes	New York Stock Bank													
Wabash	Upper Wabash Bank													
Attica	Shawnee Bank													
Bloomington,	Bloomington, Bank <i>add</i>									29354.75	8745	5690	4836.50	3055
Clinton,	Bank of North America	370	180	162	190	55	49.50	135	30	27	105	31	(90)	
Evansville,	New York and Virginia State Stock Bank <i>add</i>	1-12-58 908	453	453	455	32	32	423	9	9	414	31	(100)	
Gosport,	Bank of Gosport <i>add</i>	2-26-59 46530	44560	44560	1970	1400	1400	570	125.46	125.46	445	25	25	420
Indianapolis,	Central Bank <i>add</i>	2021	385	385	1636	126	126	1510	65	65	1445	24	24	1421
Lafayette,	Traders' Bank													
Lafayette,	Gramercy Bank													
Warsaw	Bank of Warsaw													
	Indiana Stock Bank <i>add</i>				1501	150	150	1351	94	94.50	1257			
	Boone County Bank <i>add</i>												445	

These banks have withdrawn the cash proceeds in the hands of the Auditor and circulation is redeemed at certain banks at the rate given.

Redemption of Circulation of Suspended Banks in Indiana, 1853-64 - 5.

		1863			1864			1865	
		Circulation outstanding Nov. 1, 1862	Redeemed to Nov. 1 1863	Cash paid out	Circulation outstanding Nov. 1, 1863	Redeemed to Nov. 1	Cash paid out	Circulation outstanding Nov. 1	Rate of redemption
Albion,	Bank of Albion	130	4.50	4.50	125.50	6	6	119	par
	Kalamazoo Bank			4.50	242.45		2.70	335	90¢
Angola,	Steuben County Bank								
Attica,	Bank of Attica								
Bloomfield,	Greene County Bank								
	Northwestern Bank								
Bridgeport,	Bank of Bridgeport								
Cannelton,	Perry County Bank								
Connersville,	Bank of Connersville	—	—	—	—	—	—	—	—
	Savings Bank of Indiana	190	—	—	190	—	—	190	69¢
Covington,	Bank of Covington								
Fort Wayne,	Bank of Fort Wayne								
Goshen,	Elkhart County Bank								
Indianapolis,	Bank of the Capital								
	Farmers' and Mechanics' Bank								
Jackson,	Atlantic Bank								
Jamestown,	State Stock Bank								
Jasper,	Farmers' Bank			.91	341.79	—	—	341.79	90¢
	Wabash River Bank								
Kokomo,	Indian Reserve Bank								
Knox,	Starke County Bank								
Lafayette,	Government Stock Bank								
	Merchants' Bank								
Laurel,	Laurel Bank								
Logansport,	Northern Indiana Bank								
	State Stock Bank								
	Tippecanoe Bank								
	Wabash Valley Bank								
	Wayne Bank	300	—	—	300	—	—	—	par
Marion,	State Stock Bank	215	—	—	215	—	—	245	90¢
Michigan City,	Bank of T. Vadenorth	12	—	—	12	—	.91	11	.91¢
Moores,	Bank of America								
Mount Sterling,	Agricultural Bank	15	.15	.15		—	—	15	par
Muncie,	Delaware County Bank								
Nashville,	Traders' Bank			1.84	755	—	—		92¢

Redemption of Circulation of Suspended Banks in Indiana, 1855-64 - 6.

		1863			1864			1865		Disposition	
		Circulation outstanding Nov. 1, 1863	Redeemed to Nov. 1, 1863	Cash paid out	Circulation outstanding Nov. 1, 1863	Redeemed to Nov. 1, 1864	Cash paid out	Circulation outstanding Nov. 1	Rate of redemption	1866	
New Albany,	Bank of Albany		—	—	793 10		1 80	800	90¢		
New Corydon,	Wabash River Bank										
Newport	Bank of North America										
	Public Stock Bank										
	State Stock Security Bank										
Noville,	Wabash River Bank										
Perryville,	Bank of Perryville	10	—	—	10	—	—	10	par		
Paru,	State Stock Bank of Indiana								85¢		
Plymouth,	Plymouth Bank										
	Western Bank										
Poseyville,	Orange Bank	50	—	—	50	—	—	50	par		
Rensselaer,	Bank of Rensselaer										
	Farmers' and Mechanics' Bank										
Shmond,	Wayne Bank	30	—	—	30				par		
Rochester,	Bank of Rochester										
Rockport,	Bank of Rockport	30	—	—	30	—	—	30	par		
Rose,	Drivers' Bank										
South Bend,	Bank of South Bend	15	15	15	—						
Springfield,	Merchants' Bank										
Terre Haute,	Great Western Bank										
	Traders' Bank										
Vincennes	New York Stock Bank										
Wabash	Upper Wabash Bank										
Attica	Shawnee Bank										
Bloomington,	Bloomington Bank	3055									
Clinton,	Bank of North America								90¢		
Evansville,	New York and Virginia State Stock Bank										
Gosport,	Bank of Gosport	420	—	—	420	5	5	415	par		
Indianapolis,	Central Bank	1421	4	4	1417	2	2	1415	par		
Lafayette,	Traders' Bank										
Lafayette,	Gracery Bank										
Warsaw	Bank of Warsaw										
	Boone County Bank			257	1552		39		par		Proceeds exhausted

Redemption of the Circulation of Suspended Free Banks in Indiana, 1855-64*

Source: Annual Reports of Auditor of State: *1855, pp. 387-405 and 308-10, 1856, pp. 94-101, 1857 pp. 155-164, 1858, pp. 37-43, *1859, pp. 102-7, *1860 pp. 42-47
 * In Indiana Documents 1861, pp. 146-52, *1862, pp. 292-295, *1863, pp. 162-66, *1864, pp. 457-9, *1865 pp. 172-3

		1855			1856			1857			1858 ⁽²⁾			
		Circulation outstanding Jan. 25	Redeemed to Dec. 17 1855	Cash paid out	Circulation outstanding Dec. 17, 1855	Redeemed to Nov. 6	Cash paid out	Circulation outstanding Nov. 6	Redeemed to Oct. 31	Cash paid out	Circulation outstanding Oct. 31	Redeemed to Nov. 1	Cash paid out	Circulation outstanding Nov. 1
Albion,	Bank of Albion	30480	27100		3380	2250		680 1130	360	360	320	457	457	223
X	Kalamazoo Bank	27998	26000	Certif.	1998	1211		727 787	168	151.20	559	258	232.20	469
X	Angola, Steuben County Bank	68338	65358	65358	2980	2980		—						
	Attica, Bank of Attica	92590	88371	(89)	4219	2234		1858 1985	401	356.89	1457	626	557.14	1232
	Bloomfield, Greene County Bank	58000	57650	(81)	350	350		35	35	25.31	—			
X	Northwestern Bank	123500	118625	118625	4875	2805		2070			755			
	Bridgeport, Bank of Bridgeport	13898	13582	(88)	316	222		84	16	14.08	67	19	16.72	64
X	Cannelton, Perry County Bank	61999	62100		—			—						
	Connersville, Bank of Connersville	271882	237125	(87)	34755	13838		19499 20917	2714	2361.18	17785	4571	3976.77	14928
	Savings Bank of Indiana							70087	5590	3857.10	1410	6520	4498.80	480
X	Covington, Bank of Covington	83388	79500	Certif.	3888	3626		116 262	116	100.94	—			
	Fort Wayne, Bank of Fort Wayne	63975	62000	62000	1975	1975		—						
X	Goshen, Elkhart County Bank	133425	127879	(97)	5546	4408		901 1138	582	564.54	319			
	Indianapolis, Bank of the Capital							2357 4290	4290	4290	—			
X	Farmers' and Mechanics' Bank							269 406	270	270	—			
	Jackson, Atlantic Bank	13806	13226	(80)	586	158		422	137	109.60	269	237	191.20	167
X	Jamestown, State Stock Bank	129595	121000		8595	8052		543						
	Jasper, Farmers' Bank	32362	26650	Certif.	5712	3720		1180 1992	281	255.71	899	538	489.58	642
	Wabash River Bank	127925	130000		—			—						
	Kokomo, Indian Reserve Bank							1-25-57 22616	15233	9596.50	7383			
	Knox, Starke County Bank	1480	1440	1480	40	40		—						
X	Lafayette, Government Stock Bank	17300	18704	(80)	—	—		—						
	Merchants' Bank	16677	17004	(90)	—	—		—						
X	Laurel, Laurel Bank	56000	54274	(82)	1726	909		751 817	270	221.40	481	383	314.06	368
	Logansport, Northern Indiana Bank	58902	54000	54000	4902	3558		1030 1344	541	449.03	539	847	703.01	233
	State Stock Bank	33612	33000		612	612		—						
	Tippecanoe Bank							1-25-57 48023	49212	49212	—			
X	Wabash Valley Bank	126612	121970	(92)	4742	2830		703 1912	1039	955.88	664	1302	1197.84	401
	Wayne Bank	52820	50940	50940	1880	1020		1740 860	240	240	500	300	300	440
X	Marion, State Stock Bank	39503	36600	Certif.	2903	2217		583 686	147	132.30	436	271	243.90	312
	Michigan City, Bank of T. Wadsworth	998	947	(91)	51	14		37	6	5.46	29	21	19.11	14
X	Waco, Bank of America	38998	37071	(87)	1927	713		670 1214	155	134.85	515	331	281.97	339
	Mount Sterling, Agricultural Bank	15900	13000	13000	2800	2520		380	175	175	50	205	205	20
X	Muncie, Delaware County Bank	40850	39308	39308	1542	500		1042			709			
	Nashville, Traders' Bank	68900	66238	(92)	2662	1370		1249 1292	187	172.04	1062	288	264.96	961

Redemption of Circulation of Free Banks in Indiana, 1855-64 - 2.

		1855			1856			1857			1858 ²⁾			
		Circulation outstanding Jan. 25	Redeemed to Dec. 17 1855	Cash paid out	Circulation outstanding Dec. 17 1855	Redeemed to Nov. 16	Cash paid out	Circulation outstanding Nov. 16	Redeemed to Oct. 31	Cash paid out	Circulation outstanding Oct. 31	Redeemed to Nov. 1	Cash paid out	Circulation outstanding Nov. 1
+	New Albany, Bank of Albany	16935	14426	(90)	2509	1142		1367	240	216	1012	358	322.20	894
	New Corydon, Wabash River Bank	37000	34610		2390	510		1880			625			
	Newport, Bank of North America	42710	38000	(8)	4710	3659		1051						
x	Public Stock Bank	31808	25000	(89)	6828	6828								
	State Stock Security Bank	20750	29000	Certif.										
	Newville, Wabash River Bank	69000	69000											
	Perrysville, Bank of Perrysville	9996	9694	9694	302	202		100	24	24	48	36	36	36
x	Peru, State Stock Bank of Indiana	90850	84452	(85)	6498	4158		2340	693	589.05	1403	1237	1051.45	859
x	Plymouth, Plymouth Bank	31734	30000	Certif.	1734	2418	2418							
+	Western Bank	58399	51600		6799	5731		1068						
	Poseyville, Orange Bank	12800	12493	12493	307	227		80	18	18	60	22	22	56
	Rensselaer, Bank of Rensselaer	60553	58000		2053	2053								
	Farmers' and Mechanics' Bank	33612	32500		1112	1112								
	Richmond, Wayne Bank	32905	31485	31485	1420	1120		310	165	165	75	225	225	15
x	Rochester, Bank of Rochester	98356	94500		3856	792		3064			177			
	Rockport, Bank of Rockport	6000	5640	5640	360	310		40			10	10		30
+	Rome, Drivers' Bank	32790	30000	Certif.	2790	2525		162	221	187.42				
x	South Bend, Bank of South Bend	40890	38230	38230	2660	2130		530	240	240	195	365	365	70
	Springfield, Merchants' Bank	6103	6648	(90)	55	55								
x	Terre Haute, Great Western Bank	50791	46400	46400	4391	2580		1811			1073			
	Traders' Bank	23998	22000	Certif.	1998	2414	2414							
x	Vincennes, New York Stock Bank	49000	46000	Certif.	3000	3030	3030							
x	Wabash, Upper Wabash Bank	99710	97235	97235	2475	2475								
✓	Warsaw - Bank of Warsaw										2227			
✓	Lafayette - Brewery Bank										31383			
	Clinton Bank of North America							Jan. 25, 1857 15720	14060	12654	1660	15350	13815	370
✓	Attica-Shaunee Bank										21171			
✓	Indianapolis - Traders' Bank										849			

1) Pencil figures refer to amounts given in next year's report of Auditor if these amounts do not agree
 2) Amounts redeemed from Jan. 25, 1857 through Nov. 1858; therefore includes 1857 figures

The Journal
SPECIAL CONTENT

Letterbks
& Journal

Joint Committee - 4

Nov. 1856 - Suspended Free Banks

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The proceeds of the securities of the following Banks are exhausted

Vincennes	New York Stock Bank
Angola	Steuens County Bank
Rensselaer	Bank of Rensselaer
Fort Wayne	Bank of Fort Wayne
Tenett Bank	Traders' Bank
Bloomfield	Greene County Bank
Rensselaer	Farmers and Mechanics' Bank
Wabash	Upper Wabash Bank

Annual Report of the Auditor of State, Oct. 31, 1852

Banks organized under Act of May 28, 1852		Capital	Stock deposited	Circu- lation
Cornersville - The Bank of Cornersville	400000			
Perrin - State Stock Bank of Indiana	200000			
Laporte - Indiana Stock Bank	50000			
Plymouth - The Plymouth Bank	50000			
Safayette - Government Stock Bank	50000			
" - The Gramercy Bank	100000			
Newport - Public Stock Bank	100000			
" - Bank of North America	50000	—	—	
Terre Haute - Prairie City Bank	200000			
" - Southern Bank of Indiana	100000	—	—	
" - Traders' Bank of Terre Haute	100000	—	—	
" - Merchants' Bank	50000	—	—	
Logansport - State Stock Bank	115000			
" - Wabash Valley Bank	200000			
Evansville - Bank of Evansville	100000			
Total	1,865,000	91,000	80,000	

Semi-Annual Reports of Free Banks in Indiana July, 1864
 Indiana Documents, 1863-64, Part I, Vol. I, pp 460-65 (Annual Report of Auditor of State)

	Assets									
	Stock dep. with Treas of State	Notes bill discounted	Susp. debt	Notes of banks	Real estate furniture & personal prop.	Due from banks	Due from S. H.	Residencies Stocks & Bonds & other items	Specie	Total
Goshen, Bank of Goshen	76626.01	15107.63			3533.50	17897.27		26500-	9860.55	169524.95
Franklin, Indiana Farmers' Bank	226000-	82113-		1823.75				546.85	22325.50	332809.10
Paoli, Bank of Paoli	36637.20	2719.15	7750-	345-	1700-	10000-	4973.70	8300-	3163.51	75588.56
Salem, Bank of Salem	67651.10	63066.62		920-	5593.87	747.59			172.11	155190.18
Cambridge City, Cambridge City Bank	62500-	79802.69		14684- ²¹	2800-	32083.74			2988.71	194859.34
Greencastle Exchange Bank	196387.30	119850-	1587-	9701.70	2921.63	9694.77	600-		17103.67	357846.07
Madison, Indiana Bank	251577.50	315860.69		5022.61	7000-	22710.47		88200-	25934.22	743067.11
New Albany, Bank of Salem	109244.37	17699.35	3279.27	8250-	8341.19	32335.27		121047.47	27127.75	577674.63
Goshen, Salem Bank	87262.35	49797.80	1112.76	2992-	12796.12		10000-		39160.04	203121.07
Attia, Exchange Bank	50000-			5814-		30000-			13968-	99782-
Total	1183585 ⁸²	746016 ⁹²	13729 ⁰³	49553 ⁰⁶	44886 ²¹	155469 ³¹	15573 ⁷⁰	270328 ⁵⁰	430020 ³⁶	2909463 ⁰¹ ✓

	Liabilities									
	Capital Stock	Due to banks	Due depositors	Circulation	Surplus Fund	Profit Loss	Unpaid Dividends	Time Bills & other debts	Interest & other	Total
Goshen, Bank of Goshen	50000-		27441.12	87540-			4543.83			169524.95
Franklin, Indiana Farmers' Bank	50000-	43040.46	22333.15	200000-		1112.37	12500-	3823.12		332809.10
Paoli, Bank of Paoli	50000-		6035.03	11110-		1121.53		7322-		75588.56
Salem, Bank of Salem	50000-	58.52	44370.50	45526-	4941.25	293.91		10000-		155190.18
Cambridge City, Cambridge City Bank	70500-		55836.25	59950-		4506.99	4066.10			194859.34
Greencastle, Exchange Bank	50350-	5100-	104151.21	181333-			16911.86			357846.07
Madison, Indiana Bank	111000-	29777.56	283520.66	200000-	43227.85			62000-	13541.04	743067.11
New Albany, Bank of Salem	138085.35	1219.18	333063.41	81800-	16200.10		7289.01		17.58	577674.63
Goshen, Salem Bank	50000-		81372.62	70311-		1437.45				203121.07
Attia, Exchange Bank	50000-			49782-						99782-
Total	669935 ³⁵	79196 ^{5.72}	958123.95	987352 ⁶⁵	64369 ²⁰	8472 ²⁵	45310 ^{0.80}	83145 ¹²	13558 ⁶²	2909463 ⁰¹ ✓

Total deposits 1022630
782631

¹ Includes own notes
² " U.S. Treasury Notes

Total checked and adding items as did not all appear.

Semi-Annual Reports of Free Banks in Indiana, July 1863
 Indiana Documents 1862-63, pp. 167-74
 (Annual Report of Auditor of State)

Some checked out adding from
 did not add across

	Assets									
	Stock dep. with Treas. of State	Notes & bills discounted	Susp. debt	Notes of banks	Real estate, furniture & pers. prop.	Due from banks	Due from s. h.	Remittances stocks & bonds & other items	Specie	Total
Goshen, Bank of Goshen	95626.01	38891.11		6303.32	3533.50	32239.51		32000 -	849250 ²¹	217085.95
Franklin, Indiana Farmers' Bank	133000 -	25000 -		22260 -		99008 -			17000.35 ²¹	298268.35
Paoli, Bank of Paoli	58600 -	12903 -	7684 -	3725 ²¹	1700 -			8300 -	319.38	93231.38
Elkhart, Bank of Elkhart	70000 -	80556.78	582 -	5415 -		44460.49	12210.34		750501	220729.62
Salem, Bank of Salem	63379 -	71507.68		8587.35 ²¹	6053.81	4106.22			6452.50	160086.56
Cambridge City, Cambridge City Bank	62500 -	157652.51		7611 -	2800 -	20712.38			13002.18 ²¹	284963.07
Mount Vernon, Bank of Mount Vernon	68279.75	24410.30	10583.32	25763.50 ²¹	832.08	46918.78			20685 ²¹	179944.73
Greencastle, Exchange Bank	173254.80	96150 -	1587 -	29963 -	292153	1455.24	600 -		3157 -	313979.44
Madison, Indiana Bank	241277.50	101909.73	9000 ²¹	5104 -	12722 -	234480.27		40458.93	72901.01 ²¹	708853.44
New Albany, Bank of Salem	102850 -	36288.81	706547	393775.59 ²¹	8541.19	180.85		6233.82	2475586	621085.96
Corydon, Bank of Corydon	80000 -	28073.25		11160 -	400 -	803.53		41394.37	8098.28	141937.46
Goshen, Salem Bank	67287.35	53431.37	1112.76	10883 -		10084.88	10000 -		1340240 ²¹	173598.32
Terre Haute, Prairie City Bank	61000 -	5322.28	26229.08	12009 -	9315.81	7497.99		1674.18	20798.96	131568.92
Attica, Exchange Bank	54887 -			4435 -		20000 -		10565 - ²¹	8000 - ²¹	97887 -
Total	1331941 ⁴¹	732096 ⁸²	54813 ⁶³	546994 ⁷⁶	48819 ⁹²	521948 ¹⁴	22710 ³⁴	1406216 ³⁰	241138 ⁸⁸	3641220 ²⁰

	Liabilities									
	Capital Stock	Due to bills	Due depositors	Circulation	Surplus fund	Profits & loss	Unpaid Div.	Notes bills & other debts	Interest & other	Total
Goshen, Bank of Goshen	50000 -		83288.24	83445 -			352.71			217085.95
Franklin, Indiana Farmers Bank	50000 -	77677.89	53287.57	114990 -		312.89				298268.35
Paoli, Bank of Paoli	50000 -		2903.53	24452 -		1769.85		14106 -		93231.38
Elkhart, Bank of Elkhart	70000 -	3786.02	21950.61	45892 -			2652.01	76448.98		220729.62
Salem, Bank of Salem	50000 -		35463.91	58148 -	4941.25	1533.40		10000 -		160086.56
Cambridge City, Cambridge City Bank	70500 -	747.63	135049.99	60700 -		14440.45	3525 -			284963.07
Mount Vernon, Bank of Mount Vernon	50000 -	298.89	67141.21	57650 -		4854.63				179944.73
Greencastle, Exchange Bank	50350 -		80798.85	173056 -			9774.59			313979.44
Madison, Indiana Bank	114000 -	14965.88	335823.65	200000 -	30806.64				13257.27	708853.44
New Albany, Bank of Salem	138085.35	10028.14	352505.36	94842 -	16200.10	17.58	8472.73		664.20	621085.96
Corydon, Bank of Corydon	50000 -	1395.38	120883.6	60000 -	16598.81	854.91	1000 -			141937.46
Goshen, Salem Bank	50000 -		62850.44	56884 -		386388				173598.32
Terre Haute, Prairie City Bank	76600 -		29575.92	25393 -						131568.92
Attica, Exchange Bank	50000 -			47887 -						97887 -
Total	919535 ³⁵	10890 ⁰³³	127272 ⁷⁶⁴	1103339	68546 ⁹⁰	27647 ⁵⁹	2604704	100564	13921 ⁴⁷	3641220 ²⁰

- 1) Includes own notes
- 2) Includes U.S. Treasury notes
- 3) " " "Losses charged upon profits"
- 4) Suspense Account
- 5) New York Exchange

FRASER
ST. LOUIS

Condition of Indiana Free Banks, 1861
 Annual report of Auditor of State Oct. 31, 1861, pp 153-61

Bank	Assets								Total	Liabilities				
	Capital Stock	Notes & bills discounted	Amount of debts due to bank	Notes of other banks	Real estate for bank purposes	Specie	Currency including own notes	Miscell.		Capital stock	Amount due depositors	Notes, bills & other evidence of debt	Due other Banks & Ass'ns	Surplus, und. profits etc.
Goshen Bank of Goshen	61,135.13	35561.78	10453.17	5811-	1808.50 1725-	6809.08	2503-	Susp debt 8372.89	134199.55	50000-	28981.14	51280-	-	3938.41
Elkhart Bank of Elkhart	67,000-	22454.91	26614.25	2296-		6498.76	540-	50 412-	144315.92	67000-	20634.84	50222-	4212.32	2246.76
Corydon Bank of Corydon	61,000-	16458.08	2110-	529-	400-	15185.24	2470-		98152.32	50000-	4660.77	30000-		2153.51 ³¹
Salem Bank of Salem	74,499.52	76082.53	251.05	2923-	5953.81	12329.25	1174-		173673.16	50000-	79180.62	38339-	329.36	4941.25
Mount Vernon Bank of Mount Vernon	115,517.91	45460.28	279.95 ²¹ 36313.19	7030-	448.28	19702.48	750-	50 11097.70	236599.79	61400-	60752.22	92799-	1640.03	10028.54
New Albany - Bank of Salem	76,817.50	130428.25	4129.68	30891.03 8686-	8439.41	32896.63	1500-	50 8846.39	307562.43	138085.35	46720.78	38174-	3.56	873.50
Terre Haute - Southern Bank of Indiana	123000-	114274.25	6802.92	17816.54 7095-	12008.12 2218.43 5000-	12630.80		50 2400-	308246.56	100000-	123059.96	77835-		7351.60
Madison Indiana Bank	132577.50	155294.23	4657.07	6535-	10413.75	18199.52	14800-		342477.07	123500-	77309.69	74452-	253.68	2052.75 ⁶
Terre Haute Prairie City Bank	71,000-	24544.66	26129.46	23424-	9289.16	5377.22	24095.21	24095.21	183859.71	78700-	48896.18	39778-	5548.41	10937.12
Goshen Salem Bank	60,868.75	28387.68	6801.41	7771-		13974.40	1728-	50 2895.85	132427.09	50000-	29153.60	51425-		1848.49
Attica Exchange Bank	53960-	49840-		8263- 800-		6417.81	15-	50 3273.04	123168.85	50000-	19956.63	47887-	5325.22	
Greencastle Exchange Bank	53254.80	53377.58	1935.29	7331-	2921.63	7258.74		50 1587-	128266.04	50350-	17123.76	52119-	4000-	4673.28
Rockville Parke County Bank	83883.32	102858-	169.15	9216.63 898-	1510.57 3443.50	14278.98	13876-	50 840	238967.55	100000-	35731.91	76696-		20000- 2936.93
Cambridge City - Cambridge City Bank	34,100- 50000-	87571.45	4453.35	6152-	2800-	9993.25	3275-	50 2441.77	200786.82	86100-	42782.11	49400-	15207.78	4330-
Paoli Bank of Paoli	64463.61	39694.50	3010.03	1993-	1842-	6028.06	62-	50 4831.56	1230245.6	50000-	10404.76	35113.-	635.75	2672.07
Lima Lagrange Bank	76,845-	900-	20000- ²¹			7321.21	47-		108113.21	50000-	127.87	49845-	5111.26	3029.08 ⁶
Columbus Kentucky Stock Bank	48,104.98	70425.26		5815-	1328.54 690.57	4536.64			130900.99	50000-	35617.92	39752-	52440	5006.67
Franklin Indiana Farmers Bank	51,990-	80292.13	10165.28	1765-	4300-	6957.55	28500-	50 11059.60	195029.56	120000-	27550.31	38000-		4479.25 ⁶ 5000-
Totals	1,414,903. ⁰² 319	1,136,906. ⁰⁷	1,932,75 ²⁵	165,551. ²⁰	76,541. ²⁷	206,395. ⁶²	76,257. ⁵⁴	81,341. ⁴¹	3,309,771. ¹²	1,825,135. ³⁵	819,224. ⁰⁷ 818,766	933,116. ⁰⁰	42,791. ⁷²	18,484. ⁴¹
									330,627. ⁸⁸		3305,712. ⁶⁰			

Total deposits 861,557

Entries agree with book but book has not balance.
 Permit audit left of total column with the total of assets as added - Permit audit right of total column with the total of liabilities as added.

- 1) Generally means Stocks & bonds deposited with Auditor against circulation
- 2) Due from shareholders
- 3) Discount on bonds
- 4) Time bills & evidence of debt
- 5) Remittance & other Cash items
- 6) Losses charged upon profits
- 7) Shares in Branch Bank of the State, at Connersville

1861

FEDERAL RESERVE BANK
ST. LOUIS, MO.
MAY 1961

FEDERAL RESERVE BANK
ST. LOUIS, MO.
MAY 1961

	<u>Incl. Balance</u> (000's)		<u>TA</u>	<u>CF</u>
	<u>CF</u>	<u>TA</u>	<u>CF</u>	<u>TA</u>
12/53-	3 614	7 436	2.06	48.6

Pure - (Note, bank & other end debit) - 3 167 547

"Amount due depositors" 10 75 236

C+D	10 75 236
	<u>3 167 547</u>
	4 202 783

CF

Capital stock - under assets - comparable items under
 3 404 445 liabilities - "State approved
 with State Auditor"

Profit & Loss - 10 501

Dividends Declared &
 made of Scripps Fund - 199 526

20 July

2/1/54

		<u>TA</u>	<u>CF</u>
<u>CF</u>	<u>TA</u>	<u>CF</u>	<u>TA</u>
6 328	12 737	2.01	49.7

Capital stock under contract . 6 142 838
 less deposits 5 131 827

P & L. - 68 208

Dividend & Suspense Fund. - 111 094

46 books

Amount due Depositor 1 613 511
 Circulation 5 219 100
 6 832 611
 Expense 807 395

1/56

	<u>CF</u>	<u>TA</u>	<u>TA</u> <u>CF</u>	<u>CF</u> <u>TA</u>
<u>CF</u>	2097	4756	2.27	44.1

Civic - Mite
 Public other
 end of list
 P effort from Civic union
 but some same cancelled

	1283	465
	1347	894
	<hr/>	
	263	1359

Dept.
 Super 3 19 794

Capital Start 1984 278
 Sustained under budget. Plan
 same body under unit
 1525750

Stephen Fink & Dunder 65377
 P & L 47434

27 pages

7/56

- 33 days

<u>CF</u>	<u>TA</u>	<u>TA CF</u>	<u>CF TA</u>
2436	5733	2.35	42.5

Cumulative 1423895
 Debit 1446432

 2869727

Capital Stock
 2272857

Surplus, unpaid
 dividend.
 163759

Mo Pr F

7/57-26 bank.

<u>CF</u>	<u>TA</u>	<u>CF</u>
1839	4870	<u>TA</u>
		37.8

Pop. tax 1729313

Prop. 58955

Supp. 51055

TA 4869964

Price 1453703

Dep. 1228447

2682150

Sp. 280047

7/58 - 18

	<u>CF</u>	<u>TA</u>	<u>CF</u> <u>TA</u>
Pd	1398000	3357 (246)	46.3
Supp	159068		
	<hr/>		
	1556		

Quarles 984 467

PGR. 768 782

1753 249

Spice 201 879

7/59 - 17 fls.

CF

TA

CS

1346423

3527094

265424

565232

1477079

Aug - 830053

Oct. 1028577

1858630

Spencer. 210 126

710

20 blm.

CS 1405331

S 70109

P&L 70037

1545477

TA

3789152

CF

TA

40.8

Deposits 853190

Res. 1242466

2095656

Spice 181914

1/61 19 ~~th~~

CF

TA

CF
TA

CS 1325175

3309771

45.6.

SUR 184845

NO PSL
1509990

Qui . 933 116

Dep. 819 824

1752940

Spem. 206 395

7/62 - 18 bln

CF

TA

CF

TA

CS 1204535 3594708

S 78307

P&L 34321

1317163

Circulation 1109411

Deposits 1026306

2135717

Spencer 257568

7/63 - 14 p/m

CF

CF

TA

TA

OS - 919535

3641220

S 68546

PL 27647

10 5727

Circulation 1103339

Deposits 1272727

2376066

Sp 241138

7/64 - 10 plan

CF

TA

CF
TA

CD. 669935

2909463

~~PL~~ 64369

PrL 8472

742776

Conclude 997352

PrL. 958123

1945475

PrL 430020

Condition of Free Banks in Indiana, under the Law, first Monday of July, 1858
 Source: Annual Report of Auditor of the State, Oct. 31, 1858 pp. 45-62

	Assets								Liabilities					
	Capital Stock	Notes & bills discounted	Amount of debts due to bank	Notes of other banks	Real estate for bank purposes	Specie	Currency including own notes	Miscell.	Total	Capital Stock	Amount due depositors	Notes, bills & other evidences of debt	Other Banks & Ass'ns	Surplus, undivided profits etc.
Gosport - Bank of Gosport	67,533.-	73239.50	16204.04 ⁵⁰⁰⁰⁰⁻²¹	3560-	2324.60	1899.70	40-	supp debt 850- P+L 243.95	215894.79	100000-	41201.56	59390.0	11460-	3843.23
Goshen - Bank of Goshen	53,648.93	19838.70	8861.63 ⁷²⁶⁰⁰⁻²¹	5815-	1545.-	6312.14	1000-	sd 14043.36	111064.96	25000-	38455.14	46666-	-	943.82
Mount Vernon Bank of Mount Vernon	57,150 -	17185.62	11262.01	8513-	-	10576.65	136-	sd 373.85	177797.13	100000-	24741.88	51200-	1647.87	207.43
Paoli Bank of Paoli	63,000 -	37915 -	1845.04	3861-	597.65	9734.17	1377-	sd 22930 - 40 -	141299.86	50000-	10019.60	49455 -	25593.68 804.28	4338.60 1178.70
Wabash Bank of Rockville	65,000 -	9323.26	39934.37	3321-	1933.76	6657.98	1095-	sd 870 -	128135.37	59350-	15712.79	52500-	572.58	-
Salem Bank of Salem	85,977.02 ^{1,930-41}	50595.75	24882.07	-	5953.81	10791.17	5889-	-	184088.82	50000-	63044.56	64859 -	1075.55	5109.71
New Albany Bank of Salem	54,880 -	12956.723	7661.81	12607-	1672.30	45275.09	4000-	sd 383.51	257566.58	120389.58	74736.29	45500-	553.83	1342.65 3877.27
Bloomington - Bloomington Bank	70,000 -	50818.94	161.73 ⁶⁰⁰⁰	1801-	1531.10	11028.84	1835-	Exp 753.32	158195.68	50000-	25854.89	75450-	97.95	701.78 6091.06
Greencastle - Exchange Bank	52,166 -	42344 -	4157.34	8710-	1577.43	7143.65	-	sd 1587 -	118285.42	50350-	15499.84	47421 -	-	5014.58
Westfield Farmer Bank of	75,000 - ^{38,500-41}	12500 -	35033 -	-	-	5610 -	-	-	128143 -	75000 -	-	52118 -	-	1025 -
Madison Indiana Bank	99,577.50	127155.11	13731.48	19035-	2470 - 10413.75	13173.33	11649 -	-	335705.17	123500 -	104712.87	63450 -	1242.36	2470 13452.47 35377.47
Franklin Indiana Farmers Bank	51,990 -	86708.46	2227.77	6035-	4349.50	14347.45	15000 -	sd 6925 -	187583.18	101940.26	32444.26	45810 -	-	2695 4693.66
Columbus Kentucky Stock Bank	78,535.87	80188.45	1000.14 ²⁰⁰⁰⁰⁻²¹	5042.07	1305.40	9840.45	-	sd 6501.62	182414 -	50000 -	57918.91	70235 -	2595.82	1664.29
Lima Lagrange Bank	96,027 - ^{8,000-41}	1900 -	1603.12	-	-	7067.25	-	-	126597.37	59141 -	59141 -	-	-	6307.915 2007.46
Rockville Parke County Bank	83,883.32	75194.03	10626.49 ^{815.32}	1579 -	2082.42	8028.24	6890 -	sd 1400.52	219137.09	100000 -	27674.67	76257 -	388.91	7652.50 7164.01
Terre Haute Prairie City Bank	81,500 -	66892.97	5179.39 ^{41397.98}	26798 -	1965.83	12573.02	3220 -	sd 9947.31	256797.83	82700 -	98596.23	51622 -	7616.06	16263.54
Goshen Salem Bank	60,700 -	21221.85	12645.61 ¹⁸⁰⁰⁰⁻²¹	6003 -	7323.33	7206.80	1000 -	sd 1296.09	129719.88	50000 -	26430.70	49415 -	-	3874.18
Terre Haute Southern Bank of Indiana	112,000 -	98470.17	7331.54	18018.28	1160 - 4015.60	14169.75	18422.07	sd 4846.59 ^{Exp 1129.29}	295820.76	150000 -	52597.01	83119 -	-	10104.75
								Bond Act 11000 - Premium Act 5257.47			768784	984467	53560	
											Total dep. 822344			
<i>Totals</i>	1,376,098. ⁶⁴	1,021,057. ²⁴	342,014. ⁴³	172,096. ³³	52,487. ²³	201,879. ⁶⁸	71,553. ⁰⁷	91,092. ²⁷	3,357,246. ⁸⁹	1,397,370. ⁸⁴	768,784. ²⁰	984,467	53,558. ⁸⁴	159,068. ⁰¹

Entries check with book. Differences are due to errors in source:
 and left of total column are total notes as at book

- 1) Generally means stocks & bonds deposited with Auditor against circulation
- 2) Due from shareholders
- 3) Time bills & other evidences of debt
- 4) Bank stock or state bonds on hand
- 5) Losses charged upon capital & profits

1858

□

4 7,233
 4 6,525
 5 4,628
 4 9,455
 5 1,910
 6 3,620
 6 6,337
 7 5,450
 4 9,080
 8 6,250
 4 5,791
 4 5,810
 7 0,052
 5 9,775
 8 0,342
 5 3,989
 9 4,990

1,041,237 □

no circ. outstg

*6 banks
 not on list
 of condition
 reports
 1856*

1,954
 9,550
 4,6630
 8,1827
 5,3585
 4,6612

240,158

1,423,895

1,664,053 □

Securities & Circulation of Indiana Free Banks, 1856
 Source: Annual Report of Auditor of State, pp. 103-4, 109

Bank	Amount of securities deposited with Auditor - par value	Market value of securities dep.	Amount entitled to circulation	Circulation issued
Banks organized & remaining under law of May 28, 1852				
Laporte - Indiana Stock Bank ✓	50000	—	—	46000
Indianapolis - Traders' Bank	3000	—	—	—
Evansville - Canal Bank ✓	50000	—	—	40002
Connersville - Fayette County Bank ✓	14500	—	—	13000
Michigan City - Bank of Indiana ✓	55000	—	—	49998
Madison - Indiana Bank ✓	78577	—	—	55300
Evansville - N. V. Virginia State Stock Bk	3000	—	—	1954
Brookville - Brookville Bank ✓	21000	—	—	19801
Goshen - Bank of Goshen ✓	59500	—	—	52233
Logansport - Hoosier Bank ✓	51000	—	—	49985
Syracuse - Bank of Syracuse ✓	63600	—	—	34364
Elkhart - Bank of Elkhart ✓	30500	—	—	25497
Westfield - Farmers Bank of Westfield ✓	52272	—	—	42152
Warsaw - Bank of Warsaw ✓	15045	—	—	14817
New Albany - Merchants & Mechanics' Bank ✓	40000	—	—	39998
Mount Vernon - Bank of Mount Vernon ✓	44500	—	—	44644
Kokomo - Indian Reserve Bank ✓	25000	—	—	23616
Salem - Bank of Salem ✓	76000	—	—	73994
Goshen - Salem Bank ✓	60500	—	—	52000
Attica - Shawnee Bank ✓	13500	—	—	11906
Huntington - Huntington County Bank ✓	18000	—	—	17995
Monticello - Bank of Monticello	10000	—	—	9550
Indianapolis - Bank of the Capitol ✓	13000	—	—	7040
Clinton - Bank of North America ✓	17000	—	—	15720
Connersville - Savings Bank ✓	5000	—	—	4000
Safayette - Gracery Bank ✓	34500	—	—	31384
Banks which have complied with law of March 3, 1855				
Terre Haute - Prairie City Bank ✓	184000	154557	140506	139254
" " Southern Bank of Indiana ✓	144500	130890	118991	118995
Evansville - Crescent City Bank ✓	78100	65248	59317	59306
Indianapolis - Central Bank	57825	51560	46873	46630
Lima - Lagrange Bank ✓	80050	66027	60025	60026
Cambridge City - Cambridge City Bank ✓	76834	66183	60167	58975
Walwash - Bank of Rockville ✓	65000	58250	52955	52990
Columbus - Kentucky Stock Bank ✓	80000	70238	63853	63900
Paoli - Bank of Paoli ✓	101500	92075	83705	83856
Rockville - Parke County Bank ✓	101000	83883	76257	76255
Bloomington - Bloomington Bank	100000	90000	81819	81827
Franklin - Indiana Farmers Bank ✓	59000	50390	45810	45810
Greencastle - Exchange Bank	98258	58946	53588	53585
Logansport - Tippecanoe Bank	76500	51740	47037	46612
	3,226,561 ✓	1,029,987 ✓	990,903 ✓	1,764,971 ✓

Condition of the Indiana Free Banks - First Monday of July, 1856
 Source: Annual Report of Auditor of State, Oct. 31, 1856 pp. 110-142

	Assets										Liabilities				
	Capital Stock	Notes deposited & Bills of Exch.	Remittances, Eastern Exch. & notes of other Banks	Amount of Debt due to Bank	Real Personal Property for Bank Purposes	Gold & Silver	Currency, including own notes	Miscellaneous	Total	Capital Stock	Amount due depositors	Notes, Bills or other evidences of debt	Due other Banks or Asstns	Surplus U.P. etc. Div 2/	
Indianapolis - Bank of the Capital	26,950	87,048	11,044.65	41,776.53	18,242.28	8,350.34	31,854.00		211,925.35	26,950	110,475.33	12,386	3,750	2,994	
Elkhart - Bank of Elkhart	32,949.56	1,886.27	6,353.65	14,980.67		8,981.50		68,742.75	32,949.56	70,414.99	25,498	2,327.60	926.10		
Goshen - Bank of Goshen	58,425.75	1,112.10	2,479	19,582.74		8,284.09		127,644.86	25,000	42,321.18	52,308	384.41	7,631.27		
Michigan City - Bank of Indiana	50,125	8,987.21	3,480	12,410.71	730	8,002.01		119,443.87	50,000	15,222.82	49,993	1.50	4,226.55		
Mount Vernon - Bank of	66,651.75	23,457.07	10,422			5,414.92		99,592.46	23,053.04	11,834.12	59,500	5,205.30			
Paoli - Bank of Paoli	61,500	7,478.30	168	28,185.52	549.68	16,635.15	17,400	188,543.18	50,000	29,437.80	49,991	3,462.52	7,855.56		
Walton Bank of Rockville	64,098.75	2,323.49	18,813.09	17,474.10	18,717.71	6,769.12	7,333	125,577.47	54,550	46,091.69	52,145	6,132.40	386.65		
Salem - Bank of Salem	77,021.01	63,465.49	13,278.82	24,917.09	5,995.81	12,277.57		225,935.23	50,000	91,657.62	73,996	16,928	19,112.36		
Sycamore - Bank of	41,776				875.71	4,952.11		47,603.72	9,224		34,379	4,000.72			
Warsaw - Bank of Warsaw	31,365	10,870	5,000	31,365	500	5,920		89,600	46,365	13,086	27,177		2,972		
Brookville, Brookville Bank	21,000	70,800	4,500		9,000	4,530	1,800	131,400	77,500	29,900	18,000	6,000			
Evansville - Canal Bank	50,000	120,406.87	1,792.5	21,042.34		12,872.14	230.11	246,513.85	100,000	19,837.15	40,000	273	7,153.82		
Cambridge City - C. C. Bank	30,000	8,110.50	735.70	72,233.6		12,000.63		153,576.35	160,000	19,249.88	25,000		40.45		
Evansville - Central City Bank	78,100	75,107.26	13,781	11,459.3	11,032.6	15,760.27	8121	226,451.99	320,100	79,952.92	59,306	8,419.02	8,674.05		
Cannonsville - Fayette County Br	500,000	37,039.26	33,319.53	6,728.06	9,155.08	4,888.54	241.42	135,128.64	43,100	75,528.64	16,500				
Westfield - Farmers Br of	52,272	59,835.91		20,300		12,467.60		95,263.40	52,272		42,152		839.40		
Lafayette - Hoosier Bank	59,000	10,223	20,317			5,796.68		151,191.58	50,000	44,806.58	31,385	25,000			
Logansport - Hoosier Bank	54,270.43	6,674.89	2,136.7	15,421.20		16,505.79		181,649.68	51,000	73,601.33	49,985	24.70	7,038.65		
Huntington - Huntington Co. Br	22,000	72,889.77	2,400	2,419.96	400	2,169.29	616	38,618.33	12,000	41,888.89	19,985	1,729.87	74.57		
Kokomo - Indian Reserve Bank	26,380	3,973.51	500.6	1,875	200	3,025.40		67,668.73	25,000	16,286.05	23,616		2,766.68		
Madison - Indiana Bank	63,731.49	2,676.51	5,006	80,574.09	10,413.75	18,075.02	25,106	372,569	121,500	176,272.05	55,300	221.33	11,950		
Hanksville - Indiana Farmers Bank	50,390	12,491.19	10,473	18,630.2	4,214.50	13,448.31		117,287.41	67,830	16,898.15	30,910		1,649.26		
Laporte - Indiana Stock Bank	50,000	15,300.36	10,103	32,192.37	5,118.55	8,541.34	1,057.66	126,711.34	44,704.79	34,971.66	41,816	218.89			
Columbus - Kentucky Stock Bank	50,000	17,998.42	32,192.37			8,541.34	1,057.66	146,270.76	50,000	46,312.47	46,151		3,827.29		
Lima - La Grange Bank	66,027.50	4,516.08	2,579	11,492.44	600	7,011.03	12,332	146,270.76	50,000	46,312.47	46,151		3,827.29		
New Albany - Merch. & Mechanics Br	49,000	14,932.01	3,784.88	6,554.4	270.43	8,782.79	70.00	121,061.06	30,000	28,463.29	60,013		2,584.77		
Clinton Bank of North America	15,720	2,162.50	3,426.10	9,686.26	150	25,283.84		270,479.61	163,725	30,763.41	39,998	3,857.40	6,332.55		
Rockville - Parke County Bank	68,883.32	157,471.18	75			2,280		180,75	15,720		15,720				
Ten Haute Prairie City Bank	180,000	12,062.80	8,951.64	23,719.6	1281.54	10,154.00		168,742.20	63,730	38,219.45	60,245	67.25	2,513.94		
Attice - Shawnee Bank	11,935	51,000	6,468			10,154.00		493,666.99	200,000	154,266.89	123,420		15,980.10		
Cannonsville Savings Br of Indiana	7,000	29,919.8	13,508.45	56,17.73	1,241.62	4,305.66		85,115.16	54,650	18,546.78	7,000	2,250	1,086.77		
Goshen - Salem Bank	57,500	103,710.02	68,845.97	696.25	3,891.33	4,305.66		135,151.53	50,000	25,000	52,000		8034.53		
Ten Haute - Southern Br of Ind.	144,500	3,426.10	10,158	10,760.61	1,659.15	24,216.32	12,000	416,462.50	200,000	73,064.25	116,085		27,313.25		

2,227,704 1,869,861 4,68,534 390,566 87,571 3,324,79 22,277 215,437 111,210 2,272,859 144,6432 1423895 130547
 Total dep. - 1576,979

1) Generally means stocks or bonds deposited with Auditor against circulating notes
 2) Includes unpaid dividends, discounts, premiums, etc.
 3) "Premium bond account" & "Bond account."

Checked differences with books - OK with bank - amt. to left of total column as amounts of assets added assumed " " right " " " " liabilities " "

1856

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Free Banks of Indiana

Circulation and Securities on Hand Jan. 25, 1855
 Indiana Documents, 1853-54 Report of the Joint Committee to
 Investigate the Condition of the Free Banks, pp. 916-918

	Circulation			Bonds deposited at their par value
	Total issue	Amount Canceled	Balance outstanding	
(New) Albany Bank of				
✓ Albion - Bank of Albion	\$ 41340 ✓	\$ 10860 ✓	\$ 30480 ✓	\$ 35000
✓ " Kalamazoo Bank	49998 ✓	22000 ✓	27998 ✓	28000
✓ Angola - Steuben County Bank	152488 ✓	84150 ✓	68338 ✓	92000
✓ Attica - Bank of Attica	149980 ✓	57390 ✓	92590 ✓	95800
✓ " ^{Edinburgh} Shawnee Bank	48994 ✓	17500 ✓	31494 ✓	31500
✓ Auburn - Bank of Auburn	9996 ✓	9996 ✓	—	—
✓ Bloomfield - Greene County Bank	81105 ✓	23105 ✓	58000 ✓	58000
✓ " North Western Bank	300000 ✓	176500 ✓	123500 ✓	125500
✓ ^{Bloomington} Bridgeport - Bank of Bridgeport	23998 ✓	10100 ✓	13898 ✓	14000
✓ Brookville - Brookville Bank	95039 ✓	52038 ✓	43001 ✓	43000
✓ Cambridge City - Cambridge City Bank	30000 ✓	—	30000 ✓	30000
✓ Cannelton - Perry County Bank	102000 ✓	40001 ✓	61999 ✓	64500
✓ Clinton - Bank of North America	15720 ✓	—	15820 ✓	17000
✓ Columbus - Kentucky Stock Bank	48000 ✓	—	48000 ✓	48500
✓ Connersville - Bank of Connersville	834880 ✓	562998 ✓	271882 ✓	294500
✓ " Fayette County Bank	81251 ✓	33251 ✓	48000 ✓	48000
✓ ^{Corydon} " Savings Bank of Indiana	4000 ✓	—	4000 ✓	4000
✓ Covington - Bank of Covington	154999 ✓	71611 ✓	83388 ✓	83500
✓ Elkhart - Bank of Elkhart	30498 ✓	—	30498 ✓	30500
✓ Evansville - Canal Bank	70000 ✓	20000 ✓	50000 ✓	50000
✓ " Crescent City Bank	77090 ✓	10000 ✓	67090 ✓	70100
✓ " New York + Virginia State Stock Bk	236977 ✓	185023 ✓	51954 ✓	53000
✓ Fort Wayne - Bank of Fort Wayne	149985 ✓	86010 ✓	63975 ✓	65000
✓ ^{Franklin} Goshen - Bank of Goshen	110500 ✓	56176 ✓	54324 ✓	68000
✓ " Elkhart County Bank	367500 ✓	234075 ✓	133425 ✓	155000
✓ ^{Huntington} Huntington - Huntington County Bank	49995 ✓	—	49995 ✓	50000
✓ Indianapolis - Bank of the Capitol	12000 ✓	—	12000 ✓	22000
✓ " Central Bank	323000 ✓	271000 ✓	52000 ✓	52000
✓ " Farmers' and Mechanics' Bk	50000 ✓	37000 ✓	13000 ✓	13500
✓ " Traders' Bank	137566 ✓	118077 ✓	19489 ✓	37500
✓ ^{Indianapolis} " Atlantic Bank	19806 ✓	6000 ✓	13806 ✓	23859 50
✓ Jamestown State Stock Bank	369700 ✓	240105 ✓	129595 ✓	129500
✓ Jasper - Farmers' Bank	47496 ✓	15134 ✓	32362 ✓	37000
✓ " Webash River Bank	300000 ✓	172075 ✓	127925 ✓	130000
✓ Knox - Starke County Bank	14860 ✓	13380 ✓	1480 ✓	1500
✓ Kokomo - Indian Reserve Bank	47996 ✓	10380 ✓	37616 ✓	39000
✓ Lafayette - Government Stock Bank	94560 ✓	77260 ✓	17300 ✓	19500
✓ " Gramercy Bank	108834 ✓	62949 ✓	45885 ✓	47000
✓ " Merchants' Bank	50000 ✓	33323 ✓	16677 ✓	25500 ✓
✓ Laporte - Indiana Stock Bank	105350 ✓	44955 ✓	60395 ✓	65000
✓ Laurel - Laurel Bank	57000 ✓	1000 ✓	56000 ✓	56000
✓ Lima - Lagrange Bank	57122 ✓	—	57122 ✓	67050
✓ Logansport - Hoosier Bank	49985 ✓	—	49985 ✓	50000
✓ " Northern Indiana Bank	100002 ✓	41100 ✓	58902 ✓	59000
✓ " State Stock Bank	214086 ✓	180474 ✓	33612 ✓	35000
✓ " ^{Webash Valley} Webash Valley Bank	208110 ✓	81498 ✓	126612 ✓	178468

Not admitted to cover circulation of Merchants' Bank, Springfield, also
 Digitized for FRASER
 https://fraser.stlouisfed.org
 Federal Reserve Bank of St. Louis

Tree Banks of Indiana

Circulation and Securities on hand Jan. 25, 1855 - p. 2

	Total issue	Circulation		Bonds deposited at their par value
		Amount cancelled	Balance outstanding	
Logansport - Wayne Bank	127760 ✓	74940	52820	53500
Madison - Indiana Bank	68400 ✓	13100	55300	70577.50
Marion - State Stock Bank	56003 ✓	16500	39503	39500
Michigan City - Bank of Indiana	49998 ✓	—	49998	50000
" " Bank of T. Wadsworth	49998 ✓	49000	998	1000
Monticello - Bank of Monticello	50000 ✓	—	50000	50000
Morocco - Bank of America	49998 ✓	11000	38998	41000
Mount Sterling - Agricultural Bank	21690 ✓	5790	15900	16000
Mount Vernon - Bank of Mount Vernon	97414 ✓	21914	75500	75500
Munzie - Delaware County Bank	90003 ✓	49153	40850	41000
Nashville - Traders' Bank	75400 ✓	6500	68900	89000
New Albany - Bank of Albany	86073 ✓	69138	16935	17000
" " Merchants & Mechanics Bk	49998 ✓	—	49998	50000
North Croydon - Wabash River Bank	60000 ✓	23000	37000	37000
Newport - Bank of North America	64610 ✓	21900	42710	43000
" Public Stock Bank	135612 ✓	103804	31808	32000
" State Stock Security Bk	106218 ✓	85468	20750	35000
Newville - Wabash River Bank	120000 ✓	51000	69000	69000
Paoli - Bank of Paoli	24996 ✓	—	24996	25000
Perryville - Bank of Perryville	15996 ✓	6000	9996	10000
Peru - State Stock Bank of Indiana	200320 ✓	109470	90850	92300
Plymouth - Plymouth Bank	59148 ✓	27414	31734	37000
" Western Bank	100374 ✓	41975	58399	59000
Poseyville - Orange County Bank	19554 ✓	6754	12800	12800
Rensselaer - Bank of Rensselaer	114000 ✓	53447	60553	60500
" Farmers & Mechanics' Bk	58500 ✓	24888	33612	33500
Richmond - Wayne Bank	100000 ✓	67095	32905	33500
Rochester - Bank of Rochester	170001 ✓	71645	98356	100500
Rockport - Bank of Rockport	50000 ✓	44000	6000	6000
Rockville - Bank of Rockville	50000 ✓	—	50000	50000
Roche - Groves' Bank	52821 ✓	20022	32799	33000
Salem - Bank of Salem	99996 ✓	26000	73996	74000
" Salem Bank	49972 ✓	—	49972	50000
South Bend - Bank of South Bend	100000 ✓	59110	40890	43000
Springfield - Merchants' Bank	12103 ✓	6000	6103	See Lafayette-MB
Syracuse - Bank of Syracuse	48000 ✓	10607	37393	62100
Terre Haute - Great Western Bank	139900 ✓	89109	50791	50000
" " Prairie City Bank	211672 ✓	101691	109981	125000
" " Southern Bank of Indiana	182550 ✓	82550	100000	100000
" " Traders' Bank	59998 ✓	26000	23998	24000
Vincennes - New York Stock Bank	119000 ✓	70000	49000	49000
Wabash - Upper Wabash Bank	240000 ✓	149290	90710	104000
Warsaw - Bank of Warsaw	46306 ✓	10729	35577	56187.50
Westfield - Farmers' Bank	87152 ✓	40000	47152	56272.50
Winamac - Tippecanoe Bank	56990 ✓	15000	41990	42000
Total	9502330 ✓	4929497	4572833	4941515 ✓

Condition of Indiana Free Banks, First Monday of January, 1856.
 Source: Annual Report of the Auditor of State, 1855, pp 145-177

and Circulation

Bank	Circulation		Assets										Liabilities						
	Stocks deposited with Auditor: par value	Amount of circulation issued upon said Stock	Capital Stock	Notes discounted + Bills of Exchange	Profits for first six months on hands	Remittances & Notes of other Banks	Amount of Debts due to Bank	Real & Personal Property for Bank purposes	Suspended Debt	Dividends, Expenses & Premiums	Gold & Silver	Own Notes on hand & Currency	Total	Capital Stock	Due other Banks or Association	Amount due depositors	Notes, bills & other evidences of debt	Surplus Funds & Dividends	Profits & loss
Athia-Shawnee Bank	13,500	11,935	13500 -	27074 -	1813.14	15795.89	1936.19	4500 -	-	-	13303.60	77922.92	16400.54	10000 -	39561.38	11961 -	-	-	
Lafayette-Framerey Bank	31,500	28385	50000 -	85681.32	-	16212 -	25290 -	-	-	4505.06	181718.38	50000 -	28140.77	72192.61	31385 -	-	-	-	
Cambridge City L.C. Bank	30,000	25000	30000 -	114515.61	-	26971 -	5012.31	1000 -	-	16261.49	204332.06	105000 -	-	67491.06	25000 -	5445 -	1386 -	(u.p.)	
Brookville-Brookville Bk	21,000	19801	21000 -	72955 -	-	4708 -	-	11000 -	15000 -	5259 -	2680 -	132622 -	77500 -	5000 -	30322 -	19800 -	-	-	
Lokomo-Indian Reserve Bk	25,000	23616	26380 -	27391.88	-	5334 -	3071.68	-	-	8781.22	70958.78	25000 -	-	22342.78	23616 -	-	-	-	
Lima-Saugauge Bank	75,050	60022	67780 -	22540.32	-	6061.89	-	-	1850 -	7440.48	9177.39	2959 -	20000 -	-	25620.62	60009 -	-	2179.46	
Elkhart-Bank of Elkhart	25,500	25498	32949.56	14624.95	-	12429.36	5308.12	-	-	6205.70	71517.69	32949.56	16384.13	6686 -	25498 -	-	-	-	
Ten-Haute-Southern Bk of Indiana	144,500	118986	144500 -	180244.70	12981.91	20414.59	-	1144 -	2112.32	20633.88	65509.70	17901 -	200000 -	-	79063.83	118786 -	16387.87	-	
Prarie City Bk	181,500	140371	179500 -	174904.98	-	35044.73	6947.72	7323.33	-	1921.77	1747.90	10000 -	200000 -	-	133972.97	138386 -	10000 -	10861.40	
LaPorte-Indiana Stock Bk	50,000	47627	50000 -	23958.43	769.75	49568.07	-	3927.14	250 -	1059.60	10457.68	2068 -	50649.22	267.78	44717.02	47622 -	-	-	
Westfield-Farmers Bank	52,272	42152	52272 -	10223 -	-	-	22587.10	-	-	10382.70	-	95464.80	52272 -	-	42152 -	-	-	1040 -	
Logansport-Hoosier Bank	51,000	49985	51000 -	72735.96	-	27601.41	4061.23	-	1183.80	3270.45	17704.44	195833.29	50000 -	-	94471.72	45421 -	-	5946.57	
Rockville-Bk of	54,000	50000	55370 -	4658.92	-	18276 -	16724.56	1216.86	-	293.66	7824.27	115080.42	54550 -	19437	10016.74	50000 -	3169	102.61	
Huntington-Huntington County Bk	21,000	21000	44000 -	3139.25	-	5093.91	1551.38	400 -	100.84	4000 -	4846.41	63374.33	12000 -	23000 -	5459.63	20995 -	18501	1919.70	
Rockville-Paul County Bk	83,000	62345	52253 -	62252.24	680.97	27120.53	18720.64	-	-	10871.23	171898.61	60549.99	119500 -	14121.73	44296.86	51839 -	-	-	
Madison-Indiana Bank	78,977	55300	63731.49	28602.30	-	19428 -	4469.82	10413.75	2140.22	15419.06	-	406598.80	50000 -	39801.44	179103.21	55300 -	-	12894.15	
Michigan City-Bk of Indiana	55,000	49998	50000 -	38731.90	-	6565 -	10284.68	-	1906.95	7635.10	-	115123.63	50000 -	31355.58	18746.04	37678 -	-	-	
Warsaw Bk of Warsaw	62,187	38177	41788 -	13160 -	-	6891 -	41788 -	500 -	-	6480.50	-	115171.50	53177 -	300 -	20100 -	38177 -	3117.50	300 -	
Paoli Bank of Paoli	48,500	40537	27500 -	-	-	23116.77	45574.50	549.68	-	750.99	4950.79	1200 -	50000 -	281.18	19429.11	24996 -	722	809.98	
Harben-Salem Bank	52,500	49972	50000 -	49216.83	-	16627.78	508.03	-	1912.24	7832.60	-	131662.48	50000 -	-	26632.49	49972 -	5457.99	-	
Evansville-Chestnut City Bank	77,100	74925	97100 -	62681.69	-	26489 -	5657.29	8615.29	-	21272.27	416 -	223305.70	250000 -	8634.62	62006.94	74925 -	4000 -	3889.74	
Columbus-Kentucky Stock Bk	50,000	48000	50000 -	42898.67	12574.79	8339 -	3416.77	600 -	900 -	11263.65	-	129992.18	50000 -	-	30271.74	48000 -	1720.44	-	
Evansville-Canal Bank	50,000	40002	50000 -	127771.06	-	13000 -	8419.37	500 -	-	754.80	10132.95	233539.20	100000 -	46795.78	41220.61	39412 -	-	6110.81	
Indianapolis Bk of the Capital	40,000	21890	26750 -	100365.51	-	17375.23	38292.85	2211.57	2025.96	11765.00	-	227954.22	26950 -	47461.99	126492.23	25636 -	Surplus bonds 1314 -	-	
Mt. Vernon Bank of	70,500	70488	79530 -	19113.18	2513.73	3822 -	-	-	-	5798.01	-	110876.82	23053.04	12232.90	5090.88	70500 -	-	-	
Indianapolis-Central Bk	100,000	86874	91677 -	104832.47	-	17362 -	1903.99	1440 -	-	7277.30	-	224492.76	91677 -	2162.57	42457.03	86199 -	1873.27	-	
Connersville-Fayette County Bk	22,000	20000	22000 -	82667 -	4307.44	16637 -	15527.56	7314.11	1500 -	4950.95	-	156904.06	43200 -	9726.05	83978.01	20000	-	-	
Indianapolis-Traders' Bank	7,000	3946	no condition report																
Evansville N.Y. & Va. State Stock Bk	6,000	4954	"																
Harben-Bank of Harben	59,500	52324	"																
Syracuse-Bank of	63,600	34393	"																
Logansport-Tippecanoe Bk	85,000	55404	"																
Indianapolis-Farmers & Merch's Bk	78,258	53587	"																
New Albany-Mechanics & Merch's Bk	40,000	39998	"																
Salem-Bank of Salem	76,000	73996	"																
Monticello-Bank of	10,000	9550	"																
Clinton-Bank of North America	40,000	21980	"																
Connersville-Savings Bank	5,000	4000	"																

Totals 2,077,544 1,679,212 1,625,750 1,847,327 61,258 274,213 237,053 67,651 32,630 53,462 319,794 249,36 47,564.32 1984,278 298,596 1,347,694 1,233,465 65,577 47,434

Entered total - these are all direct entries the bank and the banks is in error. and the list of total column are not goods at all concerning

1) State bonds in the Bank 2) Bills receivable 3) Bonds "discounted" (?) 4) Exchange interest 5) Premiums due from Association or Bank, incl Profits

Liabilities

Capital Stock	Due other Banks or Association	Amount due depositors	Notes, bills or other evidences of debt	Surplus funds & Dividends	Profits & loss
✓ 16400.54	10000 -	39561.38	11961 -	-	-
✓ 50000 -	28140.77	72192.61	31385 -	-	-
✓ 105000 -	-	67491.06	25000 -	5445 -	1386 - (u.p.)
✓ 77500 -	5000 -	30322 -	19800 -	-	-
✓ 25000 -	-	22342.78	23616 -	-	-
^{107,497} 20000 -	-	25620.62	60009 -	-	2179.46
^{21,517} 32949.56	16384.13	6686 -	25498 -	16387.87	-
✓ 200000 -	-	79063.83	118986 -	12000 -	-
✓ 200000 -	^{3452.40} 354240	133972.97	138386 -	10000 -	10861.40
²² 50649.22	267.98	44717.02	47622 -	-	-
²⁵ 52272 -	-	-	42152 -	-	1040 -
✓ 50000 -	-	94471.72	45421 -	-	5940.57
✓ 54550 -	19437	10016.74	50000 -	31.69 ^{Int} 18501 ^U	102.61 ^{profits on hand} 1919.70
✓ 12000 -	23000 -	5459.63	20995 -	-	-
✓ 60549.99	^{14121.73} 7091.03	44296.86	51839 -	-	-
✓ 119500 -	39801.44	179103.21	55300 -	-	12894.15
^{115,843} 50000 -	^{6287.07} 313550	18746.04	37678 -	-	-
✓ 53177 -	300 -	20100 -	38177 -	3117.50	300 -
^{115,911} 50000 -	281.18 ^{Cur. Time}	16550.785	24996 -	780.00 ²⁰ 1410.01 ^U 1654.34	809.98 ³¹
✓ 50000 -	-	26832.49	49972 -	5457.99	-
^{43,245} 250000 -	8634.62	62006.94	74925 -	4000 -	3889.74
✓ 50000 -	-	30271.74	48000 -	1720.44	-
✓ 100000 -	46795.78	41220.61	39412 -	Surplus bonds 1314 -	6110.81
^{227,854} 26950 -	47461.99	126492.23	25636 -	-	-
✓ 23053.04	12232.90	5090.88	70500 -	-	-
✓ 91677 -	^{23,871} 2162.59	42457.03	86199 -	1873.27	-
✓ 43200 -	9726.05	83978.01	20000	-	-

1984278 ³⁵ 278596 ⁸² 1347894 ²⁶ 1283465 - 65377 ¹² 47434 ⁴²

5009045 ⁹⁷

1) Discount Exchange ^{interest} 2) Premium
 3) Amt of debts due from Association or Bank, incl Profits

1855

EXE-5-25
MILLION

EXE-5-25
MILLION

EXE-5-25
MILLION

EXE-5-25
MILLION

EXE-5-25
MILLION

EXE-5-25
MILLION

Source: Annual Report of the Auditor of State, Oct. 31, 1854, Appendix pp 177-180
315-17

Nominal Capital, Securities Deposited with State Auditor, and amount of Bank Notes issued & Cancelled of Indiana Free Banks (those for which Condition Statements were not published) up to Dec. 15, 1854

	Nominal capital	Amount of securities deposited with State auditor	Bank Notes prepared & delivered to Banks	Notes returned & cancelled
Jackson - Atlantic Bank	300000 -	28859.00	19806 -	4000 -
Newport - Bank of North America	250000 -	60000 -	64610 -	4610 -
Bridgeport - Bank of Bridgeport	500000 -	19000 -	23998 -	5000 -
Reusselbaer - Bank of Reusselbaer	500000 -	66500 -	114000 -	48900 -
Michigan City - Bank of T. Wadsworth	300000 -	5000 -	49998 -	45000 -
Rockport - Bank of Rockport	500000 -	6000 -	50000 -	44000 -
Pennysville - Bank of Pennysville	300000 -	10000 -	9996 -	—
Albion - Bank of Albion	50000 -	39320 -	41220 -	1900 -
Syracuse - Bank of Syracuse	200000 -	67100 -	48000 -	8107 -
Morracco - Bank of America	500000 -	50000 -	49998 -	—
Elkhart - Bank of Elkhart	50000 -	30500 -	30498 -	—
Rockville - Bank of Rockville	300000 -	50000 -	50000 -	—
Auburn - Bank of Auburn	500000 -	—	9998 -	9998 -
Salem - Bank of Salem	250000 -	74000 -	99996 -	26000 -
Indianapolis - Bank of the Capitol	500000 -	10800 -	10800 -	—
Warsaw - Bank of Warsaw	200000 -	41306 -	46306 -	5000 -
Greencastle - Exchange Bank	300000 -	—	—	—
Jasper - Farmers Bank	500000 -	48200 -	47496 -	900 -
Bloomfield - Green County Bank	250000 -	80000 -	81105 -	945 -
Huntington - Huntington County Bk	300000 -	50000 -	49995 -	—
Kokomo - Indian Reserve Bank	300000 -	46000 -	47996 -	2000
Columbus - Kentucky Stock Bk	50000 -	35500 -	35496 -	—
Lima - La Grange Bank	500000 -	57127 -	57122	—
Lafayette - Merchants Bank	200000 -	22400 -	50000 -	30323 -
New Albany - Merchants & Mechanics Bk	500000 -	50000 -	49998 -	—
Mishawaka - Mishawaka BR	300000	—	—	—
Monticello - Monticello Bank	300000 -	50000 -	50000 -	—
Plymouth - Marshall County Bk	100000 -	—	—	—
Logansport - Northern Indiana Bk	500000 -	78000 -	79000 -	20000 -
Poseyville - Orange Bank	500000 -	20000 -	19554 -	—
Lima - Peoples Bank	200000 -	—	—	—
Logansport - State Stock Bank	500000 -	63000 -	214186 -	151379 -
Newport - State Stock Security Bk	250000 -	50000 -	106218 -	68643 -
Salem - Salem Bank	90000 -	50000 -	49972 -	—
Connersville - Savings Bank	200000 -	—	—	—
Urianac - Tippecanoe Bank	100000 -	51000 -	56990 -	6000 -
Nashville - Traders' Bank	100000 -	75400 -	75400 -	—
Tenue Haute - Traders' Bank	100000 -	30000 -	49998 -	19654 -
Logansport - Wayne Bank	500000 -	77245 -	120900 -	43000 -
Richmond - Wayne Bank	500000 -	49000 -	100000 -	51205 -
Newville - Wabash River BR	500000 -	58000 -	60000 -	2000 -
Jasper - Wabash River Bank	600000 -	270000 -	300000 -	30000 -
Attica - Shawnee Bank	250000 -	37000 -	47994 -	11000 -
New London - Wabash River Bk	500000 -	115000 -	120000 -	5000 -

~~260864~~ 260864 ✓

645564 ✓

14190000

2021257

Condition of the Indiana Free Banks July 1, 1854 - Liabilities and Circulation
 Source: Annual Report of the Auditor of State, Oct. 31, 1854, Appendix, pp 186-7 (pp. 189-90)

Agree with book but does not check

Circulation Dec. 15, 1854

Liabilities

Bank	Amount of securities deposited with State Auditor	Bank Notes prepared and delivered to Banks	Notes returned & cancelled	Stocks deposited with Auditor of State and other stocks paid in	Amount of debts due other Banks & Associations	Amount due to depositors	Notes, Bills, or other evidences of debt issued by the Banks	Dividends declared, and surplus fund	Interest, Discounts and Premium	Profits and Loss	Total
Clinton Bank of North America				60000 -			60000 -				120000
Attica Bank of Attica	108800 -	144492 -	36190 -	154440 -		33349.61	144466 -	1054.74			333310.35
Connersville Bank of Connersville	370500 -	834880 -	464380 -	200000 -	4453.51	48446.91	618000 -	16876.19			887770.61
Corrington Bank of Corrington	114000 -	154999 -	40961 -	55000 -	105.95	54124.38	154999 -	3388.43			267577.76
Fort Wayne Bank of Fort Wayne	125000 -	125000 -	54010 -	106155 -	1315.04	2008 -	93390 -	6201.17			209070.47
Goshen Bank of Goshen	63000 -	110500 -	47729 -	101000 -	10166.38	49916.62	101000 -			55.87	262138.87
Michigan City Bank of Indiana	50000 -	49998 -		50000 -		17835.93	48798 -	2879.38			119513.31
Mount Vernon Bank of Mount Vernon	79500 -	77414 -	17913 -	53000 -	3115 -	14838.40	52991 -				123744.40
South Bend Bank of South Bend	73000 -	100000 -	27000 -	125000 -			99980 -			25.48	225005.48
Brookville Brookville Bank	53000 -	95064 -	42064 -	100000 -	9628.51	46883.54	80000 -	2684.34			230196.39
Albany Bank of Albany	23000 -	86073 -	63490 -	86000 -		5000	86000 -				91000 -
Evansville Canal Bank	50000 -	70000 -	20002 -	100000 -	42599.60	69253.31	43998 -	8172.95			289221.25
" Crescent City Bank	70100 -	77090 -	10000 -	69750 -	5841.23	58765.73	58874 -				193230.96
Indianapolis Central Bank	114000 -	323000 -	209100 -	100000 -	209304.54	42300.26	198500 -			17383.55	567488.35
Cambridge City Cambridge City Bank	30000 -	30000 -		105000 -	2000 -	42223.23		5250 -		1333.53	155806.76
Home Farmers' Bank	47000 -	52819 -	5822 -	50000 -			50000 -				100000 -
Muncie Delaware County Bank	56000 -	90003 -	34224 -	25000 -	6128.95	17286.26	90003 -		590.42	1057.82	140060.45
Goshen Elkhart County Bank	157925 -	332500 -	174575 -	320000 -	5363.62	26000 -	320000 -				665363.62
Indianapolis Farmers and Mechanics Bank	16000 -	50000 -	34000 -	10000 -	6748.84	9176.72	50000 -				75925.56
Connersville Fayette County Bank	60500 -	81051 -	20750 -	146300 -	2000 -	123678.27	81251 -	4714.23		732.20	358675.90
Westfield Farmers Bank	58150 -	87152 -	29000 -	200000 -			76924 -			961.86	277885.86
Lafayette Gramercy Bank	40000 -	102558 -	62949 -	102500 -		42823.23	102500 -				247823.23
Terre Haute Great Western Bank	70000 -	139900 -	70109 -	139966 -	62066 -	132850.57	139900 -			10513.37	485229.94
Lafayette Government Stock Bank	26500 -	94570 -	70760 -	90000 -							90000 -
Logansport Hoosier Bank	50000 -	49985 -		20000 -	1871 -	32810.46	49985 -	3081.02			106063.48
Laporte Indiana Stock Bank	65000 -	105350 -	41355 -	50000 -	27336.07	57411.67	100156 -			6198.96	241102.61
Madison Indiana Bank	55692 -	68400 -	13100 -	112500 -	6338.16	130053.21	66500 -	1854 -	605.30	13437.36	329434.03
Albion Kalamazoo Bank	50000 -	49998 -		50000 -		2823.52	49998 -				10221.52
Laurel Laurel Bank	56000 -	57000 -	1000 -	50000 -	3300.50		49998 -				103298.50
Vincennes New York Stock Bank	73000 -	100000 -	27000 -	100000 -	9735.62	16895.77	100000 -	6000 -		50797 -	237711 -
Bloomfield Northwestern Bank	197000 -	300000 -	103000 -	79500 -			75000 -				154500 -
Evansville New York and Virginia State Stock Bank	82000 -	236977 -	154977 -	207500 -	6437.34	7905.20	207480 -	17335.61			446658.15
Terre Haute Prairie City Bank	125000 -	207360 -	97375 -	200000 -		82945.31	200000 -	10000 -		7659.25	500604.56
Plymouth Plymouth Bank	45000 -	59148 -	49150 -	50000 -		500 -	50000 -	1250 -			101750 -
Camelton Perry County Bank	90800 -	102000 -	11200 -	73270 -		2716.23	73270 -				149256.23
Newport Public Stock Bank	50000 -	134130 -	84323 -	102000 -		24659.08	101998 -				228657.08
Terre Haute Southern Bank of Indiana	114000 -	182550 -	68550 -	200000 -		104883.62	177000 -	12000 -	1359.17		495242.69
Peru State Stock Bank	121300 -	200320 -	80178 -	200000 -			193301 -				393301 -
Jamestown State Stock Bank	189500 -	369700 -	178125 -	338500 -		27036.50	338500 -			4993.37	709029.87
Angola Steuben County Bank	90500 -	152488 -	62000 -	150000 -	16827.34	4946.17	150000 -				321773.51
Indianapolis Traders' Bank	26812 -	137566 -	110754 -	67377 -	9000.62						76377.62
Wabash Upper Wabash Bank	152500 -	240000 -	91600 -	133000 -	27414.54	23454.99	131947 -	1460.44			323966.79
Logansport Wabash Valley Bank	140110 -	208110 -	68000 -	94100 -	100786.37	210754.41	202393 -	8892 -		2698.77	599624.55
Plymouth Western Bank of Plymouth	77500 -	100379 -	22500 -	100000 -			100000 -				200000 -
Marion State Stock Bank	48500 -	55003 -	6500 -	50000 -		5341.35	50000 -	2000 -			107341.35
Rochester Bank of Rochester	132000 -	170001 -	38000 -	174975 -	128.43	47624.45				325.22	223053.10
				5131827 -	578329.16	1613510.81	5219100 -	111094.50	2554.89	68208.61	12656647.29

1854

WV - 10000
EX - 10000
4110000

WV - 10000
EX - 10000
4110000

Condition of the Indiana Free Banks July 1, 1854 - Assets
 Source: Annual Report of the Auditor of State, Oct. 31, 1854, Appendix, pp. 184-5

Continued from back sheet
 as not on balance

Bank	Capital Stock	Notes Dis- counted & Bills of Exch.	Remittances & Notes of Other Banks	Amount of Debts Due to Bank	Real & Personal Property for Bank Purposes	Gold and Silver on hand	Dividends, Premiums & Expenses Paid	Total
Clinton Bank of North America	60000 -	1000 -	-	51500 -	-	7500 -	-	120000
Attica Bank of Attica	154440 -	128692.92	14168 -	5332.41	-	18825.02	11862.00	333310.35
Connersville Bank of Connersville	623195 -	69166.82	17058 -	92963.92	10000 -	75386.87	-	887770.61
Covington Bank of Covington	155000 -	63503 -	10853 -	9869.94	-	20391.82	8000 -	267617.76
Fort Wayne Bank of Fort Wayne	100000 -	38299.78	52368.79	6500.70	-	11841.20	-	209070.47
Goshen Bank of Goshen	200000 -	72222.23	75156.99	36643.91	-	25374.74	-	409397.87
Michigan City Bank of Indiana	50000 -	42424.56	12434 -	3953.18	-	8083.50	2618.07	119513.31
Mount Vernon Bank of Mount Vernon	53000 -	9337.65	6074 -	46402.44	-	9130.31	-	123744.40
South Bend Bank of South Bend	450000 -	100000 -	400 -	2900 -	705.18	14000.30	7000 -	225005.48
Brookville Brookville Bank	86686.55	118958.30	16807 -	982.42	-	12913.31	2848.81	239196.39
Albany Bank of Albany	86000 -	-	-	-	-	5000 -	-	91000 -
Evansville Canal Bank	50000 -	142769.07	30103 -	51586.13	-	13003.21	1559.84	289021.25
" Crescent City Bank	59600 -	63146.14	13046.25	35543.93	7351.91	14542.73	-	193230.96
Indianapolis Central Bank	245920 -	106665.81	58496 -	109604.26	5135.70	34834.69	6831.89	567488.35
Cambridge City Cambridge City Bank	5000 -	127386.43	9189 -	12530.95	-	1700.38	-	155806.76
None Drivers' Bank	50000 -	35000 -	-	-	-	15000 -	-	100000 -
Muncie Delaware County Bank	96300 -	419550	13357 -	7633.82	78361	16679.99	1110.53	140060.45
Goshen Elkhart County Bank	320000 -	-	-	304512.37	-	40851.25	-	665363.62
Indianapolis Farmers and Mechanics Bank	50000 -	2185 -	4834 -	3303.67	1044.50	12155.79	2402.60	* 75925.56
Connersville Fayette County Bank	87512.50	124784.67	20060 -	11283.19	2868.30	12167.24	-	358675.90
Westfield Farmers' Bank	85694.85	-	-	182191.01	-	10000.00	-	277885.86
Lafayette Gramercy Bank	102500 -	122742.95	10117 -	-	-	12463.28	-	247823.23
Terre Haute Great Western Bank	139900 -	181608.32	7137.42	125995.30	-	50588.90	-	485229.94
Lafayette Government Stock Bank	70000 -	-	-	-	-	12000 -	-	102000 -
Logansport Hoosier Bank	50000 -	24196.37	9866.09	9767.76	-	7624.13	4609.22	106063.48
Laporte Indiana Stock Bank	100156 -	50346.21	23989.71	48587.62	2850 -	13119.75	2053.29	241102.61
Madison Indiana Bank	69986.67	183325.11	40757 -	42132.01	10030.42	8957.62	-	329434.83
Albion Kalamazoo Bank	50000 -	41100 -	-	5395.01	-	6326.51	-	102821.52
Laurel Laurel Bank	50000 -	7997 -	3577 -	34711 -	-	7013 -	-	103298.50
Vincennes New York Stock Bank	100000 -	101799.61	12306 -	3763.36	-	12763.77	7078.39	237711.13
Bloomfield Northwestern Bank	79500 -	20000 -	-	45000 -	-	10000 -	-	154500 -
Evansville New York and Virginia State Stock Bank	207500 -	142063.49	43555.39	20000 -	1050 -	32489.27	-	446658.15
Terre Haute Prairie City Bank	200000 -	213869.17	40368.50	-	7577.33	27240.41	10549.15	500604.56
Plymouth Plymouth Bank	50000 -	45250 -	-	-	-	6500 -	-	101750 -
Cannelton Perry County Bank	100000 -	20497.19	5895.19	13977.30	-	9386.55	-	149256.23
Newport Public Stock Bank	102000 -	103498 -	7427.98	-	-	15720.34	10.76	228657.08
Terre Haute Southern Bank of Indiana	177000 -	215590.83	30319.13	21793.30	1140 -	30407.20	18992.23	495247.69
Peru State Stock Bank	200000 -	-	-	-	-	26325.75	-	226325.75
Jamestown State Stock Bank	338500 -	110100 -	14103 -	201179.36	503.24	44643.67	-	709029.87
Angola Steuben County Bank	152471.36	50000 -	-	100090 -	-	19302.15	-	321773.51
Indianapolis Traders' Bank	67371.62	-	-	-	-	9000.62	-	76377.62
Wabash Upper Wabash Bank	133000 -	133849.84	5682 -	23404.45	1339.82	18876.65	6253.75	323966.79
Logansport Wabash Valley Bank	200597 -	262921.21	24204 -	70734.42	370 -	27078.29	13719.63	599624.55
Plymouth Western Bank of Plymouth	100000 -	6640 -	-	87300.56	-	13059.44	-	200000 -
Marion State Stock Bank	50000 -	-	760 -	50000 -	-	6581.35	-	107341.35
Rochester Bank of Rochester	170000 -	9333.72	3651 -	8745.96	-	20544.08	10778.38	223053.10
	6148837.55	3306486.90	628121.35	1879715.66	52750.01	807395.08	118278.54	12737449.24

Free Banks of Indiana Included in Count of banks in operation for each year, 1852-65

Information from Annual Reports of Auditor of State unless otherwise indicated - For key to code, see p. 3

Location Bank	Year in existence													
	Mon. in Jan. 1852	Dec. 53	July 54	Jan. 55	July 56	July 57	July 58	July 59	July 60	61	July 62	July 63	July 64	65
Albany Bank of Albany (see New Albany, Bank of Albany)			R		(S)									
Albion Bank of Albion			C	C S										
Kalamazoo Bank			R	C S										
Angola Steuben County Bank		R	R	C S										
Attica Bank of Attica			R	C S										
Exchange Bank									R	R	R	R	R	L
Shawnee Bank			C	C	R S (C)									
Auburn Bank of Auburn			C	C										
Bloomfield Greene County Bank			C	C S										
Northwestern Bank			R	C S										
Bloomington Bloomington Bank					C	R	R	R	R	S				
Bridgeport Bank of Bridgeport			C	C S										
Brookville Brookville Bank			R	C	R	R L								
Cambridge City Cambridge City Bank		R	R	C	R	R L		R	R	R	R	R	R	C L National (Howans '65)
Cannelton Perry County Bank			R	C S										
Clinton Bank of North America			R	C	R S (C)									
Columbus Kentucky Stock Bank			C	C	R	R	R	R	R	R	R	R	R	L
Connersville - Bank of Connersville	R O	R	R	C S										
Fayette County Bank		R	R	C	R	C L								
Savings Bank of Indiana			C	C	R S (C)									
Corydon Bank of Corydon									R	R	R	R	R	L
Corington Bank of Corington		R	R	C S										
Elkhart Bank of Elkhart			C	C	R	R	C	R	R	R	R	R	R	L National (Howans 1865)
Evansville Bank of Evansville	O													
Canal Bank		R	R	C	R	R L								
Crescent City Bank		R	R	C	R	R L								
New York and Virginia State Stock Bank			R	C	C	C S								
Fort Wayne Bank of Fort Wayne			R	C S										
Franklin Indiana Farmers Bank					R	R	R	R	R	R L	R	R	R	R L National (Howans '65)
Goshen Bank of Goshen			R	C	R	R	R	R	R	R	R	R	R	R L National (Howans '65)
Bank of Syracuse														
Elkhart County Bank		R	R	C S										
Salem Bank (See Salem, Salem Bank 1854-55)					R	R	R	R	R	R	R	R	R	R L
Gasport Bank of Gasport						R	R	S						
Greencastle Exchange Bank			O		C	R	R	R	R	R	R	R	R	C L
Huntington Huntington County Bank			C	C	R	C L								
Indianapolis Bank of the Capitol			C	C	R S (C)									
Central Bank		R	R	C	C	(S)								
Farmers and Mechanics Bank			R	C		S								
Traders Bank		R	R	C	O S									
Jackson Atlantic Bank			C	C S										
Jamestown State Stock Bank		R	R	C S										
Jasper Farmers Bank			C	C S										
Walash River Bank			C	C S										
Knox Starke County Bank				C S										

Free banks of Indiana included in count of banks in operation for each year, 1852-65 - 2.

Location	Bank	Years in existence													
		1852	53	54	Jan. 55	56	57	58	59	60	61	62	63	64	65
Kokomo	Indian Reserve Bank			C	C	R	S	C	L						
Lafayette	Government Stock Bank	OPOR	R	R	C	S									
	Stamercy Bank	OPOR	R	R	C	R	S	C							
	Merchants' Bank		R	C	C	S									
Laporte	Indiana Stock Bank	OR	R	R	C	R	R	L		S					
Laurel	Laurel Bank			R	C	S									
Lima	Lagrange Bank			C	C	R	R	R	R	R	R	R	L	O(H)	O(H)
Logansport	Hoosier Bank			R	C	R	C	L							
	Northern Indiana Bank			C	C	S									
	Tiptecanoe Bank						C	S	B						
	State Stock Bank	OPOR	R	C	C	S									
	Wabash Valley Bank	OPOR	R	R	C		S								
	Wayne Bank			C	C	S									
Madison	Indiana Bank		R	R	C	S	R	R	R	R	R	R	R	R	L
Marion	State Stock Bank			R	C	S									
Michigan City	Bank of Indiana (Indiana Bank?)		R	R	C	R	R	L							
	Bank of T. Wadsworth			C	C	S									
Mishawaka	Mishawaka Bank			O											
Monticello	Bank of Monticello				C	C	C	L							
	Monticello Bank				C										
Morocco	Bank of America			C	C	S									
Mount Sterling	Agricultural Bank				C	S									
Mount Vernon	Bank of Mount Vernon			R	C	R	R	R	R	R	R	R	R	L	National (Houmas '65)
Muncie	Delaware County Bank			R	C	S									
Nashville	Traders' Bank			C	C	S									
New Albany	Bank of Albany		R		C	S									
	Bank of Salem (Salem Bank?)						R	R	R	R	R	R	R	R	C
	Merchants' + Mechanics' Bank			C	C	R	C	L							
New Corydon	Wabash River Bank			C	C	S									
Newport	Bank of North America	OPOR	R	C	C	S									
	Public Stock Bank	OPOR	R	R	C	S									
	State Stock Security Bank		R	C	C	S									
Newville	Wabash River Bank			C	C	S									
Paoli	Bank of Paoli				C	R	R	R	R	R	R	R	R	R	C
Perrysville	Bank of Perrysville			C	C	S									
Peru	State Stock Bank of Indiana	RO	R	R	C	S									
Plymouth	Northern Indiana Bank						S								
	Marshall County Bank	AO		C											
	Plymouth Bank		R	R	C	S									
	Western Bank		R	R	C	S									
Poseyville	Orange County Bank			C	C	S									
Reusselaer	Bank of Reusselaer			C	C	S									
	Farmers' + Mechanics' Bank				C	S									
Richmond	Wayne Bank			C	C	S									
Rocheater	Bank of Rocheater			R	C	S									

Three banks of Indiana included in count of banks in operation for each year, 1852-65 - 3.

Location	Bank	Years in existence													
		1852	Dec. 53	July 54	Jan. 55	56	57	58	59	60	61	62	63	64	65
Rockport	Bank of Rockport			C	C S										
Rockville	Bank of Rockville (See Wabash, Bank of Rockville, 1856-58)			C	C										
	Parke County Bank					R	R	R	R	R	R	R	R	R L	National (Homans 1865)
Rome	Drovers' Bank		R	R	C S										
Rushville	Bank of the Ohio Valley					O(H)	O(H)								
Salem	Bank of Salem			C	C	R	R	R	R	R	R	R	R	R	C
	Salem Bank (See Goshen, Salem Bank, 1856-64)			C	C										
South Bend	Bank of South Bend		R	R	C S										
Springfield	Merchants' Bank				C S										
Syracuse	Bank of Syracuse			C	C	R	C	L							
Terre Haute	Great Western Bank			R	C S										
	Prairie City Bank	O	R	R	C	R	R	R	R	R	R	R	R	R L	
	Southern Bank of Indiana	O	R	R	C	R	R	R	R	R	R	R	R	R L	National (Homans 1865)
	Traders' Bank	O		C	C S										
Tippecanoe	Tippecanoe Bank						C								
Vincennes	New York Stock Bank		R	R	C S										
Wabash	Bank of Rockville (See Rockville, Bank of Rockville, 1854-55)					R	R	R L							
	Upper Wabash Bank			R	C S										
Warsaw	Bank of Warsaw			C	C	R S									
	Boone County Bank														R S
	Indiana Stock Bank														
Westfield	Farmers' Bank			R	C	R	R L	(R)							
Winamac	Tippecanoe Bank			C	C										
Terre Haute	Merchants' Bank	O													
Lima	Peoples Bank			O											
		15	30	O-C-44 R-46 90.	90 (53) C-6 0-2	R-33 C-9 0-1	R-25 C-8 0-1	R-17 C-1 lig.	lig.	R-19 C-1	R-18	R-18 4 lig.	R-14 4 lig.	R-10 5 lig.	C-5

Key

- R = report of condition given in Annual Report of Auditor
- C = appears only on list of banks having deposited securities against circulation outstanding
- O = appears on above list but only capital stock figure given - no circulation outstanding
- S = appears on Auditor's list of "suspended free banks"
- L = appears on Auditor's list of banks "voluntarily winding up" (i.e. voluntary liquidation)
- (H) = supplementary information from Homans' Banks' Almanacs, 1851-66, used. Notes regarding conversion to National banks are also from Homans, as indicated.

6. ESTIMATED LOSS TO HOLDERS OF OUTSTANDING CIRCULATION OF SUSPENDED FREE BANKS IN ^{INDIANA} OHIO, 1855-65

Footnotes: OVER

Source: Annual Reports of the Auditor of State

Location	Bank	Date of list of suspended banks on which bank first appears 1/	Amount of circulation				Outstanding at date of latest Auditor's report (book value)	Date of latest report in which information given 3/
			Outstanding at date of first report	Estimated Rate of redemption (percentage)	Estimated final payment 2/ Amount deemed cash in	Amount re-deemed not (est. loss)		
Albion	Bank of Albion	1-25-55	30480	100	30480	—	119	11-1-64
	Kalamazoo Bank	1-25-55	27998	90	25198	4800	335	11-1-64
Angola	Steuben County Bank	1-25-55	68338	100	68338	—	—	11-6-56
Attica	Bank of Attica	1-25-55	92590	89	82405	10185	1019	11-1-60
	Shawnee Bank	10-31-57	21171	0	—	21171	21171	10-31-57
Bloomfield	Greene County Bank	1-25-55	58000	81	47980	10020	—	10-31-57
	Northwestern Bank	1-25-55	123500	99	122745	755	755	10-31-57
Bloomington	Bloomington Bank	11-1-61	40226	85	34192	6034	3055	11-1-62
Bridgport	Bank of Bridgport	1-25-55	13898	88	12230	1668	49	11-1-61
Cannelton	Perry County Bank	1-25-55	61999	100+	62100	—	—	12-17-55
Clinton	Bank of North America	1-25-57	15720	90	14148	1572	105	11-1-61
Connersville	Bank of Connersville	1-25-55	271882	87	236537	35345	—	11-1-62
	Savings Bank of ^{Indiana}	1-25-57	7000	69	4830	2170	190	11-1-64
Covington	Bank of Covington	1-25-55	83388	87	72548	10840	—	10-31-57
Evansville	New York and Virginia State Stock Bank	1-12-58	908	100	908	—	414	11-1-61
Fort Wayne	Bank of Fort Wayne	1-25-55	63975	100	63975	—	—	11-6-56
Goshen	Elkhart County Bank	1-25-55	133425	97	129422	4003	319	10-31-57
Gosport	Bank of Gosport	2-26-59	46530	100	46530	—	415	11-1-64
	Indianapolis Bank of the Capitol	1-25-57	4290	100	4290	—	—	10-31-57
Indianapolis	Central Bank	11-1-59	2021	100	2021	—	1415	11-1-61
	Farmers' and Mechanics' Bank	1-25-57	269	100+	270	—	—	10-31-57
	Traders' Bank	10-31-57	849	0	—	849	849	10-31-57
	Atlantic Bank	1-25-55	13806	80	11045	2761	133	11-1-61
Jamestown	State Stock Bank	1-25-55	129595	100	129595	—	543	11-6-56
Jasper	Farmers' Bank	1-25-55	32362	91	29449	2913	342	11-1-64
	Wabash River Bank	1-25-55	127925	100+	130000	—	—	12-17-55
Knox	Starke County Bank	1-25-55	1480	100	1480	—	—	11-6-56
Kokomo	Indian Reserve Bank	1-25-57	22616	63	14248	8368	7383	10-31-57
Lafayette	Government Stock Bank	1-25-55	18704	80	14963	3741	—	12-17-55
	Gramercy Bank	10-31-57	31383	0	—	31383	31383	10-31-57
	Merchants' Bank	1-25-55	17004	90	16834	170	—	12-17-55
Laurel	Laurel Bank	1-25-55	56000	82	45920	10080	146	11-1-61
Logansport	Northern Indiana Bank	1-25-55	58902	83	48889	10013	—	11-1-61
	State Stock Bank	1-25-55	33612	100	33612	—	—	11-6-56

Footnotes

- 1) Exact date of suspension cannot be determined. Date used is date of special lists of suspended banks given in Auditor's Reports or date of Reports themselves.
- 2) In nearly every instance ^{either} cash payments, ^{or rate of redemption} are given directly and one can be computed from the other, assuming that after January 25, 1855, all circulation of a given bank was redeemed at the same rate. It is not known how much circulation may have been redeemed, nor at what rate it was redeemed, prior to the date the bank was first reported suspended by the Auditor.
- 3) With the exception of the banks referred to in footnote 6, it is assumed that this circulation was ultimately redeemed at the rate listed in the Auditor's Reports, but no statement as to the final disposal of these banks was given in the Reports.
- 4) Amount stated outstanding on list of suspended free banks was \$17,300, but it was stated elsewhere in Auditor's Report that \$18,704 circulation was redeemed by 12-17-55, at a rate of 80 percent; these figures used.
- 4) Amounts outstanding on list of suspended free banks were less than the figures used. Information in another section of Auditor's Report indicated that the larger figure was the amount outstanding, and was redeemed at the dates given.
- 5) Auditor's report says only that certificates were issued but since this amount exceeds outstanding circulation considerably, it is assumed that there were funds adequate to pay off the circulation.
- 6) The Auditor's report says that his predecessor surrendered the securities deposited by these banks "leaving circulation unprovided for, except as the owners or stockholders are responsible." (p. 164)

ESTIMATED LOSS TO HOLDERS OF OUTSTANDING CIRCULATION OF SUSPENDED FREE BANKS IN OHIO, 1855-65

INDIANA

Location	Bank	Date of list of suspended banks on which bank first appears	Outstanding at date of first report	Amount of circulation			Outstanding at date of latest Auditor's report (book value)	Date of latest Auditor's report which information given
				Estimated Rate of redemption (percentage)	Estimated final payment Amount redeemed in cash	Amount not redeemed (est. loss)		
Logansport	Tippecanoe Bank	1-25-57	48023	100+	49212	—	—	10-31-57
	Wabash Valley Bank	1-25-55	126612	92	116483	10129 ✓	225	11-1-61
	Wayne Bank	1-25-55	52820	100	52820	— ✓	300	11-1-64
Marion	State Stock Bank	1-25-55	39503	90	39108	395 ✓	245	11-1-64
Michigan City	Bank of T. Wadsworth	1-25-55	998	91	908	90 ✓	11	11-1-64
Morocco	Bank of America	1-25-55	38998	87	33928	5070 ✓	218	11-1-61
Mount Sterling	Agricultural Bank	1-25-55	15900	100	15900	— ✓	15	11-1-64
Muncie	Delaware County Bank	1-25-55	40850	98	40141	709 ✓	709 ^{6/}	10-31-57
Nashville	Traders' Bank	1-25-55	68900	92	63388	5512 ✓	755	11-1-63
New Albany	Bank of Albany	1-25-55	16935	90	15241	1694 ✓	800	11-1-64
New Corydon	Wabash River Bank	1-25-55	37000	98	36375	625 ✓	625 ^{6/}	10-31-57
Newport	Bank of North America	1-25-55	42710	100	42710	— ✓	1051	11-6-56
	Public Stock Bank	1-25-55	31808	89	28309	3499 ✓	—	11-6-56
	State Stock Security Bank	1-25-55	20750	100 ^{5/}	29000 ^{5/}	— ✓	— ^{5/}	12-17-55
Newville	Wabash River Bank	1-25-55	69000	100	69000	— ✓	—	12-17-55
Perrysville	Bank of Perrysville	1-25-55	9996	100	9996	— ✓	10	11-1-64
Peru	State Stock Bank of Indiana	1-25-55	90850	85	77222	13628 ✓	344	11-1-61
Plymouth	Plymouth Bank	1-25-55	31734	100	31734	— ✓	—	11-6-56
	Western Bank	1-25-55	58399	100	58399	— ✓	1068	11-6-56
Poseyville	Orange Bank	1-25-55	12800	100	12800	— ✓	50	11-1-64
Rensselaer	Bank of Rensselaer	1-25-55	60553	100	60553	— ✓	—	11-6-56
	Farmers' and Mechanics' Bank	1-25-55	33612	100	33612	— ✓	—	11-6-56
Richmond	Wayne Bank	1-25-55	32905	100	33905	— ✓	30	11-1-63
Rochester	Bank of Rochester	1-25-55	98356	98	98199	177 ✓	177 ^{6/}	10-31-57
Rockport	Bank of Rockport	1-25-55	6000	100	6000	— ✓	30	11-1-64
Rome	Drovers' Bank	1-25-55	32790	85	27872	4918 ✓	—	10-31-57
South Bend	Bank of South Bend	1-25-55	40890	100	40890	— ✓	—	11-1-63
Springfield	Merchants' Bank	1-25-55	6103	90	5493	610 ✓	—	11-6-56
Terre Haute	Great Western Bank	1-25-55	50791	98	49718	1073 ✓	1073 ^{6/}	10-31-57
	Traders' Bank	1-25-55	23998	100	23998	— ✓	—	11-6-56
Vincennes	New York Stock Bank	1-25-55	49000	100	49000	— ✓	—	11-6-56
Wabash	Upper Wabash Bank	1-25-55	99710	100	99710	— ✓	—	11-6-56
Warsaw	Bank of Warsaw	10-31-57	2227	0	—	2227	2227 ^{6/}	10-31-57
	Boone County Bank	11-1-62	n.a.	100	n.a.	n.a.	n.a.	11-1-64
			3103367		3103367	229197		

6 banks

5. Number and Circulation of Suspended Free Banks in Indiana in Relation to Number of Active Free Banks (1855-62)

Year (date nearest Dec. 31)	Number of Banks Active	Number of Banks Suspended	Percentage ratio of number of active to number of susp. banks	Circulation of banks Active	Circulation of banks Suspended (at date of susp.)	Percentage ratio of deposition active to dep. in suspended banks
Total 1855-62		68			3103367	
1855 (1-25-55)	93	53	57.0	4581833	2860134	62.4
1856	41	-	-	1423895	-	-
1857	34	10	29.4	1443703	153548	10.6
1858	18	1	5.6	1030258	908	0.1
1859	17	2	11.8	1018677	48551	4.8
1860	20	-	-	1242466	-	-
1861	18	1	5.6	933116	40226	4.3
1862	18	1	5.6	1109411	n. a.	n. a.

1) This figure from the "Report of the Joint Committee to Investigate the Condition of the Free Banks," Indiana Documents, 1853-54 pp. 916-918. The committee reported that a total of \$9,502,330 circulation had been issued to the free banks, but \$4,920,497 had been redeemed and cancelled in the months just prior to January 1, 1855.

Condition of Free Banks of Louisiana, 1861-63
 Honans Bankers' Almanac, 1864, p. 104

	July 1861	Jan. 1862	July 1862	Jan. 1863
<u>Liabilities</u>				
Capital stock	1,325,135	1,226,935	1,204,535	1,138,635
Due other banks	42,790	38,505	47,375	31,261
Depositors	728,745	883,850	1,026,306	1,262,863
Circulation	934,096	971,933	1,109,411	1,223,426
Other debts	105,598	82,122	48,649	73,211
Dividends	20,915	37,942	23,230	21,113
Surplus fund	152,492	158,522	135,202	161,713
<u>Total</u>	3,309,771	3,399,809	3,594,708	3,912,222
<u>Resources</u>				
Stock deposited	1,305,378	1,358,002	1,440,418	1,598,768
Due from shareholders	49,380	45,600	53,900	51,110
Loans	1,136,906	1,128,974	1,010,200	1,119,977
Suspended debt	81,341	86,496	73,668	71,968
Notes and checks	95,830	129,585	135,071	234,774
Notes of Free banks	74,264	14,455	72,174	26,492
Due from banks	201,830	229,608	220,224	219,020
Real estate	58,507	60,517	56,783	44,882
Other real estate	18,034	20,799	24,390	33,511
Specie	215,259	258,497	237,300	171,134
Cash items	73,042	67,276	330,580	349,586

LIABILITIES

	Capital stock	Due to banks	Due to depositors	Circulation	Surplus Fund	Profit and Loss 1/	Unpaid dividends	Other liabilities of debt	Discount Subonds	Total
Goshen, Bank of Goshen	50000-		38263.96 ⁶	64578-			2808.18			155649.84
Elkhart, Bank of Elkhart	67000-	4108.27	27510.36	50222-		1-	1864.66	4108.27		154804.56
Corydon, Bank of Corydon	50000-		11517.47	50000-	1266.93	2148.84			15038.04	129971.28
Salem, Bank of Salem	50000-	4620.33	65110.21	59395-	4941.25	1460.06				185526.85
Mount Vernon, Bank of Mount Vernon	50000-	70.63	31789.87	59364-	224.07					141448.57
New Albany, Bank of Salem	138085.35	3594.97	114778.96 ²⁾	61149-	16501.49	3858.75	861.25	914615		398463.56
Terre Haute, Southern Bank of Indiana	100000-	12517-	132180.03	95000-		7102.96			Premiums 9646.86	356446.85
Madison, Indiana Bank	108500-	2371.86	153615.02	200000-	34373.85					489860.73
Terre Haute, Prairie City Bank	78700-		16420.37	39410-		312.28				134842.65
Goshen, Salem Bank	50000-		34329.35	51425-		3926.13				139680.48
Attica, Exchange Bank	50000-	42.75	25868.59	47887-				5000-		128798.34
Greencastle, Exchange Bank	50350-		22135.14	52119-			6193.32			130797.46
Rockville, Parke County Bank	100000-	1417-	48916.50	85453-	21000-	5202.55				261989.05
Cambridge City, Cambridge City Bank	86800-	14994.89	58481.58	57700-		2854.73	4400-			225231.20
Paoli, Bank of Paoli	50000-		15290.57	25522-		1950.20		18395-		111157.77
Lima, Lagrange Bank	50000-	3494.29	127.87	37477-		3168.49				94267.65
Columbus, Kentucky Stock Bank	50000-	142.69	75926.22	57710-		690.46		12090-		196469.37
Franklin, Indiana Farmers' Bank	25100-		103557.05	15000-		1644.72			Reserve Fund 5000-	150301.77
Total	1204535 ³⁵	47373 ^{4.68}	1026305 ^{6.46}	1109411 ⁰⁰	78307 ⁵⁹	34321 ¹⁷	16127 ⁴¹	48739 ⁴²	29684 ⁹⁰	3594707 ⁹⁶
					Total deposits	1089807 ⁷				3594807 ²⁸

1) Includes "losses charged upon profits"
 2) "Time deposits"

Entrées avec pances. Sub figure de balance.

ASSETS

	Stock deposited with Indiana State of	Notes and bills discounted	Suspended debt	Notes of banks ¹⁾	Real estate, furniture, and personal property	Due from banks	Due from shareholders	Rescissions, stocks and bonds, protest, expense, other items	Specie	Total
Goshen, Bank of Goshen	73873.51	32061.93	8192.89	7715-	3533.50	16568.30			13704.71 ²⁾	155649.84
Elkhart, Bank of Elkhart	67000-	18431.90	383-	11206-		30948.67	15000-	5473-	6166.99	154804.56
Corydon, Bank of Corydon	67000-	34811.39	3367-		400-	5869.50		8525- ²⁾	9998.39	129971.28
Salem, Bank of Salem	74959.52	78733.99		14300-	6053.81	1526.98			9952.55	185526.85
Mount Vernon, Bank of Mount Vernon	68279.75	33323-	73256.93	6762-	1409.68	12414.35		1589.71	4412.25	141448.57
New Albany, Bank of Salem	96913.35	76882.97	7193.67	3299-	8541.19	6450.66		171332- ²⁾	27850.72	398463.56
Terre Haute, Southern Bank of Indiana	133000-	131403.88	2400-	12992-	17008.12	45694.42		4218.43	11730-	356446.85
Madison, Indiana Bank	244777.50	137636.09		701.50	16085.76	14702.59		51575.07	33382.23	498860.73
Terre Haute, Prairie City Bank	61000-	16100.18	22283.78	13289- ²⁾	9289.16	2739.94			10140.58	134842.65
Goshen, Salem Bank	60868.75	24482.78	2841.51	12268-		11036.48	10000-		18182.96	139680.48
Attica, Exchange Bank	53960-	52497-	1133.65	4566-		3714.93		3550- ²⁾	9376-	128798.34
Greencastle, Exchange Bank	53254.80	50126.74	1587-	7838-	2921.63	8455.65	600-		6013.64	130797.46
Rockville, Parke County Bank	92708.32	106374.35	808.40	16603-	4832.90	16263.25			24393.83	261989.65
Cambridge City, Cambridge City Bank	58500-	93591.83		14206- ²⁾	2800-	9773.66		35000-	11359.71	225231.20
Paoli, Bank of Paoli	58600-	24438.50	2969-	4765-	1700-	2713.96		8300-	4270- ²⁾	111157.77
Lima, Lagrange Bank	69446-						20000-		3401.31	94267.65
Columbus, Kentucky Stock Bank	63876.23	95600.96		8052-	2298.17	998.95			4821.65	196469.37
Franklin, Indiana Farmers' Bank	51990-	3701.38	10419.60	5315-	4300-	30351.41			25643.06 ²⁾	150301.77
Total	1450007 ⁷³	1010198 ⁸⁷	76896 ⁴³	143877 ⁵⁰	81173 ⁹²	220223 ⁷⁰	45600	289563 ²⁾	257562 ¹³	3594701 ⁵²

1) Includes own notes
 2) Includes U.S. Treasury Notes

Amounts agree with books -
 But figures do not balance.

3575049²⁹

ASSETS

	Stock deposited with Auditor of State	Notes and bills discounted	Suspended Debt	Notes of banks 1/	Real estate, furniture, and personal prop- erty	Due from banks	Due from shareholders	Remittances, stocks and bonds, protest, expense, other items	Specie	Total
Elkhart, Bank of Elkhart	59000 -	47164.94	300 -	4813 -		13866.91	20000 -		8814.49	153959.34
Goshen, Bank of Goshen	54085.13	43279.23	8392.89	5797 -	3533.50	9231.49			7128.42	131447.66
Mount Vernon, Bank of Mount Vernon	89115 -	73503.88	5849.87	5104 -		13873.43	26485 -	9982.89	15627.32	239541.39
Paoli, Bank of Paoli	58661.40	40138.82	1126 -	13904 -	1842 -	6458.36	13327 -	3800 -	8603.15	147860.73
New Albany, Bank of Salem	76817.50	157865.94	754.94	38033 -	12644.58	25352.15		23.97	19119.57	329611.65
Salem, Bank of Salem	79414.52	49407.38		7996 -	5953.81	3886.75		37140.66	10675.90	194474.96
<i>Susp.</i> <i>12-10-60</i> Bloomington, Bloomington Bank	90000 -	48147.66	4098.03	6282 -	1836.08	1811 -			6189.53	158364.30
Cambridge City, Cambridge City Bank	50000 -	100259.26	2441.77	11803 -		15085.49	33000 -		10828.83	223418.35
Attica, Exchange Bank of Attica	53359.84	33242.33	148.15	20145 -		1650		2179.29	5636.51	114727.62
Greencastle, Exchange Bank	63784.80	40053.85	1587 -	14888 -	2921.63	19628.6	600 -		7011.47	132809.61
Madison, Indiana Bank	139077.50	159503.15		39303 -	10413.75	20767.14		201.24	11115.94	380381.72
Franklin, Indiana Farmers' Bank	51990 -	83081.70	11169.60	33435 -	4300 -	9154.05			14716.85	207847.20
Columbus, Kentucky Stock Bank	56367.48	91713.28		5638 -	1587.44	3529.26			5330.56	164166.02
Lima, Legeance Bank	96027 -	900 -		166 -		1084.73	20000 -		8311.37	126489.10
Rockville, Parke County Bank	92708.32	104472.57	3166.25	9767 -	1710.57	7885.95		13484.37	8971.11	242166.14
Terre Haute, Prairie City Bank	71000 -	38445.13	27546.12	33996 -	9289.16	29825.85			12249.83	222352.09
Goshen, Salem Bank	60868.75	26690.52	4820.73	7601 -		20286.68	10000 -		7506.65	137774.33
Terre Haute, Southern Bank of Indiana	150000 -	142083.98		11165 -	19535.65	2703.90		23526.08 2669.07	14076.90	365760.58
Corydon, Bank of Corydon	61000 -									61000 -
<i>Susp.</i> <i>Nov.</i> <i>1860</i> Warsaw Boone County Bank	55000 -									55000
Total	1508277 ²⁴	1279953 ⁶²	71401 ³⁵	26985 ⁰⁰	74568 ¹⁷	186782 ⁵⁰	90412 ⁰⁰	126007 ⁵¹	181914 ⁴⁰	3789152 ⁷⁹

Includes own notes



LIABILITIES

	Capital stock	Due to banks	Due to depositors	Circulation	Surplus Fund	Profit and Loss	Unpaid dividends	Time bills and other evidences of debt	Losses charged on Capital	Total
Elkhart, Bank of Elkhart	59000-	8000-	13330.54	46900-		2582.01		24146.73		153959.34
Goshen, Bank of Goshen	40825-		37350.69	46709-			6562.97			131447.66
Mount Vernon, Bank of Mount Vernon	100000-	689.62	50724.69	80245-	1318.22	6563.86				239541.39
Paoli, Bank of Paoli	50000-		10530.46	48530-		2377.33		36423-		147860.73
New Albany, Bank of Salem	138035.35	408.89	102276.62	66252-	14281.67		8357.12			329611.65
Salem, Bank of Salem	50000-	50-	75838.43	61716-	2414.13	4456.40				194474.96
Bloomington, Bloomington Bank	50000-		25408.91	77350-	1824.02	281.37	3500-			158364.30
Cambridge City, Cambridge City Bank	85400-	6781.40	76173.22	47100-		3453.73	4310-			223418.35
Attica, Exchange Bank of Attica	50000-	126.51	13717.27	45715-				5168.84		114727.62
Greencastle, Exchange Bank	50350-	5000-	13440.95	58933-			5085.66			132809.61
Madison, Indiana Bank	123500-	1872.82	106553.57	100000-	27331.73	21123.60				380381.72
Franklin, Indiana Farmers' Bank	120000-		31920.90	45810-	5000-		5116.30			207847.20
Columbus, Kentucky Stock Bank	50000-	2403.53	58650.19	50173-	2739.30					164166.02
Lima, Legrange Bank	59521-		127.87	59521-		1196.32			6122.91	126489.10
Reckville, Parke County Bank	100000-	1.35	34159.06	88169-	15000-	4836.73				242166.14
Terre Haute, Prairie City Bank	78700-	691.03	77324.94	54871-		10765.12				222352.09
Goshen, Salem Bank	50000-		33159.61	51757-		2857.72				137774.33
Terre Haute, Southern Bank of Indiana	150000-		92502.36	113715-		9543.22				365760.58
Corydon, Bank of Corydon				45000-						45000-
Boone County Bank				54000-						54000-
Total	1405331 ³⁵	26225 ¹⁵	853198 ²²	1242466 [✓]	70109 ⁰⁷	70037 ⁴⁷	32932 ⁰⁵	65738 ⁵⁷	6122 ⁹¹	3772152 ⁷⁹

(less Corydon & Boone County) 1143466

Total deposits 912,348

"Includes" losses charged upon profits"

Liabilities

	Capital Stock	Due to depositors	Circulation	Profits Loss ¹⁾	Due to banks	Surplus Fund	Time Bills other li- abilities	Unpaid Dividend	Losses charged upon capital	Total
Goshen - Bank of Goshen	40588.75	39224.09	49054-	59.67						128926.51
Mount Vernon - Bank of Mount Vernon	100000-	40675.04	58693-	5597.58	4842.17	1020.38				220728.17
Paoli - Bank of Paoli	50000-	69283.6	47652-	2705.96			38356.61			145642.93
New Albany - Bank of Salem	132835.35	104104.42	66800-		1732.22	10506.69		7947.62		323926.30
Salem - Bank of Salem	50000-	81151.47	67043-		412.97	6173.82				204781.26
Elkhart - Bank of Elkhart	59000-	11096.96	46900-				21862.78	1564.28		140424.01
Bloomington - Bloomington Bank	50000-	32545.08	77940-	185.10		701.78		3000-		164371.96
Greencastle - Exchange Bank	50350-	23762.22	70379-					3314.17		147805.39
Cambridge City - Cambridge City Bank	82200-	98141.56	45500-	938.96	16965.15			4949-		248694.67
Franklin - Indiana Farmers' Bank	120000-	28236.77	45810-			4000-		5493.34		203540.11
Madison - Indiana Bank	123500-	112694.99	97550-	19960.09	2871.82	27331.73		6175-		390083.63
Columbus - Kentucky Stock Bank	50000-	47468.01	57185-		2438.93	3498.31	11004.85			171595.10
Lima - Lagrange Bank	59249-		59249-	2032-					6122.91	126652.91
Rockville - Parke County Bank	100000-	27156.75	27455-	6421.29	359.03	12000-				225362.07
Terre Haute - Prairie City Bank	78700-	87501.24	52306-	13300.78						231808.02
Goshen - Salem Bank	50000-	31967.90	52272-	2241.56						136481.46
Terre Haute -- Southern Bank of Indiana	150000-	57399.13	96889-	11981.39						316269.52
Total	1,346,428 ¹⁰	830,053 ⁹⁹	1,028,577 ¹⁰	65,424 ⁸	29,622 ²⁹	65,232 ⁷¹	71,224 ²⁴	32,443 ⁴¹	6,122 ⁹¹	3,527,094 ⁰²

Total deposits 892,118

3,475,124.03

¹⁾ Includes "losses charged upon profits"

Where there are correct totals the source was in error

Assets

	Stock dep. with treas of State	Notes & bills discounted	Suspended debt	Notes of banks ¹⁾	Furniture and real est. nec. for bkg	Due from banks	Due from shareholders	Stocks, dividend, other items	Specie	Total	
Goshen - Bank of Goshen	54463.93	34061.17	8392.89	11728-	1808.50	12150.54		6	6321.48	128926.51	
Mount Vernon - Bank of Mount Vernon	75285-	62563.69	2635.37	4939-		9934.26	47500-		17870.85	20728.17	
Paoli - Bank of Paoli	58661.40	58368.97	40-	2331-	1629.55	2380.97		10230- ³⁾	12001.04	145642.93	
New Albany - Bank of Salem	76817.50	147430.64	935.01	34322-	1922.30	20859.36		1962.68	39676.81	323926.30	
Salem - Bank of Salem	85977.02	46912.43		12770-	5953.81	3761.30		34901.62	14505.08	204781.26	
Elkhart - Bank of Elkhart	59000-	32041.79		1900-		15935.36	19930-		11616.86	140424.01	
Bloomington - Bloomington Bank	90000-	43909.08	4098.03	5518-	1836.08	2595.71		3000-	13415.06	164371.96	
Greencastle - Exchange Bank	79279-	49699.80	1587-	5730-	1577.43	5543.41	600-		3788.75	147805.39	
Cambridge City - Cambridge City Bank	50000-	140620.64	3347.27	23196-		20333.37			11197.39	248694.67	
Franklin - Indiana Farmers' Bank	51990-	99656.12	10000-	23600-	4256.85	7208.87			15528.27	203540.11	
Madison - Indiana Bank	137577.50	189222.72	22799.80	29955-	10413.75	7418.06		4175-	7821.69	390083.63	
Columbus - Kentucky Stock Bank	64079.91	88592.51		7803-	3310.44	350.77			7458.47	171595.10	
Lima - Lagrange Bank	96027-	1300-		338-		1238.70	20000-		7749.21	126652.91	
Rockville - Parke County Bank	83883.32	109259.92	55-	9918-	1910.57	4171.61		8825-	7338.65	225362.07	
Terre Haute - Prairie City Bank	71000-	43452.46	20638.11	30986-	9289.16	43538.25			12904.04	231808.02	
Goshen - Salem Bank	64931.25	23313.59	5518.15	9540-		74630.27	10000-		8548.20	136481.46	
Terre Haute - Southern Bank of Indiana	130000-	99447.94	7761.56	19201.81 ⁴⁾	18110.47	13125.32 ³⁾		2295.31	2879.97	12384.85	316269.52
Total	1322972 ⁸³	1261153 ⁴⁷	65008 ³³	244838 ¹⁶	62018 ⁹¹	185176 ¹³	98030 ⁰⁰	71769 ⁵⁹	210126 ⁷⁰	1550704 ⁰²	

3527,094¹¹

Entries agree with bank - All errors are shown in pencil.

- 1) Includes own notes
- 2) "Insurance stock"
- 3) "Debts due the bank, remittances, etc."
- 4) Includes "Sight Exchange" and "Currency" other than "coin"

SEMI-ANNUAL STATEMENT OF THE CONDITION OF THE FREEBANKS OF INDIANA ON THE FIRST MONDAY IN JULY, 1857, AS SHOWN BY THEIR RETURNS MADE UNDER OATH TO THE AUDITOR OF STATE.

LIABILITIES

Names of Banks	Capital Stock	LIABILITIES										Total
		Due to banks and Bankers	Due Depositors	Notes in Circulation	Time bills, and other evidences of debt	Losses charged upon capital	Losses charged upon profits	Dividends not paid	Profit and Loss	Surplus fund	Other Liabilities	
BANKS WHICH HAVE COMPLIED WITH THE LAW OF 1855												
1. Bank of Goshen, Goshen	25000 -	397683	4336213	56209 -							12210.92	146758.88
2. Bank of Gosport, Gosport	100000 -	5996.84	22976.28	47260 -							1118.53	177352.15
3. Bank of Indiana, Michigan City	50000 -	202.68	2634387	20993 -							4672.36	102211.91
4. Bank of Mount Vernon, Mount Vernon	23053.04	635.86	23429.34	49025 -								96143.24
5. Bank of Paoli, Paoli	50000 -	43778 -	80574.29	59959 -								60237 14318.37 249232.03
6. Bank of Rockville, Wabash	59350 -	1593.76	11823.48	54140 -	1000 -						1130.49 796.07	129833.80
7. Bank of Salem, New Albany	74705 -	2446.47	107178.95	45500 -							5667.40 1174.05 1430.31	288102.18
8. Bank of Salem, Salem	50000 -	115.79	89068.51	71921 -	13205.74						6004.70	280315.74
9. Bloomington Bank, Bloomington	50000 -	18317.10	38061.37	81830 -							6563.87 701.78	195474.2
10. Cambridge City Bank, Cambridge City	81200 -	149.35	65573.80	60950 -							5047 - 4925.21	217845.26
11. Canal Bank, Evansville	100000 -	657.47	47270.78	46000 -							1397.50 10122.82	105563.48 311012.05
12. Crescent City Bank, Evansville	71050 -	5785.07	90884.78	49496 -								3651.02 4000 - 224866.87
13. Exchange Bank, Greencastle	50350 -		17321.50	47421 -							1326.76 2730.58	119149.84
14. Farmers' Bank of Westfield	70000 -			46498 -							940.25	117438.25
15. Indiana Bank, Madison	123500 -	258.18	143519.07	90524 -								18114.95 26527.47 462423.67
16. Indiana Farmers' Bank, Franklin	90629.92		50720.96	45810 -							615 - 4556.92	192332.80
17. Kentucky Stock Bank, Columbus	50000 -		60439.57	83990 -								315.18 194744.75
18. LaGrange Bank, Lima	60026 -		2245.30	60026 -							5422.91	128142.66
19. Parke County Bank, Rockville	86600 -		41798.34	76245 -								6595.88 3606.05 214845.27
20. Prairie City Bank, Terre Haute	82700 -	8773.71	62743.73	77024 -								846248 8478 - 248181.92
21. Salem Bank, Goshen	50000 -		28192.54	47914 -								4661.78 129768.32
22. Southern Bank of Indiana, Terre Haute	200000 -		92160.55	118995 -	1000 -							14187.43 426342.98
23. Tippecanoe Bank, Logansport	9700 -	1863.18	2481.34	47040 -	6219.96	350 -	161.20					67815.68
Total	1607863.96	94550.19	4148170.18	1374774	21425.70	7170.41	31571.89	27420.62	51995.36	51055.41	128359.85	4534354.37
BANKS WHICH HAVE NOT COMPLIED WITH THE LAW OF 1855												
1. Bank of Elkhart	32949.56		7796.44	25497 -	10906.35							78821.16
2. Brookville Bank, Brookville	77500 -		36390 -	19436 -								133326 -
3. Indiana Stock Bank, La Porte	11000 -	5066.02	36090.73	24000 -	20366.42							103462.94
Total	121449.56	5066.02	80277.17	68933 -	31272.77	-	1671.81	-	6939.77	6939.77	-	315610.13
Grand Total	1729313.52	99616.21	4228447.65	1443703 -	52698.47	7170.41	33243.70	27420.62	58955.15	51055.41	128359.85	4869964.47

Indiana Documents, 1856-57. (Report of Auditor of State)
 Part 1, No. 3, p. 154 insert

RESOURCES

*And added down to
 did not add income*

Names of Banks	Securities deposited with		Notes and Bills Dis-counted	Suspended Debt	Notes of other Banks and Checks	Notes of this Bank	Due from Banks and Bankers	Value of Real Estate necessary for the transaction of business	Value of other R.E.	Expense Account	Specie	Other cash items	Total
	Treasurer of State	Shareholders											
BANKS WHICH HAVE COMPLIED WITH THE LAW													
OF 1855													
1. Bank of Goshen, Goshen	65275.75		42588.79		5620-		21496.16	1545-			4233.18		140758.88
2. Bank of Gosport, Gosport	67533-	50550-	33123.11		2751-	3050-	9575.05	756.10			10013.89		177352.15
3. Bank of Indiana, Michigan City	54468-				4085-	5002-	25355.97	730-			12570.94		102211.91
4. Bank of Mount Vernon, Mount Vernon	58032.44		18152.23		4994-	80-	8271.95				6612.62		96143.24
5. Bank of Paoli, Paoli	79000-		81939.27		11859-		62944.57	1002.27		997.49	11348.43	91-	249232.03
6. Bank of Rockville, Wabash	65000-		11159.60		3635-	2355-	38113.99	1933.76			7636.45		129833.80
7. Bank of Salem, New Albany	50050-		143019.52	579.60	14170-	2368-	5490.96	1665.30			11500.74	9058.06	238102.18
8. Bank of Salem, Salem	90757.02		74725.24		5829-		19234.76	5953.81			12194.13	21621.78	220315.74
9. Bloomington Bank, Bloomington	90000-		71950.07		3339-	3055-	13239.06	70-		1265.82	7555.17	5000-	195474.12
10. Cambridge City Bank, Cambridge City	71168-		109284.17		11284-	2005-	11590.54				12513.55		217845.26
11. Canal Bank, Evansville	59500-		180977.78		23060-	1000-	34700.46			1292.32	10491.49		311012.05
12. Crescent City Bank, Evansville	80100-		69195.44		37812-	65-	11162.15	11248.10			15284.18		224866.87
13. Exchange Bank, Greencastle	52166-	600-	36442.16	1587-	7844-	5000-	5649.39	1577.43			8283.86		119149.84
14. Farmers' Bank of Westfield	70000-		10225-				29359.25				7854-		117438.25
15. Indiana Bank, Madison	139077.50		157256.09	1225.16	7660-	40500-	12932.54	10413.75			26028.63	7350-	402443.67
16. Indiana Farmers' Bank, Franklin	50390-		96939.60	1595-	4762-	11800-	3145.70	4349.50			19351-		192332.80
17. Kentucky Stock Bank, Columbus	94911.87		67465.75	6000-	3688-	500-	4512.20	600-			18066.93		194744.75
18. LaGrange Bank, Lima	96027-	20000-	1253.20	961.66			481.78				9419.02		128142.66
19. Parke County Bank, Rockville	83883.32		74160.80	6349.69	4553-	16056-	19644.83	2051.92		532.07	7613.64		214845.27
20. Prairie City Bank, Terre Haute	111500-		69324.25	8995.55		23052-	12181.31	9268.16			13860.65		248181.92
21. Salem Bank, Goshen	57500-	18000-	24724.80	1439.11	1633-	2504-	19525.95				4441.46		129768.32
22. Southern Bank of Indiana, Terre Haute	144500-		192067.66	2511.81	25785.30		25186.41	1160-	3615.60	3101.97	17922-	10492.23	426342.98
23. Tippecanoe Bank, Logansport	56740-			175-	1643-	1134-		2000-			6123.68		67815.68
Total	1787579.90	89150-	1565974.53	31419.58	186006.30	119726-	393844.98	56325.10	3615.60	7189.67	259909.64	53613.07	4354354.37
BANKS WHICH HAVE NOT COMPLIED WITH THE LAW													
OF 1855													
1. Bank of Elkhart	32949.56	-	15749.88		3516-	32-	17043.93				9529.79		78824.16
2. Brookville Bank, Brookville	21000-	-	67766-	15000-	3480-					7250-	4830-	14000-	133236-
3. Indiana Stock Bank, La Porte	36000-	-	19700.84	250-	13745-	1489-	20942.11	4557.65			5778.34	1000-	103462.94
<i>Grand Total</i>	89949.56	-	103216.72	15250-	20741-	1521-	37986.04	4557.65		7250-	20138.13	15000-	316610.10
<i>Grand Total</i>	1877529.46	89150-	1669191.25	46669.58	206747.30	122247-	431331.02	60882.75	3615.60	14439.67	280047.77	68613.07	4786996.47

ABSTRACT OF THE SEMI-ANNUAL REPORTS AND CONDITION OF THE FREE BANKS OF INDIANA FOR SIX MONTHS ENDING DECEMBER 31, 1853

122-4

Assets add to total except where pencil amounts are shown in which case the amounts were copied correctly from books but the book is in error.

Assets

	Capital Stock	Notes Discounted	Bills of Exchange	Remittances	Notes of other banks	Amount of debts due to bank	Personal property	Value of Real Estate for Bkg purposes	Gold and Silver on hand	Dividends paid	Expenses	Total
Connersville - Bank of Connersville	698195-	64547.48	16870.91		33534-	26219.59		10000-	85488.06			934855.04
Evansville - Creseent City Bank	50000-	2846.96	53862.18	6098.21	8451-		307.32	1730.79	9246.88		921.94	133465.28
Evansville - Canal Bank	50000-		148053.83		17082-	17621.74			15099.83		2092.87	249950.27
Cambridge - Cambridge City Bank		8506-	153330.15		12002-	1206.94			1327.50			176372.59
Indianapolis - Central Bank	151287.50	6473.88	102835-		8454-	87701.66		5092.20	19686.62			381530.86
Covington - Bank of Covington	55000-	40124-			3661-	3714.66			8502.71		4130-	115132.37
Newport - Bank of North America	60000-	3550-				48534.75			7915.25			120000-
Rome - Drivers' Bank	50000-	43400-							6600-			100000-
Michigan City - Bank of Indiana	50000-		20515.42	21000-	9146-	6385.18			7394.95		1902.95	116344.50
Connersville - Fayette County Bank	60337.50	53081.01	102377.87		26786-	13937.80	497.05		8703.84		1197.76	266918.83
Lafayette - Gramercy Bank	100000-	45974.75	7176.16		42251-	12556.27		8000-	12803.54			228761.72
Lafayette - Merchants Bank	50000-					42000-			8000-			100000-
Newport - Public Stock Bank	100000-	100000-		3744.64	1121-		177-		13144.83			215,971.13
Plymouth -- Plymouth Bank	50000-		42926.23						7073.77			100000-
Terre Haute - Prairie City Bank	200000-	44763.92	72250.02	1000-	79980-	89597.63	1288.77		28011.78	9000-		525892.12
Jamestown - State Stock Bank	50000-				559-	51100-			6339-			107998-
Peru - State Stock Bank	185301-	76914.16	2150.95		2200.05	22265.06		477.48	26090.26			315398.96
Logansport - State Stock Bank	212000-					186954-			25046-			424000-
Terre Haute - Southern Bank of Indiana	138500-	89787.06	89950-	4010-	12843-	36151.91	1125-		24717.42		6389.94	401474.33
Angola - Steuben County Bank	50000-	50000-			2046-				6555.63		5775.85	114377.48
Newport - State Stock Security Bank	74000-								10180-			84180-
Indianapolis - Traders Bank	300000-	4197.61			10123-	48924.09			15345-			378589.70
Logansport - Wabash Valley Bank	107000-		289769.43		11536-	13558.63		370-	20293.67		3150-	445677.73
Lafayette - Government Stock Bank	50000-					42000-			8000-			100000-
Plymouth - Western Bank	100000-	7514.24				79808.09			12677.67			200000-
New Albany - Bank of Albany	62518-	18986-			1272-	33595.70			10675.65			127047.35
Vincennes - New York Stock Bank	100000-	98605.62			5502-	5452.89			13617.93			223178.44
Laporte - Indiana Stock Bank	85156-	55650.12	20000-	64463.03	7486-	13572.50	1263-	1650-	12206.29			271446.93
Madison - Indiana Bank	51158-	6735.30	119180.20		23878.54	28299.32	795-	7976.12	12211.91		1000-	235357.40
Goshen - Elkhart County Bank	114000-					109610-			16110-			239610-
Total	3404445-	821618.11	1241255.35	100315.88	329913.59	1020768.41	5453.14	35296.59	442956.99	9000-	26961.31	7435917.06

across 7437484.32

ABSTRACT OF THE SEMI-ANNUAL REPORTS AND CONDITION OF THE FREE BANKS OF INDIANA FOR SIX MONTHS ENDING DECEMBER 31, 1853

Pp 132-4

Liabilities

	Stocks dep. with State Auditor and other stocks paid in	Amount due other Banks	Amount due Depositors	Notes, Bills or other evidences of debt issued by bank	Dividends declared & made and surplus Fund	Interest, Discount and Premium, etc.	Profit and Loss	Total
Connersville - Bank of Connersville		128084	35340.58	684470	13763.62	200000		934855.04
Evansville - Crescent City Bank	63000		29245.68	39537		1682.60		133465.28
Evansville - Canal Bank	50000	29648.30	68960.96	47983	50000	3358.01		249950.27
Cambridge - Cambridge City Bank		1793.27	71632.50		102500		446.82	176372.59
Indianapolis - Central Bank	92995		147052.92	140600			882.97	381530.86
Covington - Bank of Covington	55000		4641.03	54990			501.34	115132.37
Newport - Bank of North America	60000			60000				120000
Rome - Drivers' Bank	50000			50000				100000
Michigan City - Bank of Indiana	50000	750	17000.90	49337				116344.50
Connersville - Fayette County Bank	130100	1020	76981.31	56246			2571.52	266918.83
Lafayette - Gramercy Bank	100000		36761.72	92000				228761.72
Lafayette - Merchants Bank	50000			50000				160000
Newport - Public Stock Bank	100000		18257.13	100000				218257.13
Plymouth - Plymouth Bank	50000			50000				100000
Terre Haute - Prairie City Bank	200000		110198.57	200000	9000	6693.55		525892.12
Jamestown - State Stock Bank	50000		8000	49998				107998
Peru - State Stock Bank	100000	234.82	22033.88	185301		7829.26		315398.96
Logansport - State Stock Bank	212000			212000				424000
Terre Haute - Southern Bank of Indiana	200000		56207.54	138500	6000		766.79	401474.33
Angola - Steuben County Bank	50000	6493.29	7884.19	50000				114377.48
Newport - State Stock Security Bank	77000			73998				150998
Indianapolis - Traders Bank	130000	55663.29	3434.53	116957	3434.88	69100		378589.70
Logansport - Wabash Valley Bank	74100	107180.82	146909.62	106887	10374		226.29	445673.73
Lafayette - Government Stock Bank	50000			50000				100000
Plymouth - Western Bank	100000			100000				200000
New Albany - Bank of Albany	62518		2011.35	62518				127047.35
Vincennes - New York Stock Bank	113000	262.21	9916.23	100000				223178.44
Laporte - Indiana Stock Bank	85156	27212.09	71470.49	82255	4453.35			271446.93
Madison - Indiana Bank	90000	4596.35	85685.75	49970			5105.30	235357.40
Goshen - Elkhart County Bank	114000	6000	5610	114000				239610

Total

2558869 - 241392.78 - 1035235.98 - 3167547 - 1995258.52 - 288663.42 - 10501.03

2631.03 - 7501735.06