

The Fourth National Bank of the City of New York offers to Depositors Every Facility which their balances, business and responsibility warrant.

The Northwestern Banker

Twelfth Year.

Des Moines, Iowa, July, 1907.

Number 7

THE Hanover National Bank.

OF THE CITY OF NEW YORK

Nassau and Pine

JAS. T. WOODWARD, President
 JAS. M. DONALD, Vice President
 E. HAYWARD FERRY, Vice Pres.
 WM. WOODWARD, Vice President
 ELMER E. WHITTAKER, Cashier
 WM. I. LIGHTHPE, Ass't Cashier
 HENRY R. CARSE, Ass't Cashier
 ALEXANDER D. CAMBELL, Ass't Cashier
 CHAS. H. HAMPTON, Ass't Cash.

Established 1851

Capital, - - - \$3,000,000
 Surplus - - - 8,500,000

THE Iowa National Bank of Des Moines

H. S. BUTLER, President
 C. C. PROUTY, Vice President
 J. H. COWNIE, Vice President
 H. T. BLACKBURN, Cashier

DEPOSITS

Jan. 1, 1900	\$447,770.70
Sept. 4, 1900	\$1,134,077.24
Sept. 4, 1901	\$1,161,918.61
Sept. 4, 1902	\$1,510,234.36
Sept. 3, 1903	\$1,868,845.11
Sept. 4, 1904	\$1,835,189.86
Sept. 4, 1905	\$2,341,454.60
Sept. 4, 1906	\$2,661,047.75
May 20, 07	\$2,868,595.00

U. S. DEPOSITORY

Citizens National Bank

DES MOINES, IOWA

J. G. ROUNDS, - President
 GEO. E. PEARSALL - Cashier
 GEO. COOPER, Ass't Cashier

CAPITAL, - - - \$200,000
 SURPLUS, - - - 100,000

ACCOUNTS SOLICITED

THE Bankers National Bank OF CHICAGO, ILL.

Capital, Surplus and Profits, \$3,249,848.00

EDWARD S. LACEY, President. JOHN C. CRAFT, Vice-President
 FRANK J. JUDSON, Cashier. CHAS. C. WILLSON, Ass't Cash
 RALPH C. WILSON, Ass't Cashier

COMPARATIVE STATEMENT, SHOWING INCREASE.

DEPOSITS

May 20, 1898	\$ 6,177,005.18
May 20, 1901	12,339,718.12
May 20, 1904	13,322,544.71
May 20, 1907	18,565,232.85

New Business Desired and Unexcelled Facilities Offered.

The Phenix National Bank OF THE CITY OF NEW YORK NASSAU, COR. LIBERTY ST

FINIS E. MARSHALL, President ALFRED M. BULL, Vice-President
 AUGUST BELMONT, Vice-President BURT L. HASKINS, Cashier
 HENRY C. HOOLEY, Assistant Cashier

CAPITAL,
 \$1,000,000
 SURPLUS
 AND
 PROFITS,
 416,000
 YOURS SOLICITED



Accounts of
 Banks, Bank-
 ers, Firms
 and Individ-
 uals Accepted

The Commercial National Bank of CHICAGO

Capital, Surplus and Undivided Profits, \$7,000,000
Deposits, \$40,000,000

OFFICERS

JAMES H. ECKELS	PRESIDENT	GEORGE B. SMITH	ASS'T CASHIER
JOSEPH T. TALBERT	VICE-PRES.	HARVEY C. VERNON	ASS'T CASHIER
RALPH VAN VECHTEN, 2ND	VICE-PRES.	H. ERSKINE SMITH	ASS'T CASHIER
DAVID VERNON	3RD VICE-PRES.	WM. T. BRUCKNER	ASS'T CASHIER
NATHANIEL R. LOSCH	CASHIER	EDGAR N. JOHNSON	AUDITOR

This bank is pleased to place at the disposal of its customers the facilities gained during forty years of continuous service and growth

The Continental National Bank OF CHICAGO

CAPITAL, \$4,000,000. SURPLUS, \$2,000,000.

Statement May 20, 1907.

RESOURCES:

Loans and discounts.....	\$45,110,753.71	
Stocks and bonds.....	1,887,737.45	\$46,998,691.16
U. S. bonds to secure circulation.....		3,000,000.00
Premiums on U. S. Bonds.....		101,250.00
Overdrafts.....		8,798.13
Due from banks and U. S. Treasurer,	8,105,770.29	
Cash.....	17,298,572.23	\$25,404,342.52
		\$75,513,081.81

LIABILITIES.

Capital stock paid in.....	\$ 4,000,000.00
Surplus fund.....	2,000,000.00
Undivided profits.....	884,125.78
Circulation.....	2,989,500.00
Deposits.....	65,639,456.03
	\$75,531,081.81

OFFICERS.

GEORGE M. REYNOLDS, President,
ALEX. ROBERTSON, Vice President.
W. G. SCHROEDER, Cashier.
H. WALDECK, Assistant Cashier.
FRANK H. ELMORE, Assistant Cashier.
BENJ. S. MAYER, Assistant Cashier.
WILBER HATTERY, Ass't Cash.
J. R. WASHBURN, Ass't Cash.

Accounts of Banks, Bankers, Manufacturers, Firms
Corporations and Individuals Solicited.

Fisk & Robinson

BANKERS

GOVERNMENT BONDS

AND OTHER

Investment Securities.

Members New York Stock Exchange.

NEW YORK

BOSTON

Represented in Chicago by Frederick Childs, 135 Adams St.

Charles Hathaway & Co.

DEALERS IN

COMMERCIAL
PAPER

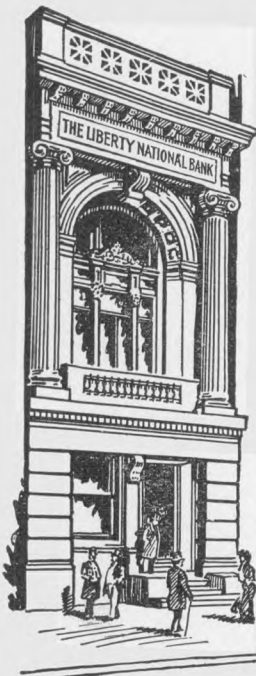
CHAS. W. FOLDS, Resident Partner.

205 LA SALLE STREET,
CHICAGO

NEW YORK OFFICE, 45 Wall Street
BOSTON OFFICE 27 State Street
ST. LOUIS OFFICE 408 Olive Street

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Federal Reserve Bank of St. Louis

THE Liberty National Bank OF NEW YORK.



Capital, - - - \$1,000,000
 Surplus, - - - 1,500,000
 Und. Profits, - - 816,955

FREDERICK B. SCHENCK, President
 CHAS. H. STOUT, Vice-President
 DANIEL G. REID, Vice-President
 CHAS. W. RIECKS, 2d Vice-Pres.
 JAMES V. LOTT, Cashier.
 FRED P. MCGLYNN, Ass't Cashier.
 HENRY P. DAVISON, Chairman Executive Committee.

DIRECTORS.

Geo. F. Baker, Pres. First National Bank, New York.
 E. F. C. Young, Pres. First National Bank, Jersey City.
 Arthur F. Luke, Darr, Luke & Moore, New York.
 Henry C. Tinker, New York.
 J. Rogers Maxwell, Pres. Atlas Portland Cement Company.
 D. G. Reid, Ch'm Board of Directors, Rock Island System.
 E. C. Converse President, Bankers Trust Co.
 Francis L. Hine, Vice-Pres. First National Bank, New York.
 T. A. Gillespie, Pres. The T. A. Gillespie Co., New York.
 Charles H. Stout, Vice-President, Charles A. Moore, Manning, Maxwell & Moore, New York.
 Henry P. Davison, Vice-President First National Bank, New York.
 Chas. H. Warren, Treasurer Mutual Life Ins. Co., New York.
 Frederick G. Bourne, New York.
 Ambrose Monell, Pres. International Nickel Co.
 Frederick B. Schenck, President

ESTABLISHED 1853

The Oriental Bank OF NEW YORK

182-4 Broadway

CAPITAL. \$750,000.00. SURPLUS \$1,202,894.97.

DEPOSITS MAY 9, 1903, : \$5,809,314.68
 DEPOSITS MAY 9, 1904, : 8,001,823.17
 DEPOSITS MAY 9, 1905, : 11,080,949.46
 DEPOSITS MAR. 2, 1907, : 12,061,232.00

R. W. JONES, Jr., Pres. NELSON G. AYERS, 1st Vice-Pres
 LUDWIG NISSEN, }
 ERSKINE HEWITT, } Vice Presidents.
 CHARLES J. DAY, }
 GEO. W. ADAMS, Cashier. R. B. ESTERBROOK, Ass't. Cashier
 LAMAR ROSS, Ass't. Cashier. HOWARD E. RANK, Ass't. Cashier

DIRECTORS:

Nelson G. Ayres, Vice President.
 Charles K. Beekman Philbin Beekman & Menken, Attorneys.
 Samuel Bettie, Chairman Advisory Freight Committee, International Merchantile Marine Steamship Co.
 Eugene Britton, Vice-Pres. Nat'l City Bank, Brooklyn; Treas. Broadway Savings Institution, N. Y.
 Stephen R. Halsey, Capitalist.
 Erskine Hewitt, Manufacturer, with Cooper-Hewitt & Co.
 R. W. Jones, Jr., President.
 Hugh Kelly, Merchant, 71 Wall St.
 Richard B. Kelly, Vice-Pres., Fifth National Bank.
 Chas. E. Levy, Cotton Merchant, 30 Broad St., of M. Levy & Sons, New Orleans, La.
 Alexander McDonald, Capitalist.
 Wm. McCarroll, Vice-Pres. American Leather Co.
 Ludwig Nissen, Importer of Diamonds.
 Andrew W. Preston, Pres. United Fruit Co., Boston and N. Y.
 John C. Whitney, Auditor New York Life Ins. Co.
 Isadore Hermsheim, Capitalist.
 George E. Keeney, President Hartford Insurance Co.

Your Account is Respectfully Solicited.

COMMERCIAL NAT'L BANK
 Council Bluffs, Iowa
 ORGANIZED JUNE 15th, 1901

OFFICERS:

JOSEPH R REED, President.
 L. HAMMER, Vice-Pres. F. C. LOUGEE, Vice-Pres
 C. E. PRICE, Cashier.
 C. KONIGMACHER, Ass't Cashier,

DIRECTORS:

Joseph R. Reed Carl F. Kuehnle A. Maurer
 L. Hammer Geo. W. Nicholson R. H. Bloomer
 F. C. Lougee Geo. P. Moorehead L. F. Husz
 C. E. Price J. F. Wilcox

Capital, - \$100,000.00

SOLICITS ACCOUNTS FROM BANKS,
 FIRMS, CORPORATIONS AND INDIVIDUALS. ASSURING PROMPT SERVICE AND LIBERAL TREATMENT

THE CENTURY SAVINGS BANK
 DES MOINES, - - IOWA

CAPITAL, : : : \$100,000.00

OFFICERS

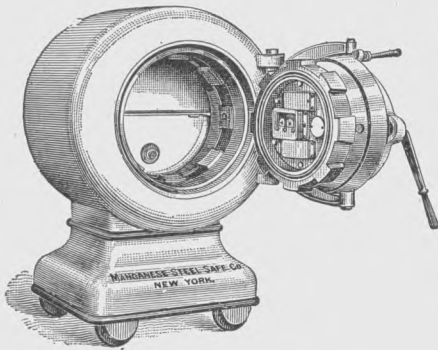
W. G. HARVISON, Pres,
 L. E. HARBACH, Vice-Pres.
 H. M. WHINERY, Cashier.
 D. A. BYERS, Ass't Cash.

DIRECTORS:

W. G. Harvison, P. C. Kenyon,
 Geo. M. Christian, J. B. Uhl,
 J. W. Rudebeck, J. B. Sullivan,
 L. E. Harbach, H. H. Teachout,
 W. G. Burnside.

Accounts of Banks and Bankers Solicited. Superior Facilities for Collections. Interest Paid on Time Deposits.

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 Federal Reserve Bank of St. Louis



Questions to bankers.

Do you know why Manganese Steel is the only metal of which burglar proof safes can be properly made?

Can you tell genuine Manganese Steel from imitation?

Do not buy a safe until you can answer both questions in the affirmative.

It will do you no harm to examine this safe. By so doing you may prevent your depositors and stockholders from criticising you later, after burglars have visited your bank.

J. J. DERIGHT & CO., Safe Dealers,
OMAHA, NEBRASKA

Large stock of New and Second-hand Safes of different makes.

JAMES B. FORGAN,
President

CHARLES N. GILLETT,
Cashier



THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus \$14,000,000.00

Welcomes and appreciates the accounts of banks and bankers believing that its extensive clientele which has been gradually developed by more than forty years of consistent, considerate service is splendid endorsement of the agreeable and satisfactory accommodations rendered to its customers.

DIVISION "F" [Banks and Bankers]
AUGUST BLUM, Vice-President
HERBERT W. BROUGH, Asst. Mgr.

Citizens Savings Bank

DECORAH, IOWA.

CAPITAL, - \$50,000.00

Special Attention Given to Collections. Send Us Your Decorah Items.

E. J. CURTIN, Pres.
OGDEN CASTERTON, Vice-President.
B. J. MCKAY, Cashier.
E. L. AMUNDSON, Ass't Cash.

NEW LOCATION

GROWING
DAILY

—
WRITE US

**Iowa
Lithographing
Company**

NEW EQUIPMENT

PROGRESSIVE
ALWAYS

—
SEE US

BANK AND OFFICE STATIONERS,

707-9-11 Locust Street, - - Des Moines, Iowa.

THE OLDEST BANK IN THE UNITED STATES.
(CHARTERED BY CONTINENTAL CONGRESS, 1781.)

THE BANK OF NORTH AMERICA

NATIONAL BANK

PHILADELPHIA, PENNA.

CAPITAL - - - -	\$1,000,000.	President - - - -	H. G. MICHENER
SURPLUS - - - -	2,000,000.	Cashier - - - -	JOHN H. WATT
UNDIVIDED PROFITS, OVER	264,000.	Assistant Cashier - - - -	SAML. D. JORDAN
		Assistant Cashier - - - -	WM. J. MURPHY

SOLICITS THE ACCOUNTS OF BANKS, FIRMS, INDIVIDUALS AND CORPORATIONS.

The Northwestern Banker.

\$2.00 Per Annum.

DES MOINES, IOWA, JULY, 1907

20 cts. per Copy

Iowa Bankers Convention

Proceedings of the twenty-first annual meeting Iowa Bankers Association held at Clinton and Lyons, June 18 and 19, 1907

The convention was called to order by the president, John J. Large, at ten o'clock a. m., Tuesday, June 18, 1907.

The President: The house will be in order, please. The invocation will be pronounced by the Rev. Elmer A. Bess, pastor of the First Presbyterian church of Clinton.

Invocation by Rev. Bess

Our Father, we thank thee that at all times we may come into thy presence and that we may feel assured that we have Thy protecting interests, that we may feel assured that we have Thy guiding heart. And, this morning we would come invoking Thy presence among these men as they are associated together in the interests that are largely of humanity. We pray thee, Our Father, that they may find of those principles that shall guide for the best interests of their community; that they may find those principles and those resolutions which shall be for the best interests of humanity and to the largest extent. We pray, Our Father, that Thou wilt bless the presiding officer and this executive committee, these men who are to speak, and these plans that are to be evolved, and these men that have come here with certain interests at heart. Lord, may there be the great principal of God and His cause that shall be inculcated through the things that they shall do here. And so, Lord, not only in this convention here, but likewise for the days to come, as these men shall be in their community, may they be shining lights for good, and as they shall take their places of prominence all over this great state and all over the nation, may they realize the responsibility that is placed upon them, and that they are to help not only the material side of life, but in the representation of that, to help the cultured side, the cause of God and humanity and good and the church, and we ask it in Christ's name this morning. Amen!

Address of John J. Large of Rock Valley, President.

As is the custom I have prepared a review of the work of the association for the past year. The matter of definite figures I leave largely to the reports of the secretary and treasurer, who compile them each year.

Last year the Iowa Bankers' Association forged to the front as the leading association in the United States, or perhaps to be more accurate, the largest association in the United States. I am glad to say that we still hold that

distinction, having made a substantial gain during the fiscal year.

The association has been fortunate in many of the officers it has had in the past, having had many active, energetic men, those among the most able to be found in the banks of our state. The result shows in the continued growth of our association, which is, as our secretary says, "Enduring."

I wish at this time to speak of the happy manner in which the officers have worked together the past year and especially to commend our efficient secretary for his untiring efforts to develop the association to its utmost, leaving nothing undone that would tend to improve our organization.

Legislation

At our executive council meeting at Clinton, February 22d, we urged the Legislature of this state by resolutions then adopted to act favorably on some bills pending at that time largely in the interest of state and savings banks. The Legislature, however, seems to consider that work along that line is not pressing and so far have done practically nothing in recent years to further legislation asked by bankers. I would respectfully recommend that the state and savings bankers join hands with the trust companies and ask for a trust company bill and for legislation desired by state and savings banks. I believe managers of these different institutions will find in order to get satisfactory legislation adopted that they will be compelled to separate trust company, commercial and savings businesses. These businesses should be capitalized separately it seems to me and if a willingness to do so was manifested, concerted action by those affected would lead I think to the adoption of the desired measures.

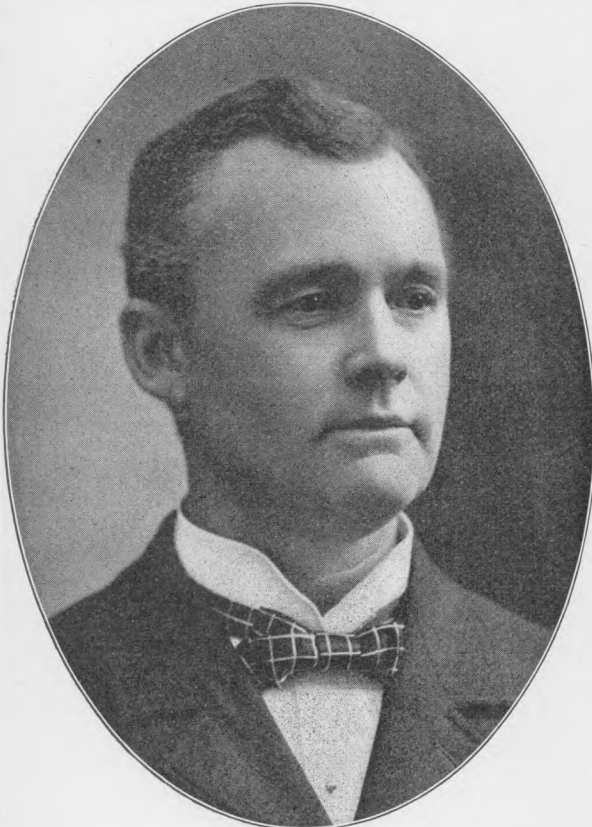
Time Locks

The work of our time lock expert is proving more satisfactory each day and more banks are engaging his services. The matter of employing him by the association seems to have been a very wise move. He is present with a report for this convention. I urge the members to give him a trial and to allow him to list your bank so he can attend to it each year on his regular trip instead of having to make long jumps to look after the work. The executive council at its last meeting voted to allow Mr. Loyer the full \$6 collected for work on each lock when the guarantee fund shall have reached \$1,000. In the event of its being

depleted by expense of a lock out of the extra dollar to again go into the guarantee fund until it reaches \$1,000. Remember the Iowa Bankers' Association is back of this work with a guarantee that means something.

Bonds

The committee having charge of the fidelity bond and burglary insurance problem reported last year and its



H. M. CARPENTER
President Iowa Bankers Association, Monticello

report was not accepted as presented. This committee has worked long and faithfully at this task and I recommend the adoption of its report this year. We may not be able to secure as great concessions on the start as some would like, but we can certainly secure a uniform rate for given work and can get a commission for the business written, saving the banks as a whole considerable money. This does not in any way affect a bank that can get the business done for their institution at a lower rate, neither does it obligate them to give the association the business. We should do the best we can right now and get a better rate later if we can.

Protective Committee

The protective committee has been active in getting after criminals whenever they operate against members of this association and the knowledge that we are ready and willing to prosecute criminals I believe deters many from operating against our members. We were called upon to pay a \$1,000 reward on account of the burglary committed on the Bank of Udell in Appanoose county, which occurred last year but was settled up this year. We caught these men in Missouri, they were brought back to Iowa, where they stood trial, were convicted and sentenced to the penitentiary. It seems that the action of the association along this line alone should convince non-members that they are doing themselves and the association an injustice by remaining outside of the association. We hope the remaining banks outside will see their way clear to come into the fold. The taxation committee has no report to make.

Iowa Colony in Chicago

We look with satisfaction on the increase in membership of the Iowa Colony in Chicago and congratulate the directors of the different banks of Chicago who have

shown their wisdom in coming to Iowa for men to help in the management of their institutions. Nearly every large bank in Chicago has a man from Iowa and we are glad to note that he is, in each case, prominent in the management. We still have some good timber left, but desire to say to you Chicago men that we don't want you to take them all.

Bankruptcy Law

Believing that the bankruptcy law has served its purpose I should like to see this association adopt a recommendation to congress that it be repealed. The theory of the bankruptcy law is excellent, but in its practical application there seems to be a failure of justice in the majority of cases. I regard its continuation on our statute books as a temptation to fraud and not conducive to the best business interests of this country.

Deposit Insurance

The insurance of deposits is a live and growing question and one which I predict will not be easily settled. Depositors in banks which they consider as sound and safe as the government, occasionally find that their confidence has been misplaced and their capital or savings have vanished. It will not do to say that in any scheme of deposit insurance the good bank pays for the bad and stand on that argument. Does it not do so now? In this day of publicity with the rural mail carrier leaving the daily paper at the farmer's door a bank failing in southern Iowa causes the details to be at once communicated to the farmer in northwestern Iowa. Everybody reads the papers and many a man carries money in his pocket and banks it in the ground when he should deposit it with his home bank. His trouble is to know the good bank and in my opinion it is up to the bankers of this country to see that they are all good so far as the depositor is concerned. The best plan I have seen comes from Mr. C. F. Allis, vice-president of the Second National Bank, Erie, Pennsylvania,



E. J. CURTIN, Treasurer Iowa Bankers Association
Pres. Citizens Savings Bank Decorah

and has to do only with national banks. It provides that the comptroller shall levy a certain tax on all national banks in proportion to their capital, said tax going into a fund to make depositors' loss good. The government would not guarantee, but would administer. If adopted and found satisfactory the states would, of course, adopt sim

ilar measures just as they have fashioned their state banking acts after the National Bank Act.

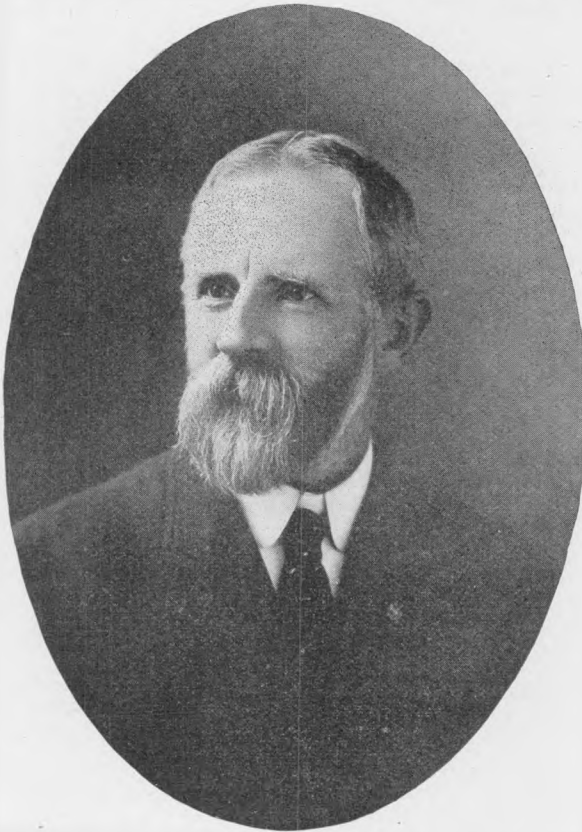
Currency Reform

The currency commission of the American Bankers' Association, upon which Mr. Arthur Reynolds, of this state, served, presented to Congress what they desired for adoption. The measure failed of passage and as Mr. John L. Hamilton, ex-president of the American Bankers' Association, and a member of the commission, is here to tell us about this matter, I will not go into it further. It would seem that some measure to be used only in emergencies, which would serve with equity the city and country, should be adopted.

General Review

The past year has been one of unexampled prosperity for the state of Iowa. A great crop with prices as high as could be desired for all sorts of farm products, with our labor employed at a high wage, our factories running overtime and the great lines of transportation almost unable to handle the immense output of farm and factory and packing plant; with deposits in the banks of Iowa estimated at 400,000,000 of dollars, is it any wonder that we call this God's country and point with pride to such conditions? There are, however, some clouds on the horizon. Money has been high priced in the east and each fall and winter we see a stringency in New York and the East generally. It causes us uneasiness and wonder as to why a country blessed with such material prosperity as we have had for a term of years, should suffer such stringent monetary conditions each year. I deprecate the large amount of speculation done on the stock market in New York and regard the recent panic there as the legitimate result of inflation of the price of stocks, both good and bad. It

000 worth of this form of investment at the present time. The Iowa men in Chicago banks are of great assistance in buying this paper, but we should use great care in seeing that we are not helping to capitalize industries instead of rendering assistance to market the product. The latter is commercial and should, if properly conducted, be safe



J. M. DINWIDDIE

Secretary Iowa Bankers Association, Cashier Cedar Rapids Savings Bank, Cedar Rapids

looks like too much stock speculation in the East and too much land speculation in the South and West. Were it not for these two things it seems to me we might look forward to a period of years of the most prosperous times in the history of this country. Iowa banks have become large buyers of commercial paper, so called. Indeed it is

estimated that they hold between \$75,000,000 and \$100,000,000 worth of this form of investment at the present time.



J. D. EASTON

Vice President Iowa Bankers Association, Waterloo

and profitable. The former is something for a commercial bank to shun, surely.

I should like to see the stock market on a sound basis and government supervision of the great lines of transportation in about the same manner as they supervise the national banks. In no other way it seems to me will the investment of money in railroad stocks and bonds be absolutely safe and rates equitable. It seems essential that railroad securities should commend a ready market at low rates and I believe this is the way to insure such a result. The people are ready buyers of national bank stock and should buy railroad securities if they were absolutely sure of their worth.

The President: The next will be the Treasurer's report by Mr. J. D. Easton, of Waterloo.

Treasurer's Report, June, 1907

To the president and members of the Iowa Bankers' Association, I herewith submit my report of funds received and paid out during the fiscal year now closing, as follows:

General Fund—Receipts

Balance on hand at date of last report.....	\$4,339.96
From secretary for advertisements in annual report	345.00
One bank paying dues to June 1, 1904.....	5.00
One bank paying dues to June 1, 1905.....	5.00
Nine banks paying dues to June 1, 1906.....	45.00
875 banks paying dues to June 1, 1907.....	4,375.00
157 banks paying dues to June 1, 1908.....	785.00
	\$9,899.90

Disbursements

Paid out on vouchers submitted herewith.....	\$5,610.05
--	------------

CAPITAL
\$1,000,000.

Surplus and Profits
\$350,000.

L. A. GODDARD, President
NELSON N. LAMPERT,
Vice-President
HENRY R. KENT, Cashier
CHARLES FERNALD,
Assistant Cashier
COLIN S. CAMPBELL,
Assistant Cashier



SOLICITS
YOUR
ACCOUNT

We particularly appreciate the accounts of Banks and have unusual facilities for handling such business.

Balance on hand at this date 4,289.85
\$9,899.90

Protective Fund—Receipts

Balance on hand at date of last report.....\$1,433.79
Transferred from General Fund..... 1,000.00
\$2,433.79

Disbursements

Paid out on vouchers submitted herewith\$1,142.50
Balance on hand at this time 1,291.29
\$2,433.79

Time Lock Fund—Receipts

Balance on hand at date of last report.....\$ 452.00
From J. W. Loyer, Time Lock Expert..... 400.00
\$ 852.00

Disbursements

None.

Recapitulation

Amount in General Fund.....\$4,289.85
Amount in Protective Fund..... 1,291.29
Amount in Time Lock Fund..... 852.00

Total amount on hand\$6,433.14
Respectfully submitted,
J. D. EASTON, Treasurer.

Mr. Easton: This does not include anything sent to me since the 10th day of June. The money received since the 10th of June, you will receive receipts from my successor, whomever he may be.

The President: The next will be the secretary's report, by Mr. J. M. Dinwiddie, of Cedar Rapids.

Mr. Dinwiddie: Mr. President, we ought to have and probably do have with us a number of officers of other state associations, and agreeable to your request, I would like to ask them if they will stand up in the audience if there are any present. What is the matter with Mr. Judson? We would like to have you come on the stage with us.

Mr. Judson: I am very much obliged to you for the courtesy of the invitation to sit on the stage, but I came in with a party of friends and am so pleasantly located here, and can hear so well, that I will ask you to excuse me. I thank you very much.

Mr. Dinwiddie: I had a promise of a number of officers of other associations to be present, and to show that this association means what it says when they invite other officers here, the executive council have instructed the secretary from year to year to send invitations, and we

have done so. For the one man that has come to see us, I would like to ask that you greet him by standing.

(The members of the association rose, and a voice in the audience said, "Judson, he is all right.")

Report of J. M. Dinwiddie, of Cedar Rapids,
Secretary

To the Iowa Bankers' Association:

I am glad indeed to again report an increased membership. We now number 1150 members. Liquidations and consolidations lost us a few, but the growth more than made up for that loss. If those banks not now members realized what, I believe, the association has been to the bankers of the state, I am sure that out of gratitude, if nothing else, they would join us. The contribution, if the payment of dues could be so termed, might by them be called a thank offering. If they knew with what pride and satisfaction we would report an association to which every bank in the state belonged, I am sure the small donation, if they so wish to term it, would be sent in that we might vaunt that pride or feel that satisfaction. Surely no good that we could do has been withheld from them.

I am more and more convinced of the wisdom of the move that gave to us the group system and that from a meeting of these groups more real local good comes than we think and that from these, and the constant work done by the group officers, has largely come our growth. The reports of a number of state associations working without the group plan point to our group work and recommend it. These associations have asked for particulars and expect to adopt the plan. Group meetings are becoming more and more popular and the group once getting the habit at once becomes confirmed in that habit. We look with a great deal of interest for the group reports.

Article 4 of the constitution especially makes it the duty of the treasurer to collect the annual dues. I feel, however, that Mr. Easton and his predecessors will hold nothing against the secretary for having made from year to year an especial effort to round up the membership and collect dues. I am also satisfied that the man who goes up against this membership for its dues, and succeeds, is entitled to consideration as an expert collector. I do not believe the average banker realizes the effort it requires to get some of these \$5 bills nor the thoughtless lack of consideration given not only to the first request for remittance, but to each and every succeeding one including in some instances ten or a dozen requests. We are able to report today that for the dues of June 1, 1907, less than ten members have thus far evaded or put at naught our effort to make collection.

In reporting a membership of 1150 I am reminded that this entitles us to twenty-three delegates in the American Bankers' Association Convention. The influence this gives to us in the deliberations of that body, and in any action it may take, is part of a western influence, that will have great weight in moulding the policy of that body, an influence that no doubt will be welcomed by the eastern mem-

bers—an influence so wisely exerted that we trust they will see no tendency to discourage or minimize it.

If any effort of that kind should develop and succeed then the appointment of this delegation would be practically useless. It is always well to have in mind that if the West has an influence that such as it may be should be real and continuous and not to be handicapped by rules or resolutions that might modify that influence.

Your secretary had the pleasure last year of meeting and conferring with the secretaries of twenty odd states at St. Louis, and he feels that such meetings are of great value to the various state associations. He regrets exceedingly his inability to attend their conference this year, it being held at Norfolk, Va., June 20th. This is to him a distinct disappointment, for if any lot of men are a pleasure to meet it is this same bunch of state secretaries.

Your secretary has had repeated reports of the passing of forged checks on merchants and hotel keepers, but as the losses have fallen upon others than the bank he has not felt called upon to send descriptions in every case, but only when it seemed probable that the forger might visit the banks also, or had already done so. Frequent cards of warning sent out by the association seem to have made the banker more cautious and his losses seem to be at a minimum. Would a card sent a banker ever cause the arrest of one who only played the store or hotel? Would it not be next to a work of love for the banker to seek to daily enlighten at least one customer on this point.

The bank of Udel was burglarized in December, 1905, and through the bank's efforts the burglars were finally arrested and convicted and as the bank was a member of the association, the reward of \$1,000 for this conviction was paid December 20, 1906, just a few days over a year after the burglary was committed.

Through a committee appointed by the American Bankers' Association the issuance of money orders by the express companies and their rights to do so is being investigated, this being a revival of our own effort to control these companies in their banking operations in our own state, and I quote a letter recently received in relation thereto:

"Mr. J. M. Dinwiddie, Secretary,
Iowa Bankers' Association,
Cedar Rapids, Iowa.

Dear Sir:—As the work of the American Bankers' Association in preparing and presenting a test case before the Interstate Commerce Commission with the idea of forcing the express companies out of the banking business, is of such vital and general importance to the bankers of the United States, our committee begs to submit the following report, with a view to keeping your Association informed as to our progress:

"Our investigation has developed the fact that in a large number of states test cases of different kinds have been brought by bankers of state banking associations for the purpose of stopping the illegitimate competition of the express companies. Until the passage of the Railway Rate Bill in 1906 it seemed impossible to find proper technical legal grounds on which to work, although the spirit of the law was clearly on our side. The placing of the express companies under the jurisdiction of the Interstate Commerce Commission and the Railway Rate Bill has put a new face on the matter, and we have obtained legal opinion advising us that a case can now be brought before the Interstate Commerce Commission with more than a fair chance of success.

"At a meeting of the executive council of the American Bankers' Association, held at Hot Springs, Va., May 6th and 7th, our committee made a report showing the nature of the competition of the express companies and how it worked to the disadvantage of the bankers of the United States, stating that at the same time a test case had been prepared and that we were ready to go before the Commission at the earliest opportunity. The executive council, after hearing the report, appropriated such funds as are necessary in order to successfully carry on the case.

In brief, the investigations of our committee show that the express companies are carrying on a banking business without being subject to taxation for the same and keep no known reserve; that they in effect run a branch bank with many thousand branches; that their competition is seriously affecting the deposits of bankers in many places; that the bankers of the United States are furnishing the

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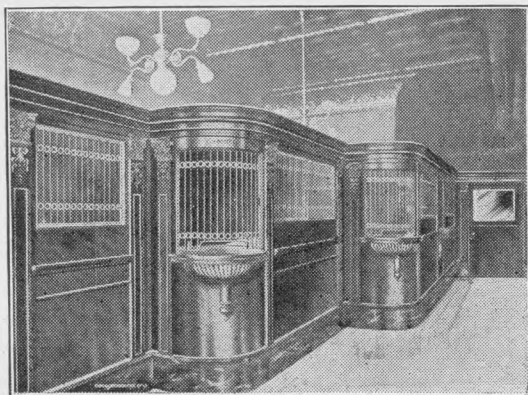
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express companies with funds to carry on their business, not alone at a loss of interest, but at an additional expense of express charges made necessary in order to get back currency that they had paid out for express checks and which had been immediately shipped out of town by the agents of the express company; that they issue both travelers' and commercial letters of credit and that they both buy and sell foreign exchange as foreign exchange bankers.

"While the express companies are undoubtedly aware of just how all this conflicts with the law, yet as our petition has not yet been filed, our attorneys do not care to have us give out any statement concerning the lines along which they are working. While one of the express companies is now in the field in a very aggressive way and is extending its business daily, it has not reached bankers in certain places outside of its territory. Another of the companies, however, is making plans to follow the lead of the one already in the field, and unless it is stopped by law, bankers throughout the territory of the second above mentioned company will begin to suffer and the evil will be doubled. There are still other express companies who have never made much of a bid for bankers' business, but that would undoubtedly begin to do so if the bankers do not win their case or successfully pass future legislation in the event of their losing same in order to protect themselves. With five or six tremendous branch banks covering the entire territory of the United States and competing for the bankers' business under the guise of express companies, paying no tax, keeping no known reserve and using bankers' fund for their capital, legitimate banking business would be relegated to a position similar to that of the independent bankers in Canada who have no branches.

"While we think we have everything necessary to win our case, in which event the state associations would not be called upon to assist us in any way, yet in order to be prepared for any emergency we earnestly request your moral support and later if necessary your co-operation.

Yours very truly,

(Signed) Fred I. Kent, Chairman.

Such action as you desire to take in reference to this is in order. Iowa tried, alone, to cope with this evil, to minimize it at least, or at least to get some returns out of this now altogether gratuitous handling of the rival's business out of which that rival is growing rich. The pioneer association to start this fight, while losing out, now lives to see it taken up in earnest by the larger association to which attention was first directed by our own association years ago.

The question of assessment and taxation is one of vital importance to the banking interests. We should have an active, earnest, energetic committee to take charge of this question. This association should take the lead in all tax revision movements, in all sensible effort at reform and equality in assessments. The address of Mr. Harvison will no doubt give us new light in relation to this matter. I

am pleased to quote a letter recently received from the Iowa Tax Revision Association:

"Dear Sir:—As a banker you are interested in the question of taxation, especially in so far as it applies to moneys and credits. You have noticed the great inequalities of our present system and appreciate that it would be of vast interest to our home men of means if they could be placed on an equal footing with foreign capitalists.

"If this can be brought about in this state as it has already in New York, Minnesota and other states, it would result in large sums being invested at home that are now sent out of the state for investment.

Believing that you are interested in bringing about changes in our present system we enclose you a copy of the constitution of the Iowa Tax Revision Association and ask your co-operation in this work.

"The association was organized at Des Moines during the last days of the legislature by a large number of the members who saw the need of education along these lines and every citizen of Iowa who believes that the present system of taxation can be improved in any way should become a member.

"The educational work that the association can do will depend largely upon its resources, and as the annual dues are only one dollar per year everyone interested should certainly join and take part in the work. All publications of the association will be sent to each member as issued.

"The association is not pledged to any particular plan of reform, but desired to have the help of every interested citizen of the state in deciding the reforms necessary, and on a plan to be presented to the next legislature.

"If you believe in the work and desire to do your share in this reform send one dollar to the secretary and a membership receipt will be mailed you at once.

"Do not put it off. Do it today. Do it now.

Yours truly,

(Signed) Iowa Tax Revision Association.
By F. G. Pierce, Secretary."

Any committee appointed for this work should understand that all its reasonable expenses would be paid. In fact this association should and does provide for necessary committee expenses.

The legislative committee should also be an active one. It should begin now to prepare and decide upon reform measures. Such measures as will be just and equitable, always insistent upon that which will at least give the banker just consideration. This committee could create a unanimous desire for certain legislation and could get the banks together so that it could no longer be charged that the banker was always wanting something, but never knew what, nor did any two of them want the same thing.

The question of fidelity and burglary insurance will again come before you for discussion and your committee will ask a final decision and to be discharged.

Our time lock expert is with us and will be heard. Other

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associations have been awakened by our action. Most of them, however, have accepted a modified proposition from the old time experts, of \$9 per lock with \$2.50 additional for automatic, thus paying \$2 to our \$1 for the same service. Our expert is of the best, he is doing great work, but of needs must provide himself with a helper if he meets the demands of our membership for prompt yearly visits, or else our members must put themselves out just a little to help him along. He is doing his best, take him when he comes. Do not be too impatient if he seems a long time getting to you. His guarantee is good and will protect you till he gets to you.

"You will be called upon to vote on several amendments to our articles. These amendments are purposely, and as agreed presented after election of officers for ensuing year that there may be no misunderstanding over election this year.

The amendments no doubt explain their meaning clearly. That offered by the secretary seems to him to be reasonable and would carry out the spirit of one of his suggestions made last year—as well as recognize the young men in our institutions.

The council of administration has held its usual meetings and has looked well after the interests of the association. Each committee has done its work faithfully. The financial condition and transactions pertaining thereto will be shown by the treasurer in his annual report to be presented at this meeting.

The committees named and serving last year were:

Legislative—C. H. McNider, Mason City; John H. Blair, Des Moines; D. H. McKee, Mediapolis.

Taxation—E. M. Scott, Cedar Rapids; J. H. Hass, Davenport.

Protective—John J. Large, Rock Valley; Chas. H. Blossom, Belle Plaine; J. M. Dinwiddie, Cedar Rapids.

It might not be out of place to call attention to the fact that this is our twenty-first meeting. It begins our twenty-first year of existence during which time we have not missed a single annual session. Some of those active in other years sleep quietly as the silent years go by. Others are going down the shaded hill side road toward the same resting place, while others will build well upon the foundation laid by these men. With youthful vigor and a clear perception they will push the work with the experience of the older to guide their building, in the light of which they will have guidance and a success that will make of our association a power for good for the financial interests of banks and state and all the while it shall stand for honesty and integrity.

J. M. Dinwiddie, Secy.

Mr. Dinwiddie: I had a letter a short time ago relating to some drafts being floated through the East on an Ottumwa bank, and I wrote to the American Bankers' Association, and I want to read you the reply. They think they have been put before the people in a wrong light, and in this letter they explain it. The letter is as follows:

"New York, June 8, 1907.

"Mr. J. M. Dinwiddie, Sec. Iowa Bankers' Association, Cedar Rapids, Iowa.

"Dear Sir:—We note your remarks concerning the good work done by your association in driving amateur swindlers from Iowa, and thank you for the information concerning a swindler who has been drawing checks on the Citizens Savings Bank of Ottumwa, Iowa. We will immediately have the Pinkertons look into the matter.

"We also note your remarks concerning what you have been told about the protective work of this association. We have a protective committee of three well known bankers, who gave a great deal of their time to the work entrusted to their care, and they have a very thankless task. Their names are not known, and they get no credit whatever for their laborious and painstaking efforts.

"Some members of the association expect them to take up cases which the experience of the committee convinces them should not be made "special." There have been a number of men who served on the protective committee and each and every one has invariably and emphatically been of the opinion that this association should confine itself to the capture and conviction of professionals. Now and then an amateur does extremely clever work, and it is only necessary for him to continue this work for a short time to become a professional. He is then relentlessly pursued by the Pinkertons acting for our committee. The greatest regret the committee has is that it cannot always carry out the individual ideas of members who have been victimized. The committee is not ornamental, but conscientious in the discharge of its duties, and each separate case is decided on its merits, and a careful investigation made of every report sent to this office.

"If you have any information concerning any particular case, over which a member is disgruntled, I would like to look it up and give you the facts, so that you could form your own opinion as to why the course pursued by the protective committee was decided on.

"Owing to the size of this country, and the numerous swindles and forgeries committed, if the committee made all cases "special," there would not be sufficient money in the treasury of the association to pay the expenses. A majority of our members pay \$10 a year. We pay the Pinkertons \$3 for each member for the general cases, bulletins and informations they issue from time to time. The cypher code, metal signs and confidential books, also handsomely bound proceedings add to this amount, and sometimes one "special" case will cost \$5,000 to \$6,000.

"We enclose you copy of last report of the protective committee, and a perusal of the same will show you that a majority of these cases were taken up at the expense of this association for the small banks, which pay the minimum dues. I think you will agree with me that a number of dangerous professionals were arrested and convicted since last September, which can only reflect credit on the work of the committee; and, while it is impossible for them to give universal satisfaction, it is not because they do not try to do so, and, at the same time, serve to their

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ASST. CASHIER

O. H. SWAN,
ASST. CASHIER

THOS. JANSEN,
ASST. CASHIER

best lights the interests of this association. Respectfully yours,

Jas. R. Branch, Secretary."

The President: Mr. Coan in behalf of the Clinton bankers wishes to make some announcements.

Mr. Coan of Clinton: Mr. President, Ladies and Gentlemen: I hope you are all supplied with our little local time table or invitation. A minute of your time now might save you an hour later. All that we are short on is time, I assure you. In regard to the local time table, it explains itself, but I would like to call your attention to the fact that at noon, or at one o'clock, we will serve luncheon at the Wapsipinicon Club for all not registered at the hotel. We are prepared to seat 150 at once there. So that we trust you will all obtain your meals without needless delay. This evening we serve dinner each 50 cents. We will be pleased to have all come who are not provided for at the hotel. There are some here probably from Davenport and other places nearby who, it may be will go back tonight, and we would be pleased to have you take dinner with us.

In regard to the ladies' lunch this noon at the Golf Club, it is announced on the program, it is said the conveyances will start from the Wapsipinicon Club, and the conveyances will also stop at the Lafayette Inn. Any of you who have your wives stopping at the hotel, will please notify them that the conveyances will call for them at 12 o'clock.

At two o'clock all the golf cranks that would like to participate, will please assemble at the Lafayette Inn. Some of our committee will be pleased to take you to the Golf Club and provide clubs, and old clothes, if necessary, for playing.

In regard to the steamboat excursion, it is set on the program at two o'clock. I think we had better make that three o'clock to give you all time to get lunch, and all the ladies are invited. We will return about six o'clock this afternoon. There is also a boat excursion at eight o'clock this evening. Tomorrow morning the special train leaves for Eagle Point at nine o'clock. I think that will give your officers time to open the meeting at ten o'clock at Eagle Point. Cars will also run there every ten minutes or so, but we will have a special train starting at nine o'clock from the Lafayette. We hope you will all take part in the little program we have arranged for you. And tomorrow afternoon we serve luncheon at the park, and we will have a little sight-seeing at the park, seeing Clinton, automobiles or carriages, and we hope you will all be with us in them. We have no address of welcome, but I hope before you leave you will know you are welcome. And, if you do not see what you want in this city, if you will kindly make your wants known, we will endeavor to satisfy them. (Applause.)

The President: It becomes clearer every minute that Clinton is glad we came, and that they are going to take care of us and see that we have a good time.

Mr. Coan: Another thing. We have places for all and more. If any of you are not provided with a room, make your wants known today or this evening at the headquarters at the Lafayette Inn, and our secretary there will be glad to take care of you, and the bankers and friends of

the bankers will be glad to have you in our homes over night. (Applause.)

The President: The next is the report on the Sundblad Fund, by Mr. E. B. Wells, of Marathon.

Annual Report of the Trustees of the John Sundblad Fund

Cash on hand at last report..... \$ 461.74

Received from Investments Paid

A. L. Barglof Loan.....\$1,500.00
P. Swanson Loan 1,000.00
Victor Anderson Note 750.00
Chas. Anderson Note 250.00 3,500.00

Interest Received

A. L. Barglof Loan\$ 58.00
P. Swanson Loan 30.00
Victor Anderson Note 60.00
Charles Anderson Note 20.00
W. C. Slupe Loan 68.75 236.75

Total \$4,198.49

Loans Now Held by the Trustees

W. C. Slupe, First Mortgage Loan on 100 acres of improved land in Clay county, Iowa. Interest 5½%, payable semi-annually. Land valued at \$65 per acre\$2,500.00
Victor Anderson, First Mortgage Loan on 80 acres of improved land in Buena Vista county, Iowa, Interest 5%, payable annually. Land valued at \$75 per acre 1,500.00
Expense paid on above loans..... 7.50
Cash on hand (deposited with the Cedar Rapids National Bank, Cedar Rapids, Iowa)..... 190.99

Total \$4,198.49

Amount of John Sundblad Fund to this Date

W. C. Slupe Loan\$2,500.00
Victor Anderson Loan 1,500.00
Cash on Hand 190.99

Total Assets \$4,190.99
June 14, 1907.

J. H. McCord,
C. E. Larson,
E. B. Wells,

Trustees.

Mr. C. B. Mills, of Clinton: I move that that report be accepted and the committee retained. I do not believe a better committee could be found to handle that fund.

The motion was seconded and on being put to vote was declared carried, and the report accepted.

The President: The next on our program is the report of the Fidelity and Burglary Insurance Committee. As I said in my address this Committee reported last year, and the report was not accepted as read. The committee has gone into the matter a little further this year, and it would seem it is the consensus of the council of this association, that the report should be adopted. There is nothing in the report

FRANCIS B. REEVES,
President.

RICHARD L. AUSTIN, Vice-President.
THEO. E. WIEDERSHEIM, 2nd Vice-President.

JOSEPH WAYNE, Jr.
Cashier.

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that compels any member of the association to use the company which the association will have. There is nothing that compels a member to take insurance or buy a bond of the association, and there is no reason that I can see why the report should not be adopted. It is a question, of course, whether it is as good a thing as we can get later on possibly, but it certainly is the best thing we can get now to start with.

I have great pleasure in introducing to you Senator J. T. Brooks, of Hedrick, the Chairman of this committee.

Mr. Brooks read report of the committee as follows:

Report of Committee on Fidelity and Burglary Bonds

Your committee on fidelity and burglary insurance beg leave to submit herewith for your consideration a formal proposition by the National Surety Company, of New York, to appoint the secretary of this association its agent for the purpose of receiving and forwarding applications from members of the association for fidelity and burglary bonds.

The agency thus proposed provides for both fidelity and burglary bonds, and would go into effect at once on the approval of this association.

The terms of said proposed agency places no obligation directly or indirectly on this association, other than the obligation to ask its members to apply for fidelity and burglary bonds through the secretary of the association.

These applications, when received, are to be listed and forwarded to the company to be dealt with precisely as though the application had been made directly to said company. The company will pass upon each application on its merits, and handle the whole transaction in exactly the same manner that it would in case the application had reached it without the intervention of this association. If the application is approved the policy will be issued, sent directly to the assured and the premium collected by the bonding company. In the contract for insurance this association has no part and no responsibility. It ought, in good faith, to endeavor to send in the largest possible number of applications with the distinct understanding, both with the bonding company and its members, that its duties and obligations end with the mailing out by the secretary of the applications.

The proposition is practically the same one that was submitted to the convention one year ago, and provides that one-fourth of all premiums for fidelity bonds, and 30 per cent of all premiums for burglary bonds, shall be paid to this association.

The proposition in detail, with supplemental rate agreement attached, is herewith submitted; and we recommend that it be accepted and that the president and secretary be instructed so to indicate by signing. And we further recommend that one-half of the amount received by the association on each premium be, at the end of the fiscal year, repaid to the bank or banker from whence it originally came. All of which is respectfully submitted.

J. T. Brooks,
J. A. McKinney,
J. M. Dinwiddie,
Secretary.

The President: You have heard the report of the Committee, gentlemen, what will you do with it?

Mr. E. J. Curtin, of Decorah: I move that the report of the committee be received and accepted, and the President and Secretary be instructed to enter into the agreement provided for.

The motion was seconded, and, on being put to vote, was declared carried, and the report adopted.

The President: The secretary will read the time lock report of Mr. J. W. Loyer, of Newton.

The Secretary: I would like to ask if Mr. Loyer is in the audience. This was sent to the platform, I presume he is somewhere in the city, but am not certain about it. I was in hopes Mr. Loyer would be here, and that you could ask him such questions as you might wish, but he is somewhat quiet and modest in his way and does not want to appear before such a large crowd of gentlemen.

Tidings from the Time Lock Department of the Iowa Bankers Association

If my talk was confined to Horological work, before an association of watchmakers, I could drill along in a channel that could be understood, but as the talk is confined to bankers I hardly know where to begin, but you will understand me and don't think hard of me if I should bear down a little too hard, as I am going to the bottom on the time lock question.

In the first place, a banker, or his employes, should know their time lock. I will be safe in saying that about a third of the number of bankers in the state of Iowa do not understand or know the workings of their time locks. Just within the last month I found four time locks that were running, but the banker had no protection. They simply knew they were running, but they did not know that the time lock was of no use to them, simply because they are not acquainted with their locks. But this does not occur with the modern timer, nor does it occur with the old model Sargent & Greenleaf timer.

It is no fault of the time lock that these things happen. It is up to the person who locks up. I have been at banks at closing time and they get in a hurry to close up. They throw the door shut with a bound and you can hear it clear across the street.

I would like to say something about your combination locks. I am called on a great many times to do extra work. The combination is the most misused piece of mechanism in the bank. When you step up to your vault door in the morning to open up, you take hold of the combination dial. You give it four or five jerking whirrs, thinking you are throwing the tumblers in line, but you are not. You are simply throwing your tumblers out of line a little every time you do that. Your instructions that you get from the firm where you buy your safe state plainly that you must rotate your dial in a slow and easy manner.

While I am on this subject of combination I wish to speak of my experience with a certain bank in Iowa. I was working in one of the banks in Lyons, Iowa. I received a message to go to a town to open a vault door. When I

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W. K. CLEVERLEY, Ass't Cashier.

C. C. THOMPSON, Cashier.

J. H. DAVIS, Ass't Cashier.

was through with my job at Lyons I went direct to this place. When I got there I found that they had taken a Stilson wrench and twisted the dial off. That made it so bad for me that I could do nothing but destroy the lock. I opened them up and then returned to Clinton, Iowa, to finish my work in that section. In the meantime I had ordered a combination for these parties, and they put it on themselves to save the expense of my returning to put the lock on. Here is the peculiar part. My railroad fare, the new lock and my time only amounted to a little over \$18, and this is the answer to my letter and statement of account. Enclosed find draft for \$9 to pay for combination, as our locks were warranted to perform their duty, which they did not do, I do not think that we should pay you for your railroad fare or your work. Now this party seems to think when I cleaned his timer that every lock in the bank was warranted to perform their duty. My contract with the Iowa Bankers' Association has no such a clause in it. There is no firm or time lock company that will guarantee the best combination made, and when I fix up a combination, it is not guaranteed for any length of time, as they are misused, and that is why they cannot be guaranteed. I wish to say I returned the draft for \$9 and with it stated that I could not accept the draft as payment for the account, and told them I would have to report it to the executive board.

I am now starting in on my third year as time lock expert for the association. It is amusing to note the changes that have come about. On the 3rd. day of May, 1905, I started with 360 banks on my list. Out of that list I cleaned 182 timers. The other 178 bankers did not await my coming. Up to the end of the first year I worked the business up to 452. Up to my last report to the Secretary there were 852 banks; that is, members only. I have 43 banks that are not members of the Association.

Some of you will no doubt remember a remark that was made by an expert of an eastern time lock company, saying that it was impossible for an expert to be proficient on all makes of locks. It is amusing to note that this same man is now doing the same as I am doing. They will take any old lock and be glad to clean it. Not at the old price, mind you, but at a discount, provided they can get a five-year contract out of you.

I could talk along this point for hours and could bring out many interesting points, but most of the bankers have gotten letters from the eastern time lock companies. Some are interesting to read. They all point to the individual who is doing the work for the members of the association. I have lost a great deal of time stopping off at towns to do their work, and then get turned down, saying that their locks were giving good satisfaction and they do not care to have them cleaned this year.

As I said before, I could talk along this line all day. As time is short and you have a lot of business before the convention, in closing I will say, I have the best of feeling toward the bankers and members of the association, and for this department to be a success, I must have the support of the association, and I will say to those whom I have worked for that they need not worry about their time locks, as the guarantee is perpetual, and I will call on them in due time.

Thanking you for your kind attention, I am, yours truly
J. W. Loyer.

On motion the report on time locks was accepted and placed on file.

The President: Are there any resolutions to be offered at this time?

Secretary Dinwiddie: There has just one been sent up to me. It has been the custom heretofore to have resolutions handed in to be acted on by a committee on resolutions, such committee to put them in order to bring before the convention for action. And I believe tomorrow we have on the program an item, "Consideration of Resolution," and I would suggest that you appoint this committee and that any member having a resolution which they wish brought up for discussion, present it to the resolution committee to be brought before us to-morrow.

Mr. Hart of Council Bluffs: I move that all resolutions be referred to this committee without being read.

The motion was seconded and carried.

The President: I will appoint on the resolutions committee:

Mr. Homer A. Miller, of Des Moines.

Mr. J. Lyman Edwards, of Burlington.

Mr. C. H. McNider, of Mason City.

On the auditing committee I will appoint:

Mr. Carl M. Keck, of Washington.

Mr. J. H. McCord, of Spencer.

Mr. L. F. Potter, of Harlan.

We have with us today a man that has been identified with the public service for a great many years. He has been a member of the public land committee for sixteen years, and chairman of that committee for the last twelve years. I think possibly he is better posted on the work that committee has to do than any man in the United States. We are very fortunate in having him here to talk on this subject which is uppermost in the minds of many of our public citizens today. The subject of the address is, "The Public Domain." I take great pleasure in introducing to you Hon. John F. Lacey, of Oskaloosa, who will talk upon this subject. (Applause.)

Convention adjourned to Wednesday, June 19.

Wednesday Session--June 19, 1907

The convention was called to order at ten o'clock by the president, John J. Large, in the pavilion at Eagle Point Park.

The President: The first thing on the program this morning is reports from group chairmen. I will ask the chairman of each group, as we call his name, to come forward and make his report.

Report of Group No. 1

Group No. 1 consists of the counties of Cherokee, Ida, Lyon, Monroe, Osceola, O'Brien, Plymouth, Sac, Sioux and Woodbury. Within those counties are 163 banks, 126 of which are members of the state association.

The annual meeting of the group was held at Sioux City, May 7th. About eighty of the group membership were present besides a considerable number of guests from outside, representing financial institutions in Chicago, Des Moines, Cedar Rapids, Minneapolis and St. Paul. The meeting was interesting and enthusiastic throughout, and the members present were unanimous in reporting favorable business conditions. The prevailing thought seemed to be of easy times, present and future, and an abundance

WM. A. TILDEN,
President.

R. T. FORBES
Vice-President

GEO. M. BENEDICT,
Cashier.

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of funds, a number of the smaller institutions as well as the larger ones, having considerable investments in commercial paper.

T. A. Black gave welcome to the visiting bankers, and M. D. Gibbs, of Alton, responded in a short, spicy talk for the guests. These addresses were followed by interesting papers by L. F. Parker of Cherokee, on "The Bank Director;" G. A. Nelson, of the Iowa National Bank, Des Moines, on "Currency;" F. E. Holton, of North West National Bank, Minneapolis, on "Bank Protection;" Geo. B. Irick, of Des Moines, on the "American Institute of Bank Clerks;" Geo. Sinclair, of Sioux City, on "Auxiliary Savings Banks;" H. M. Whinery, of Century Savings Bank, Des Moines, on "Methods of Procuring Business." That part of the program reserved for general discussion was principally taken up by the subject of exemption of the capital of state banks equal to the amount of United States bonds owned by such bank. C. T. Cole, of Des Moines and C. T. Tupper, of Worthington, Minn., gave short talks on the subject.

In the evening the bankers were tendered a fine banquet by the Sioux City Clearing House Association.

Hon. E. W. Caldwell, former mayor of Sioux City, and prince of entertainers, was toastmaster, and the responses were all unusually fine.

The group meeting, as a whole, was one of the most successful we have had. The officers elected for the ensuing year are: F. B. Parker, of Rock Rapids, chairman, and L. F. Parker, of Cherokee, secretary.

Alfred Morton, Chairman.

Report of Group No. 2

Mr. President:—I would report that Group No. 2 held its annual meeting on May 24th at Storm Lake. In spite of very inclement weather there was a good attendance, about seventy-five bankers being present, and the meeting was, I believe, found to be both pleasant and profitable. The bankers of Buena Vista, than whom there cannot be found any better fellows or more progressive bankers, were our hosts in a social way and the group officers must credit them principally for the work and forethought which made the meeting a success. The group was called to order at two o'clock p. m. and was made welcome by Hon. T. C. Chapman of Storm Lake, to whom C. T. Chubb of Algona responded. Mr. Wilfred P. Jones, National Bank Examiner, addressed us on the subject of "Observations of a Bank Examiner." Mr. Ackley Hubbard of Sioux City gave us one of his interesting talks, his line of argument being the need of "Plan and Forethought in Banking," and Mr. John Fletcher of Chicago made an address on "Qualities and Qualifications of the Banker," which contained much of both wisdom and entertainment. One of the principal speakers of the afternoon was to have been Senator Joe Allen of Pocahontas, who has his own ideas on "Currency Regulation." Senator Allen was in attendance but to our great regret he was found to be in the grip of such a severe cold that he was unable to make his address.

The cold and rainy day was the cause of another disappointment, as it prevented our accepting the invitation of the local bankers to inspect the town and neighboring scenery by automobile and steamer, but being shut in by the inclement weather the afternoon session was prolonged and was spent in general discussion of various sub-

jects, the principal one being the subject of commercial paper. Various opinions were expressed by bankers present on the questions:

"Is it sound banking to loan to a firm which sells its paper broadcast on the market?"

"Is the success which these commercial houses are having in borrowing so largely from the country banks all over the United States by correspondence through brokers, and by advertisement a sign of a dangerous expansion of credit?"

"Admitting that a great majority of commercial paper is good, is an Iowa banker justified in loaning an amount equal to his capital among ten firms scattered from New York to Texas on their notes of hand without collateral?"

"Can he know enough about these firms even on the assurance of his broker, the advices of Bradstreet and the opinion of his city correspondent to justify him in loaning his depositors funds on this security?"

Open discussion of various questions of interest to bankers was resumed after supper at the round table session. Mr. John P. Kirby of Estherville had the round table in charge this year and made it an interesting meeting. Many questions of practical interest were suggested and discussed, theories presented, attacked and defended and a number of legal points brought out which were new to many and of interest to all. Group No. 2 is a firm believer in the advantages of open and general discussions of the various problems and questions of policy that constantly arise to perplex us and we thought that our meeting this year was unusually interesting along this line. We were fortunate in having with us the National Bank Examiner, Wilfred P. Jones, and H. M. Cormany, examiner of state and savings banks, who were called on frequently for information and advice. Mr. James F. Toy was also in attendance and the opportunity afforded us to listen to the experience and advice of such an aggressive, experienced and successful banker was one of the most appreciated privileges of the meeting.

The banquet tendered us in the evening was, of course, a season of refreshment and pleasure. We left it with new stories, new ideas, firm in conviction that it is a good world and that we must to bed at once if we accomplished any sleep before sunrise.

Officers elected for the ensuing year are, C. T. Chubb of Algona, chairman, and Wm. E. Kyler of LuVerne, secretary.

I would report that the bankers in our group are, I believe, taking a larger interest in their group meetings and in the state association, that the past year has been successful and profitable and that banking conditions were never brighter in northwestern Iowa than at present.

Respectfully submitted,

J. H. McCord, Chairman.

Report of Group No. 3

Group No. 3 held its meeting at Charles City, Iowa, on the 28th of May, 1907. There were about eighty bankers who registered at the meeting. The business meeting was called to order by C. D. Ellis, chairman of the group, at two o'clock in the afternoon. There was a general discussion participated in by many of those present. There had been no program arranged, but the talks were from members and others present in an informal manner, and

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the discussions seemed to be interesting and profitable to those present.

The officers elected for the ensuing year were: President, F. M. Hanson, president of the First National Bank of Garner, Iowa; secretary, Karl J. Johnson, cashier of the Farmers National Bank of Osage, Iowa.

At the conclusion of this afternoon meeting the members were taken in automobiles and shown the things of interest in and about the city.

At 6:30 a banquet was given at the Ellis Auditorium, at which about 140 ladies and gentlemen were present. Hon. C. H. Kelley acted as toastmaster, and an interesting program, consisting of short responses to toasts, music, readings, etc., was carried out. After the conclusion of these exercises the time was spent until after midnight in a social way, and all seemed to have a good time.

We have added five new members to the association this year.

C. D. Ellis, Chairman.

Report of Group No. 4

President and Members of the Iowa Bankers Association:

Gentlemen:—Group Four held its regular meeting at Decorah on June 5th. The meeting was attended by about sixty representative bankers and subjects of general interest to the profession were discussed. There were no long speeches and the meeting was very informal. Several successful Iowa bankers gave short talks, and no little enthusiasm was raised in the discussions that followed.

The meetings of Group Four have always been informal and we think the results are very satisfactory.

In our section of the country crops are quite backward, and it will take a lot of good weather to put them even with previous years. However, we are not apprehensive and trust that the prosperity of the past few years will continue. Thanking you, I am,

Yours,

E. J. Curtin, Chairman.

Report of Group No. 5

Group No. 5 held its annual meeting in the parlors of the Grand Hotel, at Council Bluffs, Iowa, on Thursday, May 16, 1907.

There were about seventy members and visitors in attendance, and a very pleasant time was enjoyed by all. The address of welcome was given by Senator C. G. Saunders and was responded to by J. T. Brooks. Congressman Walter I. Smith then addressed the meeting, taking for his topic, "Recent Legislation in Congress." He explained some of the financial legislation of the last Congress and his talk was very interesting, as well as instructive.

We were then addressed by Hon. L. T. Genung of Glenwood, on "Bankers as Viewed by the Legal Fraternity." His address was very interesting and enjoyed by all. The minutes of the last meeting were then read and the secretary also reported the addition of nine members to our group during the past year.

We next enjoyed an informal talk by Mr. Luther Drake, of the Merchants National Bank of Omaha.

The election of officers was then taken up and the following were elected for the ensuing year: Chairman,

J. F. Lake, cashier of the Commercial Savings Bank of Shenandoah; secretary, Jas. Hunter, cashier of the German American Bank of Minden. The following were named as members of the executive committee: E. E. Hart, Aug. Beresheim and C. E. Price of Council Bluffs, L. F. Potter of Harlan and S. J. Patterson of Dunlap.

E. E. Hart suggested making an effort to secure legislation favorable to organizing trust companies, with power to act as administrators, trustees, guardians, etc., and made a motion that Group No. 5 bring the matter before the State Association at their next meeting.

The motion carried unanimously.

We then listened to some short talks by J. S. Dewell of Missouri Valley, Bank Examiner H. M. Cormany and others. The meeting was then opened for general discussion and several topics were brought up and discussed.

The program being completed, we adjourned to the cafe of the Grand Hotel where we were served with a banquet, after which the members renewed old acquaintances and passed the time pleasantly till time for departure.

Respectfully,

L. D. Goodrich, Chairman.

Report of Group No. 6

J. M. Dinwiddie, Secretary,
Iowa Bankers' Association.

Dear Sir:—According to the Iowa Bankers' Association report of 1906, there are 230 banks in Group 6, and according to the same authority 160 of them are members of the State Association and only seventy are delinquent in that respect.

We have gained but very few members during the past year and I am of the opinion that the reason therefor is largely due to the inefficiency of the writer whose term of office fortunately expires with this meeting.

By courtesy of the Des Moines Bankers' Club the members of Group 6 were entertained by them in Des Moines on evening of May 15th, a majority of the members attending. Interesting and instructive addresses were delivered by Messrs. Henry and Harvison of Des Moines, and short talks of interest to the fraternity were made by others, including Mr. J. M. Dinwiddie, secretary of the state association.

S. M. Leach of Adel was elected chairman of the group and John W. Foster of Guthrie Center, secretary of it for the ensuing year.

The counties of this group are: Boone, Dallas, Greene, Guthrie, Jasper, Marion, Marshall, Madison, Polk, Poweshiek, Story and Warren—the banner counties of the state.

Respectfully submitted,

S. M. Leach, Secretary.

Report of Group No. 7

Group No. 7 of the Iowa Bankers' Association, comprising the counties of Blackhawk, Bremer, Benton, Buchanan, Grundy, Iowa, Johnson, Linn and Tama, met at Cedar Rapids, May 9th.

There were in attendance about one hundred. The visitors were the guests of the Associated Banks of Cedar Rapids at an elegant noon luncheon. The business session was held from one o'clock p. m. to three o'clock p. m., in

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the auditorium of the new library building. Local talent furnished a fine male quartet, which gave a pleasing variety to the program.

Mr. J. W. Bowdish, cashier of the American Trust and Savings Bank of Cedar Rapids, read a very interesting paper on mortgage loans. This paper, it would seem to me, might with profit be printed by this association for gratuitous distribution.

State Bank Examiner D. H. McKee gave a valuable paper on Bank Examinations, which was received with much enthusiasm.

The spicy talk by Professor Wilcox of the State University, on the banking business, added very much to the pleasure of the session and gave him a stronger hold on the members of Group 7—this being his second appearance at our group meeting.

President John J. Large made some very timely remarks on the Time Lock question, convincing any "doubting Thomas" that the association plan is safe, sane, and a great saving over any other.

Mr. P. A. Korak, cashier of the Iowa City State Bank of Iowa City, was elected chairman and Charles A. Blossom, president of the Citizens National Bank of Belle Plaine, was elected secretary of the group for the ensuing year.

Following the business session the bankers were invited to witness a game of ball between Cedar Rapids and Clinton. The game was of the intense variety and was won by Clinton, much to the delight of Charley Mills.

An adding machine contest in the evening closed a very interesting and successful meeting.

R. B. Raines, Chairman.

Meeting of Group No. 8

Group 8 comprises the counties of Clinton, Jackson, Scott, Cedar, Muscatine and Jones. This your twenty-first annual convention is therefore in our Group and representing it, it is a pleasure on behalf of the bankers of this Group outside of this city to supplement the welcome that has been given by the good Clinton people. The bankers generally of the Group will, I am sure, charge me with the pleasant duty of voicing emphatically their unanimous endorsement of all good things that have been or may be said of Clinton, its citizens, its banks and its bankers. We speak from experience of their cordiality and good fellowship. Much more could be said in their praise, but being a part of her, modesty forbids.

Group 8 has had one of the best, if not the best, years in its history. Fine crops, high prices, active demand for all labor at increased wage, substantial dividends on all investments and general thrift, happiness and prosperity. No bank failures. A number of new banks and all members of our state association. The only complaint we have to register now is against the weather man. Something certainly went wrong in his department this spring. There is still time, however, for him to mend his ways, so we will not be too harsh in our fault finding.

Our meeting this year was held at Muscatine, May 8th, and was a pleasant, profitable getting together. The banker friends there entertained most handsomely and in a way to make us all long remember the most southern

city of our Group. It is a good one. They seemed as glad to have us as we were pleased to be there and we are sure to go again.

At this meeting Mr. A. C. Smith, cashier of the City National Bank of Clinton, was elected group chairman. He has been secretary of the group for several years and the promotion was well deserved.

Mr. Geo. E. Bartholomew succeeded Mr. Smith as secretary. He is vice-president of the First National Bank of Preston, has been a staunch supporter of the state association and an active group member. To the bankers of his group he needs no introduction and to others in the state he will soon become much better known.

The retiring chairman feels that it is but fitting for him at this time to express his heartfelt thanks for the support, kindness and courtesy which has invariably been given him by the bankers of the Group during his three years of service. The thoughts of these things add a charm to life and a recollection never to be forgotten.

H. M. Carpenter, Chairman.

Meeting of Group No. 9

Group Nine, which comprises nine counties in the southwestern section of the state, held its annual meeting on May 16th, with the bankers of Osceola, and we report a successful and interesting gathering. The committee in charge had very thoughtfully picked out the only real spring day in the merry month of May for our meeting date, and this contributed materially to our enjoyment.

There are ninety-eight banks in this group, of which seventy are members of the association, five being added this year. About fifty were registered at the meeting, including three from Chicago, one from St. Louis, one from Cedar Rapids, and four from Des Moines.

Conditions throughout the district were uniformly reported as highly favorable and business prosperous. In spite of this, we bear the stigma of two bad failures in the last twelvemonth. One of these is the well-known Seymour failure, where the deposits shown on the books did not foot up as much as those not recorded; and where a shortage of some \$225,000 has developed in the affairs of a bank whose admitted resources were but little larger. This bank would seem to hold the record in this line, and the outcome cannot yet be told. The other, at Clearfield, Taylor county, was almost as loose in methods, but a smaller affair and latest reports are that arrangements have been made for paying all depositors' claims in full.

Our program included a helpful and practical address by J. H. Cameron, vice-president Hamilton National Bank, Chicago, on "City Banks and Country Bankers;" also a thoughtful paper on "Credit Currency" by Mr. Arthur Reynolds, president Des Moines National Bank. In addition, a number of banking points brought out by our "question box" were discussed by those present. In the way of practical benefits, a resolution was adopted regarding collections, stating it to be the sense of the bankers present that a reasonable charge on sight drafts was twenty-five cents each; and on notes, 1 per cent on amounts up to \$200 and one-half per cent on the excess. Also a resolution adopting a system of collecting information through the group sec-

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Deposits - - - - - 3,000,000

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J. A. LATTA, Vice-President

E. L. MATTSO, Cashier

A. V. OSTROM, Ass't Cashier

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retary where it was thought a man was borrowing from a number of neighboring banks.

The entertainment features included carriage rides, an elegant supper, followed by a smoker and musical program, in which features the Osceola bankers proved themselves most royal hosts.

All the former officers of the group were re-elected, and we are to meet next year at Chariton.

F. D. Ball, Chairman.

Report of Group No. 10

Group ten is situated in the south three tiers of counties, and just far enough back from the river counties on the eastern border of the state to prevent our drinking water from becoming contaminated.

We have seven counties, with one hundred three banks, four-fifths of which are members of this association. One year ago we had ninety-seven banks. During the year seven new ones have been organized, and one has been closed through consolidation.

Our interests are largely agricultural though both Ottumwa and Oskaloosa are commercial and manufacturing centers of which any section of the state might well be proud. In comparison with other groups, we claim honors on a number of points:

Ottumwa boasts the largest packing house industry in the state. The counties of Monroe, Appanoose, Wapello and Mahaska comprise the greatest coal producing district. Barring Polk and Woodbury with their large commercial centers and the county of Kossuth with a territorial area only equaled by the state of Texas, Keokuk county leads in number of banks. Oskaloosa surpasses in fine banking equipment. Many banks in the state occupy much more spacious quarters, which are handsomely and richly furnished, but we know of none that can eclipse Oskaloosa in elegance of finish, furniture, and general equipment.

The year just closing has been a favorable one with us. Deposits have generally increased, and the demand for loans has been fairly active most of the time. In about one-half of our territory the interest rate on deposits is 3 per cent, in the other half it is four, with a few scattering banks paying 5. Both the 4 per cent and the 5 per cent banks make the claim that these rates are too high and plead the pressure of competition in justification of the rates which they are paying. Our loaning rate has probably averaged close to 7 per cent. During the year and for several years last past, we have had no failures. But the seriously unfortunate and aggravatingly reprehensible affair over at Seymour was close up against our southwest border, and in a neighborhood where a high rate of interest on deposits has been too prevalent.

Our annual group meeting was held in the city of Oskaloosa on May 2d. The meeting was well attended, and the interest shown in the work by those present was all that could be desired. We had two sessions; the afternoon was devoted to "talking shop" and routing business. The discussions were freely and generally entered into by those present. The following officers were elected for the coming year:

Chairman, J. T. Brooks, First National Bank, Hedrick; secretary-treasurer, L. E. Stevens, Ottumwa National, Ottumwa; executive committee: J. R. Mackey, First National, Sigourney; C. E. Lofland, Oskaloosa National, Oskaloosa; L. T. Richmond, First National, Albia; S. F. McConnell, Taylor Bank, Bloomfield; E. L. Stickney, First National, Moulton.

At the evening session, for which everyone remained, Congressman John F. Lacey delivered an address on "Asset Currency." The speech was able and interesting, and it was closely listened to by the audience. Then State Auditor Carroll talked for half an hour in his clear and comprehensive style on banking interests in general. At the close of these addresses, those in attendance were most delightfully entertained with music, and a light banquet. For these meetings, and the after-entertainment, the commodious and admirably appointed rooms of the Elks were thrown open for our use. And this fact added very much to the conveniences and pleasures of the convention, and very materially aided in the successful conduct of the meeting.

Our group secretary, Mr. L. E. Stevens, of the Ottumwa National, is entitled to great credit for his active and efficient work in behalf of the association. He has set his heart on the task of bringing every bank in the group into the fold. Certain local conditions, which are believed to be not insurmountable, have so far stood in the way of this very praiseworthy ambition. We hope to come to the convention next year with every bank checked off the non-member list.

J. T. Brooks, Chairman.

Report of Group No. 11

The tenth annual meeting of Group 11, Iowa Bankers' Association, was held in the Commercial Exchange rooms at Burlington, Iowa, February 22, 1907, with an attendance of eighty-five bankers.

The meeting was called to order by Chairman Woods M. Irwin, of Danville, Iowa. Mr. Carl M. Keck, of Washington, Iowa, read a very interesting and instructive paper on "Bills of Lading," which was listened to with close attention, and drew forth considerable discussion.

At the afternoon session, Mr. Victor H. Shields, of New London, Iowa, opened the discussion on "Current Interest Rates," which led to the general discussion of the subject by the bankers present.

The Group had the pleasure of entertaining a number of visitors representing banks in Chicago, St. Louis, Cedar Rapids, Galesburg and Monmouth. Immediately after the conclusion of the program, the election of officers for the ensuing year took place with the following results:

J. A. Dunlap, cashier Keokuk National Bank, Keokuk, Iowa, chairman; Victor H. Shields, cashier First National Bank, New London, Iowa, secretary. Members of the executive committee: F. A. Morgan, Olds, Iowa; C. W. Riggs, Libertyville, Iowa; C. E. Stoeckle, Ft. Madison, Iowa; R. L. Rickards, Cotter, Iowa, and M. E. Bridewell, Mediapolis, Iowa.

After extending a vote of thanks to the Burlington

bankers for their hospitality, the meeting adjourned.
W. M. Irwin, Chairman.

Secretary Dinwiddie: I will say that in checking over the group reports, we find they had a total attendance of eight hundred, a very good attendance.

The President: This finishes the group reports and we will now have the report of the committee on resolutions, Homer A. Miller, chairman, Des Moines.

Report of Committee on Resolutions

Resolved, by the Iowa Bankers Association in convention assembled, that we express our appreciation of and tender our sincere thanks to the bankers of Clinton and Lyons, the press and citizens for their kindness and hospitality while in their midst. Everything that could be done to make our stay pleasant has been cheerfully done and the success of this convention is largely due to the efforts of the people locally.

Resolved, that we acknowledge the efficient and zealous labors of our officers and commend the results of their efforts.

Resolved, that this association heartily commends the position taken by the American Bankers' Association in the action about to be instituted against the express companies to define their powers and test their rights to do a banking business, and that the secretary forward a copy of this resolution to the officers of the American Bankers' Association.

Resolved, that we respectfully petition the Iowa legislature to enact laws for the proper and adequate regulation, control and operation of trust companies, and to confer upon said trust companies and banks the powers ordinarily exercised by trust companies in other states, including the right to administer estates and execute trusts.

Resolved, that we also petition the Iowa legislature to enact a law whereby the public statements of banks under state control shall be made to conform as nearly as possible to the form of published statement required of national banks.

Resolved, that it is the sense of this association that the present bankrupt law has served the purpose for which it was enacted and that it should be now repealed and that our senators and representatives in congress be urged to use their influence to this end.

Resolved, that we rejoice at the evidences of prosperity everywhere present. We point with pride to more than \$400,000,000 now on deposit in the banks of Iowa. The aggregate value of the agricultural wealth of Iowa annually exceeds that of any other state in the Union. Our excellent schools and colleges are substantial proof of the faith of our people in the source of popular education.

A great majority of the people of Iowa own their own homes. Iowa's fertile fields, natural resources and growing industries auger well for the future prosperity and greatness of the peerless commonwealth of Iowa.

Homer A. Miller,
J. Lyman Edwards,
C. H. McNider,
Committee.

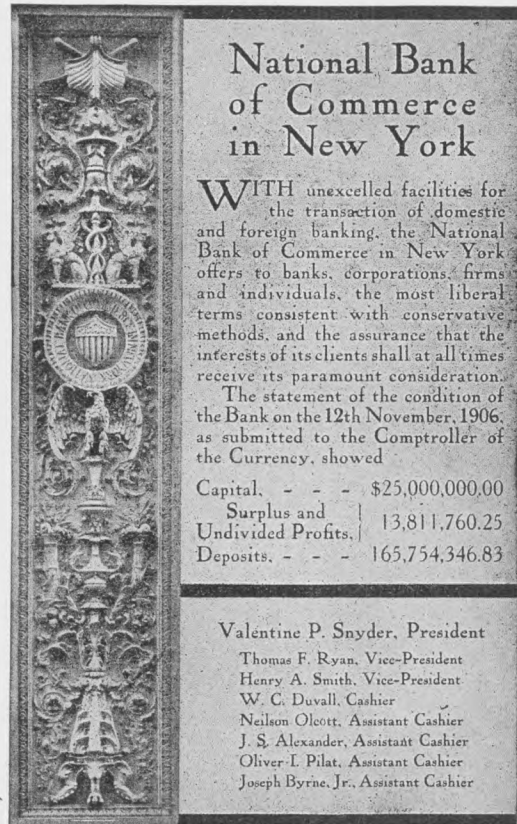
Mr. Miller: I offer the resolutions and move their adoption.

The motion was seconded, and on being put to vote of the convention was carried without discussion.

The President: Mr. Clement Chase, of Omaha, wishes to say a few words.

Mr. Chase: Mr. President and Gentlemen: The Nebraska Bankers' Association met last Thursday in Omaha, and a resolution was prepared there of greeting to the Iowa Bankers' Association, coupled with a warm invitation to have you visit the meeting which was set for October 17th in Omaha. An important and somewhat acrimonious debate sprang up concerning a matter of business, concerning which you will perhaps hear later, but on the authority of the secretary, Mr. William Hughes, of Omaha, I take the liberty of extending to you verbally and informally a very warm invitation to any who are interested to visit Omaha on that occasion. It seems to me that the present social relations which have always existed between the two states might perhaps be augmented by a little stronger and larger business relations and visits back and forth of that sort would have that tendency and aim.

The President. The matter we will consider is invita-



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Capital	- - -	\$25,000,000.00
Surplus and Undivided Profits		13,811,760.25
Deposits	- - -	165,754,346.83

Valentine P. Snyder, President
 Thomas F. Ryan, Vice-President
 Henry A. Smith, Vice-President
 W. C. Duvall, Cashier
 Neilson Olcott, Assistant Cashier
 J. S. Alexander, Assistant Cashier
 Oliver I. Pilat, Assistant Cashier
 Joseph Byrne, Jr., Assistant Cashier

The
Chase National Bank
Of the City of New York.



UNITED STATES DEPOSITORY
CLEARING HOUSE BUILDING
January 26, 1907

CAPITAL	\$ 5,000,000
SURPLUS AND PROFITS, (earned)	4,600,000
DEPOSITS	72,000,000

A. B. HEPBURN, Pres.
 E. J. STALKER, Cashier.
 S. H. MILLER, Ass't Cashier.
 W. E. PURDY, Assistant Cashier

A. H. WIGGIN, Vice-Pres.
 C. C. SLADE, Ass't Cashier.
 E. A. LEE, Ass't Cash.

DIRECTORS
 HENRY W. CANNON, CHN.
 GEORGE F. BAKER.
 OLIVER H. PAYNE.
 GRANT B. SCHLEY.
 JAMES J. HILL.
 A. BARTON HEPBURN.
 JOHN I. WATERBURY.
 ALBERT H. WIGGIN.
 GEORGE F. BAKER, JR.

The Hamilton National Bank of Chicago.

Capital, \$500,000

Surplus, \$125,000

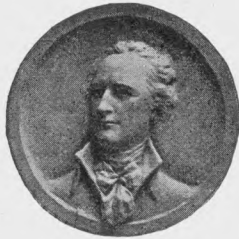
Officers:

CHARLES B. PIKE.

President

J. H. CAMERON.

Vice-Pres.



Officers:

HENRY MEYER.

Cashier.

GEO. H. WILSON.

Ass't Cash.

DIRECTORS.

F. A. Delano, President Wabash Railroad Company.
Wallace Heckman, Business Manager, Chicago University.
Charles L. Bartlett, Mgr. Proctor & Gamble Distributing Co.
T. A. Shaw, Jr., of T. A. Shaw & Co.
A. A. Sprague, 2d, of Sprague, Warner & Co.
Louis E. Laffin, Manager Estate of Matthew Laffin.
Charles B. Pike, President.
J. H. Cameron, Vice-President.
Henry Meyer, Cashier.
C. J. Eldredge of Merrill & Eldredge, Com. Merchants.
Frank Cuneo, of Garibaldi & Cuneo.
Edmund A. Russell, Otis Elevator Co.
W. C. Brown, Vice-Pres. New York Central Lines.
John F. Wallace, President of the Electric Properties Company.

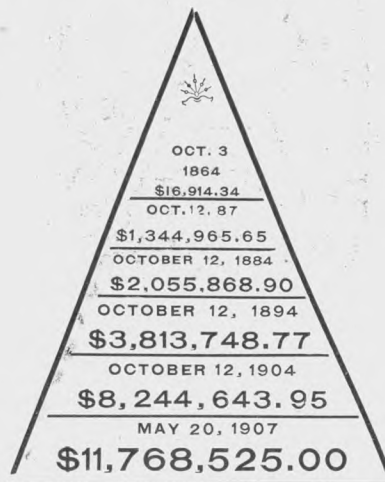
We Study the Requirements of the Banks in the Northwest and Endeavor to Meet Them in Every Reasonable Way.

First National Bank

OMAHA, NEB.
CAPITAL-SURPLUS-UNDIVIDED-PROFITS
\$1,000,000

The First Bank in Nebraska. The First National Bank in Nebraska
The First Bank in Nebraska to Exceed \$11,000,000 Deposits
C. T. KOUNTZE, Pres.
F. H. DAVIS, Vice-Pres. L. L. KOUNTZE, Cashier

DEPOSITS



Depository of the U. S., State of Nebraska. County of Douglas. City of Omaha.

KOUNTZE BROS. FOREIGN CIRCULAR LETTER OF CREDIT.

Liberal in Policy, Conservative in Management, We make a Speciality of accounts, of Banks and Bankers. Exceptional Facilities for making Collections Throughout the West.

tions for the next meeting of the association. Mr. Dinwiddie will read one from Des Moines.

Mr. Dinwiddie: Previous to reading this I will say that agreeable to your instructions, the officers of every association in the United States and also in Canada were invited to be present on this occasion. I had a number of letters from presidents of associations agreeing to be here. They have missed connections and did not reach us. Mr. Greene telegraphed us from Tallula, Ill., as follows: "J. M. Dinwiddie, Sec'y Iowa Bankers' Association, Clinton, Iowa.

"Greetings and best wishes for your grand convention. Impossible to be present, for which I am truly sorry.

Nelson H. Greene,
Pres. Illinois Bankers, Ass'n.

I also have a letter from the North Dakota Association as follows:

"Grafton, N. D., June 16, 1907.

"Towa Bankers' Association, Clinton-Lyons, Iowa.

"Gentlemen: Your kind invitation to attend your annual convention to be held on the 18th and 19th inst. is received. I regret that the conditions are such that I will be unable to attend, for I believe your deliberations will be both interesting and instructing, especially to bankers in our young and growing state.

"In behalf of the Bankers' Association of North Dakota, I send you kindly greetings and best wishes for a successful business and social convention. Fraternal yours,

J. L. Cashel,
Pres. N. D. Bankers' Ass'n."

The letter of invitation from Des Moines reads as follows:

"Des Moines, Iowa, June 12, 1907.

"To the Officers and Members of the State Bankers' Association in Convention Assembled, Clinton, Iowa:

"Gentlemen: The Commercial Club of Des Moines sends hearty greetings and congratulations to the members of the State Bankers' Association who have gathered together in Clinton for the purpose of holding their annual convention. It is now two years since you met in Des Moines, and will be three on the date of your 1908 gathering, so we are very hopeful that you will select the capital city for your next year's meeting. We will be very proud to welcome and assist in the entertainment of your important convention. We tender you the very best we have, together with very cordial assurance that nothing will be left undone to add to your comfort and well-being while in Des Moines.

"Wishing for this year's conference the pronounced success which has attended previous meetings and expressing the hope that we may have the honor and privilege of welcoming you in 1908, to Greater Des Moines, we are, yours most cordially,

The Commercial Club,
Milo Ward, Secretary."

The President: Sioux City has an offer and we will hear from Mr. W. P. Manley, of Sioux City.

Mr. Manley: Mr. President and Gentlemen: On behalf of the Sioux City Clearing House Association, on behalf of the Sioux City Commercial Club and her citizens, and on behalf of Group No. 1, said to be the largest and most prosperous in our state and on behalf of the bankers of northwestern Iowa, I invite you to meet in convention next year in Sioux City. This convention has not been in Sioux City since 1891, and I think has held but two meetings in the western part of the state. We think Sioux City should have the convention every seventeen years. We promise that we will leave nothing undone to make your meeting pleasant and profitable.

The President: Is there any other city in Iowa that wants this distinguished body of citizens to meet there. If not I will suggest that all who are in favor of Des Moines will please stand up.

There was no response.

All in favor of Sioux City please stand up.

Most of the delegates present arose and amid applause the chair declared Sioux City to be chosen as the meeting place of the next annual convention.

The President: We will now listen to an address on "Recent Decisions Concerning Uses of Government Bonds by State and Savings Banks," also "Common Sense in Assessment and in Court Decisions," by a lawyer and a

SELECT ANY ONE DEPARTMENT

OF YOUR BANK IN WHICH YOU WOULD LIKE TO REDUCE THE CLERICAL WORK—WRITE US ABOUT IT

TIME AND LABOR-SAVING

ACCOUNTING SYSTEMS OFR
BANKS OUR SPECIALTY



REMEMBER:

A Device is not a System, but
the Proper Device when
Properly Used Becomes an Important Factor
in a System.

NEW YORK **BAKER-VAWTER COMPANY** CHICAGO
350 BROADWAY JONES PERPETUAL LEDGER COMPANY TRIBUNE BUILDING

BANK AND TRUST COMPANY ACCOUNTING RECORDS FOR ALL DEPARTMENTS

banker, Mr. W. G. Harvison, president of the Century Savings Bank of Des Moines. (Applause.)

Mr. Harvison: Mr. President and Gentlemen of the Iowa Bankers' Association: A few days ago a polite invitation was extended to me through the officers of this association to speak to you upon this occasion upon the subjects assigned me. I accepted the invitation. At that time I supposed I would come here and give you an offhand talk on the subjects assigned me and that that would fill my engagement. Soon after the acceptance of the invitation I commenced to receive notifications that a copy of my address would be accepted and was much to be desired by some of the publications of the country. I was in a dilemma. Just how I could give to these publications a copy of an extemporaneous address bothered me. The result is that for the first time in my life I am about to deliver an extemporaneous address from manuscript. Whether this experiment will prove to be a success, I am unable now to tell you.

Address of W. G. Harvison, President Century Savings Bank, Des Moines

Mr. President, and Gentlemen of the Iowa Bankers' Association:

A meeting of Group Six of this association was held at the city of Des Moines a short time since. At that meeting reference was made to the recent decision of the Supreme Court of the United States, handed down April 22d, of this year, and having to do with the subject of taxation of government bonds, owned by the state banks of the state. I make direct reference to the case of the Home Savings Bank against the city of Des Moines, in which it was the privilege of our firm to represent the bank. After the completion of the regular program, the president of that group, Mr. A. C. Miller, who is the cashier of the Home Savings Bank, and has been since its organization, called upon me for some suggestions with reference to the case. I assume this is what lead to my presence here in this capacity today.

In discussing the subject or subjects assigned me, I am disposed to use plain and straight language. It is not my purpose to be wanting in the slightest degree in that respect, for, and deference to the opinions of our courts that should characterize every good citizen. At the same time, I am constrained to say that while the decision of a court may settle the controversy in the particular case in which it is pronounced, and while it is entitled to be implicitly obeyed, without question, so long as the law declared thereby remains unchanged, yet it is the right, and I may say it is the duty of every citizen, particularly the lawyer, to subject the decision to the light of analysis, both on principle and authority, and if the decision seems to fail to effectuate justice, if it seems to be contrary to principle, which is but another word for common sense, then it should be challenged, respectfully, of course, until a change is obtained in the law, either by a reversal of the decision, or by the enactment of a statute announcing a different rule. If this be not true, courts would have no opportunity to reverse erroneous opinions. For a signal

illustration of this thought, reference is made to Elliott vs. Capital City State Bank, 128 Iowa, 275, squarely overruling Mereness vs. First National Bank, 112 Iowa, 11. Bankers and lawyers will find both cases interesting reading.

Our American courts are presided over by judges, the equal at least of any in the past in learning and in fidelity to duty. This statement is a left-handed compliment to present judges. With the assistance of the experiences of the past, they ought to excel their predecessors. The procedure of our courts, generally speaking, is the best known method of settling disputes between litigants; courts and lawyers are the safeguards of our civilization; abolish them, and leave every man free to redress every wrong done him as his will dictates is to revert to barbarism and anarchy; and yet, I am persuaded, after an experience of now almost thirty years, in the active practice of the profession, that the chief end of a law suit is to settle the dispute in the instant case, and that in so doing, justice and principle are sometimes overlooked.

Constitutional Prohibition: In discussing the subject of taxation of government bonds, we start with the fundamental proposition that such bonds are exempt from taxation, either directly or indirectly, at the hands of the states, except in so far as congress may have expressly authorized the same. There seems to be an opinion quite prevalent among lawyers, including many judges, that there is a provision of the federal constitution which prohibits the taxation of government bonds. Nothing can be found therein upon which an express prohibition can be predicated. There is no implied prohibition found therein, except as the constitution is construed by the Supreme Court of the United States.

In the first case which came before the United States Supreme Court, involving the taxation by a state of a branch of the United States Bank situated in the state of Maryland, Mr. Chief Justice Marshall stated that there was no express provision in the United States Constitution on the subject of such state taxation (*McCulloch vs. Maryland*, 4 Wheat. 316, 4 Law 579); nevertheless, taxation by the state of the United States Bank was held to be prohibited, upon principles deduced from the United States Constitution.

These principles are not difficult to understand. The government established by that constitution, that is, the United States Government, was intended to exist in harmony with the several state governments, and the powers of the two sets of governments must be construed accordingly so that one government would have no right to interfere with or destroy the other government.

It has therefore been held that a state cannot tax the property, powers, operations, or instrumentalities of the United States, or the franchises granted or securities or bonds issued by the United States; and the United States was equally prohibited from imposing any similar tax against the state.

But it has been repeatedly decided that this kind of taxation cannot be imposed by the state without the permission of congress, but that with the permission of congress, it might be imposed. In other words, the prohibi-

tion against such taxation, by the state, was subject to legislative control, by congress.

There has never been any decision, nor even a suggestion, prior to the Home Savings Bank case, that the securities or bonds of the United States stood upon a different footing, in any respect, from the powers, operations, instrumentalities, etc., of the United States, held to be entitled to this constitutional immunity from state taxation. The point is merely suggested in that opinion, and remains open for decision when properly presented, after full argument, before the United States Supreme Court.

The statement that there is no prohibition, either express or implied, in the federal constitution against the taxation of government bonds, may be met with strenuous objection. However, let us consider in a common sense

state or territory." (See Chap. 281, Sup. to R. S. U. S. 1892-1901.)

The point is that a green-back, being a non-interest bearing government bond, payable on demand, was made the subject of taxation by the states by the act to which I have referred. Now, if there were any constitutional prohibition of the taxation of government bonds, then this statute must be unconstitutional. Congress can enact no statute contrary to the federal constitution which by its own terms is made (Article 6; Section 2) "the supreme law of the land," I have never known a lawyer who questioned, or a court which decided, that this Act of 1894 is unconstitutional. It must follow then, logically, and as certainly as daylight follows darkness, that the subject of taxation of government bonds rests entirely within the power of con-



D. H. McKEE
Pres. Citizens State Bank, Mediapolis, Iowa

D. H. McKee, Mediapolis

We are glad to present to the readers of The Northwestern Banker, the above fine portrait of Mr. McKee. We feel especially proud of him, owing to the fact that he is an Iowa product. He was born in Washington county so many years ago that he positively refuses to give the date, and this in spite of the fact that he is still young. He entered the Washington National Bank in 1888 as a clerk, remained there six years, and upon the organization of the Citizens State Bank of Mediapolis, became its cashier, and later, and up to the present time, its president.

In 1900 he organized the Danville State Savings Bank, of Danville, Iowa, of which he has been president. For the past five years he has been state bank examiner of Iowa, and during this period has visited at different times, almost all the banks in the state in his official capacity. In 1905 and 1906 was president of the Iowa Bankers' Association, and has held every official position in this association except the one of secretary.

For the benefit of the young ladies who read The Northwestern Banker, we wish to state in this confidential manner, that in spite of Mr. McKee's attractions he is still unmarried. Nobody knows why, and he positively refuses to tell. Whether he would divulge the secret through correspondence or not, we are, of course, unable to say.

Mr. McKee expects to move soon, still another peg higher and has accepted the vice-presidency of the German Savings Bank of Davenport, one of the strong financial institutions of that especially strong financial city. The congratulations and best wishes of everybody who knows him will follow him to this new field, with its increased duties, increased responsibilities and increased honor.

way, some facts with which bankers are well acquainted. You will remember that a few years ago, and prior to 1894, green-backs, commonly so called, were not subject to taxation by the states. You will also remember that in the latter part of each year prior to that date Iowa bankers were industrious in collecting together, and withholding in their vaults all green-backs, which chanced to come within their possession. Why did they do this?

It was because green-backs, which are nothing more nor less than non-interest bearing government bonds, payable on demand, were not then subject to taxation. So, and correctly, understanding the matter, bankers, desired as many of them on hand on the first day of January, the date of taxation in this state, as might be, to the end that banks might have the deduction of their aggregate from the assessment of their capital.

Do bankers gather these green-back any longer? They do not. Why have they changed this practice? It was because of the act of August 13, 1894, by which it was enacted "that * * * United States legal tender notes (green-backs) and other notes and certificates of the United States, payable on demand, and circulating or intended to circulate as currency * * * shall be subject to taxation as money on hand or on deposit, under the laws of any

gress. In the absence of action on the part of congress, the power to tax on the part of the states does not exist.

My reason or excuse for referring to this matter arises out of some of the language used by Mr. Justice Moody in his opinion in the Home Savings Bank case, which language I quote as follows:

"The next question is whether such taxation violates any provision of the federal constitution or of any paramount federal law. The state cannot by any form of taxation impose any burden upon any part of the national public debt. The constitution has conferred upon the government power to borrow on the credit of the United States, and that power cannot be burdened or impeded or in any way affected by the action of any state. * * * From that time no one has questioned the immunity of national securities from state taxation. It may well be doubted whether congress has the power to confer upon the states the right to tax obligations of the United States. However this may be, congress has never yet attempted to confer such a right. Until the time of the civil war it was not thought to be necessary to express the constitutional prohibition in an act of congress. But on the occasion of authorizing the issue of treasury notes it was enacted that 'all stocks, bonds, and other securities of the

United States held by individuals, corporations, or associations within the United States shall be exempt from taxation by or under state authority." Act of February 25, 1862, (12 Stat. at Large 356).

Of course, you understand the opinion was favorable to our ultimate contention in the case. I am not therefore criticizing an opinion which decided a case against us, but one which decided a case in our favor. When, however, the language quoted above is considered in the light of the act of 1894, is it not apparent that the learned justice who wrote the opinion had not come to the bottom of the matter, and did not have in mind the enactments of congress on this very question. It seems to me this conclusion is inevitable, unless it be that green-backs, or legal tender notes, and silver and gold certificates, and national bank notes are not obligations of the United States.

It will be seen, therefore, when we come to the direct taxation of the government securities enumerated in the act of 1894, and when we come to the indirect taxation of government bonds, a matter to which I will make subsequent reference, we are confronted by the scylla of federal legislation on the one hand, and the charybdis of state legislation on the other. It takes a skillful sailor, in the role of a member of the legislature, to so draft a bill as that it will not meet with ship-wreck on one side or the other. The man who drafted the statute of this state which was under examination by the Supreme Court of the United States in the Home Savings Bank case was not one of those skillful sailors. The result was the ship-wreck of the purposes intended to be served by that statute.

Taxophobia: Another suggestion. It is patent to all that there is prevalent today throughout the land a spirit of communism, of unreasoning and unreasonable opposition to corporations and corporate influences, and particularly active as against financial institutions. Almost anything, labeled "tax," and thrown at a bank, will stick. It may well be called "taxophobia," in default of a better term.

This epidemic raged in dangerous and virulent form during the presidential campaign of 1896, and our body politic has not been entirely free therefrom since that time. One of its effects is to so distort the mental vision as that surrounding objects and subjects present an imperfect and defective picture and impression. Unfortunately judges, elective and appointive are not all immune therefrom. With all proper deference, I venture the assertion that our local courts which had to do with the Home Savings Bank case were, unconsciously of course, but none the less disastrously, inoculated with this virus. In considering the case, they seem to have proceeded on the theory that government bonds ought to be subject to taxation, and entirely lost sight of the thought that the taxation of such bonds is a matter entirely within the original control of the general government, and that its self preservation and perpetuity demand that it forever continue in the paramount exercise thereof.

Iowa Statutes on the Subject: Section 1310 of our Code defines what moneys and credits are subject to taxation. It is in the following language:

Section 1310: Moneys, credits and corporation shares or stocks, except as otherwise provided, cash, circulating notes of national banking associations, and United States legal tender notes, and other notes, and certificates of the United States payable on demand, and circulating or intended to circulate as currency * * * securities, debentures, bonds other than those of the United States, annuities, and corporation shares of stocks not otherwise taxed in kind, shall be assessed as provided in this chapter.

It will be observed that said section 1310 provides for the assessment for taxation of green-backs, gold and silver certificates and national bank notes. The right so to do arose to the states under the act of 1894 previously mentioned and has been exercised since that time only.

It will be further noticed that bonds of the United States, or government bonds, are expressly exempted from taxation by this section. Congress never having given power to the states to assess the bonds they are, of course, immune therefrom.

Method of Assessment: Section 1322 of our Code with respect to the assessment of national, state and savings banks, provides as follows:

Section 1322. Shares of stock of national banks shall be assessed to the individual stockholders at the place

The Farmers' and Mechanics' National Bank

OF PHILADELPHIA, PENNA.

427 Chestnut Street.

CAPITAL	- - -	\$2,000,000.00
SURPLUS AND PROFITS,	- - -	1,223,000.00
DEPOSITS,	- - -	15,258,882.74

Organized January 17, 1807

DIVIDENDS PAID, - - - \$12,567,000.00

UNITED STATES, STATE AND CITY DEPOSITORY

OFFICERS

HOWARD W. LEWIS, President
 HENRY B. BARTOW, Cashier
 JOHN MASON, Transfer Agent
 OSCAR A. WEISS, Ass't. Cashier

Accounts of Banks and Bankers Solicited.

The National Bank of North America

In New York
 INCORPORATED 1851.

ALFRED H. CURTIS,
 President.

CHAS. W. MORSE,
 Vice-President.

HENRY CHAPIN, Jr.,
 Vice-President

EDWARD B. WIRE,
 Cashier.

WALTER W. LEE,
 Vice-President.

J. FREDERICK SWEASY,
 Assistant Cashier.

ADOLPH RADO,
 Assistant Cashier.



CAPITAL, \$2,000,000.	DEPOSITS, \$23,269,901
SURPLUS AND PROFITS, \$2,295,280.	

Travelers' Letters of Credit Issued.
 Foreign Exchange Bought and Sold.
 Accounts of Other Banks Invited.
 Foreign Exchange Dept., Edward D. Shotwell, Mgr.

JOHN S. GIBBS,
President

DAVID AMBACH, Vice-President
WM. H. O'CONNELL, Vice-President

ALBERT D. GRAHAM
Cashier

THE CITIZENS NATIONAL BANK

BALTIMORE, MD.

CAPITAL \$1,000,000. SURPLUS and PROFITS, \$1,950,000. DEPOSITS, \$7,000,000.

ACCOUNTS OF NORTHWESTERN BANKS AND BANKERS SOLICITED

where the bank is located. Shares of stock of state and savings banks shall be assessed to such banks, and not to the individual stockholders.

It will be observed that the capital of national banks is not directly assessed. Instead thereof, the shares of stock in such banks are assessed to the individual holders thereof. By other provisions of our statutes, the national bank is in effect made the agent of the state for the collection of the tax, and the agent of the stockholder for the payment of the tax, and makes payment of the tax to the state in that capacity. By yet other provisions of our statute, it is afforded a remedy against the shareholders for the amount of taxes advanced by it for them.

It will be further observed that under section 1322 the capital of state and savings banks likewise is not assessed, at least, in name. The shares of stock in such state banks are assessed, but instead of being assessed to the shareholder, as is the case with national banks, the assessment is made directly against the banks. The tax, therefore, as held in the Home Savings Bank case, is paid by the state bank as its own tax, and for itself, and not as the agent of the stockholders. Because of this difference, it was held by the federal supreme court in the Home Savings Bank case, that the tax was in fact and in legal effect directly upon the capital of the bank. Being such, the bank was entitled to a deduction of the government bonds from its assessment.

Iowa Decisions: It was determined by our supreme court in 1895 in Ottumwa Savings Bank vs. Ottumwa, 95 Iowa, 176, that in assessing the capital of a state bank, such bank was entitled to deduct from its assessment that part of its capital invested in government bonds. The same ruling had been made by our court in 1880 in German American Savings Bank vs. Burlington, 54 Iowa, 609, and in Campbell vs. Centerville, 69 Iowa, 439, decided in 1886.

These decisions you will observe, were in accord with the statute above cited, expressly exempting government bonds from taxation. We supposed the law on this subject was well settled in this state; at least, until there had been some substantial change made in the statute, and no substantial change had yet been made therein.

On October 16, 1902, our supreme court handed down its opinion in German American Savings Bank vs. Burlington, 118 Iowa, 84, holding that where the assessment against a state bank was not upon the capital of the bank, but upon the shares of its capital, that in such case, the bank was not entitled to deduct from such assessment the value of government bonds owned by it, and which formed the basis, to the extent of such value, of the value of the shares of stock. No appeal or writ of error was prosecuted to the Supreme Court of the United States from that opinion. It therefore, though erroneous, as finally determined in the Home Savings Bank case, where identically the same question was presented, became the law of the state.

History of Home Savings Bank Case: Mr. W. H. Bremner was city attorney for the city of Des Moines in 1902 and is yet. He is an alert, active, painstaking and faithful public officer. As soon as the decision was handed down last above referred to, he saw at once that there was an opportunity to compel state and savings banks in Iowa

to pay taxes upon their capital, notwithstanding it might be invested in whole or in part in government bonds. It is true our supreme court had held repeatedly, as shown herein, and correctly, too, that where the tax was directly upon the capital of the state bank, which is nothing more nor less than the aggregate of its shares, the bank is entitled to deduct from its assessment the value of government bonds owned by it. But if the assessment, though levied against the bank, just the same as before, and paid by the bank, just the same as before, was levied in name upon the shares of stock of the bank, then and in that case, under the erroneous holding of our supreme court, the state bank would not be permitted to deduct from its assessment the value of government bonds held by it.

Here is a matter of legal differentiation, or of intellectual jugglery or legerdemain, or an exhibition of mental ambidexterity which, I submit, is astounding to the legal mind. It must be remembered that these questions were all investigated in a court of equity. It is the boast of our profession that that court, ever since it obtained a foothold in matters of jurisprudence, has thrust aside forms and shadows, and has come to the very root and substance of the matters under investigation. The old common law lawyers in the early days railed against that court because it would not pay proper deference to forms of procedure, but all without avail; and yet, here in this day of the world and in this enlightened state of Iowa, we found that this court of equity, this court that goes to the very essence of a question before it, thrusting aside forms and ceremonies, solemnly held that if the assessment of the state bank was in name upon the capital of the bank, the value of the bonds should be deducted from such assessment; but if the assessor was clever enough to say the assessment against the bank was upon the shares of stock of the bank, then no such deduction for such bonds would be had. I submit with confidence that such a subterfuge, such a miserable quibble, would not be tolerated for a moment in a court of equity in any other than a case involving the validity of a tax against a bank. In other words, this taxaphobia, to which I have referred had so poisoned the judgment of our local courts, as that they unconsciously overturned the province and the history of a court of equity in order to uphold this tax.

But let us return and proceed with the history of the Home Savings Bank case. When the assessment for the year in controversy was first made against the bank, the assessor, following the custom of previous years, deducted therefrom the value of the bonds held by the bank. It is evident that after so doing he had an interview with our able city attorney. The result was that the assessor made a second assessment in which he added to the assessment originally made the value of the government bonds held by the bank. In that situation, the cashier came to us for relief. We advised him of the latest opinion of our supreme court on the question and said to him that there was no hope for any relief short of the Supreme Court of the United States. He told us to go ahead. We did so.

We first filed our protest with the Board of Review, claiming that the last assessment of the assessor was in fact and in effect upon the capital of the bank, and that

IRVING NATIONAL EXCHANGE BANK

Capital \$2,000,000

NEW YORK CITY

Surplus \$,000,000

LEWIS E. PIERSON, President
 JAMES E. NICHOLS, Vice-Pres.
 CHAS. E. FARRELL, Vice-Pres



ROLLIN P. GRANT, Vice-President
 BENJAMIN F. WERNER, Cashier
 DAVID H.G. PENNY, Ass't. Cashier

Resources \$24,000,000

Collection of Bill-of-Lading
 Drafts Our Specialty

Foreign and Domestic Exchange
 Bought and Sold

**A Commercial Bank in the Heart of New York's
 Greatest Mercantile Center.**

the value of the bonds should be deducted. The Board of Review summarily turned us down.

We then appealed to the district court. This district court, following the opinion of our supreme court, denied us relief.

We next appealed to the supreme court itself. That court adhered to its former opinion in the last German American Savings Bank case, erroneous as it proved to be in the long run, and denied us relief.

Up to this time we had expected no relief and we were not disappointed. Our supreme court in affirming the action of the district court and the board of review, adhered to the error it had previously committed and perpetuated it. Right here in this case, to say nothing of many others that might be cited, we find ample justification for our former remark, that if a decision of a court seems to be contrary to principle (or common sense) and authority, the lawyer is justified in failing to be converted thereby, and in carrying his contention with the courage of his convictions to a higher court.

A writ of error was sued out from the supreme court of the United States directed to the supreme court of this state and the case was heard in the former court. It was submitted in that court on written and oral argument on November 5, 1906. On that submission the court consisted of eight judges only, Mr. Justice Brown having shortly prior thereto retired from the bench.

We expected a decision in about thirty days. Instead, however, of deciding the case, the court on its own motion, on December 3, 1906, ordered it restored to the docket for re-argument and re-submission. Additional arguments in print were filed on the re-submission, and on March 5, 1907, the case was re-submitted on the printed arguments and upon additional oral arguments that day made.

On the second submission the court was full, numerically speaking, of course. The vacancy caused by the retirement of Mr. Justice Brown had been filled by the appointment by President Roosevelt of Mr. Justice Moody. On April 22, 1907, the court handed down its opinion holding, as already stated, that the statute of our state, providing for the assessment of the shares of stock of state banks, making the assessment directly against the bank,

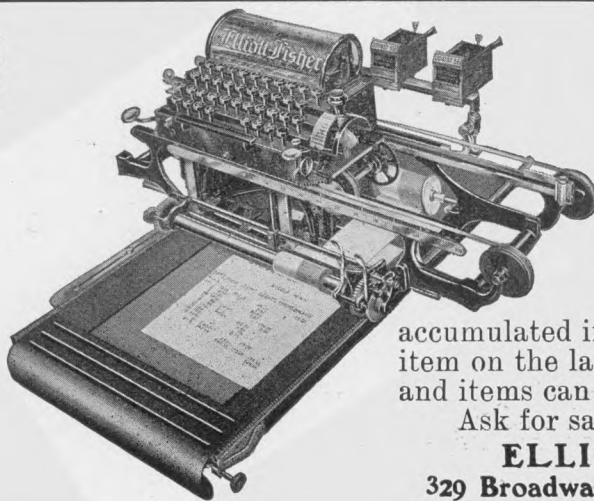
and payable by the bank, with no right of recoupment against stockholders, and no right of off-setting indebtedness of stockholders, is in legal effect, and in fact, a taxation of the capital of the state bank. In making such assessment, the value of government bonds, owned by the bank, must be deducted.

It is a matter of regret with us that the opinion of the court was not unanimous. Six of the justices concurred in the majority opinion; but three, Mr. Chief Justice Fuller, Mr. Justice Peckham and Mr. Justice Harlan, dissented. While the majority opinion rules the case and affords us the same relief as if the bench had been unanimous, yet, after all, we felt we should have had an unanimous opinion.

Practical Result: The practical result of the Home Savings Bank case, and that I apprehend is what is most desired here is: That as our law now stands, each state and savings bank has the right, when its capital, or when its shares of stock, are assessed to the bank for taxation, to deduct from that assessment, the value of government bonds held by it.

Discrimination: I call attention to another feature of our case. Here were the banks of the state, creatures of this state, created under and by virtue of the laws of this state, the children of this state, claiming that the judgment of our supreme court worked an injustice to them, and was contrary to the fundamental law of the land. This claim was denied by the courts of this state. In order to obtain justice, and the rights which the supreme law of the land gave them, they were compelled to abandon their father's house and stretch out their arms to the federal government for relief. Is it not a marvel that the state of Iowa, by its legislation and the decisions of its courts would deny the rights of its own children, the state banks, in this matter and compel them to appeal to a foreign jurisdiction for relief? It is common and usual and intensely human for an individual to have less regard for his neighbors and the people of his community than for his own children, the members of his own family, but it is unusual, if not unheard of, for a man to confer greater rights upon a stranger than he is willing to give his own children.

There is a scriptural passage with which you are acquainted, pertinent to this subject. Perhaps I should not



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say, "with which you are acquainted," inasmuch as you are bankers. In any event, I feel that I am reasonably safe in making the quotation from recollection alone, thinking there will be no one present able to correct the language if it should prove to be not exact. I guarantee that I have the substance of it at least. It runs something as follows:

"He that provideth not for his own, especially for these of his own house, hath denied the faith and is worse than an infidel."

I commend this sentiment to the coming legislatures of our state, and submit to them that there is no reason for discrimination against our own institutions, and that they should, at least, be put on a level with the national banks in all matters of taxation.

This train of thought leads me to inquire: Why is it that in the assessment of national banks one particular form is employed, but when it comes to the assessment of a state bank, a different and prejudicially discriminating form is used?

I repeat the state bank should have at least as favorable treatment in the legislation of the state as the national bank.

Off-setting Indebtedness: I cannot leave this subject without suggesting another matter arising under the statute as approved by our local courts against state banks. It is provided by Section 1311 of our Code that:

Section 1311: "In making up the amount of money or credits which any person is required to list, or to have listed or assessed, he will be entitled to deduct from the actual value thereof the gross amount of all debts in good faith owing by him."

In the case of a national bank the assessment, being against the shareholders of the bank, each shareholder is entitled to offset against such assessment, if he has not otherwise done so, all debts owing by him. In other words, shares of stock in a national bank are moneys and credits, and when they are assessed to the shareholder in the national bank, the shareholder has the right to deduct his indebtedness.

Under our system with respect to state banks the assessment, being not against the stockholders, but against the bank, the right to offset indebtedness enjoyed by the national bank stockholder is denied to the stockholder in a state bank. How can we contemplate with complacency the work of our own legislature which so discriminates against our own financial institutions?

Another Inequality: This leads me to another inequity, not to say iniquity, which exists in our revenue system. You will observe from the statute just quoted that when a person is being assessed he has the right to deduct his indebtedness from his moneys and credits. Why should the right of deduction exist as against moneys and credits only? Why should not the merchant, who has a stock of goods subject to taxation, have the right to offset against the same his bona fide indebtedness? Why should not the farmer who has a mortgage upon his farm have the

right to offset against the value of that farm, when assessed for taxation, the amount of his indebtedness? How long will legislatures meet in this state and leave this injustice unremedied? Where the capitalist is allowed to deduct his indebtedness from his moneys and credits he is simply paying taxes on what he actually owns and there is no question of double taxation. The merchant in the illustration above, pays taxes on the full value of his stock of goods, though he may be in debt to the extent of a large percentage or all thereof. The farmer pays taxes upon the full value of his farm, though the mortgage thereon may represent fully one-half, or possibly more of that value. What should be done to remove this evil? Simply strike out of section 1311 the words: "Moneys and credits" and insert in lieu thereof the words: "taxable property." The statute will then read that in making up the amount of "taxable property" which any person is required to list for taxation he shall be entitled to deduct the amount of his indebtedness. By so doing we put all, the capitalist, the farmer and every person in other walks in life upon the same level. We treat them all alike, in that each and every one pays taxes once upon the property that he has and no more. Surely with that the government should be satisfied. It has no right to ask for more.

Tax Ferrets: We had another interesting experience as soon as our supreme court handed down its opinion in our case. The tax ferrets promptly notified us that they claimed taxes from the bank for five years prior to the controverted assessment, on the theory that government bonds owned by the bank during those five years, and which had been deducted from the assessments for those years, should have been assessed, and that, therefore, the bank must now pay the same. The writ of error from the Supreme Court of the United States abated the activity of the tax ferrets pending the hearing in the federal supreme court. The opinion of April 22d last was the death-knell of this claim of the tax ferrets.

I do not care to be understood as opposing the tax ferret law. Those individuals who withhold from taxation property upon which they should equitably be assessed, should be called upon to pay the same. I am opposed, however, to the manner in which this law is executed.

In our county, the tax ferrets are private individuals, not officers of the state, who enter into a contract with the board of supervisors for the collection of taxes which have escaped the tax assessor. These individuals receive a percentage of the amount collected for their service. They give bond to indemnify the county against all costs and charges of every kind in making the collection. They employ their own individual attorneys, and the cases are prosecuted by them, and not by the legal officers of the state. I protest against a system which places in the hands of private individuals, the powerful machinery of the state for the collection of taxes, and allows those individuals to handle that machinery as may seem to best promote their individual interests. The result is that many unfounded claims are made against our citizens. They are compelled

either to make payment of the same, though unjust, or at their own expense, and a heavy expense at that, employ counsel and defend. The tax ferrets should be officers of the state, elected by the people of the state, and they should be under the direction and advice of the legal officers of the state. We might then expect that actions instituted by them would be for the benefit of the state, and not primarily, at least, for the individual benefit of the tax ferrets. I am persuaded this would do much to remove the well grounded objection that now exists to the tax ferret system as administered.

The effect of the decision of April 22, 1907, on national banks: It may be that a word on this subject will not be out of season. In our argument before the federal supreme court a certain proposition was contended for which, indirectly at least, if it had been passed upon and sustained, would have tended to the relief of national banks. This proposition in effect challenged the correctness of the majority opinion handed down in the Van Allen case, 70 U. S. (3 Wall) 573. (18 Law 229.) That case, decided March 26, 1866, involved the primary question as to whether or not a certain act of congress permitted the indirect taxation of government bonds, owned by national banks. A certain per cent of the capital of national banks must be invested in government bonds, and the whole of such capital may be so invested. Now, if the national banks were taxed directly upon their capital, then, of course, so much of their capital as was invested in government bonds must of necessity be deducted. Inasmuch, however, as the capital of national banks is not directly assessed for taxation, for that the assessment is made against the shareholders, on their shares of stock, the question arose as to whether congress by its enactment had permitted this to be done, without deducting the value of government bonds held by the bank. It would seem that ordinarily the question whether or not an enactment of Congress expressly permitted a thing to be done would be determined by carefully reading the enactment itself. That was done by the federal supreme court and the result reached was a divided court, six against three.

The majority in speaking of the language of this act said:

"Nothing, it would seem, could be made plainer or more direct and comprehensive on the subject. The language of the several provisions is so explicit and positive as scarcely to call for judicial construction."

The minority in speaking of the language of the act said:

"The general purpose of the act of congress cannot be misconceived." And then after setting out their view of the statute, they say: "We think this is the plain sense of these provisos." You will observe that the minority of the court were contending for a common sense view of the case, as against the technical construction of the majority. They contended further that their common sense view was supported by authority. After referring to certain former opinions of the same court, the minority said:

"Those decisions were the judgments of great men and great judges. They were pronounced by the most illustrious of their number, and are distinguished by his peculiar clearness and cogency of reasoning. For nearly half a century the principles vindicated by them have borne the keen scrutiny of an enlightened profession and the sharp criticism of able statesmen; and they remain unshaken. All the judges who concurred in them have descended, long since into honored graves, but their judgments endure, and, gathering vigor from time and general consent, have acquired almost the force of constitutional sanctions."

In summing up their dissent the minority said: "To us these questions seem to answer themselves. We are entirely satisfied that the construction of the proviso and the rule for valuation of shares, which we have endeavored to vindicate, is the true one, and the only one consistent with sound principle and perfect faith."

We have here an exhibition of one of the most pronounced differences of opinion on the part of the federal court of last resort.

Whatever else may be said or left unsaid, this much can be said: It is exceedingly unfortunate that even a minority of the federal court of last resort were compelled to brand the majority opinion as being contrary to the language of the enactment of congress, contrary to former opinions of the court, and having the effect of placing this

Condensed Statement of the

Winnesheik County State Bank
Decorah, Iowa

Made to the Auditor of the State of Iowa
at the Close of Business, April 19, 1907

QUICK ASSETS:	
Cash and due from Banks.....	\$186,161.07
U. S. 2% bonds (par).....	40,000.00
Chicago City 1st Mortgage 4% bonds (par).....	10,000.00
New York City 1st Mortgage 3½% bonds (par).....	10,000.00
New York Central Ry. 1st Mortgage 3½% bonds (par).....	10,000.00
C., B. & Q. Ry. 1st Mortgage 4% bonds (par).....	10,000.00
C., M. & St. P. Ry. 1st Mortgage 3½% bonds (par).....	10,000.00
N. W. System Consolidated 1st Mortgage 6% bonds (par).....	10,000.00
A. T. & S. F. Ry. 1st Mortgage 4% bonds (par).....	10,000.00
Penn. Ry. Co. 4½% Collateral notes (par).....	10,000.00
C., R. I. & P. Ry. Co. 4½% Collateral notes (par).....	5,000.00
Demand Loans secured.....	88,000.00
	\$ 399,161.07
Loans maturing on or before July 1st.....	156,100.00
Winnesheik County and other warrants.....	49,693.64
Loans and Discounts.....	565,295.81
Bank Building.....	15,000.00
Furniture and Fixtures (Cost \$9,000 00).....	1.00
Total.....	\$1,185,251.52
LIABILITIES	
Capital.....	\$100,000.00
Surplus.....	25,000.00
Undivided Profits (net).....	34,716.57
Deposits.....	1,025,534.95
Total.....	\$1,185,251.52



Irving National Exchange Bank

West Broadway and Chambers Street
New York

Statement of Condition May 20, 1907

ASSETS	
Immediately Available	
Cash in vault and Ex. for Clearing House	\$5,175,845.30
Due from Correspondents and Demand Loans.....	4,559,085.13
	\$9,734,930.43
Available within 30 Days	
U. S. Bonds.....	\$1,474,550.00
Other Investments.....	354,585.25
Loans due in 30 days.....	4,349,708.18
	6,178,843.43
Other Loans and Discounts	
Due in four months.....	\$5,838,333.88
Due after four months.....	995,910.04
	6,834,243.92
	\$22,748,017.78
LIABILITIES	
Capital.....	\$ 2,000,000.00
Surplus and Profits.....	1,080,127.22
Circulating Notes and Bond Account.....	1,422,700.00
Deposits.....	18,245,190.56
	\$22,748,017.78

Officers:

Lewis E. Pierson, President Rollin P. Grant, Vice-President
James E. Nichols, Vice-President Benj. F. Werner, Cashier
Chas. L. Farrell, Vice-President David H. Penny, Ass't. Cashier

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government in the light of dealing in bad faith with its creditors.

The minority in that case was composed of Mr. Chief Justice Chase, Mr. Justice Swayne and Mr. Justice Wayne. They held that there was no express provision in the enactment of congress permitting this indirect taxation of government bonds. The minority also held that if this construction were placed upon the act, then it was clearly illegal, in that it permitted a tax upon the power of the general government to borrow money, and was therefore void. Among other things the minority said that the construction of the majority put the government of the United States in the attitude of dealing in bad faith with its creditors. In other words, the government of the United States said to investors, with a view of inducing them to invest in government bonds, that such bonds should not be subject to taxation by the states; and yet the enactment of congress, as construed by the majority, indirectly permitted that very thing to be done.

The majority of the court in that case reasoned that a distinction exists between the ownership of the capital of the bank, which of course was in the legal entity, the bank itself, and the ownership of the shares of that capital, which of course, was in the individuals holding such shares. It was held that the assessment of the capital directly, and the assessment of the shares of stock to the stockholders, were based upon two different and distinct species of property, and that the same is not double taxation.

To make the point plain, let us take a practical illustration. We will assume that a half dozen individuals have, in the aggregate, the sum of \$200,000. Of course, when they are assessed for taxation, the aggregate of their assessments would be \$200,000. Now suppose further that these individuals organize a national bank, and invest their \$200,000 in the capital thereof. Now the title to the \$200,000 has passed from the six individuals to this legal person, the corporation, the national bank. The individuals have nothing to show for their money except their certificates of stock issued to them by the corporation. These certificates are not property, but mere evidence of title to property.

Now the same assessor comes around to these same six

individuals, and the seventh individual, the corporation, itself. He assesses the capital of the bank to the bank. He then assesses identically the same property to the six stockholders of the bank. Now there was no more property when the second assessment was made than when the first was made, and yet the effect of it is that the state is collecting taxes upon \$400,000 instead of \$200,000. Our courts say that is permissible and is not double taxation. I respectfully dissent, and align myself with the minority of the court in the Van Allen case.

Indeed in the Home Savings Bank case our city attorney threatened that if unsuccessful in the case, he would see to it, that thereafter taxes were levied against the capital of the state banks, and upon the shares of stock of such banks as well. Happily for us, the legislature of our state has recognized that this would be double taxation, and has provided in Section 1322 of our Code that where a state bank is taxed upon its shares of stock, it shall not be taxed upon its capital stock also.

I desire in this connection to refer to the language of Mr. Justice Moody upon this subject. He says:

"The right of such taxation rests upon the theory that shares in corporations are property entirely distinct and independent from the property of the corporation. The tax on an individual in respect to his shares in a corporation is not regarded as a tax upon the corporation itself. This distinction, now settled beyond dispute, was mentioned in *McCulloch vs. Maryland*, 4 Wheat., 316, * * * The distinction appears, however, to have been first made the basis of a decision in *Van Allen vs. The Assessors*, 3 Wall. 573. The National Bank Act, as amended in 1864 (R. S. Sec. 5219), permitted the states to include in the valuation of personal property for taxation the shares of national banks 'held by any person or body corporate' under certain conditions not necessary here to be stated.

"Acting under the authority of this law, the state of New York assessed the shares of Van Allen in the First National Bank of Albany. At that time all the capital of the bank was invested in United States securities, and it was asserted that a tax upon the individual in respect of the shares he held in the bank was, unless the holdings in United States securities were deducted, a tax upon the

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Statement

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RESOURCES		LIABILITIES	
Loans and Discounts	\$28,943,372.71	Capital Stock	\$ 3,000,000.00
Bonds and Mortgages	9,924,029.95	Surplus Fund	3,000,000.00
Due from Banks . . . \$11,051,219.26		Undivided Profits	1,301,427.30
Cash and Checks for		Reserved for Accrued Interest	31,996.42
Clearing House . . . 8,326,253.32		Deposits—Savings \$ 7,233,219.83	
	19,377,472.58	Deposits—Individual 24,338,185 53	
	\$58,244,875.24	Deposits—Banks and Bankers	19,340,046 16
			50,911,451 52
			\$58,244,875.24

THE DIRECTORS

Cyrus H. McCormick	Thies J. Lefens	Erskine M. Phelps	Clarence A. Burley
Lambert Tree	E. H. Gary	Enos M. Barton	E. D. Hulbert
Moses J. Wentworth	John S. Runnels	Chauncey Keep	Orson Smith

The Merchants' Loan and Trust Company

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securities themselves. But a majority of the court held otherwise, saying by Mr. Justice Nelson: 'The tax on the shares is not a tax on the capital of the bank. The corporation is the legal owner of all the property of the bank, real and personal; and within the powers conferred upon it by the charter, and for the purposes for which it was created can deal with the corporate property as absolutely as a private individual can deal with his own.'

"The interest of the shareholder entitles him to participate in the net profits earned by the bank in the employment of its capital, during the existence of its charter, in proportion to the number of his shares; and upon its dissolution or termination to his proportion of the property that may remain of the corporation after the payment of its debts. This is a distinct independent interest or property, held by the shareholder like any other property that may belong to him. Now, it is this interest which the act of congress has left subject to taxation by the states, under the limitations prescribed."

In an opinion, in which Justices Wayne and Swayne joined, Chief Justice Chase dissented from the judgment upon the ground that taxation of the shareholders of a corporation in respect of their shares was an actual, though an indirect, tax on the property of the corporation itself. But the distinction between a tax upon shareholders and one on the corporate property, although established over dissent, has come to be inextricably mingled with all taxing systems and cannot be disregarded, without bringing them into confusion, which would be little short of chaos."

It will be observed that the only apology or excuse for the continuation of this inequity, as viewed by the minority in the Van Allen case, is that it has stood so long that to overturn it now would bring about confusion little short of chaos. I would be glad to see the common sense of the minority opinion approved by adopting it instead of continuing this theory, apologetically confessed to be contrary to equity and justice. If that were done it might not result in chaos as foreshadowed in the question above named. If, however, it would result in the unsettling of the system, would it not be better; a thousand times better, to do so,

and install a system which would meet with the minority opinion in the Van Allen case, the earlier opinions of our great judges, and the common sense opinion of intelligent citizens as well?

That decision in the Van Allen case was made forty-one years ago. At that time corporations were in their infancy, and corporate activity was just beginning to be felt. Shall we go back forty-one years to an unsound decision, established over the protest of a respectable minority, for the rule in such matters, or shall our courts keep abreast of the times even though some schedules may be smashed? What would be your common sense answer?

With respect to national banks, therefore, I am compelled to say that the decision in the Home Savings Bank case, directly at least, affords them no relief. I understand there is pending in our court at home an action by one of our national banks which is really bottomed upon the decision in the Home Savings Bank case. Whether that action will be decided in favor of the national bank I do not know. Among all things uncertain, the chief or uncertainties is the outcome of a law suit. I feel, however, from some questions put to me by one of the learned justices of the federal supreme court, on the oral argument in the Home Savings Bank case in that court, that said justice has no robust belief in the majority opinion in the Van Allen case, except for the doctrine of stare decisis. The apology of Mr. Justice Moody for the continuance of that rule foreshadows that if the question were res nova he would at least be open to conviction. Some time the national banks of a community may associate themselves together for the purpose of presenting this question to the court of last resort. But for the doctrine of stare decisis the chances of winning would be in their favor, it seems to me. Whether they could succeed in bringing about the establishment of the minority opinion in the Van Allen case, and the overturning of the majority opinion in that case, is something that could not be determined until the final judgment was reached.

"Nothing is settled until it is settled right." If times of financial straits should come upon this government, if

German Savings Bank

DAVENPORT, IOWA.

Capital	- - -	\$600,000
Surplus	- - -	300,000
Undivided Profits over		300,000

OFFICERS

CHAS. N. VOSS, Pres.
Aug. A. BALLUFF, Second Vice-Pres.
F. C. KROEGER, Assistant Cashier.

JENS LORENZEN, Vice-Pres.
ED. KAUFMANN, Cashier.
R. ANDRESEN, Assistant Cashier.

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Farm Mortgage Loans

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for illustration, war should eventuate with Japan, and Spain and Germany and England should unite with Japan against us, if this government was put to its wits end to raise money, as it was in the days of the rebellion, I am persuaded that the court of last resort might be brought to see that the taxation of shares of stock in national banks to the shareholders, without deducting the value of government bonds held by the bank, is an indirect taxation of the government bonds themselves, and that thereby, to use language near the close of the opinion handed down by Mr. Justice Moody, "if by the simple device of adopting the value of corporation shares as the measure of the taxation of the property of the corporation, that property loses the immunities which the supreme law gives to it, then national securities may easily be taxed whenever they are owned by a corporation, and the national credit has no defense against a serious wound."

If that unhappy contingency should ever arise, which God forbid it may, I am satisfied the patriotism of the federal court of last resort, backed by the patriotism of our citizenship, would unite in the opinion that stockholders in a national bank, when assessed upon their shares in such bank for taxation, are entitled to deduct from such assessment the value of government bonds held by such bank. In other words, the question whether government bonds shall be even indirectly taxed is one that the necessities of our governmental life has demanded, and may again demand, shall be held untrammelled by the people of this nation, and that the majority opinion in the Van Allen case is a menace to the perpetuity of this government, and should by the court of last resort or by act of congress, be removed.

The contingency just alluded to is not so remote as many may think. In 1866 our empire did not extend to the islands of the Atlantic, as at the present time, since the Spanish-American war. Neither did it extend to the far away islands of the Pacific as it has since that war. Neither did it extend to the locality of the North Pole, previous to our purchase of Alaska. Having extended our borders and included the islands of the Atlantic, and having included the chain of islands reaching well-nigh across the Pacific, we have invited attack from foreign monarchial and governments. There is an irrepressible conflict between monarchial and democratic forms of government. There is even today rumors of our being involved in a war with a foreign empire. The federal courts should be swift to remove from the path of our civilization any and every stumbling block which tends to cripple the power of this government to obtain the sinews of war, money. As I view it, one of these stumbling blocks is the majority opinion in the Van Allen case. That opinion was pronounced after the close of the rebellion. It therefore, could not affect the same. No apparently overwhelming crisis has arisen since. We can safely depend upon the patriotism of our people, so far as personal services as soldiers and sailors of the republic, are concerned. To furnish these soldiers with the accoutrements of war, to build and equip navies to make our sailors efficient and dominant, requires money.

We should not wittingly tie our hands in any degree when we go into the markets of the world to obtain that money.

The question is not confined to its legal aspects alone. It is one that may well engross the attention, not only of our lawyers, but of our statesmen, and our citizenship. I rest on the conviction that if a crisis ever arises which shows the majority opinion in the Van Allen case to be unsound and inimical to the best interests of this government, there will be upon the bench of the federal court of last resort men who will measure up to the necessities of the occasion, and hand down an opinion which will meet such necessities, even though it should run counter to the majority opinion in the Van Allen case.

Mr. Homer A. Miller: Mr. President, I would like the privilege of presenting a matter to the convention. We would be pleased to have this convention endorse a man for member of the Executive Council of the American Bankers' Association. I would like to present a man for that place, one who needs no introduction to an audience of Iowa bankers, one whose name is a household word in every banking home in Iowa, a self-made man. I present Mr. C. B. Mills, of Clinton, Iowa, for that position. (Applause.)

Mr. J. H. Ingwersen: It affords me great pleasure on behalf of the bankers of Cedar Rapids and that section of the state to second heartily the candidacy of Mr. Mills for the position on the Executive Council of the American Bankers' Association. I have known Mr. Mills a good many years. During all those years he has been one of the most active and influential members of the Iowa Bankers' Association. His efforts in behalf of the association did not cease when his term of office as president of the state association terminated. He continued his activities, and he as active, if not more so today, than he ever was. His activities have extended beyond the Iowa Bankers' Association, for he is today one of the most active and influential members of the American Bankers' Association. And for these reasons I believe that the bankers of Iowa will get exceptionally good service from the executive council of the larger association by putting Mr. Mills on it as a member. (Applause.)

On being put to rising vote, the motion to present the name of Mr. C. B. Mills for membership on the executive council of the American Bankers' Association was unanimously carried.

Mr. Arthur Reynolds: Mr. President, I wish to make a remark in explanation less the action taken a short time ago might be misunderstood. The Des Moines bankers as a body, some three or four years ago passed a resolution and presented to this association, requesting the meetings of this association to be in the city of Des Moines at any time that the association might see fit to hold them there. And that resolution was spread upon the minutes, and we take it that every member here understands that Des Moines would like to have the meeting of this association at any time. We as bankers there have always been willing and glad to join with any other city that might care to take the association at any time. In other words, we do not want to be piggish, or feel that we want the association every year. On the other hand, we do not want any one to feel that because the invitation was presented in any such informal manner, that the citizens and bankers of



Des Moines would not like to have you there. The invitation of the commercial club was sent to two or three of us Des Moines bankers to present here, and each one of us was expecting the other man to get on his feet to explain that invitation, and when we heard that Sioux City would like to have it we did not want to stand in the way. At the same time we would like to have you come to Des Moines at any and all times and you have a cordial invitation to come and we hope this association will come there in 1909. (Applause.)

The President: I am sure we are glad to hear Mr. Reynolds present that matter in that happy manner. And I am sure we will be glad to take advantage of their invitation later. We will now have the report from the auditing committee, Mr. Carl Keck, chairman.

Report of Auditing Committee

Clinton, Iowa, June 18, 1907.

Your committee appointed to audit the accounts of the secretary and treasurer of this association have carefully gone over the reports submitted by these officers, have compared the vouchers filed with the reports as made to this association, and believe the reports to be correct.

Respectfully submitted,

L. F. Potter,
C. M. Keck,
J. H. McCord,

Committee.

On motion the report was accepted and adopted.

The President: I desire to say on behalf of the local committee here that they have asked us to continue this program until its completion. They say their arrangements for lunch are not entirely completed.

Mr. D. H. McKee: The Iowa Association is entitled to twenty-three delegates to the convention of the American Bankers' Association. I move that the president be authorized to appoint twenty-three delegates to the American Bankers' Association meeting and that the present president of the Association be considered the chairman of the delegation.

The motion was duly seconded and on being put to vote by Mr. McKee was declared unanimously carried.

The President: I will appoint those delegates later. We are fortunate today in having with us one of the best known bankers in the United States, an ex-president of the American Bankers' Association. His subject today is "The Currency Commission plan of the American Bankers' Association." I have great personal pleasure in presenting to you my friend, John L. Hamilton, of Hoopston, Ill. (Applause.)

Mr. Hamilton spoke as follows:

The Currency Commission's Plan of the American Bankers' Convention

Mr. President, Ladies and Gentlemen: It is a great pleasure for me to be one of this occasion. It is the first opportunity I have ever had of attending a meeting

of the Iowa Bankers' Association. I have heard much of your state and of its resources, but never until within the last three days have I really been brought to comprehend the magnitude of your state, her wealth and her condition. Today we are brought to one of the most beautiful points it has been my good fortune to visit in the United States. The surroundings easily account for the prosperous appearance of the bankers of Iowa. The Creator in his infinite wisdom has indeed smiled favorably upon you. And not only has he given you one of the grandest and fairest states in the Union, but I see he has also given to you some of the fairest and most beautiful ladies in the United States. (Applause.)

The American Bankers' Association, of which I am here today as a humble representative, when we wish to accomplish results always look to Iowa for men of vigor who will push forward the work of that association. The American association has been favored by excellent men on its executive council from this state. We have never had a dead one from this state. They have always been active in pushing forward the work assigned to them. And last year when it was my fortune to be the president of the American Bankers' Association, in my endeavor to push forward the work of that organization, believing that the American Bankers' Association should do practical work as the state associations of Iowa and Illinois have been doing for some years, I appointed, so far as courtesy to the other sections of the country would permit, as many bankers as it was possible from this state upon the different committees. And in no instance did those gentlemen fail me in the work assigned to them.

I am here, although from Illinois, to endorse the candidacy of the gentleman you have endorsed by your resolution today, Mr. Charles B. Mills, for a position on the Executive Council of the American Bankers' Association, and I can assure you that Illinois will gladly join hands with Iowa to see that he is selected for that position. (Applause.)

Mr. Mills has taken an active part in the affairs of the American Bankers' Association and through his efforts individually has largely been due the success of the organization of the American Institute of Bank Clerks, an organization that numbers over nine thousand members throughout the United States. I am here, however, not to discuss the work of the American Bankers' Association, but to discuss the plans of the Currency Commission, recommended to congress and now before the bankers of the United States for adoption.

The currency commission, as you well remember, has for one of its members, Mr. Arthur Reynolds, of Des Moines, Iowa. Mr. Reynolds has been one of our most valuable members, and it seems a presumption for me to come before you today and try to explain this plan, as I understand Mr. Reynolds has several times talked upon this subject.

The currency commission, as you remember, was appointed under a resolution adopted at the American Bank-

CHAS. H. AINLEY, President
F. M. RICE, Supt. of Agents

O. B. FRYE, Asst. Secretary
CHAS. H. MARTIN, Treasurer

DES MOINES Fire Insurance Company

OF IOWA



ANNUAL STATEMENT JANUARY 1, 1907

(To Insurance Department, State of Iowa)

ASSETS

Real Estate	\$115,485.40
Real Estate Mortgages	186,243.50
Bonds	55,423.88
Cash in Banks	55,877.86
Due from Agents	28,065.68
Bills Receivable	233,670.47
Due for Re-Insurance	1,741.95
Interest and Rents	6,114.40
Total	\$682,543.14



LIABILITIES

Capital Stock	\$100,000.00
Re-Insurance Reserve	413,912.94
Unpaid Losses (Not Due)	12,566.00
All other Liabilities	2,285.63
Net Surplus	153,778.57
Total	\$682,543.14



Premiums written in 1906, \$478,090.11

Losses Paid since organization over \$2,300,000

SAVE TIME - TROUBLE TRANSPORTATION

Buy Western Made

Coin Wrappers - Bags

DEPOSIT SLIPS

Books, Blanks, Binders Leaves and Supplies

BEST GOODS - LOW PRICES

SPECIAL

To any bank not using our make we will send sample
of our

Duplicate Clearance Books

Prepaid on receipt of 80 cents

OR

UNTIL JULY 1st

Duplicate Protest Book

With 100 Extra Notices Prepaid on Receipt of \$1.70.

Regular price \$2.50.

Bankers Cabinet & Supply Co.

Des Moines, Iowa

ers' Association in St. Louis. It was determined there that this commission of fifteen members should be selected by the members of the executive council of the American Bankers' Association, and in order that there might be no favoritism shown to anyone it was decided that each member of the executive council should send to the secretary's office twenty names of his choice for members of that commission. The president of the association, the vice-president, and the chairman of the executive council met, and from those names selected twenty names which they in turn wired to the members of the executive council, and they in turn wired back their selection of ten. So that there was no possibility of favoritism being shown in this selection. The object in doing this was, that the currency question is the greatest question I believe concerning the American people and we did not want any feeling to exist that all sections of the country had not been treated fairly in its selection, which would have been the case if it had been left to a committee of three or four men to select. The currency committee met in Washington after they had been selected and after four days' deliberation agreed upon the plan that is before you. When they arrived in Washington the commission was confronted by as many plans as there were delegates present, and each one had a number of plans sent to him by friends throughout the different sections of the country. After a little informal talk it was decided that it was impractical to take up and discuss any of the plans presented, and we struck upon the plan of agreeing on principles that should be enacted into law and then discussed the principle. A rule was adopted whereby no section should be adopted unless it had the vote of two-thirds of the members of the committee, and no section was adopted without such a vote. And there was not a member of the commission present but had to accede some of his views to the will of the majority.

The currency question is a delicate question to handle, not only from the standpoint of the bankers, but also from the standpoint of the people, or the masses. They have their interests which must be guarded and which must be protected, and they are very jealous of their interests, they are fearful that some law might be enacted whereby the bankers of this country would reap great gains to the detriment of the individual. Again, we had to contend with the facts that there are numerous state institutions and private banks throughout the United States who are also jealous of any legislation tending to enlarge the scope of the national banking system of this country. We had to take into consideration all these conditions, and in doing so we have prepared a measure that has been mailed to you, the measure I am about to present to you, a copy of which was distributed on the seats before the meeting commenced. This bill, we believe, while it may not be your ideal or my ideal in every detail, is the best that can be had for this country at this time, under our peculiar conditions. Section one of this act provides for a credit note issue known as the national bank guaranteed credit note issue. Such notes shall be issued in such form and denominations and under such rules and regulations as the comptroller of the currency shall fix. The amount of said notes so taken out by any national banking association may be equal to 40 per centum of the amount of its national bank notes at any time outstanding, which are secured by the deposits of government bonds, but shall not exceed in amount 25 per cent of its capital. It may be of interest to you to know how we happened to adopt this principle.

The national banking act, as you all know, was originally passed with a view of affording the government a market for her government securities. That principle is thoroughly instilled into the minds of the people, it is almost impossible to get away from that idea. It will be detrimental to the financial interests of this country should any measure be passed that did not base a note issue upon the bond issue of this country, and the relative proportion of the bonds held by the national banks of this country at the present time is practically 62½ per cent of their capital. Consequently 40 per cent of 62½ per cent amounts to 25 per cent of the capital. But before a national bank can issue such notes they must have in circulation 62½ per cent of their capital, thus insuring to the government a continued market for her securities.

This bill also provides that no bank can issue such circulating notes until the bank has been in existence for

IOWA STATE NATIONAL BANK

SIoux CITY, IOWA.

OFFICERS:
GEO. WEARE, President
H. A. JANDT,
Vice-President

Capital,	- - -	\$ 200,000
Surplus,	- - -	119,281
Deposits,	- - -	2,563,980

OFFICERS:
JOHN McHUGH,
Vice-President
H. A. GOOCH, Cashier

This bank has unexcelled facilities for the prompt and careful handling of all business entrusted to it.

one year and has accumulated a surplus equivalent to 20 per cent of its capital thus eliminating the idea that banks might be created for the sole purpose of note issue, and discouraging and discouraging any such idea in the minds of anyone.

Section two provides for the tax on the circulation. Our commission recommended to congress after a great deal of discussion that the tax be fixed at 2½ per cent. The committee of congress felt that the tax was too low, and accordingly recommended that it be fixed at 3 per cent. This, however, I really think was a mistake and the tax should have been 2 per cent rather than 3.

It was claimed by many that this provision gives to the national banks a special privilege and a very desirable privilege of note issue. It is claimed that any man could make money in case he could issue a note at 3 per cent and loan his money at 7 per cent and that he ought to be able to net 4 per cent on his investment. Such, however, is not the case, such is an impossibility even though this law were enacted.

Section three of this act provides for an emergency circulation to be taxed 5 per cent. This emergency circulation shall equal 12½ per cent of the capital, but cannot be issued until the credit notes of the institution have been issued. This tax, of course, would absolutely drive such note issue out of circulation almost immediately, and it would only be under the most extreme conditions that such a note issue ever would be used.

Section five of this act provides for security for this note issue. The question was discussed at some length as to whether or not the notes of the national bank should be made a first lien upon the assets of the organization. After a great deal of discussion the commission decided that that was impractical and not the proper thing to do. We did not believe that any bank in the United States would ever issue these notes if they would be used to discredit the institution, and such notes could be used for such a purpose in the hands of rival institutions. You take for instance a bank with a capital of \$50,000, the sum total of their note issue under this plan would be \$12,500. It would be a very easy matter for a competitor across the street, a state or private institution, to obtain these notes and hold them in its vault and say to some of its best customers: "I have a first lien on the assets of that institution, and you as a depositor must take your turn if anything happens to the institution." In other words, he would have a first mortgage upon the institution. And it is not fair to the national banks of this country to burden them with any odium of that kind.

We have provided in this section that the same reserve should be carried against the credit note issue that is now carried against a deposit. In other words, the country banks would carry a reserve of 15 per cent against their note issue. The reserve city bank would carry a reserve of 25 per cent against their note issue. And the central reserve city banks would carry a reserve of 25 per cent also. We have a double purpose in requiring the banks to carry this reserve: First, to maintain the gold reserve of

the country in the proper business channel; and, second, to give to this credit note a form of security that will be ample at all times to meet and retire it. We have also provided a further security in the form of a 5 per cent redemption fund to be accumulated in the hands of the United States treasury. This fund, when a bank first issues the notes, shall be paid in by the institution issuing it. After the accumulation of interest or of the tax on its circulation equals the amount of the 5 per cent, then this sum of money is to be refunded to the institution making the deposit, at the same time maintaining the 5 per cent reserve. It has been demonstrated in the statistics of the national banking system from its beginning that a tax of one-fifth of 1 per cent was more than ample to retire all the notes of all the failed institutions since the beginning of that act, and thus a reserve fund of 5 per cent is more than ample to meet and retire all the notes of any failing institution for years to come.

It may be of interest to you to know how this note issue would apply to the bankers of the country. Taking the sixty-one central reserve cities of the United States according to the comptroller's report of September, 1904, they had a capital of \$145,900,000. They could issue credit notes to the amount of \$36,475,000, and would have to carry a reserve of \$9,118,750. The tax on this circulation would amount to \$1,104,250. The 295 reserve city banks throughout the United States have a capital of \$195,000,000. Their 3 per cent note issue would be \$48,000,000, their reserve would be \$12,000,000 and the amount of their 3 per cent tax would be \$1,464,000. The 5,781 country banks have \$493,954,721 capital, and could issue 3 per cent reserve notes amounting to \$123,480,000. Their 15 per cent reserve would amount to \$18,000,000 and the tax on this circulation would amount to \$3,704,000. Thus the total amount of revenue received by the government from this note issue in any one year, providing it was possible to keep out the entire issue, would amount to \$6,273,000.

It may be presumed by some that a bank could issue these notes at a cost of 3 per cent. However, such is not the case. A bank is required to carry a 5 per cent redemption fund in the United States treasury in addition to this reserve. The result is that it would cost the central reserve city banks to issue the 3 per cent credit notes, 4.3 per cent. It would cost the 295 reserve city banks 3.9 per cent and it would cost the country bankers 3.56 per cent. The difference in the cases varying with the amount of money that the different institutions are permitted to carry with the reserve centers. The central reserve cities are required to carry 25 per cent practically in their vaults. The reserve cities in this measure are permitted to carry one-half of their reserve with the central reserve cities, and the country banks or private banks are permitted to carry three-fifths with the reserve or central reserve cities, and this figuring of the amount that could be carried with the different institutions makes the variation in rates in favor of the country and the reserve city. If the combined issue should be out it would cost the central reserve cities 5.26 per cent, the reserve 4.88 per cent

JOHN CLAY, JR., PREST.
CHAS. C. MOENDREE, VICE-PREST.

J. W. VIAREGG, CASHIER
D. J. HULL, ASST. CASHIER

FARMERS' STATE BANK, CENTRAL CITY, NEBR.

March 8th, 1907

The American Bank Protection Company, Minneapolis, Minn.

Gentlemen:—About 1:15 on the morning of February 19 four burglars made an attempt on our bank.

Two of the burglars caught the city night watchman about one block away and took him to the bank where the other two burglars were waiting. They took the watchman into the parlor of the banking room, blindfolded him and tied him to a chair. They then attempted to force the combination dial on the vault door, which started the gongs of your electrical system

The deafening roar was too much for them and they fled from the bank, the gongs sounding the alarm to people in the vicinity.

The damage was nominal—the burglars not being able to enter the vault.

We consider that your system saved us from burglary and certainly after such a trial we feel more secure than ever. Yours very truly, J. W. VIAREGG, Cashier.

Facts

Facts

Do you wish to know more about this wonderful system? If so, say so.

The American Bank Protection Co.,
Minneapolis, Minn.

and the banks 4.3 per cent. Under this plan if both issues could be had at the same time there could be issued \$313,149,798. The total reserve required would be \$59,764,207, and the government receipts from this reserve would be \$11,492,000. The redemption fund required to be carried with the government would be \$15,667,000; or a combined amount of something over \$27,000,000, being 9 per cent of the total amount of issue.

It may be claimed by some that it would be profitable to issue the notes when loans were made to borrowers. Such, however, is not the case. If for instance, a borrower would come to a national bank in Iowa and want a loan of \$1,000, before that bank could issue to that borrower it must be assured of the fact that it has \$200 in reserve money to be deposited as a reserve, and for the 5 per cent redemption fund. If the borrower wished that money for the simple purpose of borrowing it and placing it to his credit in the institution you would not require the same reserve that you would in case the money is borrowed for actual use. The mere fact that the borrower would come to you and want a loan of \$1,000 and want the actual bills for it, is positive evidence that the bills would be immediately put into circulation, and the result would be that they would be almost immediately presented to you for redemption, or else presented to the nearest redemption agency.

Another thought in connection with this redemption fund, is that it is supposed by a great many and has been repeatedly said by different financial authors, that this measure would permit the national banks to issue dollar for dollar for deposits withdrawn. Such, however, is not the case. The country banks, for instance, before they could issue this circulating medium must have on hand a sum equivalent to 20 per cent of their issue. They are only requested to carry a sum equivalent to 15 per cent. Applying this principle to the state of Iowa, the total note issue that could be had in this state with your banks with a capital of \$18,703,000, would be \$7,014,375. The banks outside of the country banks could issue \$6,334,375 of these

notes, and the ten reserve city banks could issue \$675,000. Before these notes could be issued, if the identical same reserve was to be used against the issue that was used against the deposit, it would require a withdrawal of \$8,452,500 in deposits from the national banks or the country banks before they could issue the \$6,000,000 of notes, or it would require a withdrawal in the reserve cities of \$810,000 before \$675,000 of note issues could be had. Applying this principle to the whole state, assuming that it was necessary for the national banks to issue the full amount, it would follow that your state institutions and your private institutions were in no better condition than were your national institutions. The result is that about \$18,000,000 of deposits would be withdrawn in this state from all the banks before it would be possible to issue the \$7,000,000 of credit notes.

Thus you will see that this measure is drawn for the purpose of anticipating trouble, not for the purpose of inflating the currency, but on the other hand, rather to discourage the inflation. Under the provisions of this measure it would not warrant any state institution to change its charters for the benefit it would receive by becoming a national institution. What this country needs most is more confidence and not more money, and all that is necessary for the bankers of this country to do is to ask for such legislation as will insure in the minds of the people that at all times they can have a sufficient quantity of notes to properly transact the business of the country. This condition has been brought about by the wonderful growth and development of this nation.

We stand today as the first nation of the earth, representing a wealth equal to that of the entire rest of the world. This nation is now practically the creditor nation of the world. This nation is the only nation in the world that does not give to the banks of the country the right to use their credits, and it is simply the right to use the credit of the institutions that we are asking for this legislation. I, myself, am one of the two members of that commission who is not a national banker. There is one state

MERCHANTS NATIONAL BANK OF CEDAR RAPIDS, IOWA.

OFFICERS

JOHN T. HAMILTON, PRESIDENT
JAMES E. HAMILTON, CASHIER

P. C. FRICK, VICE-PRESIDENT
E. H. FURROW, ASST. CASHIER

Deposits \$3,500,000

SERVICE:-- QUICK, INTELLIGENT, THOROUGHLY SATISFACTORY

banker and myself upon the commission and yet I believe that this bill is decidedly in favor of the financial interests of the country. I believe it will tend to prevent the recurring period of the financial distress that we witness every fall of the year at crop moving periods in this country.

It may be claimed by some that the commission has not accomplished anything this year. Such, however, is not the case. The commission after its week of deliberation and after a week before the committee on banks, banking and currency in congress where this subject was thoroughly and carefully discussed in the most able manner, were gratified with the fact that with but one or two minor changes their recommendations were adopted by that committee and reported favorably to congress for enactment. The reason that we have not succeeded in securing this legislation does not lie with congress, nor does it lie with the members of this commission. The individual members of congress have been one and all universally courteous to our committee when we have appeared before them. And right here let me say especially that your two United States senators from this state, and every member of congress from this state whom we approached showed to our committee a decided interest and the most universal courtesy. The fault does not lie with the members of congress; no member of congress dares to push forward a measure that does not have the backing of the institutions from his congressional district. The trouble with this measure is that the majority of you have received it, and knowing the large amount of statistics that pervades the bill, and you have laid it to one side hoping that some Sunday afternoon or some wet day you could take it up and study it; but that like many other things of importance has been relegated to the past and is peacefully slumbering in the archives of your desk. It is your duty to consider this measure, and if you approve of the measure report the same to your members of congress. They cannot act unless they have your support, and the support of the financial interests of your district. And it is the hope of the currency commission of the American Bankers' Association that you will study this measure and take your pencil and paper and figure for yourselves whether there is merit in it, and if you find merit, bearing in mind the difference of opinions on such questions, see if it is possible for you to formulate a better plan, and if you fail in so doing, then endorse the other and ask your congressman to lend his support to see that it is enacted. This question is not a dead one. This question is simply being pushed forward by those of us who are members of the commission and it will come up at the next meeting of the American Bankers' Association for the endorsement of that body and it is your duty as bankers of this country, representing the financial interests of this state, representing the widows and orphans of this state, to see to it that you fully and carefully understand this measure and when you go to the American Bankers' Association be prepared to vote intelligently upon the subject.

Gentlemen, I thank you for this privilege. (Applause.)

Mr. C. D. Ellis: Mr. President and Gentlemen of the Iowa Bankers' Association: We have listened with pleasure to the remarks of my friend Hamilton from Illinois when he tells you we live in the greatest nation in the

world. We enjoyed the remarks coming from Major Lacey yesterday that Iowa was the greatest state in the greatest nation in the world. The members of this association did not need to hear these words from either of these men in order to realize these facts, because we, as bankers of Iowa, and members of this association know that. We know it from our own experience. And when I look over this audience composed of bankers of Iowa and members of this association, I am led to believe that we should be proud and I believe we all are, not only that we live in Iowa, but that we are members of this great association of bankers, and we realize that that is an honor. Much more then is it an honor and a great honor to have been chosen the president of this great association. A year ago you selected as your president my friend, J. J. Large, a representative banker, one of the pioneer bankers of northern Iowa, a section of Iowa which a few years ago was given over to the grasshoppers. They held full sway. Today it is dotted with beautiful towns, it is settled by intelligent people, good, thrifty banks are everywhere. And my friend Large is one of the pioneers of that country which now is known as the garden spot in the garden state of Iowa.

In behalf of this association I have been asked to present to our president, Mr. Large, this gavel, which has been procured by this association, and is for him to take with him through life to his home. He who has been active in performing the duties of president of this association, who has never been known to lack in performing the duty when duty commanded him; a man who has common sense, integrity and energy. Now in behalf of this association I take this opportunity to present before them this gavel to our president. Mr. Ellis here presented to President J. J. Large a handsome silver mounted gavel accompanied with the applause of the convention.

President Large: Mr. Ellis and Gentlemen of this Convention: I realize that right here is where I ought to make a good speech and I wish that I had the eloquence to tell this convention how much I appreciate the uniform kindness and courtesy with which I have been treated by the members of the Iowa Bankers' Association. I have formed in my years of work in this association, friendships that are very dear to me. I find the Iowa banker the best fellow in the world from my point of view, and I have gotten fairly acquainted with a great many of them and I must say that each day that I come in contact with the Iowa bankers I think more and more of them as individuals. They are leaders in their community, they are men that stand for the good things in this world wherever they live.

I want to thank you, gentlemen, for your kindness to me and I want to say that I will keep this gavel all my life, that I prize it highly, and I will be glad to hand it down to my boys. (Applause.)

The President: Now we will ask you to bear with us a minute. This program will be finished quickly now and then we will be ready for lunch. I will introduce at this time to talk to you on "The American Institute of Bank Clerks," Mr. G. D. Irick, exchange and collection teller of the Des Moines Savings Bank and president of the Des Moines Chapter of the Institute of Bank Clerks.

Mr. Irick: Mr. President and Gentlemen of the Con-

THE OMAHA NATIONAL BANK

OF OMAHA, NEBRASKA

STATEMENT, MAY 20, 1907.

Resources		Liabilities	
Loans and Discounts, -	\$6,605,833.49	U. S. Bonds for Deposits	\$624,000.00
Overdrafts -	5,406.72	Due from Approved Reserve Agents -	1,469,793.95
U. S. Bonds for Circulation -	625,000.00	Due from other Banks	1,084,180.75
Stocks and Bonds -	633,166.65	Cash on Hand -	1,229,120.60
Banking House and Safety Deposit Vaults -	200,000.00	Due from U. S. Treasurer	29,550.00
			4,436,645.30
			\$12,506,052.16

J. H. Millard, President, C. F. McGrew, Vice-President, Wm. Wallace, Vice-President, W. H. Bucholz, Cashier, Frank Boyd, Assistant Cashier.

Well organized collection department. Items on Omaha and all Nebraska points solicited.

vention: I want to say in preface to my paper that at a recent meeting of the American Institute of Bank Clerks, the name of our organization was changed to the American Institute of Banking. You will notice that this gives the association a little more dignity and that it will include not only the bank clerks, but the bankers who have done so much for us in this movement.

Address of Geo. B. Irick of Des Moines, President Des Moines Chapter American Institute of Bank Clerks

In our estimates of the capabilities of men, we frequently base our judgment upon the all-round qualifications, the adaptability—the pliability of temperament, the energy and keenness of perception with which they pursue the methods and interests of the business and the courage and confidence shown in the application of the talents with which nature has endowed them. We weigh these points carefully before deciding whether or not a man is to be taken into a business venture. Affirmatively answered these questions convey our belief in the positive, creative and success qualifications; they place a man in the front rank of our confidence and put a high value upon his capacities and abilities. Negatively answered they signify our disbelief in all these qualities and raise questions as to his fertility of purpose, initiative and courage—placing him rather in the class of the unfortunate, inapt and unfit.

I presume most of you gentlemen, having had opportunity for observation, have noted the effect, the doing of one kind of work day and month and year has upon the worker. Place a man, for instance, in a position requiring studious attention to detail and system, impress upon him the importance of always following one order in the transactions of the day, which we find important in many banking positions, and note the effect upon his view and the difficulty he experiences in taking up new work. He becomes after a time, a slave to his system, is convinced that his particular work is more important than any other in the bank and unless he has progressiveness and energy enough to follow lines of thought that tend to keep him out of the groove in which he runs by the necessities of his position, will finally be retired upon a pension or asked to resign. There is no denying this. Observation and experience confirm the truth of this statement as we consider the processes and tendencies of our highly specialized divisions of work and especially bank work.

As illustrating the dangers of these conditions, I want to tell you a story published in a recent magazine ("Business Philosopher," October, 1906):

"One morning not so very long ago, there stepped into the office of the manager of a large wholesale house in Chicago a fairly well dressed man. His clothes were neat and well brushed, his shoes shined, his fingernails cleaned and he doffed his hat as he entered. In an apologetic tone he asked the manager for work. But the only answer was, 'No, nothing doing today.' Instead of leaving the office quietly, as he had done from a large number of other places where he had received the same answer, he stepped

a little closer to the manager's desk and in pretty strong language—stronger than he had ever before dared use to any man—told the manager what he thought of him as a representative of an economic system that compelled a man who was capable of doing a certain work to be barred from that work.

"For fifteen years our friend had worked in the office of a wholesale firm as clerk. He had kept the books of that firm faithfully and well, and was considered by his superiors to be a model employe. Through no fault of his own he had lost his position. The old firm had sold out, a new manager was installed and our friend had to go. For four months he had been out of work. And when a man has a wife and three children all pulling hard on the purse strings, the money that has been saved doesn't last long. Fifteen years of service as a clerk under kind employers had made him feel safe for life, had placed him in the rut of mediocrity, had made a machine of him. He never thought about the other fellow; he had a good job and was satisfied. Four months of idleness had taken away that satisfied feeling.

The manager listened for a few moments. It was a strange experience for him; no one had ever dared to talk to him like that before. And then in an angry tone he ordered the man out. But while our friend was talking the proprietor came in. He was one of those little men, quick, nervous, positive. He was rarely ever seen about his establishment, and was not very well known.

He got the drift of the conversation, saw that the man wanted employment, and just as he was going out hailed him with, "My good man, I would like to talk with you. You are looking for work aren't you? You have just told my manager that the present system of society doesn't give the working man a 'square deal,' and that no matter how willing and anxious a man is to work, he cannot get it. Well, I'll tell you what I'll do. I am not very well known in Chicago, so I'll change my clothes—these I have on look a little better than yours—and for the remainder of the day I'll look for a situation. For four months you have been out of work and haven't been able to find a place. I'll wager you that by five o'clock, when you come back here, that I'll have five positions offered me. If I don't, I'll make a place for you in this office and give you good pay. Come in again at five."

The proprietor kept his word. He dressed up in some old clothes and a soft hat and went looking for positions in the wholesale district of Chicago. Before five o'clock he had obtained a promise of ten, all at good clerk's salaries, either to come to work the next day or report the following Monday morning. He came back to his office in triumph. The clerk of fifteen years' standing and four months of idleness, was there waiting. He had been waiting for thirty minutes. It didn't take long for the proprietor to show the evidence of his ten positions to our friend. He had them on paper, written in ink. And it didn't take him long to dismiss our friend with the following words, "Here is positive evidence that refutes absolutely what you said to my manager here this morning. This talk about capital and labor is all popy cock, it's d—

Established 1885

Purely Mutual

Northwestern National Life Insurance Company

MINNEAPOLIS	
DIRECTORS	A WESTERN COMPANY FOR WESERN PEOPLE
<p>F. A. CHAMBERLAIN Pres. Security Bank C. T. JAFFRAY Vice Pres. First Nat'l Bank E. W. DECKER Vice Pres. Northwestern Nat'l Bank S. A. HARRIS Pres. Nat'l Bank of Commerce B. F. NELSON Nelson-Tuthill Lumber Co. GEO. E. TOWLE Treasurer JOHN T. BAXTER Counsel W. J. GRAHAM Vice Pres. and Actuary L. K. THOMPSON President</p>	<p style="text-align: center;">RECORD FOR 1906</p> <p>Total Income ----- \$1,510,897.06 Excess of Income over Disbursements 766,060.58 Paid Policyholders and Beneficiaries.. 514,758.81 Increase in Surplus ----- 44,225.81</p> <p style="text-align: center;">JANUARY 1, 1907</p> <p>Admitted Assets ----- \$4,737,617.47 Paid Policyholders and Beneficiaries 5,832,679.89 Insurance in Force ----- 22,963,978.00 Surplus ----- 101,716.04</p>
	OFFICERS
	<p>L. K. THOMPSON President W. J. GRAHAM Vice Pres. and Actuary GEO. E. TOWLE Treasurer ROBERT E. ESTERLY Secretary JOHN T. BAXTER Counsel HENRY W. COOK, M. D. Medical Director E. M. STICKNEY Cashier H. F. WHITE Auditor</p>

nonsense and I never want to hear any more about it. Good day, sir." And our friend left the office not only discouraged, but crestfallen.

What was the trouble with our friend, the clerk? And why did the proprietor get ten positions in one day when our friend hadn't found one in four months? The answer is easy. You know it as well as I do. For fifteen years the clerk had been in training for just this thing. His work being routine, he had lost all initiative, all self-confidence, all courage, and all the positive qualities that go to make up a strong man. He had developed only one—system. And, sad to relate, he had never tried to develop any of the old-fashioned virtues, which we now call positive qualities. Whenever his friends or fellow clerks, who were using their spare time studying to improve themselves while he was reading the newspaper or having a good time, would call his attention to the matter, he would laugh and say, "That kind of stuff is all right for you young fellows, but I don't need it. Anyway, I've got a good place and I get good money, so what's the use?"

On the other hand, the proprietor had built up a big business by his courage, his initiative, and his self confidence. He was probably not systematic. Most successful men are not. And there is your answer. Is it right?

The unfortunate experience of our friend, the clerk, has many parallels in bank clerks and others engaged in routine clerical work. It is, however, the good fortune of the bank clerks of the United States to have in hand the working out of an idea in banking experience and education which is bringing them rich returns. During the years beginning with 1900 there has grown up at the instance and with the support of the American Bankers' Association, the American Institute of Bank Clerks. "Its object is the education of bankers in banking and to fix and maintain a uniform standard of banking education by means of official examinations and the issuance of certificates."

"The education of bankers in banking." Now what can this mean? It means a process and an experience exactly contrary to that of our friend, the clerk. The men who would move along in the world must keep abreast the times in thought and action. He cannot sit comfortably at home at the close of the actual work of the day and dream idly, believing confidently in the security of his future. He may be a model employe, but in the security he feels, he falls into the fault that brings disaster and disillusionment, for when the stroke falls, it finds him unprepared and unfit for other aggressive work.

If we could state in a few words the characteristic qualities of the banker, what would they include? First, judgment. His estimate of the importance of events and circumstances and their influence upon his business. This means a constant watchfulness of all operations in the country at large as well as in his immediate neighborhood. In contact with his patrons, his measure of their financial strength and its application to the granting of credits would probably be the surest test of this important quality of judgment.

Our second qualification would be the ability to deal with men—the tact, the discrimination—to reject or discourage without injured feelings or enmity. The faculty of statement that will interest and attract. The happy embodiment of easy, dignified good fellowship with uncompromised principle. The ready, genial smile—the weapon that often unhands bitter, uncompromising hostility and wins to cordiality—chilling indifference. I would place this ability to deal with men—diplomacy—as the most important after the great cardinal quality of honesty.

I would add another quality—of a psychological and phrenological kind in judgment and human nature—of men. This may be a part of the two before named, but becomes of absorbing interest as a study in itself and may be undertaken with profit in any work, but is especially valuable to the banker. To fathom the motives of men, to read their intent, to know with reasonable certainty from the "cut" of the man, what may be expected of him. From long experience one may cultivate this faculty in a general way; we all undertake it intuitively from our earliest years. To have the intuitions backed with reason and science, renders our judgments of weight. They take on the importance of finality and put aside the element of conjecture.

These are the things, gentlemen, that in the working out of the problems of the Institute, we find receiving attention. The two cardinal points of judgment and diplomacy make up the greater part of the aptitudes that go to make a banker. The American Institute of Bank Clerks is endeavoring to provide for its members activities which will furnish discipline identical to those the banker, in the organization and promotion of his bank, must bring into active use in the furtherance of his enterprise. By means of chapter organization, the men of the Institute are put upon the responsibility of their judgment to policies and methods in successful chapter work. In the course of these activities, aptitudes in dealing with men are developed. In the various undertakings of the chapter, situations develop demanding tact and thoughtful consideration. In all of this the chapter man adds to his knowledge of men and gains confidence in his judgments, a most valuable and indispensable part of a banker's education.

And so we have our answer; "the education of bankers in banking" means the effective and constructive development of men in activities similar to those they have chosen as their profession. It means the surmounting of difficulties, the bringing to the front of latent capacities and talents and furnishes opportunities for proof of individual merit and ability. Chapter training promotes courage, initiative and self confidence, the very qualities which in years of routine work are smothered and killed, and supplies the men with a resourcefulness that makes for success higher up. It tends to raise the men from the rut of our friend, the clerk, for it prepares them for the opportunity that some day will surely come to them and sharpens

(Continued on page 40)

THE NORTHWESTERN BANKER,

PUBLISHED BY

The Northwestern Banker Publishing Company,

DES MOINES, IOWA.

A monthly Bankers Journal devoted to the interests of bankers in the Northwest.

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Subscription, \$2.00 per annum: single copies, 20 cents.

Advertising rates on application.

JULY, 1907

The Convention

This issue of The Northwestern is devoted largely to Convention matters, it being our plan as in former years to publish the proceedings complete, including all the papers given. The address by Major Lacey being too long to admit of publication entire we give a brief synopsis only; all the other papers and addresses are given in full.

This issue is therefore a valuable book of reference for every banker in the state.

The Convention was a success from every standpoint. The attendance was large and enthusiastic in spite of the heat, the bankers seeming to feel that so long as the corn was growing it would not hurt them to sweat a little.

So they mopped their brows, wore the smile that didn't come off, discussed rates, discounts, deposits, general conditions, etc., to their hearts content.

They were a jolly bunch and enjoyed every hour of the stay at Clinton. Nothing but good can come from these getting together periods. The country banker from one part of the state meets the country banker from another part, and they talk over problems together, the one being able to help the other. Then they both meet the city banker, and he has suggestions to make which are helpful, and incidentally he gets in touch through them with actual conditions "out where they live," which are of benefit.

The Iowa Bankers' Association is now the largest in the United States, numbering nearly 1,200 members, but there are still about 300 without the fold. If they could be induced just once to attend a state convention that would settle it, for they would become members without any further delay. It is because they do not know what they are losing that they fail to join. After they had attended one convention they would have new light on the advantages to be derived from membership in the Iowa Bankers' Association.

Clinton a Royal Host

It goes without saying that the State Convention at Clinton will linger long in the memory of every one fortunate enough to attend. Headed by C. B. Mills, of the Peoples Trust and Savings, and W. F. Coan, of the Clinton National, the bankers of the two cities of Clinton and Lyons put up an article of entertainment which was entitled to the very highest rank.

The beautiful Lafayette Inn was headquarters, and everything possible was done to the end that all visitors be given "the time of their lives," and from the cordial

expressions of appreciation heard on every side, they certainly had it.

After the Convention business was over for the first day the delegates and visitors were most charmingly entertained by a steamboat ride on the Mississippi river, which was thoroughly enjoyed by all, the pleasure being enhanced by the fact that it was a very hot day (on land) but cool and pleasant on the boat.

The meeting for the second day was held at Eagle Point Park, Lyons, a most beautiful bluff overlooking the river, and affording an entrancing view in every direction. After the business of the morning was disposed of a lunch was served in the pavilion which was enjoyed by all. At the conclusion of the afternoon session the visitors were given a "Seeing Clinton and Lyons" tour in automobiles.

While all did not register, the attendance was estimated at 600 or more, and the Clinton and Lyons bankers have reason to feel proud of the way they handled every detail in connection with the meeting.

From start to finish there was not a hitch in the arrangements, everything moving along smoothly and happily, evidencing clearly how careful had been the planning which preceded the big meeting. The heat was oppressive, but the smile of "Charley Mills" was so contagious that everybody caught it, and the hospitality was so lavish and so sincere that all thoughts of bodily discomfort "folded their tents like the Arabs" and marked their baggage "23."

Whenever Clinton and Lyons want anything if they will make sight draft on the bankers of Iowa they will get what they are after by return mail.

Politics of the Convention

As was anticipated, the resolution introduced a year ago by Mr. Ingwersen providing that no one should be president of the association without having had at least a year without an office, was carried. This resolution did not take effect, however, until after the election of officers. Because of some misunderstanding in regard to this matter immediately following the 1906 convention, the friends of H. M. Carpenter, than whom no one has more in the state of Iowa, took up the matter of his election to the presidency in 1907, and as a consequence at the convention just closed there were two candidates for this office, J. T. Brooks of Hedrick, who would have been the logical candidate under the usual order of procedure, and Mr. Carpenter. In talking the matter over just before this order of business, Mr. Brooks decided to withdraw in the interests of the harmony that has always characterized the election of officers and in order to start the new order without embarrassment to anyone, but his many friends would not consent to his doing this without permission from him to continue his candidacy for the presidency next year. Assurances were also given by the supporters of Mr. Carpenter and many others of the bankers that they would support Mr. Brooks next year. There seems, therefore, to be a general understanding that Mr. Brooks is to be elected president next year, and as no one now holding office will be eligible, there will probably be no other candidate. Both Mr. Brooks and Mr. Carpenter are among the most modest bankers in the association and neither one of them has or would make a personal matter of his election to this or any other office.

The Advertising Contest

Owing to the fact that several papers are yet to come and some have not been published which are now on hand, and still others of our readers desire to compete, we have decided to hold this competition open until October 1st.

Any subscriber to the Northwestern Banker may compete, all articles submitted to become property of the journal. There are four prizes offered—\$40 first, \$25 second, \$15 third, \$5 fourth. If you have not sent your paper in yet, do so at once. "How to Advertise a Country Bank" is the topic. Write an article not over 2,000 words, and send it in. You may get the first prize. Tell how you did it, or how you think it should be done.

The advertising end of the banking business will be given the place its importance deserved in future issues of The Northwestern, and our department of "Advertising Comment" will grow in value constantly. The large amount of space given to the convention crowds that department out this month, but it will be a regular feature hereafter.

Our patrons are invited to send copies of their ads clipped from their home papers, samples of literature they put out, or anything pertaining to the publicity department of their business. If of sufficient merit they will be given recognition in this department.

A Correction

We are glad to publish the following letter from the secretary of the state association, as we are extremely anxious that history may be kept straight and the attendance at the annual conventions increased each year. Let us all pull together now to make it 1,000 at Sioux City next year:

The Northwestern Banker,
Des Moines, Iowa.

Gentlemen:—I have your letter of the 20th inst. asking for information as to the registry of recent conventions, and will say, that your program and pass-book for 1907 give the registrations at Des Moines for 1905, as 500, and for Cedar Rapids in 1906, as 500. In publishing the proceedings in 1905 of the Des Moines meeting, the secretary stated in a note at the head of the registry list that the attendance as shown by that list was less than 500, yet as a matter of fact there were 650 calls for badges, satisfying him that there must have been a great many not registered. Unfortunately, this same heading was let stand and put at the head of the registration list for Cedar Rapids, 1906, which of itself would mislead you as to the attendance. The registry list for Cedar Rapids, however, contained the names of 704 persons, actually in attendance and registered. Besides that, there were fifty-six ladies present, making a total of 760. It seems that one of the hardest things in the world to accomplish is to get every person attending these conventions to register. It may be that Cedar Rapids succeeded better than any other, but the actual registry at Cedar Rapids was, as stated above, 704 delegates, plus fifty-six ladies, and the registration at Des Moines should have been something over 600 instead of 500.

It makes but little difference which city had the largest registration. What the secretary is after is to show that attendance at these conventions is getting to be a popular thing, and he points to the registration at Clinton to prove that. Clinton, lying to the extreme east, had some 500 delegates registered and he believes that at Sioux City next year there will be even more than that, Sioux City being at the extreme west.

Yours,
J. M. DINWIDDIE,
Secretary.

Valley National Bank...

OF DES MOINES

Condensed Statement, March 22, 1907.

COMPTROLLER'S CALL

RESOURCES

Loans and Discounts.....	\$1,478,587.75
Overdrafts.....	572.22
Municipal and other Bonds.....	336,492.35
Banking House.....	10,000.00
Other Real Estate.....	none
Furniture and Fixtures.....	none
Premiums on U. S. Bonds.....	none
United States Bonds.....	295,020.00
Cash and Exchange.....	654,750.58
Total.....	\$2,675,372.90

LIABILITIES

Capital Stock.....	2000,000.00
Surplus.....	100,000.00
Undivided Profits (net).....	14,459.68
Circulation.....	166,500.00
Reserve for Unearned Discount.....	5,000.00
Deposits.....	2,189,413.22
Total.....	\$2,675,372.90

R. A. CRAWFORD, President. D. S. CHAMBERLAIN, Vice-President
W. E. BARRETT, Cashier.

ACCOUNTS OF BANKS, FIRMS AND INDIVIDUALS
SOLICITED AND GIVEN CAREFUL ATTENTION.

Dubuque, Iowa.

Second National Bank

...and...

Dubuque Savings Bank

Combined Statement

May 20, 1907

DIRECTORS

Cash.....	542,581.19
Investments.....	2,274,628.65
Total.....	\$2,817,209.84

LIABILITIES

Deposits.....	\$ 1,977,813.86
Capital.....	539,395.98
Circulation.....	300,000.00
Total.....	\$2,817,209.84

RESOURCES:

W. H. Day. Geo. W. Kiesel.
H. B. Glover, James M. Burch,
J. K. Deming, Chas. H. Bradley,
Frank Bell.

Iowa State Convention

(Continued from page 37)

the wits even to the point of thinking, a most stimulating experience for the best of us.

A further object of the Institute remains to be stated. "To fix and maintain a uniform standard of banking education." The Institute has undertaken the education of bank men in fundamentals. Three courses of study are offered, practical banking, commercial law and political economy.

Practical banking includes a "three-fold purpose." To acquire familiarity with banking methods, forms and accounts as now practiced; to get an understanding of the principles involved in various banking transactions; to get some knowledge of the development of banking institutions in this and other countries."

Commercial law takes the student through a careful study of the application of the law to negotiable instruments and gives him a general view of law in its various phases such as agency, trusteeship, contracts, sales, common carriers, etc. The object being rather to teach the student "what is and what is not law" than to make a lawyer of him.

Political economy includes a general "knowledge of the facts of industry and commerce, the climatic and geographical factors affecting production, and of the agricultural, manufacturing and transportation industries of this and other countries. It calls for capacity to generalize, the idea being to ascertain the general principles under which human society organized itself and satisfies its needs." It includes the principles upon which banking is based and the laws governing their application.

It is hardly necessary, gentlemen, that I should undertake to tell you of the advantages of this course of instruction; nor is it possible now, for our estimates of the value of present endeavor can be truly measured only with length of perspective, to see the benefits to banking in the future. But it is safe to say that at no distant day, present chaotic thought among bankers must pass away and a unanimity of opinion in financial matters must take its place; an opinion based upon banking experience, a knowledge of the best law precedents and sound economic principles.

Bankers may welcome and support a movement, the fruits of which promise enlightened public and professional opinion, promotes in the fraternity itself, agreement along fundamental lines and confidence in remedial measures insuring legislative enactment adequate to the needs of the vast growth of recent years; for out of this development have come problems the solution of which we have as yet only touched.

These are some of the things the members of the Institute are undertaking. To avoid the rut, to develop themselves socially, diplomatically and financially; to make of themselves men of information and grasp of affairs and to lead the future of banking in the United States to a plane of excellence not equaled by any other nation on earth.

The President: The secretary will please read the list of delegates to the American Bankers' Association convention at Atlantic City.

The secretary read the list as follows:

Delegates to the American Bankers Association

John J. Large, J. E. Burmeister, H. G. Moore, J. H. Ingwersen, Charles Shade, John McHugh, Hon. J. T. Brooks, J. P. Kirby, C. H. McNider, A. C. Smith, E. M. Scott, J. M. Dinwiddie, Homer A. Miller, C. W. Bopp, James Moir, D. H. McKee, E. J. Curtin, C. D. Ellis, H. M. Carpenter, E. L. Johnson, B. B. Clarke, Arthur Reynolds, E. A. Dalton.

Election of Officers

The President: The next matter is the election of officers. Who will you have for president?

Hon. J. T. Brooks: A short time ago a distinguished statesman from Alabama having failed to receive the usual endorsement for election, and on returning to congress to serve out the short term, one of his friends asked him how it came that he was not re-elected. He said: "The explanation is very simple, the citizens of Alabama have determined for the present that they won't send their best man to congress."

That cannot be said of the Iowa Bankers' Association, but this statement can be made to our friends, that the

Iowa Bankers' Association contains so much good material that there are not offices enough to go around, and believing this and with this in view and with this explanation to those who might aspire to the office and cannot have it, I wish to nominate for this very honorable position my friend, Henry M. Carpenter, of Monticello. (Applause.)

The President: Are there any other nominations?

Mr. J. Lyman Edwards: I move that the nomination be made unanimous, and that the secretary be instructed to cast the ballots of this convention for Mr. Carpenter for president.

The motion was duly seconded and on being put to a vote was unanimously carried and Mr. Carpenter was declared elected the president of this association.

The chair appointed Charles B. Mills and J. H. Ingwersen to conduct Mr. Carpenter to the chair.

President Large: Gentlemen, I take great personal pleasure in presenting to you my friend, Henry Carpenter, the president of this association. (Applause.) You could not have selected a better man anywhere within the association than Henry M. Carpenter.

Mr. Carpenter: For some time I have been studying over a particular section of the law and wondering what the penalty was for obtaining property under false pretense. I do not know that I have exactly pretended myself, but my friends have said so much for me that I have felt rather guilty. I imagine there are a great many here who remember about how they felt when they were first called on in school to make their first speech. I feel a little that way myself just now. I am not a very good talker, as you all know, but I do assure you that I feel very grateful indeed for the office that has been conferred on me, and as all my predecessors have said, I promise to do my best. It is particularly gratifying to be elected in this way in one's own group, and at the twenty-first anniversary of the Iowa State Bankers' Association. We have accomplished a good deal as an association, but there is a good deal more that we can do. I ask for the co-operation of all of the bankers and my friends to that end, that the ensuing year of the association may be the best one of its history.

The custom has been for the retiring president to close the session, and I would be very glad to have Mr. Large do so. (Applause.)

President Large: The next is election of your vice-president. Who will you have?

Mr. Carl F. Kuehnle: I nominate Mr. J. D. Easton, of Waterloo.

The nomination was seconded and on motion of Mr. Kuehnle the secretary was directed to cast the vote of the association for Mr. Easton for vice-president and he was declared elected to that office.

The President: The next in order is treasurer.

Mr. D. H. McKee: I wish to nominate Mr. E. J. Curtin, of Decorah, in recognition of services to the association, and unusual ability, and if there are no further nominations I move that the rules be suspended and the secretary instructed to cast the ballot of the association for Mr. Curtin.

The motion was seconded and on being put to vote of the convention was carried, and Mr. Curtin was declared elected treasurer for the ensuing year.

The President: The next is secretary. Who will you have for secretary?

Mr. Edwards: I would like to place in nomination the present secretary, and if there are no other nominations I move that the rules be suspended and that the president cast the ballot of the association for Mr. J. M. Dinwiddie for secretary.

The motion was seconded, and was carried by rising vote, and Mr. Dinwiddie was declared elected secretary of this association for the next year.

The President: The next matter is the consideration of amendments to the constitution and by-laws. The secretary will read them.

Secretary Dinwiddie read amendment to the constitution offered by J. H. Ingwersen, as follows.

After the word "office" in Section two, Article two, of the constitution of the Iowa Bankers' Association, cross out the period and insert in lieu thereof a comma, and add the following words:

"Nor shall an officer of the association be elected president thereof prior to the annual meeting, following the one at which the term of office held by him expired."

As amended, Section two, Article two, will read as follows:

"No president or vice-president shall succeed himself in office nor shall an officer of the association be elected president thereof prior to the annual meeting following the one at which the term of office held by him expired."

On motion of Mr. Ingwersen the above amendment was adopted.

Secretary Dinwiddie then read proposed amendment to the constitution of the Iowa Bankers' Association offered by the secretary, as follows:

"Strike out all of Article one of the constitution and substitute therefor:

"Section 1. This association shall be called the 'Iowa Bankers' Association.'

"Sec. 2. Members. Any national, state or savings bank, members of a banking firm or private banker, or trust company doing a banking business, located in Iowa, may become a member of this association upon payment of such membership fee and annual dues as shall be provided by the by-laws, and may send one delegate to the annual meeting of the association, and any member of this association may be expelled upon vote of two-thirds of those present at any regular meeting.

Sec. 3. Associate Members. Any national, state or savings bank, private banker or trust company doing a banking business, located outside of the state of Iowa, but within the United States, may become an associate member of this association upon application therefor and payment of such membership fee and annual dues as may be provided by the by-laws.

"Sec. 4. Honorary Members. Any individual conferring upon the association a distinguished public service to be judged by the association, may be chosen to be an honorary member of the association. Honorary members shall pay no membership fees or dues.

"Sec. 5. A delegate to any meeting of this association with a right to vote, shall be an officer or director of the institutions such delegate represents, or a member of a banking firm, or an individual doing a banking business.

"Sec. 6. Each member of this association shall have one vote only in the election of officers and upon all business voted on by this association. Delegates entitled to vote shall vote in person. No voting by proxy shall be allowed.

"Sec. 7. Any chapter of the American Institute of Bank Clerks in the state of Iowa may send one delegate for each fifty of its membership to any meeting of this association, providing any chapter having less than fifty members shall be entitled to send one delegate, such delegates to be considered as guests of the association.

"Sec. 8. Neither associate members, honorary members, or representatives of the American Institute of Bank Clerks shall have a right to vote, hold office, or have any voice in the management of the association."

Secretary Dinwiddie: The idea of associate members is to let outside bankers come in and contribute their fee. The honorary member is explained easily, and that providing for the admission of delegates from the American Institute of Bank Clerks is to recognize the young men. If that were adopted, the following amendment to the association by-laws is also offered to be adopted at the same time:

Add to Section 1, after the word "ordered" in the third line, as printed in the proceedings of 1906, "the membership fee for associate members shall be \$10.00." Add also after the word "member," in the fourth line of Section 1, "and associate members," so that the article as amended will read:

"Section 1. The membership fee of this association shall be \$5.00 for banks having a capital of \$200,000 or less, \$10.00 for banks of \$200,000 to \$500,000, until otherwise ordered. The membership fee for associate members shall be \$10.00. After the first year's membership, there shall be collected from each member and associate member \$5.00 as annual dues, and no member can withdraw without filing notice of such intention with the secretary after first paying all dues in arrears, if any."

Secretary Dinwiddie: I offer this amendment for adoption.

Mr. C. B. Mills: Mr. President, I am heartily in favor of a portion of that, but after hearing the resolution read by our committee on resolutions showing the amount of money there is on deposit in this state and our great

wealth, I am heartily against levying tribute on banks outside of this state. (Applause.)

Mr. Carl F. Kuehnle: Is the question of the adoption of those amendments before the house?

The President: Yes, Sir.

Mr. Kuehnle: I move to strike out the section providing for honorary members.

Mr. Kuehnle's motion was seconded.

Mr. Leonard: I move an amendment, that the whole matter which involves so much, be referred to the executive committee to report in one year. I do not think there is one person in this house knows what the constitution is going to mean when you get through. You have added and taken away, and I do not think we know what it means.

The Secretary: I can tell you in about two minutes and a half.

Mr. Leonard: I move that this whole matter be referred to the executive committee to be reported on in one year.

Mr. Leonard's motion was seconded.

The Secretary: This is not offered to mix you up in any way. There is not a member in the state of Iowa that has not had a copy of these proposed amendments for the last twenty days. They were requested to read it and come here prepared to act upon it. It is offered to simplify matters. It is nothing to me. You have an association here that is supposed to be rich. You have imposed upon the secretary for years the duty of levying tribute by getting advertising, not worth anything to the men that pay for it, to help pay expenses. That is what he wants to avoid, and to permit these men who have asked the privilege of donating \$5.00 or \$10.00 to do so, and not go out and seek advertising. If you will instruct the secretary to cease the soliciting of advertisements, I do not care whether you adopt this or not. But if you do not do that he must still solicit.

Mr. Ellis: I second the motion to strike out the clause about honorary members. I believe we have but few members of this association but what are honorable enough to be retired upon the honorary list. On the other hand, I believe we have but very few who are not able to pay the fee and be simple common members. I believe if we adopt this plan of electing certain members as honorary members, before we know it we will get classes into this association which ought to be avoided. I believe we ought to be members upon a common level. I believe the man who is capable of doing good work for this association ought to have the thanks of the other members, and does have it, and ought not to have the credit and the honor, too. I do not believe we should stand here and undertake at this time to commence a roll of honorary members. If you start it, where will it end. If in my town my competitor is made an honorary member, I might feel that it was wrong you did not elect us all. And other towns might feel the same. In my judgment it is a mistake. I believe now that we are running along for a period here as I understand of about twenty-one years, we are just becoming of age, we are doing a great service to Iowa, we are doing a great service to the nation. This association is recognized as one of the greatest, and I heard yesterday that it is perhaps the greatest of all the state associations. Now is it not right for us to adopt the plan of the Englishman and say we will let well enough alone? Let them all come in here, not pick out this man or that man because he has rendered a little more service for the other man; some may think he has not done it and others may think he has. I think we ought to strike out that clause, and I second the motion to that effect.

Mr. Dinwiddie: Mr. Chairman, I want to say one word. I want you to get away from the idea that this is anything suggested as the idea of the secretary. He offers these. These are all taken from the constitution of some of the best associations of the United States. They find it a good thing to do and it is offered that you might consider it and do what you think is right about it.

Mr. L. T. Richmond: I want to second the motion. A little country bank that pays its fee and pays its dues is entitled to the same services and recognition from the association, thank God, and has had it up to this time, as the large banks have had. We want to continue that system. We have no place in the Iowa Bankers' Association for a class of honorary members. If a man has rendered loyal and faithful service he has done no more than

Davenport Savings Bank

DAVENPORT, IOWA

♦ Officers ♦

WILLIAM O. SCHMIDT, Pres.
LOUIS HALLER, Vice-Pres.
HENRY C. STRUCK, Cashier.
OTTO L. LADENBERGER,
Teller.

Capital,	-	-	\$	300,000.00
Undivided Profits	-	-		270,009.99
Deposits,	-	-		3,843,385.30

4

4 Per Cent Interest Paid on
Deposits. Money Loaned on
Real Estate Security in the
State of Iowa.

♦ Directors ♦

A. BURDICK LOUIS HALLER A. STEFFEN W. O. SCHMIDT THEO. KARBBENHOEFT J. F. DOW H. KOHRS
W. H. WILSON H. C. STRUCK

his duty as a member of the association. So why create this class, why encumber our membership with honorary members. What we want in the association is working members, members all working, getting every bank in the community and every bank in the neighborhood into the association.

The President: The motion before the house is the motion of the gentleman to the left (Mr. Leonard) to refer this whole matter to the executive council. Are you ready for that question?

A Delegate: I move to amend that motion to refer by first striking out the clause relating to honorary members. The motion was seconded.

Mr. W. S. Short: I move that this matter be laid on the table.

Mr. Short's motion was seconded and on being put to vote of the convention was declared carried.

The President: Mr. Coan has an announcement to make.

Mr. Coan: At this time I will ask you when you adjourn to go out to the west end of the pavilion and go by the refreshment stand and provide yourself with lunch. It is a buffet lunch.

This afternoon we want you all to come to the city and starting from Lafayette Inn we will give you automobile trips and carriage trips and those going away on the five o'clock trains will please take the first trip. Our time will be limited. We will give you short trips so that all can see a portion of the city. It has been a pleasure for us to have you with us. We only hope that when you come again you will give us three days. And now, gentlemen, I am going to serve lunch.

On motion the convention adjourned.

Convention Notes

Every large city in the state was represented by from one to ten of its leading bankers.

Des Moines was represented by the following: Auditor of State Carroll, former State Treasurer Gilbertson, Messrs. Reynolds and Blair, of the Des Moines National; Pearsall, of the Citizens; Blackburn, of the Iowa National; Miller and Cole, of the Des Moines Savings; Ellyson, of the Marquardt Savings; Whisenand, of the Central State; Harvison, of the Century Savings; Miller, of the Home Savings; Coffin, of the Iowa Loan & Trust; Hunter and DePuy, of The Northwestern Banker.

Charles E. Walters, of Council Bluffs, Iowa, and his "Live Wire," the Confidential Banker, was very much in evidence at the bankers' convention at Clinton. The bankers all seem to know Walters and he seems to have their confidence and good will. Mr. Walters was a former state bank examiner of Iowa. He installed the building and loan department in the auditor's office, and he was the first building and loan examiner in the state.

Mr. L. H. Grimme, assistant cashier of the National City Bank of Chicago, was an interested, and interesting visitor. His bank has the proud distinction of reaching the \$5,000,000 mark on deposits in about six months.

Mr. Haskins, of the Phenix National, was among the

New York visitors. He met many of the Iowa bankers and seemed to consider his visit both pleasant and profitable.

Mr. D. H. McKee, of Mediapolis, for eleven years in his present connection as both cashier and president of the Citizens State, expects soon to sever his connections, and become vice-president of the German Savings Bank of Davenport. Congratulations on both sides are in order. The German Savings will present to Mr. McKee a broader field for the exercise of those talents which are rapidly placing him in the front rank among the younger bankers of the state.

Mr. Wm. Bierkamp, Jr., cashier Denver Stock Yards Bank, spent two days at the convention. Mr. Bierkamp is an Iowa man, and like the rest of them who have gone to other cities, is making good in Denver. He reports conditions prosperous in Colorado, and outlook good.

Sioux city will show the boys a good time next year when the convention meets there. Like all other progressive towns in the state, she knows how to do things.

Mr. F. F. McElhinney and associates have just started another bank, selecting Streator, Ill., this time for a location, a town of 18,000, with only two banks. The bank is about a month old, and deposits nearly \$100,000. That seems to be "going some." Mr. McElhinney "has the habit," this bank being the fourteenth fortunate enough to have him connected therewith.

In the election of E. J. Curtin, of Decorah, as treasurer for the coming year, the convention made a wise choice, and the election gives general satisfaction. Mr. Curtin has always been popular with the members of the association, and they were all glad of this opportunity to do him honor. That he will make an able and efficient officer goes without saying.

Mr. Reynolds to Speak at Several State Conventions

At the invitation of the American Bankers' Association, Mr. Arthur Reynolds, president of the Des Moines National Bank, will speak on "Currency Reform" at the state conventions of Colorado, Michigan, Wisconsin and several other states. The fact that Mr. Reynolds has ideas along lines which are interesting to practical bankers, and knows how to express them, makes him in constant demand as a speaker.

Boone National Makes Fine Showing

Having grown steadily from the first day it opened for business, the Boone National Bank, of Boone, Iowa, has built up for itself an enviable business. Its receipts show that the customers are well cared for and that the public has implicit confidence in that institution. The bank now has a capital and surplus of \$135,000. The bank was established July 1, 1903. The following figures show the increase in deposits from January 1, 1904, up to the present time: January 1, 1904, \$76,892.33; January 1, 1905, \$148,429.70; January 1, 1906, \$276,848; January 1, 1907, \$475,000; June 11, 1907, \$675,000.

The officers of the bank are: E. E. Hughes, president; F. C. Farrow, vice-president; T. L. Ashford, cashier.

CAPITAL \$1,000,000.00		SURPLUS \$400,000.00	
<h1>The National Bank of Commerce</h1> <h2>OF MINNEAPOLIS MINNESOTA</h2>			
EXCELLENTLY EQUIPPED		CONSERVATIVELY MANAGED	
		CENTRALLY LOCATED	
<i>- extends to its patrons the best service -</i>			
S. A. HARRIS, Pres.	F. E. KENASTON, V-Pres.	A. A. CRANE, V-Pres.	W. S. HARRIS, Cashier
	W. F. McLANE, Ass't Cashier	S. S. COOK, Ass't Cashier	

The South Dakota Convention

Report of sixteenth annual meeting of the South Dakota Bankers Association, held at Huron June 13 and 14

The first session of the South Dakota Bankers' Association was held in the Commercial Club rooms Wednesday afternoon, June 12th. The convention was called to order by its president, Hon. E. C. Issenhuth, of Redfield. The address of welcome was delivered by J. A. Cleaver, who represented Mayor McKay on this occasion. The response to the words of welcome was spoken by hon. J. B. Hughes, of Gettysburg, S. D. Following the response, President Issenhuth delivered the following address:

President's Address

Gentlemen of the Convention:—

At the fifteenth annual convention held one year ago at Aberdeen, the northern metropolis of the state, through your courtesy, I was chosen as your president.

The knowledge of the high standing and exalted character of those who have preceded me in this office, gives me added value to your generous compliment, which I shall ever remember with deepest gratitude.

I congratulate you on the continued growth of our association for the past six years. We have reached the point in our strength when we yearly look forward to the sessions of this association as a treat. The banker who stays at home is usually not the progressive banker. A man's ability is often measured by his local horizon. By intermingling with his financial co-workers he is sure to gain new and improved ideas and returns home with renewed inspiration to push his business to success and prominence. Let us remember that it is best now and then to break away from the familiar objects in our own institutions, and shift the scenes to enjoy the society of our personal acquaintances. The addresses delivered last year by eminent gentlemen of this state and elsewhere, were of the highest character and exceedingly instructive. I speak for you the same "feast of reason and flow of soul" for this session. I believe the bankers outside our fold will not be able to hold out much longer, and will soon be with us. They need the benefits and we want their companionship. Our neighbors, Iowa and Minnesota, have 1,150 and 900 members respectively, and we can do as well.

I congratulate you farther on the continued prosperity of our state and nation, which is on a most substantial basis. The year intervening between our last meeting and this, has indeed been no ordinary one. We find ourselves in the greatest era of development in the history of the state. Land values have risen \$10 to \$15 per acre, and the farmer today gets \$1.02 for a bushel of wheat and \$200 for his work horse, provided he has one to spare. Total bank deposits have increased from \$38,000,000 a year ago to exceed \$50,000,000 at present time. And new banks have been organized and built at the rate of two per week.

The products of our state have brought for their return much wealth to our citizens.

In 1906 we produced gold \$6,986,900, the state ranking third in the production of gold. Wheat, 39,494,105 bushels, at estimated average price of 75 cents per bushel, \$29,520,578, state ranking fourth. Corn, 77,414,351 bushels, at estimated price of 35 cents per bushel, \$27,095,022, state ranking eleventh. We have cattle, 1,871,000 estimated average of \$27.00 per head, \$50,517,000, state ranks sixth. We have sheep, 806,704, at estimated average of \$5 per head, \$4,033,520, state ranks sixteenth. We have horses 410,000 at estimated average price of \$175, \$71,750,000. We have hogs, \$836,824 at estimated average per head of \$15, \$4,184,120, state ranks nineteenth.

We have estimated production from barley, flax, speltz, hay, potatoes, butter and eggs, wools and hides, stone and other minerals, etc., \$66,000,000.

Mr. Doane Robinson, state historian, furnished me with the above figures, which I believe are of interest to you. He also gave us the following basis for the interesting figures which follow. We are all aware that his figures are given on an extremely conservative basis.

Population of South Dakota, 465,000.

New wealth 1906 (products only) \$145,812,834.29.

The crowning feature of the foregoing statements, gentlemen, is the fact that this fair young state of South Dakota, one of the youngest members of the sisterhood of states, stands at the top of the list in the production of wealth per capita, and has carried this banner for the last nine years consecutively, \$313.58 is the new wealth per capita of this state for 1906 for each man, woman and child; and of this amount they keep \$107.50 in the banks of South Dakota. For 1895 the same figures were 278.00 per capita new wealth and \$83 per capita in banks. It seems but a few years ago we were an infant rocking in the cradle with parental protection over us. Now we enjoy with pardonable pride, the distinction of leading the states of the Union in the art of making and saving wealth. Also it is interesting to note that our wealth is increasing faster than our population.

We are all optimistic in South Dakota, for we never complain. It was when your heart and hopes were high, that you conceived the moves which made it possible, to establish your residence on Easy street, to enjoy with your families the achievements of your own efforts. Here is to your health—may you live long to enjoy your prosperity. The optimist sees the doughnut—and appreciates the fact that it is within reach—the pessimist sees the hole only. The pessimist is a sorehead who abides in his darkened environment, sees nothing but a skeleton in all things.

I desire at this time to touch upon a subject not usually dwelled upon in this address, but of vital importance to the banking interests. I refer to the need of interesting ourselves in legislative matters. The banker is considered amply able to look after his own interests, and for this

very reason, it is left to him entirely; others do not interest themselves even in the face of dangerous attacks from misguided sources in our legislative bodies. As member of the house of representatives, last winter I found that it required personal effort and hard work to prevent the passage of bills detrimental to our legitimate interests—and this is all we ask. Other trades and professions suffer from same causes; but they keep more closely in touch than we have done in the past. Our honored ex-president from Pierre, will address you on this very important and



E. C. ISSENHUTH
Retiring President S. Dakota Bankers Association

live subject, and I commend you all to hear what "one who knows" has to say. If what he says meets with your approval, give him your hearty endorsement.

I also suggest that we use our influence toward correcting the present system of unequal assessments. The man who invests \$10,000 in lands is assessed about 20 per cent of actual valuation of the land. If he invests it in merchandise it is about 30 per cent. If in bank stock it is about 60 per cent. We consider that the new comer uses good judgment in either case by coming to our state to cast his lot with us; but the system is unjust. I believe all property should be assessed at actual value as intended by law, and thereby reduce the inflated high rate of tax and at the same time secure justice to all classes of property owners.

Let us excel in our calling. The country welcomes the better banker. The man behind the counter today is better prepared to cope with any emergency of the times than the banker of a quarter or half century ago. In support of this statement will call your attention to the failure of the Chicago National Bank. More than a year ago over 8,000 of its depositors were suffering from disappointment and without available means. While these people were spending a sleepless night, walking the floor in worry, three strong men of Chicago also remained up all night laboring strenuously in the vault of the closed bank, taking an inventory of the discounted assets, and the next morning issued a statement in the great dailies of Chicago giving notice to the public that all depositors would be guaranteed payment in full, by the Chicago Clearing House, and all outstanding checks cashed at once. These men were E. A. Hamill, president Corn Exchange National Bank, J. B. Forgan, president First National Bank, and J. J. Mitchell, president of the Illinois Trust & Savings Bank. A quarter of a century ago this bank would have been allowed to helplessly collapse, dragging with it a suffering list of depositors. They were not obliged to do this, but they did

it as an act of protection to the people of Chicago. God bless such men. The community who has them is indeed fortunate.

The character of the banker reflects the character of the community in which he lives. He must realize that he is continuously on the firing line in the commercial world, and at the same time bear in mind that he is entrusted with the funds of his people, because they have undoubted confidence in his bank. He must stand firm at all times, give his best advice and counsel to all who seek it, and be first to heed the injunction by preaching and practicing that, "He who loveth danger, may perish therein."

I thank you for your indulgence.

The appointment of committees followed the president's address. The report of Secretary J. E. Platt and Treasurer H. J. Meidell were received and referred to the proper committees. These reports show the bankers' association to be in a flourishing condition.

C. L. Mellette, president of the Stock Growers' Bank of Ft. Pierre, delivered an address, his subject being "State Funds for South Dakota Banks and Bankers."

After Mr. Mellette's paper the afternoon session adjourned to meet at the Commercial Club rooms at nine o'clock.

Evening Session

After listening to some music by Huron's popular concert orchestra the bankers were favored with an address by Mr. W. I. Nolan, of Minneapolis. At the close of Mr. Nolan's address the convention took an adjournment to the Royal hotel where an informal luncheon was served.

After the luncheon President Issenhuth called upon different ones for a few remarks. Among those who responded were W. I. Nolan, of Minneapolis; Mr. A. C. Johnson, of Winona, Hon. J. N. Logan, National Bank Examiner; J. B. Hughes, of Gettsburg; C. E. Holmes, of Sioux Falls; W. P. Manley, of Sioux City; W. T. Hanna, of Minneapolis; Mr. Gary, of St. Paul and others.

Thursday Morning Session

Promptly at 9 o'clock Thursday morning the convention was called to order by the president and after a selection by the orchestra, Gen. Geo. A. Silsby, of Mitchell, delivered an address on "The Banker as a Factor."

John M. Craft, vice-president of the Bankers National Bank of Chicago, was unavoidably absent and his place on the program was supplied by National Bank Examiner Logan.

Prof. Charles E. Holmes, of Sioux Falls, followed with an interesting address, "Something to Bank On."

Mr. Holmes was followed by Mr. H. L. Sheldon, cashier Citizens National Bank, Watertown. He spoke on "Emergency Currency" and on this question brought out some very potent suggestions. At this time an adjournment was taken for dinner.

Afternoon Session

It was two o'clock when the president rapped for order for the closing business session of the convention. The first address of the afternoon was given by B. A. Cummings, cashier of the First National Bank of Pierre.

"The Banker a Man of Judgment" was the subject assigned to H. H. Schriver, president of St. Anthony Fall Bank, Minneapolis.

Hon. Alva E. Taylor, of Huron, one of the most scholarly members of the legal profession in South Dakota, delivered one of his characteristic addresses on "Lord Mansfield."

The last address of the day was delivered by Ackley Hubbard, vice-president of the First National Bank of Sioux City, who spoke on "The Business of Banking."

After Mr. Hubbard's address a general discussion on important subjects was indulged in by many members of the convention which was followed by the reports of the various committees.

The election of officers for the ensuing year resulted as follows:

President, H. L. Sheldon, of Watertown; secretary, J. E. Platt, of Clark; treasurer, Ed. J. Miller, of Huron.

The attendance was the largest in the history of the association.

State Funds for South Dakota Banks and Bankers

Address of C. L. Mellette, Pres. Stock Growers Bank, Ft. Pierre, S. D.

The present time is one in which all public and semi-public affairs are being looked into and scanned by the general public as never before, and as there are now many ways to obtain exact information on nearly all such matters every move made by those in public trust is carefully considered.

The management of great corporations, public utilities, national and state affairs all come under the critical eye of the general public. If there be any failure on the part of those in responsible positions such failure is soon discovered and pointed out. Often times custom or precedent have permitted or brought about a condition of affairs fraught with danger for the future.

The public mind today is demanding more than ever before that there be a "square deal" on both sides of every proposition. That there be no private uses made of or private gains obtained from public property and that public matters be made public and clear to the light of day.

One of the planks in the platform upon which our bankers association stands should be called "Equal Privileges and Rights for Every Member." That there should be some equitable arrangement supported by proper law whereby the public funds of this state will be distributed throughout the state so that the largest possible number of cities, towns and districts will receive direct benefits from such funds while lying idle and not needed for immediate use is evident.

If an equitable distribution of public money from the United States Treasurer to various parts of the country is wise and beneficial why is not the same true of state funds within the state?

The question now is how can such funds be so distributed as to benefit many sections of the state?

The best plan is to deposit in the banks of this state all public funds selecting as many banks in as many localities as possible and at the same time fully protect the state against possible loss.

The state of Nebraska has its funds deposited in seventy-four banks scattered throughout the state. According to a report under date of May 31, 1907, obtained by me from the state treasurer of Nebraska. The amounts of such deposits were \$1,035,029.83; \$1,500 at the smallest amount and \$99,107.76 the largest amount in any one bank. The average deposit for country banks being \$5,000 to \$7,500 each. Nebraska gets 2 per cent per annum on such deposits which rate nets \$18,000 to \$20,000 per annum to the state.

On May 31, 1907, South Dakota had in the treasury \$545,717.95. This amount being all kept within the state, except six or seven thousand dollars and in that respect the disposition of the funds is commendable. If, however, they could be well distributed it would give \$5,000 to one hundred banks and eighty or ninety localities.

At the last session of our legislature House Bills Nos. 97 and 159 were intended to provide the proper plan for such distribution of state money. Bill No. 97 was introduced about January 10th by Honorable John D. Hale, of Sruegis, which was in the main a copy of the Nebraska law for the selection of depositories for state moneys. Bill No. 159 was introduced January 31st by Honorable C. C. Bratrud, of Sioux Falls, and was very similar to the bill introduced by Mr. Hale.

These bills provided for a state board of deposits, consisting of the governor, secretary of state and commissioner of school and public lands in Bill No. 159, and the treasurer in place of commissioner in Bill No. 97. That any bank in the state upon filing satisfactory indemnity bonds or depositing certain public securities and meeting the requirements of the board of deposits could be selected as a state depository and that the state treasurer would not be liable on his bond for money so deposited. I have copies of these bills with me and anyone can read them who desires to do so.

One of these bills or something very similar should have become a law at the last session of our legislature.

We had one severe loss to the state when W. W. Taylor was treasurer, and Nebraska had a similar experience when Bartlett was treasurer there. In each of these cases bonds were given and accepted by the state upon which friends of the treasurer became sureties.

When trouble came some of these sureties suddenly be-

came dispossessed of the greater part, if not all, of their property. I am informed that one of Mr. Bartlett's bondsmen who was considered worth \$150,000 disposed of his property, never paying one cent on that obligation.

You all know something about the settlement of the losses from the Taylor affair.

Having had these lessons should we not follow in Nebraska's steps for the protection of every tax payer of South Dakota and at the same time give many more banks



J. E. PLATT

Secretary South Dakota Bankers Association

and therefore their localities the benefits from a better supply of money?

The question may arise in your minds as to why a law was not enacted as outlined in the bills above referred to and who opposed the same.

After these bills were introduced No. 97 was referred to the commissioner on state affairs and No. 159 to commissioner on banks and banking.

These committees delayed reports on the bills until the last of the session, although urged repeatedly to make a prompt report. Vigorous arguments were made before these committees in support of the bills. The opposition came from our state treasurer and bankers who were members of the legislature.

It, however, was shown before the committees that the office pays \$15,000 or \$16,000 per year, that the salary is \$1,800 per annum with deputy and clerk hire in addition thereto. Section 95 of Art. 5 of our Political Code, reads as follows (referring to the state treasurer):

"He shall, in no case, purchase or receive any warrant redeemable at the treasury, or any audited account, at a less value than is expressed therein; nor shall he receive any fee or reward, aside from his annual salary, for transacting any business connected with the duties of his office."

The law also provides that all state moneys shall be deposited in the name of the treasurer as state treasurer.

I believe it is logical to say that any interest paid or returns made for the use of such money belongs to the state. The fact that the state treasurer gives a large bond for the faithful performance of his duties does not give him the right to the income on state money. I believe we

South Dakota's Largest Bank

THE SIOUX FALLS SAVINGS BANK OF
SIOUX FALLS,

With a Capital of - - - - - \$ 100,000.
Surplus and Profits of - - - - - 50,000.
Deposits of - - - - - 1,731,042.

Will be Pleased to Handle any South Dakota Bank-
ing Business for you to your entire satisfaction.

H. R. DENNIS, Pres.

C. C. BRATRUD, Vice Pres.

R. L. DENNIS, Cashier

might as well say he would have a right to some of the interest from the permanent school fund.

The main opposition, if not all of it, came from banker members of the house when the bills were being considered.

Their main objections were that such a law would increase the work of the state treasurer's office and be an unjust burden on the state treasurer and an unfair measure to our present state treasurer. Which reasons seem to me to be weak. As bankers we all know that the keeping of funds in fifty banks instead of five is largely a matter of bookkeeping and an extra man at \$75.00 per month would do the extra work and much more, allowing that the present clerical force in the treasurer's office could not do the extra work necessary under a new law. If the treasurer required \$15,000 per annum at present as accretions to his office and the state sees fit to relieve him of this burden the extra cost to the state would not be to exceed \$900 per annum for a return of \$15,000.

If this reported income to the state treasurer is correct it is apparent the banks that now have state deposits are paying for the same and would be as willing to do so if the state through a board of deposits managed such matters.

I fail to understand why members of this association should vigorously oppose a law for the equitable distribution of state funds to as many banks as will apply for same and meet the requirements for such deposits unless there is an "inner circle" that are selfish for the interests of the banks they represent.

As bankers of this young and prosperous state we ought to be liberal enough to support any measure before the legislature that will benefit the greatest number of citizens of our state and we should also bear in mind the wishes and privileges of co-bankers.

The state money should not be placed within the power of one man to distribute or be the means of political power.

I think you will all agree with the idea that a law providing that either the state be protected by a deposit of public securities or by surety bonds in such companies as the state through its board of deposits may approve is a better proposition than large deposits in a few banks with the state relying for protection upon a bond given by the state treasurer and personal sureties.

The Business of Banking

Address of Ackley Hubbard, V. P. First National Bank, Sioux City, Ia.

Banking is an old business, how old we are unable to determine, but probably when people ceased to be nomadic and began to build permanent habitations and engage in trade and commerce, banking became a necessary adjunct to commerce and banks were established then. Those pioneer banks doubtless differed greatly from our modern banks, although some of the customs and habits of the modern bank and its customers come down from ancient times. Banks existed nineteen hundred years ago as we learn from the parable of the husbandman who about to depart on a long journey left varying sums with some of his servants to be handled for him during his absence.

Upon his return these servants reported to him, two of them having doubled their lord's money during his absence, but the third returned the same money he had received, saying he was afraid to use it and so hid it in the ground awaiting the owner's return. The owner proceeded to give the servant an example of his characteristics and among other things asked him why the money was not deposited in the bank so that he would have at least received interest on it. This parable, while intended for a different purpose, gives us some information as to banks and their customs at that time. We notice that the unfaithful servant was afraid to deposit the money in a bank and so hid it in the ground, a bad custom that still obtains to some extent. The bank paid interest on deposits a very bad precedent that most of us still follow.

Banking is a large business. You will realize its magnitude to some extent from the fact that there are approximately 21,500 banking institutions in the United States with deposits of about fourteen billion dollars and combined resources of about eighteen billion dollars.

The comptroller of the currency estimated the banking power of the United States last year at sixteen billion four hundred million dollars and the banking power of all other countries at twenty-two billion dollars. It is difficult to grasp the significance of these figures, but I am sure you will agree with me that the business of banking is a large business.

Banking is an honorable business. No other class of business men are so highly regarded or enjoy the confidence of the people to so great an extent as do the bankers. The banks of the United States hold and handle as they will the enormous sum of fourteen billion dollars deposited therein by the people voluntarily, without security and in most cases without written acknowledgement except the briefest of entrance in a pass book, without signature or promise to repay, simply a date and an amount. Then immense sums are collected every day by the banks for their patrons. Valuable shipments of merchandise are made to the banks or bills of lading sent to them and they are entrusted with their collection and the transmission of the proceeds simply because they are banks, without knowing anything about their reliability or responsibility.

The name bank is recognized as the mark of an honorable, reliable and trustworthy institution and the word bank displayed on a sign is accepted as a guarantee of ability, fidelity and honorable dealing. Bankers are generally regarded as leading citizens of their communities. Their judgment is greatly respected and they are regarded as experts in all business matters. They are consulted on practically all matters from naming the baby to attaining to the Kingdom of Heaven.

Banking is a useful business. The banks gather up the idle funds of the community, combine them into larger amounts and by loaning put them into active service again, thereby building up the industries of a community, stimulating its business and increasing its prosperity. They provide the medium of exchange between distant communities and by means of their interchange of checks largely increase the circulating medium of the locality. So great is this increase that it is estimated that more than 75 per cent of all the business transactions of the country are consummated by the use of bank checks instead of actual money. It would be practically impossible to transact even one-half of the business of the country if all transactions were made by the use of actual money.

Banking is a pleasant business. To be the custodians of the money of the people, to have their confidence and esteem and to be their advisor in their business affairs is something to be appreciated as a favor. Then the business is carried on where the environments are pleasant. Attractive banking rooms and fixtures, luxurious furniture, books, pictures and office hours not so long as to be burdensome, all tend to make life pleasant and if in addition to this his bank is carefully and conservatively managed the banker should be contented and happy, satisfied with the present and secure as to the future.

Banking is a profitable business. I do not mean by this that it is any get rich quick business or that the banker may amass great wealth, but a banking business properly located and managed pays a good income on the money invested therein and a satisfactory return for the time employed. And to the man who is content with a reasonable share of life's blessings it provides a comfort-

able living and an opportunity to lay by enough for all reasonable requirements when retirement from active business comes.

The foregoing is a fair picture of the banking business as it is today notwithstanding the injury that has been done it by failures and losses resulting from mismanagement, carelessness and dishonesty. If all banks had been well managed, if all bankers had been honest, careful and prudent so that bank failures were unknown, what would be the position of the banks at this time. One can imagine something of the impregnable position they would enjoy in the confidence and esteem of the public under such circumstances. Just a few failures, however, just a few mistakes made, just a few trusts betrayed and the whole banking system suffers untold injury thereby.

There is a French phrase, "Noblesse oblige," adopted as a motto by the old French nobility which means that "Nobility imposes obligations" or more freely translated that those entrusted with high positions, authority and power are thereby under obligations to exercise such powers with wisdom, honesty and faithfulness. Much is given to bankers and therefore the obligation is all the more weighty. If bankers are greatly trusted they should be especially careful not to betray their trusts. If they are called upon to advise in business matters they should be qualified to advise wisely and honestly. If they are well compensated for services rendered they should always endeavor to make their services worth their cost to the recipients.

Can we still further improve the banking business? Yes, very few things in the world are so near perfection that they cannot be improved and banking lacks much of being perfect.

The business done by the banks in any community can be largely increased. It has been estimated that more than 25 per cent of the money that should be on deposit in the banks is not there, or in other words, were the banks getting all the deposits they might have, it would increase their deposits at least 25 per cent. There are people in every community that for various reasons or for no reason at all, do not use the banks. I happen to know a man who has three hundred thousand dollars that he keeps constantly invested in postal money orders. When his orders are about to expire by limitation he cashes them and immediately buys new orders with the proceeds, paying the legal fees therefor. He is thus paying the government quite an amount each year for the privilege of depositing his spare funds with it. Why does he do this? Simply because a number of years ago a bank in which he had his savings deposited failed and he lost a couple of thousand dollars. Not a large sum, but it was his savings for several years. On account of this experience he is afraid of banks, has no confidence in them, does no business with them and advises his friends to do as he does. This is an extreme case, but there are a number of people in every neighborhood who distrust the banks and do not entrust their funds to them. If there had been no bank failures the banks would have all such funds on deposit as a matter of course. If bankers would have the confidence of the community they must deserve it. They must be honorable and fair in their dealings with the public to gain their confidence, and consequently their business and they must continue so in order to hold it. Nothing will ruin a bank quicker than a tricky, dishonest manager, no matter how competent he may be otherwise.

Bankers should be men of character and ability commanding the respect of the community and inspiring confidence in the ability of the bank to take care of itself. A man may be honest and yet unfitted to manage a bank safely and successfully. All men are not equally endowed. A man may make a good musician and a poor mathematician. A man may make a good mechanic but a poor lawyer. A man may make a good preacher, but a poor banker. Each man should try to ascertain what he is best fitted for and then follow that vocation. If he has not the proper qualifications for a good banker he should engage in some other calling where he would be able to better employ the talents he has and leave the banking business to those better qualified to succeed therein.

A banker should not be a speculator. There is something about the very idea of speculation, antagonistic to the idea of good banking. The speculator expects large gains or large losses. The banker should expect neither.

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LAURENCE A. JONES & CO., 1902.

The speculator is full of hope and bright anticipation of making a winning with his next venture. The banker should look for safety first in his investment. So the banker whose thoughts are on speculative deals is unfitted for the banking business, becomes too anxious for large returns, makes losses, uses the bank funds in losing deals, the bank fails and the banker seeks the seclusion and retirement of the penitentiary.

So well is this understood by the public, so often has it occurred that if a bank manager is known to be engaged in speculative deals a large part of the public lose confidence in the bank and its suffers the loss of their business.

Bankers should confine themselves strictly to their business. It is a mistake to become interested in other business enterprises. They will claim some attention and to that extent detract from the bankers effort in his regular business. There is also danger in loaning to an institution in which the banker is interested. His interests being involved would more or less influence his judgment as to the character of the loan and he would be more apt to make a poor investment of the bank's funds than if he were loaning to a concern in which he owned no interest.

Ruinous competition with the other banks of the city has proved to be a source of much loss to banks. There is only about so much banking business to be done in a community and it is mighty poor policy to try and increase the business of one bank by diminishing the business of another. Remember what David Harum said about the other fellow's human nature being much like your own only more so. If you donate your exchange charges to your customer the other fellow will do the same and you will soon find no blades of grass growing where two blades grew before. Rather should the banker devote his efforts to increasing the banking business of his town even if the other banks do benefit somewhat by his efforts. If he can induce those who have never been patrons of a bank to become such, if he can bring from their hiding place the money of those who have mistrusted the banks, he will surely benefit his institution to some extent at least and will not injure the other fellow any. Selfishness is not a necessary qualification for a good banker, in fact too much of it quite often defeats the very object it seeks to promote.

After all, good banking is largely a matter of good ethics. If bankers are honorable, fair and just, if they are careful and considerate of the rights of others, if they are actuated by high motives and governed by high ideals, if they are men of character and ability, if they are careful, prudent and conservative and give their best thoughts and endeavors to their work, their banks will be successful and prosperous, their lives peaceful and happy and though they may not become men of great wealth, they will be what is infinitely better, useful and honorable citizens.

Money is not the only thing in this world nor the best thing. All reasonable wants, all rational enjoyment and all that is really desirable in life can be obtained at a very moderate expense. More than this is an evil rather than a blessing. Too much wealth, too much indulgence weaken, enervate and finally destroy.

Work moderately, live rationally, conserve your ener-

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Capital and Surplus, - \$150,000.00
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Does no Commercial Banking, but offers for Iowa business the services of a careful competent and exclusive Savings Bank, paying interest on deposits at the rate of

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Northwestern Mutual Life Insurance Company of Milwaukee, Wisconsin

Invites applications for farm loans from Iowa banks and bankers. Rate 5 per cent net Liberal options.

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gies, take a reasonable amount of recreation, keep your vitality unimpaired and your conscience in good working order and old age will be what it should be, the crowning period of life, when instead of looking forward to things to be accomplished we can look back on victories won and duties well performed.

I envy no man his wealth. I do not covet a fortune to leave to my son. Let him work as I have worked, let him make his way in the world as I have made mine, let him earn for himself instead of spending what I have earned and he will be a better and happier man, a more useful and honored citizen.

Wealth is but for a day, character will endure forever. We soon pass from the stage of life from earthly existence. There remains only the monument at our resting place and we are remembered only for the epitaph that can be truthfully engraved thereon.

Would we wish it to read: "He was lucky in his business ventures and amassed a large fortune," or would we prefer that it truthfully said: "He was an upright man, a true friend, a helpful neighbor, a good citizen holding a high place in the esteem of the community, loved and honored while he lived, missed and mourned when he passed onward to receive the just plaudit, 'Well done, good and faithful servant'."

A Nebraska Bank Consolidation

The First National Bank of Lincoln has bought the Columbia National Bank. The Business of the Columbia National Bank will be transacted at the First National Bank building. The consolidation of the two banks follows the

retirement of Dr. P. L. Hall as cashier of the Columbia. It is probable that the directory of the First National will be increased in size to take on some of the directors of the Columbia National. Will B. Ryons, assistant cashier of the Columbia, will hold a similar position with the First National from now on.

S. H. Burnham, president of the First National Bank, said: "This is a consolidation of the Columbia National Bank with the First National. The First National has purchased the stock and good will of the Columbia National, which will hereafter be known as the First National Bank. This will make one of the largest and strongest banks in this section of the country, and puts the bank in a position to extend greater accommodations to its patrons than either of the banks could before. It will have a capital and surplus of nearly \$600,000 and deposits of nearly \$6,000,000. It is the intention of the First National to increase its capital to one million dollars just as rapidly as the requirements of business demand. This was an amicable arrangement brought about by the stockholders of the two banks. The fact that Dr. Hall, cashier of the Columbia, was obliged to retire on account of ill health made it possible to arrange this consolidation.

"The Columbia National had a capital of \$100,000; surplus and profits of \$70,000; deposits of \$2,000,000; and its consolidation with the First National makes a strong financial institution that will be a credit to the city. The same courtesy and favors will be extended to patrons in the future that has marked the conduct of the two banks in the past."

New Quarters for the Des Moines Savings Bank

The Des Moines Savings Bank has recently concluded a lease for the entire second floor of the new Fleming block.

It is expected that the bank will move from its present quarters to its new home about October 1st. The new quarters will be finely furnished and converted into one of the finest bank homes in Iowa and the middle West.

The present lease is for a term of fifteen years, but an extension is optional with the tenants. The building will be ready for occupancy about September 1st, but considerable time will be required to install the new bank fixtures and equipment. The new location is one of the finest in the city. The banking room will be reached from the Walnut street side by a magnificent stairway, all of which, including the balustrade, will be of marble, and the main entrance will be on the Sixth avenue side, from where the three large plunger elevators will be reached. These will run directly through the banking room.

The banking room is 132 by 67 feet and contains nearly 8,000 square feet of floor space. Along the Walnut street side will be located private rooms for officers and directors, and a general reception room. The Sixth avenue side will be occupied by the large clerical force employed in the general commercial business of this great institution, while on the west side of the room and immediately to the right of the stairway from Walnut street will be located the savings department and ladies' writing room. West of the elevators will be lockers and toilet rooms. A large lobby of more than 1,500 square feet occupies the space about the entrance from Walnut street and in front of the elevators, with marble flooring and wainscoting. Around the columns in the lobby are to be leather cushioned settees and desks for the use of the patrons of the bank.

The Des Moines Savings Bank is one of the largest banking institutions in Iowa. It was started as the Des Moines Bank, July 26, 1875, by P. M. Casady, C. H. Gatch, E. S. Gatch and Simon Casady. Its growth to its present strong position has been a steady, conservative one. The total deposits at the date of most recent call were \$7,063,390.

New Home for the First National of Montour

Montour is proud and justly so of its First National Bank, which has just moved into its new quarters, a fine one-story building, made of the best quality of St. Louis

THE DENVER STOCK YARDS BANK

Located in Live Stock Exchange Building, Denver Union Stock Yards, Denver

OFFICERS

D. J. A. RITCHIE, President
 C. K. BOETTCHER, Vice-President
 I. A. VANT, Vice-President
 WM. BIERKAMP, Jr., Cashier
 JOS. S. DAVIS, Ass't Cashier

DIRECTORS

HENRY GEBHARD C. K. BOETTCHER
 GEO. W. BALLANTINE A. H. VEEDER, Jr.
 R. B. SULLIVAN D. J. A. RITCHIE
 WM. BIERKAMP, Jr.

We Receive Accounts of individuals, firms, corporations, banks and bankers on favorable terms and shall be pleased to meet or correspond with those who contemplate making changes or opening new accounts.



PRINCIPAL STOCKHOLDERS

L. F. SWIFT, President Swift & Co., Chicago
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 EDWARD MORRIS, of Nelson Morris & Co., "
 J. OGDEN ARMOUR, of Armour & Co., Chicago
 EDWARD TILDEN, Pres. National Packing Co., "
 L. A. CARTON, Treas., Swift & Co., Chicago
 HENRY GEBHARD, Pres., Colorado Packing & Provision Co., Denver
 C. K. BOETTCHER, V-Pres., Western Packing Co., Denver
 GEO. W. BALLANTINE, V-Pres., Union Stock Yard Co., Denver
 R. B. SULLIVAN, Capitalist, Denver
 D. J. A. RITCHIE, President
 WM. BIERKAMP, Jr., Cashier

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pressed brick. The vestibule, lobby and counting room have steel ceilings and tile floors.

The cash of the bank and of its patrons is thoroughly protected. There are two vaults separated by steel grill work. The front vault is equipped with steel document files and roller book shelves, and also a fine large double door burglar-proof safe of manganese steel, finished in silver bronze. The rear vault is fitted with steel safe deposit boxes and is entered from the customers' room. The bank counter and other furniture is of quarter-sawed golden oak, and was made by the M. Winter Lumber Co., of Sheboygan, Wis. The railings and partitions are of oxidized steel bars and chipped glass. The building occupies a space of fifty by twenty-five feet. The efficient executive staff consists of A. P. Taplin, president; H. J. Stiger, vice-president; R. E. Austin, Jr., cashier; R. W. Adair, assistant cashier.

Passed the Two Million Mark

We wish to congratulate the officers of the Sioux Falls Savings Bank, Sioux Falls, S. D., on the fact that they have recently passed the two million mark. Cashier Roger L. Dennis and his associates have reason to feel exceptionally proud of their remarkable achievement. In a town the size of Sioux Falls two million dollars in deposits is an extremely creditable showing; in fact it would be something to make any banker feel "chesty" in a town double the size of the one to which we refer, and therefore this remarkable record is worthy of special note.

It indicates, of course, the fact that the Sioux Falls Savings Bank is giving the people of that city and the surrounding country the very best possible service—the kind which produces business and which wins and holds a very large constituency.

The Merchants Loan and Trust Company, Chicago

The Merchants Loan and Trust Company of Chicago passed the fiftieth anniversary of its existence on June 10th.

The experiences of this bank at the time of the Chicago fire are unique in American banking history. Most of its books were destroyed and to make the loss particularly exasperating was the fact that a large proportion of the bank's customers had also lost their books. What to do was a problem. The trustees were confident that a reconstruction could be effected on the basis of mutual agreement. So, as the depositors appeared one after another, the case was explained, the depositors were thrown upon their honor and an adjustment was amiably and satisfactorily agreed upon. Over 1,000 accounts were thus reopened without a note of dissatisfaction. This peculiar method of banking, perhaps without a parallel, was rendered possible only by the general high character of the bank's customers. So prosaic and common place is the routine of banking ordinarily that an instance of this kind seems almost romantic. Without books, the bank proceeded to transact business, paying checks and receiving deposits as though nothing had happened. Three weeks after the night

of the fire, the cashier presented the stockholders with a new balance sheet, with every account satisfactorily reopened and actually showing the bank to be in better financial condition than on the day of the fire. The earnings of the three weeks had been greater than the total loss sustained.

Since that time, the Merchants Loan and Trust Company has had for directors such men as Cyrus H. McCormick, a man of whom Wm. H. Seward says: "His invention moves the line of civilization thirty miles west every year." George M. Pullman, founder of the Pullman Palace Car Company, now known as the Pullman Company; George Armour, one of the organizers of the Chicago Board of Trade, popularly known as "Father of the Grain Elevator System of the West;" Marshall Field, who up to the time of his death in 1906 was generally regarded the "Merchant Prince of the World."

During fifty years the Merchants Loan and Trust Company has withstood every calamity known to the banking history of the United States—the panic of 1857, the great civil war, 1861-1865, the panic of 1873 and the panic of 1893—times of widespread disaster, which wrecked many banks and severely tested the strength of those having large capital and resources.

The Merchants Loan and Trust Company has never consolidated with nor absorbed the business of any bank. Its growth has been steady and continuous. The deposits are now nearly \$50,000,000.

During the last decade, it has widened the scope of its business. Bond, trust, savings, and farm loan departments have been added. Through its foreign exchange department, the bank has maintained long established connections with leading European and foreign banks.

Its present directors are: Cyrus H. McCormick, Erskine M. Phelps, Lambert Tree, Enos M. Barton, Moses J. Wentworth, Chauncey Keep, Thies J. Lefens, Clarence A. Burley, E. H. Gary, E. D. Hulbert, John S. Runnells, Orson Smith.

Death of J. W. Schmitt

Joseph W. Schmitt, secretary of the Winter Lumber Company, of Sheboygan, Wis., died Wednesday, June 12th, after an illness of short duration, necessitating an operation for appendicitis. Mr. Schmitt was thirty-three years old; was born and raised in Sheboygan; leaves a wife and two children. He was prominent in church, lodge and social circles, and was respected and esteemed by all that knew him. He was connected with the M. Winter Lumber Company ever since he left college and held in highest esteem by his business associates.

The United States National of Omaha

The most recent statement of the United States National Bank of Omaha shows an increase of surplus to \$400,000, making their capital and surplus \$1,000,000. The gain in their deposits is also notable, being now above ten millions. They call attention to the fact that they have passed their fiftieth birthday, having been founded by Barrows, Millard & Co. in 1856.

KENNETH CLARK, Pres. G. H. PRINCE, Vice-Pres. H. W. PARKER, Cashier H. VAN VLECK, Ass't. Cashier

The Merchants National Bank of St. Paul, Minnesota,

CAPITAL, - \$1,000,000

United States Depository.

SURPLUS, - \$500,000

DIRECTORS

Charles P. Noyes
Louis W. Hill
V. M. Watkins

W. B. Parsons
Geo. H. Prince
L. P. Ordway

Crawford Livingston
J. M. Hannaford
F. B. Kellogg

Kenneth Clark
Thomas A. Marlow
C. H. Biglow

J. H. Skinner
E. N. Saunders
D. R. Noyes

CORRESPONDENCE AND PERSONAL INTERVIEWS INVITED



STANLEY H. BEZOIER

Asst. Cashier Security National Bank, Minneapolis

Mr. Bezoier has been auditor of the Security for the past two and a half years, and previous to that was state bank examiner for three years. He was elected assistant cashier June 21st.

Colorado News and Notes

O. P. M. Biersach has been made assistant cashier of the First National Bank of Telluride.

Louis Schwarz has been elected vice-president of the First National Bank of Glenwood Springs.

J. S. Solseth has been elected president, in place of F. M. Weiland, of the First National Bank of Fowler.

The First National Bank of Wray has been organized. Capital, \$30,000. M. B. Holland, Thomas H. Ashton and others are interested.

Dakota News and Notes

A bank will be incorporated at Surrey, N. D.

A new bank building will be erected at Hitchcock, S. D.

A new bank building is being erected at Nanson, N. D.

The First State Bank of Leola, S. D., will erect a new building.

It is reported that Wm. Lierboe will open a branch bank at Mercor.

The Farmers State Bank of Heaton, N. D., is erecting a new building.

The Citizens Bank of Drayton, N. D., has taken bids for a new bank building.

T. O. Chantland will have charge of the new Citizens State Bank of Sharon, N. D.

The First National Bank of Devils Lake, N. D., has increased its capital to \$75,000.

The First State Bank of Velva, N. D., has increased its capital from \$10,000 to \$15,000.

W. A. Gogstetter, of Hankinson, will be cashier of the Citizens State Bank of Grano, N. D.

J. J. Schmidt and others have bought the Anamoose State Bank of Anamoose, N. D.

The First State Bank of McHenry, N. D., has increased its capital from \$5,000 to \$10,000.

The First National Bank of Forman, N. D., is having plans prepared for a new brick building.

It is reported that M. G. Myhre, of Bronson, Minn., will take charge of the Walcott State Bank.

The Enderlin State Bank of Enderlin, N. D., has increased its capital from \$15,000 to \$50,000.

The Citizens State Bank of Sharon, N. D., is taking bids for the erection of a new bank building.

A. M. Sogn was elected president of the First National Bank of Vienna, S. D., to succeed H. G. Eggen.

The First State Bank of LeBeau, S. D., has opened for business. Frank Bonzer, of Evarts, is the cashier.

The State Bank of Erie, N. D., has been chartered. Capital, \$10,000. W. J. Morrish and others are interested.

The Kadoka State Bank of Kadoka, S. D., has opened for business. F. H. Meyer is president and W. C. Meyer, cashier.

The State Bank of Almont, N. D., has been incorporated. Capital, \$10,000. H. F. Opfer and others are interested.

The Security National Bank of Minneapolis, has been appointed reserve agent for the First National Bank of Toronto.

The First National Bank of Minneapolis has been appointed reserve agent for the Oakes National Bank of Oakes, N. D.

Bids are being taken for a new building for the Farmers & Merchants Bank of Sheyenne, N. D. J. E. Johnson, cashier.

The Stockholm State Bank of Stockholm, S. D., has been chartered. Capital, \$15,000. O. P. Johnson and others are interested.

With a capital of \$5,000 the Security State Bank of Delmont, S. D., has loans and discounts of \$37,729 and deposits of \$46,296.

The State Bank of Nanson, N. D., has been incorporated. Capital, \$10,000. D. N. Tallman, of Willmar, and others are interested.

C. R. Green has sold his interest in the Bank of Hamilton, N. D., to H. E. Kellar, of Albert Lea, Minn., who succeeds him as cashier.

The National Bank of Commerce of Minneapolis has been appointed reserve agent for the First National Bank of Milner, N. D.

H. H. Hafstrom resigned as cashier of the First National Bank of Aber-



THE
Security National Bank of Minneapolis
Formerly Security Bank of Minnesota

CAPITAL	-	\$1,000,000.00	SURPLUS	-	\$875,000.00
		DEPOSITS			\$11,500,000.00

F. A. Chamberlain, President
E. F. Meakle, Vice-President
Fred Spafford, Ass't. Cashier

Perry Harrison, Vice-President
J. S. Pomeroy, Cashier
Stanley H. Bezoier, Ass't. Cashier

☐ This Bank was converted to a National Bank June 1st, 1907

crombie, N. D., to accept a similar position at Sabin, Minn.

Bids are being taken for the erection of a new building for the Farmers & Merchants Bank at Mandan, N. D. T. A. Cummins is president.

The First National Bank of St. John, N. D., has been organized with a capital of \$25,000. O. J. Bolstad, St. John, and A. J. Bolstad are the organizers.

The Continental National Bank of Chicago and the Merchants National Bank of Omaha, have been made reserve agents for the First National Bank of Fairview, S. D.

The Backus State Bank of Backus, S. D., completed its organization. The officers elected are as follows: President, Edward Staedie; vice-president, J. W. Bailey; cashier, A. O. Miller.

The statement of the Beresford State Bank of Beresford, S. D., issued under date of May 14th, shows loans and discounts, \$310,192; cash, \$96,088; capital stock, \$25,000; deposits, \$385,315.

The Fairfax State Bank has been converted into the First National Bank of Fairfax, S. D. Capital, \$25,000. C. A. Johnson, president; John N. Ellerman, vice-president; U. G. Stevenson, cashier; Chester Johnson, assistant cashier.

John S. Tucker has been elected president of the First National Bank of Lansford, N. D., in place of H. F. Opfer, and J. W. G. Anderson, vice-president, in place of John S. Tucker; no assistant cashier in place of J. L. Opfer.

B. F. Herrington has been made president of the First National Bank of Waubay, S. D., in place of A. C. Davis; H. S. Guernsey, vice-president, in place of B. F. Herrington, and M. Rexford, cashier, in place of E. F. Guernsey.

The deposits of the Fairview State Bank of Fairview, S. D., have more than doubled during the past two years, the present figures showing \$47,136. The paid in capital is \$7,000. H. R. Dennis is president and W. H. Searle, cashier.

Following is the showing made by

the Stock Growers Bank of Fort Pierre, S. D., in their statement of May 14th: Loans and discounts, \$364,420; capital, \$25,000; surplus and profits, \$40,795; deposits, \$473,148. G. E. Sumner is cashier.

E. H. Gilbertson, for the past two or three years connected with the First National Bank of Portland, N. D., has accepted the assistant cashiership of the First National Bank of Finley, N. D., succeeding T. O. Chantland, who resigns to become cashier of the new Citizens State Bank at Sharon, N. D., which will open for business about August 15th, in its new brick building, now under construction.

The federal grand jury has indicted on ninety-five counts Charles C. King, former president of the First National Bank of Scotland, S. D. Five of the counts are for embezzlement, thirty for misappropriation of securities and funds, thirty-five for false entries and returns. The other counts are for fraudulent issue of certificates and drafts. He was sentenced to five years at the Leavenworth prison.

Minnesota News and Notes

A new bank building is being erected at Spicer.

E. Kuscht, of Buffalo, will be cashier of the new bank at Hanover.

The Houlton Bank will re-organize as the First National Bank at Elk River.

The Farmers State Bank of Gordonsville has been organized. Capital, \$10,000.

J. A. Engelbert, of Kennedy, has taken charge of the State Bank of Bronson.

The First National Bank of Biwabik has opened for business. F. B. Myers is president.

The First National Bank of Mohnomen has been organized with a capital of \$25,000.

A new bank will be started at Myrtle by parties from Northwood. A new building will be erected.

The First National Bank has been authorized to begin business at Grey Eagle. Capital, \$25,000.

Wm. Siems has incorporated his private bank as the First State Bank of Swanville. Capital, \$10,000.

F. P. and P. M. Morneau propose to start a state bank at Wahkon, Minn., on the new Soo line. Capital, \$15,000.

O. M. Lofgren has been elected assistant cashier of the First National Bank of Eagle Bend, in place of W. S. Lee.

The National Park Bank of New York has been appointed reserve agent for the First National Bank of Bemidji.

The Waltham State Bank has opened for business. Capital, \$10,000. L. S. Chapman and others are interested.

C. M. Sprague has been elected vice-president of the First National Bank of Twin Valley, in place of A. H. Froshang.

The First State Bank of Deer River has been converted into the First National Bank of Deer River. Capital, \$25,000.

Zapp's Bank of St. Cloud will incorporate. Capital, \$50,000. John Zapp will be president and Edward Zapp, cashier.

The Farmers State Bank of Gordonsville has been chartered. Capital, \$10,000. L. Divelle and others are interested.

The Swift County Bank of Benson has been incorporated. Capital, \$50,000. H. W. Stone and others are interested.

The National Bank of Commerce of Minneapolis has been appointed reserve agent for the First National Bank of Fairmount.

The Merchants State Bank of Elizabeth has been chartered. Capital, \$10,000. Peter Maurin is president and W. S. Lee, cashier.

THE FIRST NATIONAL BANK

MINNEAPOLIS, MINNESOTA.

Established 1864.

United States Depository.

CAPITAL AND SURPLUS, - - - \$3,790,726.00
DEPOSITS, - - - : - \$13,476,151.00

WE SHOULD BE PLEASSED TO RECEIVE A SHARE OF
YOUR BUSINESS. LET US HEAR FROM YOU. : :

C. T. Tupper has sold his interest in the Citizens National Bank of Worthington to S. M. Stewart, who succeeds him as cashier.

The Farmers & Merchants Bank of Mable has been organized. Capital, \$15,000. W. C. Bacon is president. A new building will be erected.

It is reported that O. H. Havill, of St. Cloud, and others, will start a bank in the new town of Bowlus, on the Soo extension. Capital, \$10,000.

All the stock has been subscribed for the new bank at Zumbro Falls. Capital, \$10,000. W. D. Marvin, of Pine Island, and others are interested.

W. H. Jaeger has been elected cashier of the First National Bank of Le Sueur Center, in place of S. H. Whitney; William Lloyd, assistant cashier.

The First National Bank of Mahnomon has been authorized to begin business. Capital, \$25,000. H. Birkett is president and H. S. Fraser, cashier.

The Bank of Richville and the Bank of Dent have been purchased by stockholders of the First National Bank of Frazee. The cashiers will not be changed.

The Ottertail County Bank of Battle Lake has been succeeded by First National Bank of Battle Lake. Capital, \$25,000. H. Olson is president and H. Hanson, cashier.

The First National Bank of Elk River has been organized. Capital, \$25,000. W. H. Houlton, F. L. Houlton, Geo. C. Hill, M. C. Blanchett, and S. R. Houlton are the organizers.

With a capital of \$14,000 the First State Bank of Lindstrom has loans and discounts of \$103,083; cash, \$32,396; deposits, \$127,805. M. W. Tuttle is president and O. F. Lindstrom, cashier.

R. W. Green has sold his interest in the Citizens National Bank of Ortonville and the controlling interest in the First State Bank of Clinton, to H. F. Thompson and others, of Rock Rapids, Iowa.

The National City Bank of New York, the Continental National Bank of Chicago and the Northwestern National Bank of Minneapolis, have been appointed reserve agents for the First National Bank of Biwabik.

The First National Bank of Grey Eagle has been organized with a capital of \$25,000. Rudolph F. Wilke is president; Martin Harstad, Thomas D. Miller, and John O. Carter, vice-presidents, and Will Wilke, cashier.

The following items appear in the most recent statements of the First National Bank of Slayton: Loans and discounts, \$195,779; capital stock, 50,000; individual deposits subject to check, \$58,827. Time certificates of deposit, \$138,867. Total resources, \$325,867.

The bankers of the Third District met in Hutchinson on June 5th. The principal addresses were delivered by Public Examiner A. Schaefer on "The Relationship of the Country Merchant to the Country Banker;" Hiram A. Schriver, of Minneapolis, on "The Banker as a Man of Judgment," and by State Food Commissioner, E. K. Slater on "Dairying As An Asset." Officers elected for the coming year are: President, William Davidson, Hutchinson; vice-president, O. W. Lundsten, Lester Prairie. H. O. Dilley, secretary.

The bankers of the sixth district to the number of sixty-five, held their annual banquet at St. Cloud, on June 6th, and held a business session on June 7th. The banquet was a delightful affair. W. W. Smith, of St. Cloud, officiated as toastmaster, and responses were made by O. M. Nelson, of St. Paul, on "The Religion of Banking;" Karl Mathie, on "Commercial Paper, Both Kinds;" Ernest C. Brown, of Minneapolis, toasted "Woman," and Judge M. C. Tift, of Long Prairie, "Officers and Directors." Supt. F. L. Randall, of the state reformatory, spoke on "What I Know About Criminals and Bankers." The following officers were elected: President, W. W. Smith, St. Cloud; vice-president, M. P. Dunn, Brainerd; secretary, Harry L. Shedd, Osakis.

FRED W. DEAN

Highest Grade

COMMERCIAL PAPER

Minneapolis, Minn.

Security Bank Bldg.

Correspondence Invited

Nebraska News and Notes

Mr. Bonham will erect a new bank building at Fairbury.

The West Point National Bank will erect a brick bank building.

Work has been started on the new bank building at Dannebrog.

The West Point National Bank has begun work on its new building.

The Greeley State Bank has opened for business in its new building.

C. M. Rowland, formerly of Avoca, is the new cashier of the Bank of Avoca.

The Farmers Exchange of York has been organized. Capital stock, \$9,900.

L. M. Lord, of Glenwood, Iowa, will open a new bank at South Omaha in the McDonald block.

Harry E. O'Neill has been elected president of the First National Bank of Sargent in place of F. H. Young.

The Farmers and Merchants State Bank, recently organized at Axtell, expects to open for business July 1st.

The Citizens Bank of Elsie has been organized. Capital stock, \$25,000. Robert Taylor and others are interested.

It is reported that stock subscriptions are being taken by parties who expect to organize a new bank in Cambridge.

THE
MERCHANTS NATIONAL BANK
OF OMAHA, NEBRASKA.

2775

LUTHER DRAKE, President. FRANK T. HAMILTON, Vice-Pres.
F. P. HAMILTON, Cashier. B. H. MEILE, Assistant Cashier

—

ACCOUNTS SOLICITED. U. S. DEPOSITORY.

CAPITAL,	- - -	\$500,000
SURPLUS,	- - -	\$250,000
UNDIVIDED PROFITS,	- - -	\$31,000
DEPOSITS,	- - -	\$5,485,507

The Citizens Bank of Bancroft reports total resources of \$210,402. The capital is \$30,000 and the deposits are \$157,149.

The Farmers Bank at Reynolds has been sold by Mr. Bonham to Hub Johnson. A. H. Bothwell will be the new cashier.

The state banking board has chartered the Loup Valley Bank of Palmer. Capital stock, \$7,000. President, Chas. Wherretts; cashier, Chas. G. Tidd.

Deposits of \$370,889 are reported by the Exchange Bank of Ong in its excellent statement of May 25th. The capital is \$25,000 and the surplus \$40,000. J. O. Walker is cashier.

The Harlan County Bank of Harlan has been organized with a capital of \$10,000; incorporators are Ed. L. Willits, David A. McCullough, John Ebersson. Amended articles also filed.

The final payment of dividends on the old First National Bank of Orleans has been made. The depositors received altogether 20 per cent. This is the last of the panic failure of twelve years ago to be cleaned up.

The deposits of the Platte Valley State Bank of Central City on May 25th were \$216,787, a gain of \$60,363 between calls. The capital is \$20,000, reinforced with an earned surplus and

undivided profits account of \$24,000.

The South Omaha National Bank sends out a strong statement in response to the recent comptroller's call. The resources total \$4,163,042. The deposits are \$3,395,432. The capital stock is \$250,000, reinforced by a surplus and undivided profits account of \$334,910. J. C. French is the cashier.

The resignation of P. L. Hall as cashier of the Columbia National Bank of Lincoln and his retirement from active work removes one of the most widely and favorably known bankers in the state. He will retain his bank at Mead, and will remain president of the state association until the expiration of his term of office. He will spend the summer months on the Pacific coast.

The First National Bank of Beatrice is expending a large sum in entirely changing the interior finish of its banking room. Large marbled columns have been placed in the room, a ceiling in stucco decoration has been put in, the entrance reconstructed in marble and tiling and the counters and private rooms rearranged for both the comfort and convenience of the public and the officials.

The growth and general prosperity of the Merchants National Bank of Omaha is fully revealed in the state-

ment issued under date of May 20th. The statement shows: Loans and discounts, \$4,005,832; cash and cash items, \$2,046,621; capital and surplus, \$750,000; deposits, \$5,485,507; total resources, \$6,366,953. The officers are: Luther Drake, president; Frank F. Hamilton, vice-president; F. P. Hamilton and E. H. Meile, assistant cashiers.

In June, 1902, when the present management assumed control of the Ewing State Bank of Ewing, the deposits were \$28,798. By February 23, 1907, they had increased to \$97,020 and call of May 25th shows a further increase of \$22,000, the present figures being \$119,134. The present capital is \$10,000. M. T. Sanders is president, S. W. Brion, Sr., and F. Whittemore, formerly state bank examiner are vice-presidents. J. L. Fisher is cashier and S. W. Brion, Jr., assistant cashier.

The monthly report and the first one issued by Fred Whittemore, receiver of the Citizens Bank of Firth, says the bank is now able to pay a 70 per cent dividend to its depositors and to make the figures 80 per cent if there are no preferred claims allowed. The receiver stated he has cash enough in the drawer to pay a dividend of 80 per cent of allowed claims if none are declared preferred. He said that inas-



THE Northwestern National Bank

MINNEAPOLIS, MINN.
1872-1906

Capital,	-	\$1,000,000.	Surplus and Profits,	-	\$1,078,605
		Deposits,	\$12,361,183.00		

OFFICERS

Wm. H. Dunwoody, President.	Joseph Chapman, Jr., Cashier.
M. B. Koon, Vice-President.	Frank E. Holton, Assisant Cashier,
Edward W. Decker, Vice-President	Chas. W. Farwell, Assistant Cashier,

An Average of over 8 per cent Annual Dividends Paid to Stockholders Since Organization in 1872. Dividends Paid Since Organization, \$2,450,000

If you contemplate making a change in your banking connections or think of opening a new account, we would be pleased to confer with you in person or by letter.

F. H. DAVIS, President
 F. R. HEDRICK, Cashier
 Organized 1886

E. F. FOLDA, Vice-Pres't.
 N. F. RECKARD, Ass't. Cashier
 Nationalized 1891

The
**UNION STOCK YARDS
 NATIONAL BANK**

AT THE
 UNION STOCK YARDS, SO. OMAHA.

Capital and Surplus, \$360,000.00

Prompt, Prudent, Personal attention given
 all matters entrusted to our care.

DEPOSITS:

January 29, 1906	- - - - -	\$2,339,527.28
April 6, 1906	- - - - -	2,736,660.75
June 18, 1906	- - - - -	2,929,951.70
September 4, 1906	- - - - -	3,343,807.20
January 26, 1907	- - - - -	3,418,529.44
May 20, 1907	- - - - -	4,098,314.00

With ample resources, time tried experience and an earnest
 desire to please, we offer our services for all
 branches of legitimate banking.

Packers National Bank

OF SOUTH OMAHA, NEB.

CAPITAL, -	\$150,000.	SURPLUS,	\$100,000.
UND. PROFITS	\$52,830.00.	DEPOSITS	\$2,189,820.00

OFFICERS:

JOHN F. COAD, President
 F. J. MORIARTY, Cashier.
 A. W. TRUMBLE, Vice-Pres.
 CHAS. A. DUNHAM, Ass't Cash
 J. F. COAD, Jr., Ass't, Cashier

We invite the Live Stock Banking business of Iowa and Nebraska
 Bankers.

H. C. BOSTWICK, President,
 E. A. CUDAHY, Vice-Pres.
 TRUMAN BUCK, Vice-Pres.

H. C. MILLER, Ass't Cash.
 JOHN S. KING, Ass't Cash.
 JAS. B. OWEN, Ass't Cash.
 J. C. FRENCH, Cashier.

The South Omaha National Bank

South Omaha, Nebraska.

CAPITAL,	SURPLUS,	PROFITS,
\$250,000	\$250,000	\$100,000

Send us your Stock Yards and Packing House items. We make a
 study of the efficient handling of accounts of banks transacting busi-
 ness at the South Omaha stock yards. Correspondence Invited.

much as attempts are being made to
 have certain ones on the preferred list
 which may be successful he would ask
 for a dividend of 70 per cent.

The following is the excellent showing
 made by the Packers National
 Bank of South Omaha in its statement
 of May 20th: Loans and discounts,
 \$1,742,708; cash and sight exchange,
 \$734,943; capital stock, \$150,000; sur-
 plus and profits, \$152,830; deposits,
 \$2,189,820. F. J. Moriarity is cashier.

Few if any banks in Nebraska have
 experienced a larger growth during
 the past year than the Union Stock
 Yards National of South Omaha. A
 year ago the deposits were \$2,736,660;
 they are now \$4,098,314. E. F. Folda,
 vice-president, and F. R. Hedrick, cash-
 ier, are in charge.

*Every Iowa Bank not now a mem-
 ber of the State Association should re-
 mit five dollars to the treasurer, E. J.
 Curtin, of Decorah, and "get in."
 As a matter of profit and loss in
 money you can't afford to stay out.*

Iowa News and Notes

H. E. Manker's bank at Elliott will
 put up a new building this summer.

Chas. Newman has succeeded G. D.
 Newby as cashier of the Bank of Wall
 Lake.

The Maple Valley Savings Bank of
 Battle Creek will erect a brick bank
 building.

The deposits of the First National
 Bank of Shenandoah have increased
 \$149,095 during the past year.

J. E. Brooks has been elected cash-
 ier of the First National Bank of Fon-
 tanelle, in place of R. R. Tuttle.

With a capital of \$20,000 the Wiota
 Savings Bank has deposits of \$60,240
 and loans and discounts of \$61,394.

The Citizens State Bank of Earl-
 ham has increased its deposits during
 the past year from \$109,243 to \$154,
 471.

The Iowa National Bank of Des
 Moines has been appointed reserve
 agent for the First National Bank of
 Seymour.

The Citizens National Bank of Ce-
 dar Rapids has been made a corre-
 spondent for the First National Bank
 of Forest City.

The Cedar Rapids National Bank

has been appointed reserve agent for
 the First National Banks of Jefferson
 and McGregor.

The Merchants National Bank of
 Cedar Rapids has been appointed re-
 serve agent for the First National
 Bank of Everly.

The bankers of Keokuk county have
 formed an association which when
 complete will comprise the twenty-
 seven bankers of that county.

Frank D. Nelson, of Avoca, has ac-
 cepted the cashiership of the new
 state bank at Audubon. The new in-
 stitution will have a capital of \$50,000.

In order to furnish sufficient accom-
 modations to its customers, the Hol-
 stein Savings Bank has increased its
 capital stock from \$30,000 to \$60,000.

Total resources of \$199,000 are re-
 ported by the Farmers Savings Bank
 of Roland in its statement of May
 13th. The capital is \$25,000 and the
 deposits \$162,158.

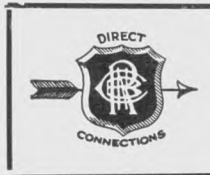
The Commercial National and the
 Continental National Banks of Chicago
 have been appointed reserve agents
 for the First National Bank of Fontan-
 elle.

At a recent meeting of the board of
 directors of the First National Bank
 of Oelwein, the surplus was raised
 from \$7,500 to \$10,000, giving it the

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 Federal Reserve Bank of St. Louis

THE CEDAR RAPIDS NATIONAL BANK.

OF CEDAR RAPIDS, IOWA.



Solicits the accounts of all good banks and bankers within its territory and will place at their disposal facilities gained through years of experience in handling that class of business, with **TERMS AS LIBERAL AS SAFE BANKING METHODS WARRANT**

UNITED STATES DEPOSITORY

RESERVE AGENT FOR NATIONAL BANKS.

largest surplus of any bank in Fayette county.

Carl M. Spencer has been sentenced five years in United States penitentiary at Leavenworth, Kan., for the embezzlement of \$9,000 from the Des Moines National Bank. The case has been appealed.

The statement of the North English Savings Bank, issued under date of April 19th, shows a capital of \$26,000; undivided profits, \$44,262; loans and discounts, \$240,845; cash, \$22,539; deposits, \$197,155.

Total resources of \$891,682 are reported by the Boone National Bank in its excellent statement of May 20th. The report shows loans and discounts, \$527,250; cash, \$185,777; capital, \$100,000; deposits, \$649,652.

E. J. Armstrong, who has been assistant cashier of the Citizens National Bank of Spencer, has resigned his position and has secured a position as bookkeeper for the National Bank of Commerce of Minneapolis.

The Citizens Savings Bank of Letts, which was one of the nineteen banks of Iowa to appear in the roll of honor supplements recently issued by the

Financier, sent out extra copies of the supplement to its customers.

Frank H. Allen, assistant cashier of the First National Bank of Estherville, will be married at Grinnell to Miss Mary C. Ruggles of that city. The ceremony will be performed at the home of the bride's parents.

A slight change has been made in the officary of the Conway Savings Bank. G. W. Nicholson takes C. E. Price's place as president; W. A. Conway, a director in place of T. R. Watts and G. O. Baker was elected assistant cashier.

The Blencoe Bank, owned by William MacFarlane, will build a new bank building this year. The building will be built of red pressed brick and cement blocks and will be modern in all respects. The improvements will cost about \$7,000.

About eighty-five bankers attended the meeting of Group No. 3, held at Charles City, on May 28th. F. M. Hanson of the First National Bank of Garner was elected chairman; Karl J. Johnson, cashier of the Farmers National Bank of Osage, was elected secretary.

The Black Hawk National Bank of Waterloo has been making some big gains. Their report of May 20th shows total resources of \$1,114,627; loans and discounts, \$608,983; cash and exchange, \$239,078; deposits, \$754,553, an increase of \$325,808 or 76 per cent in one year.

Otto C. Krag, assistant cashier of Alexander Savings Bank, has sold out his interest in the banking business to James Cook, cashier, and has retired from active business, and at the annual meeting of the directors George Dunn was chosen assistant cashier for the ensuing year.

Charles D. Lathrop has resigned his position as teller in the Fayette County National Bank of West Union, a position he has filled with honor to himself and profit to the institution for twenty-six years. He expects to go into the banking business at some other place in the south.

It is understood that the receiver of the failed Bank of Thornton is ready to declare a dividend of 20 per cent. However, no payment will probably be made till the disputed claims held under advisement are settled by the court. If they are declared preferred

Investment Bankers

President, F. F. McElhinney
Vice-President, J. W. Krapfel

Secretary, W. R. Jameson
Treasurer, W. J. French

☞ We make Loans on Iowa, Minnesota, and North Dakota and South Dakota farms and sell these to Bankers and Private Investors.

☞ Our 5% Savings Bonds or our Certificates of Deposits, (practically the same thing) run ten years, are backed by First Mortgage Real Estate Loans and are a safe and desirable investment for Bankers to increase the income on their cash reserve.

☞ Twenty years experience have enabled us to meet your needs.

☞ Call or Write—

Waterloo Loan & Trust Co.,

WATERLOO, IOWA.



CHIEF BLACK HAWK.

Black Hawk National Bank

WATERLOO, IOWA

Capital and Surplus
200,000.00

United States Depository

OFFICERS

F. F. McElhinney, President
F. W. Powers, Vice-President
L. D. Bedford, Ass't. Cashier

Richard Holmes, Vice-President
Charles W. Knoop, Cashier
Lila Marcham, Teller

☞ Write us for our liberal terms for new accounts.
We can handle your account at a **profit to you**

A Bank is Strong or Not in Proportion to its Capital and Surplus and Ability of its Management to Invest its Funds

DES MOINES SAVINGS BANK

Statement of Condition at Close of Business May 20, 1907

RESOURCES	LIABILITIES	
Investments.....\$6,442,459.48	Capital Stock.....\$ 500,000.00	Holding ourselves ready, as we do, to meet every legitimate requirement of our correspondents at all times, we solicit your business confidently believing that we can give you a service unsurpassed by any banking institution. We have spared no pains in preparing our par list which we believe covers all points in the United States which can actually be reached at par. Write us for a copy.
Overdrafts.....7,444.46	Surplus and Profits.....341,017.21	
Furniture and Fixtures.....1.00	Deposits:	
Cash and Exchange.....1,454,502.43	Demand.....\$4,713,521.94	
Total.....\$7,904,407.37	Time.....2,349,868.22	
	\$7,063,390.16	
	\$7,904,407.37	

OFFICERS AND DIRECTORS

P. M. Casady, President. Simon Casady, Vice-President. Homer A. Miller, Cashier. C. T. Cole, Ass't Cashier. Jas. A. Berryhill, L. Harbach. Edw. A. Temple. E. C. Finkbine. N. S. McDonnell. G. M. Hippee.

it may alter the percentage paid the claimants.

B. N. Schnoor, receiving teller of the Iowa National Bank of Davenport, was recently offered a good position by the Merchants Loan & Trust Company. He accepted the position, which is in the teller department, and has resigned from his position with the Iowa National. The change will take place July 1st.

At the last regular meeting of Iowa City Bank Clerks the following program was carried out: Address, "The National Banking System," Lovell Swisher; debate, "Resolved, That All Banks Should be Under Federal Control," affirmative, H. P. Nicking and C. B. Crain; negative, A. Mellinger, Jr., and A. J. Webber.

In our list of "Iowa's Million Dollar State Banks," published in our last issue, we omitted the Winneshiek County State Bank of Decorah. Although situated in a town of less than five thousand and paying 1 per cent less than any other bank in the vicinity save one, the deposits of this institution at the date of the recent call were \$1,025,534.

L. J. Klemm, a prominent live stock raiser south of Des Moines, was added to the directory board of the German Savings Bank at the recent an-

nual meeting. All the other officers were re-elected. The reports showed a very flattering increase in business during the year. At the close of the bank's year, May 31st, the deposits were \$666,720.77.

The Holstein Savings Bank recently held its annual meeting and declared a good healthy dividend, as well as adding \$10,000 more to surplus. This bank has recently increased its capital stock from \$30,000 to \$60,000 and shows a surplus of \$35,000, making a \$95,000 total. Cashier Wohlenberg is in line for congratulations on this splendid showing.

The Security National Bank of Minneapolis has been approved as reserve agent for the Fort Dodge National Bank of Fort Dodge, the First National banks of Marshalltown, Mason City, New Hampton, Sioux City, the Farmers National Bank of Osage, the Leavitt & Johnson National Bank of Waterloo and Security National Bank of Sioux City.

The regular annual meeting of the stockholders of the Ryan State Bank was recently held. Resolutions over the death of the late president, J. A. Thomas, and Michael Beacom, one of the stockholders, were adopted. John Dolphin, who has so ably filled the position of cashier for the past ten

years, was honored by being elected its president; F. L. Houston was made vice-president, and J. J. Dolphin, cashier.

Iowa national banks are steadily increasing their business. A comparison of reports for the state of Iowa made to the controller under the call of May 20, 1907, with reports under call of June 18, 1906, shows that the number of banks have increased from 282 to 291, loans and discounts have increased from \$73,680,139 to \$85,423,259, individual deposits have increased from \$71,360,618 to \$82,794,971. Percentage of legal reserve to deposits is now 15.67, against 15.76 a year ago.

Articles of incorporation have been filed for the Green Mountain Savings Bank. The bank was formerly the Farmers and Merchants Bank, but was sold by the Dickersons to the present owners, at the head of whom is Stewart B. MacDiarmid. The new bank is officered as follows: President, Stewart B. MacDiarmid, Omaha; vice-president, Walter Thomas, Green Mountain; directors, Stewart B. MacDiarmid, Walter Thomas, Donald A. Johnson, F. F. McElhinney, Jonas H. Keith.

Frank Hooker, cashier of the First National Bank of Blanchard writes us as follows: "With all the 'kicks' of the average banker it is refreshing to have a firm recognize the justice of

Capital, \$100,000

Surplus and Profits, \$116,927

ESTABLISHED 1870

Merchants National Bank

OF BURLINGTON, IOWA.

J. L. EDWARDS, President.

JAMES MOIR, Vice-President.

ALEX MOIR, Vice-President.

F. L. HOUKE, Assistant Cashier.

C. L. FULTON, Assistant Cashier.

YOUR ACCOUNT INVITED.

First National Bank

DUBUQUE, IOWA.

Capital, - - \$200,000. Surplus and Profits, \$94,831.35

Deposits, \$1,584,405

OFFICERS:

C. H. EIGHMEY,
President
E. A. ENGLER,
Vice-President.
B. F. BLOCKLINGER,
Cashier.

DIRECTORS:

C. H. Eighmey, E. A. Engler,
Geo. A. Burden, J. T. Adams,
C. M. Peaslee Jas. C. Collier,
B. F. Blockinger, Peter Kiene.

The Des Moines National Bank

OF DES MOINES, IOWA.

ARTHUR REYNOLDS, President.
JOHN H. BLAIR, Vice-Pres.
A. J. ZWART, Cashier.

The Des Moines National Bank Solicits a Share of Your Business Upon the Basis of Sound and Progressive Banking, Liberal and Accurate Treatment.

May 20, 1907.

Capital, " " \$300,000.00
 Surplus and Profits " " 91,238.12
 Deposit, " " 4,094,340.24

UNITED STATES DEPOSITORY.

CORRESPONDENCE SOLICITED.

reimbursement for time and postage for presentation of unpaid collections, and do it without having their attention called to it, as a matter of business fairness; such is the practice of the Union Fence Company, of DeKalb, Ill., as you will see by the enclosed slip sent us with the stamps. Every banker needing a fence should buy it of the Union Fence Company."

The Leavitt & Johnson Trust Company, of Waterloo, makes a fine showing in their statement of May 31st, as follows: Cash in office and banks, \$34,376.49; first mortgages on farms, \$893,673.33; bills receivable, short date paper, \$39,784.60; Buildings purchased for office, \$18,450.00; accounts receivable, \$1,674.34; capital stock, \$150,000.00; undivided earnings, \$91,694.48; savings bonds outstanding, \$677,610.36; special funds for redemption of savings bonds in series M, \$10,000.00; funds awaiting investment, \$58,653.92. They carry no deposits subject to check or payable on demand.

The creditors of the late Dow City Bank who had long since despaired of realizing on their claims, are being treated to the surprise of their lives. Drafts containing the amount of their claim with interest are being received from some mysterious place. They are being sent by Sid Green, former banker of that place, who vouchsafes only the information he is making money and that in time he expects to pay all creditors of his and the bank with interest. The letters and drafts are unmistakably from Green, but no

one knows their source. Mrs. Green is successfully managing a hotel in California, but her husband is said not to be there.

A deal has just been closed whereby the old City Bank of Ogden will be changed from a private bank to a state or national institution. This bank was organized June 1, 1884, with a cash capital of \$40,000, and with W. Farley as president, D. C. Nelson, vice president, and F. Lorenzon, cashier. The cash capital was gradually increased to \$85,000, where it has remained for the past fifteen years. It has the phenomenal record of never losing a penny. The principals in the new firm will be S. L. Moore and Henry Herman, of Boone, well known bankers of the county. There will be at least a half dozen reliable stockholders from Ogden, Mr. Farley retaining some stock in the new bank.

D. T. Denmead, of the City National Bank of Marshalltown, has been elected president of the First National Bank, of the same city, succeeding John P. Woodbury. The change in officials of the First National, which is the oldest bank of the town, came about following a failure between Cashier T. J. Fletcher and President Woodbury to agree on the sale of Mr. Woodbury's stock to Mr. Fletcher and his friends. When it became impossible for Mr. Fletcher and Mr. Woodbury to make an adjustment of their differences, Mr. Woodbury consented to step down and out. A syndicate of local capitalists headed by Mr. Denmead, which has taken over the

stock held by J. P. Woodbury will effect a re-organization.

C. W. H. Beyer & Co., of Grinnell, have removed into their new quarters and will engage in a general banking business in connection with their mortgage business. The firm of C. W. H. Beyer & Co. was formed in 1883. During the past thirty years Mr. Beyer has had charge of this business. During this time the loans of the company have amounted to an average of a half million dollars yearly. The business has grown until now, instead of the capital of \$15,000, with which Colonel Cooper and Mr. Beyer started in business, the firm has a paid up capital of \$60,000. The business of the firm is now largely in Iowa and Minnesota, with some also in North Dakota and Kansas. Their success in the past is a guarantee of the prosperity of their expanded business.

The following program was carried out at the meeting of Group No. 4, held at Decorah, Iowa, June 4th: 1:30. Called to order by the chairman. Registration and roll call. Short talks by prominent Iowa bankers—J. D. Easton, Treasurer Iowa Bankers' Association, Waterloo; D. H. McKee, president Citizens State Bank, Mediapolis; H. M. Carpenter, cashier Monticello State Bank; John Fletcher, assistant cashier Drovers' Deposit National Bank, Chicago. Experience Meeting.—Each delegate limited to five minutes' talk. How are banking conditions in your home town? Bring up any subject you choose; the more the better. Election of Group officers.

A. Budrick, Pres. Joe R. Lane, Vice-Pres. John P. Van Patten, Vice-Pres.
 L. J. Yaggy, Cashier.
 Will J. Housman, Ass't Cashier

First National Bank OF DAVENPORT.

Capital, \$200,000. Surplus and Undivided Profits, \$160,000.

Send us your Davenport business.

The first National Bank in operation in the United States

Public Auditor :: Accountant

C. A. MAST,

REFERENCE:
BANKS IN DAVENPORT

DAVENPORT, IOWA

—THE NATIONAL BANK OF—
COMMERCE
 —IN ST. LOUIS.—

Capital, Surplus, Profits, -	\$18,000,000
Deposits, - - -	\$60,000,000

**Two Per Cent Interest on
Bankers' Balances**

Three Per Cent Interest on Time Deposits

—THE—
Scott County Savings Bank
 DAVENPORT, IOWA

I. H. SEARS, President.	Capital, Surplus, and Undivided Profits,
—	\$441,298.89
H. F. PETERSEN, Vice-President.	—
—	Deposits,
J. H. HASS, Cashier.	4,114,988.73.

4:30—Automobile ride about city.
 6:45—Banquet at Winneshiek Hotel.

The last published statement of the First National Bank of Nevada shows a capital and surplus of \$100,000; loans and discounts of \$412,583; cash and exchange, \$145,375; deposits, \$481,773. The officers actively in charge of this well managed bank are Edgar John, cashier, and Willard John, assistant cashier. Edgar John is one of the well known bankers of central Iowa, having been chairman of Group 6 for several years. He first entered the banking business in 1894, when he purchased the Citizens Bank of Cambridge, which he later organized into the Citizens State Bank, and built up a very successful business at that point. In December, 1901, he took charge of the First National Bank of Nevada and the business has had a steady growth and is now in a very prosperous condition.

Aaron Evans, president of the wrecked Farmers' and Drovers' Bank of Seymour, has filed two law suits involving nearly \$30,000. John C. Phillips, former president of the bank, and

John C. Calhoun, former stockholder, are accused of selling Mr. Evans worthless stock, knowing that the bank was insolvent at the time. Mr. Evans sues Mr. Phillips for \$10,000, the amount he paid to Mr. Phillips for the stock. In his petition he states: "That on or about the 29th day of December, 1905, the defendant, Phillips was the owner of 104 shares of the capital stock of the Farmers and Drovers bank; that on or about that day he sold the same to the plaintiff, Evans; that to induce the plaintiff, Evans, to purchase said shares of stock the defendant represented to the plaintiff that the bank was in good and solvent condition and that the capital stock was in no way impaired, when in truth and in fact, the bank was insolvent and its capital stock impaired and worthless."

Stipulations and decree in the settlement of the affairs of the defunct Farmers State Bank of Clearfield have been filed in the office of the clerk of the district court. By the terms of the stipulation and in accordance with the decree the stockholders will put up sufficient funds to pay all claims

against the bank in full. This also means that the criminal cases against William Hughes, the aged Leon capitalist and stepfather of Ferren, the absconding cashier, will be dismissed. By the terms of this settlement all the stockholders, with the exception of two, pay the full amount of their legal liability, which is 100 per cent of their capital stock. In other words, the stockholders lose all they have invested in the bank, and are compelled to pay in exactly the same amount more. The two exceptions are C. H. Lord and A. M. Ferren, who lose their capital stock, but are only required to pay 50 per cent. These two men were not directors. All the claims of the stockholders against the bank were allowed and will be deducted from the amount of their assessment liability.

Also in the \$1,000,000 Class

Attention is called to the strong showing made by the Winneshiek County State Bank of Decorah in their statement of April 19th, which we publish on another page in this issue. Total resources of \$1,185,251 are report-

H. D. COPELAND & CO.
 181-183 UNION STOCK YARDS
 Chicago

Live Stock Commission Merchants

Bankers desiring to make loans on Live Stock or Ranches or having loans they wish investigated should correspond with us. We are up to date in all lines of the Live Stock business and our charges will be reasonable.

REFERENCES
 National Live Stock Bank, Chicago
 National Bank of Republic, Chicago

LIVE STOCK SHIPMENTS SOLICITED.

SECURITY
National Bank
 SIOUX CITY, IOWA.

Capital, - - -	\$250,000.00
Surplus and Profits, - - -	158,646.00
Deposits, - - -	3,420,841.10

W. P. MANLEY, President C. L. WRIGHT, Vice Pres.
 T. A. BLACK, Vice-President.
 C. N. LUKES, Cashier. C. W. BRITTON, Ass't Cash.



Capital, Surplus, Etc. - - - \$ 250,000
 Deposits - - - - - 1,500,000

J. R. AMIDON, President
 T. C. MUNGER, Vice-President
 CHAS. E. PUTNAM, Vice-President
 R. T. FORBES, Vice-President
 J. S. BROEKSMIT, Cashier

Excellent Facilities for Handling Bank Accounts

THE
First National Bank
 OF SIOUX CITY, IOWA.

CAPITAL, \$300,000.00. SURPLUS AND PROFIT \$103,037.88
 DEPOSITS, \$3,010,166.51.

Accounts of Banks received on liberal terms. A large list of par points in Iowa, Minnesota, Dakota and Nebraska. Collections carefully and promptly made.

JAMES F. TOY, President. GEORGE C. CALL, Vice-Pres
 ACKLEY HUBBARD, Vice-Pres. J. FRED TOY, Cashier.
 T. C. BRUBACHER Ass't Cashier. F. W. KAMMAN, Ass't Cash.

THE
City National Bank
 OF CLINTON, IOWA

Capital, Surplus and Profits - - - \$200,000.00
 Deposits - - - - - \$1,800,000.00

Officers:

A. G. SMITH, President G. M. CURTIS, Vice-President
 A. C. SMITH, Cashier

Accounts of Banks and Bankers received on most favorable terms. Correspondence Invited.

ed; \$399,161 of this amount consists of cash, bonds and secured demand loans, an unusually good showing for a country bank. The furniture and fixtures, which cost \$9,000, are given a value of \$1.00. The deposits, which have increased over \$200,000 during the past year, now amount to \$1,025,534. C. J. Weiser is president and R. Algyer, cashier.

A Fine Record

High grade quality, reasonable prices, prompt shipments, are the three principles that have won for the M. Winter Lumber Company (the high grade fixture makers of Sheboygan, Wis.,) the enviable reputation they have attained amongst the bank fixture trade. They ship their goods all over the country—from the Everglades of Florida to the Ice Fields of Alaska, from the Castle Garden to the Golden Gate, also foreign countries. Their specialty is high grade bank fixtures at reasonable prices. They issue the most complete catalogue in their line, which can be had for twenty-five cents to cover postage, etc. See their advertisement elsewhere in this issue.

They also have a complete and modern plant; employ only the best mechanics; are located in the lumber country; are the originators in their line and the management is in the hands of practical men; their goods and their customers speak for them.

They will be pleased to send you a special pamphlet giving you the names, addresses, etc., of some of the banks they have fitted with "Winter" fixtures.



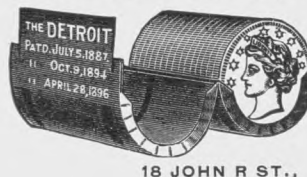
SIGNS
 for
BANKS

Write for Our New Booklet and Describe Space You Wish Sign to Occupy. :: :: :: ::

Get Our Ideas and Sketches

Brilliant Sign Co.
 709 Locust St.
 ST. LOUIS, MO.

THE DETROIT COIN WRAPPER



Millions are used annually by Banks, Trust Companies, Railroads, Etc Made to hold all silver coins, nickels, pennies, etc., in amounts from 25 cents up to \$20.00. Samples, price list and descriptive circular free. We also make coin bags in twenty sizes and special sizes to order. Write the
DETROIT COIN WRAPPER CO.
 DETROIT, MICH.

18 JOHN R ST.,

Homeseeker Excursion Rates

The Minneapolis & St. Louis R. R. will sell, on the first and third Tuesdays of each month, round trip home-

seeker excursion tickets to points in Minnesota, North and South Dakota and the Canadian Northwest. For full information write W. K. Adams, D. P. A., 512 Walnut St., Des Moines.

Reliable Real Estate Dealers of Iowa

ANITA — Conway & Carey

We do a general Real Estate and Exchange business of all kinds; write or call us over either phone.

ATLANTIC — John W. Blake

Does a general Real Estate business. Some choice bargains in Cass and Adair county farms.

BOONE — W. H. Nelson

Real Estate and Insurance
723 Story Street

DES MOINES — Wm. Montgomery

Real Estate. Office 214 Clapp Block for 25 years. Farms and City Property. Iowa phones

DES MOINES — Kinkead & Fesler

18-20 News Arcade. We do a General Real Estate Business — Iowa and Dakota Farms. References — Mechanics Savings Bank, Des Moines, Marion Co. Nat'l Bank, Knoxville, Ia.

DES MOINES — Joshua Jester & Sons

Investment Brokers and General Real Estate. Care of property for non-residents a specialty. References—any Des Moines Bank 204-212 Captal City State Bank Bldg., E. side.

DES MOINES — The McClure Co.

310 5th St. Farms. Investments. Care of non-residents' property.

DES MOINES — Mack Olsen Co.

Des Moines city property exclusively. Special attention to the handling of the property of non-residents. Reference, any bank in Des Moines. Suite 15-16-17, News Arcade Bld.

DES MOINES — F. A. Rollins

204 K. P. Block. I make a specialty of renting and selling for non-residents. Taxes, Insurance and Collections promptly attended to Reference -- Des Moines National Bank.

DEXTER — The J. H. Todd Land Co.

We do a general Land and Real Estate business both in Iowa and Dakota. Reference, Dexter Banks.

EARLHAM — S. W. Henkle

We do a general Real Estate business. A Square Deal for all. Reference, Citizens State Bank

FORT DODGE — Oleson Land Co.

All kinds of real estate bought and sold on commission.
M. J. Haire, Manager,
Fort Dodge, Iowa.

GRINNELL — A. J. Breeden

Real Estate Agent
Cor. Fourth Ave. and Main St.

HAWARDEN — John Smith

Rare bargains in Western Lands. Lands, Farms and Ranches Everywhere. Correspondence solicited.

HEDRICK — C. L. Dean & Bro.

A general Real Estate Business transacted.

JEFFERSON — J. E. Dodge

Real Estate and Exchange. Agent for Iowa and South Dakota lands. Farms in S. E. Kansas to exchange for Iowa land. Western irrigated lands for sale. Telephone No. 167

The Bankers Exchange and Business Want Department

A medium for the sale of Stocks and Bonds, Real Estate, Farm Land; for the man who wants a Bank Position or a Location for a Bank, Investment or other Business.

Rates for advertisements in this department are two cents per word each insertion. Initials and abbreviations count as one word each. No advertisements inserted for less than 50 cents. Cash or two-cent stamps must accompany all orders. All answers to advertisements under key numbers must be accompanied by two-cent stamp. Address, Northwestern Banker, Des Moines, Ia.

Young man, age 21, desires position in bank. One year's experience as bookkeeper. A No. 1 references. Employed at present. Address "S," care Northwestern Banker.

Charles E. Walters' of Council Bluffs, Iowa, list of bank purchasers is rapidly increasing. His exclusive business is that of selling banks, furnishing high-grade bank help, in all classes of banks, furnishing locations and assisting in the organization of new banks; in short, he is a bank counsellor. His entire business life has been devoted to banking, several years serving as State Bank Examiner of Iowa. He publishes the Confidential Banker, otherwise known as "The Live Wire," and the sparks are continually flying. He is turning out satisfied clients in all parts of the country.

WANTED—A position in some good bank with chance to work up. Have had four years' experience as bookkeeper and assistant cashier; excellent references. Address "W," Northwestern Banker.

WANTED—By an experienced banker, position as cashier or assistant cashier in country bank; best of references. Address G, care of this journal.

WANTED TO BUY—Bank counter in good repair. State price in first letter. Address X, care this Journal.

WANTED—Position in a country bank. Six years as county treasurer. Excellent references. Address H., care Northwestern Banker.

BANK WANTED.

An experienced banker with excellent connections would like to have an opportunity to buy the controlling interest in a bank in South Dakota or Minnesota. Would not necessarily mean a change of active officers. All communications absolutely confidential. Address, "L," care Northwestern Banker.

BANKERS TRUST COMPANY

7 WALL STREET, - - NEW YORK

Capital, \$1,000,000. Surplus, \$500,000.
Undivided Profits, \$888,554.

DIRECTORS:

STEPHEN BAKER,
Pres. Bank of Manhattan Co., N. Y.
SAMUEL G. BAYNE,
Pres. Seaboard National Bank, N. Y.
EDWIN M. BULKLEY
Spencer Trask & Co., Bankers, New York
JAMES G. CANNON,
Vice-Pres. Fourth Nat'l. Bank, N. Y.
EDMUND C. CONVERSE,
President.
HENRY P. DAVISON,
Vice-Pres. First National Bank, N. Y.
WALTER E. FREW,
Vice-Pres. Corn Exchange Bank, N. Y.
FREDERICK T. HASKELL,
Vice-Pres. Ill. Trust & Sav. Bank, Chicago
A. BARTON HEPBURN,
Pres. Chase National Bank, N. Y.
THOMAS W. LAMONT,
Second Vice-President.
GATES W. MCGARRAH,
Pres. Mechanics Nat'l Bank, N. Y.

EDGAR L. MARSTON,
Blair & Co., Bankers, N. Y.
GEORGE W. PERKINS,
J. P. Morgan & Co., Bankers, N. Y.
WILLIAM H. PORTER,
Pres. Chemical National Bank, N. Y.
DANIEL G. REID,
Vice-Pres. Liberty National Bank, N. Y.
EDWARD F. SWINNEY,
Pres. First Nat'l Bank, Kansas City.
JOHN F. THOMPSON,
Vice-President.
GILBERT G. THORNE,
Vice-Pres. National Park Bank, N. Y.
EDWARD TOWNSEND,
Pres. Importers & Traders Nat'l Bank, N. Y.
ALBERT H. WIGGIN,
Vice-Pres. Chase National Bank, N. Y.
SAMUEL WOOLVERTON,
Pres. Gallatin National Bank, N. Y.
EDWARD F. C. YOUNG,
Pres. First National Bank, Jersey City.

INTEREST ALLOWED UPON DEPOSITS.

E. C. CONVERSE, *President.*

J. F. THOMPSON, *V. P.*

D. E. POMEROY, *Treas.*

H. W. DONOVAN, *Asst. Tr.*

T. W. LAMONT, *2ND V. P.*

B. STRONG Jr., *Sec'y.*

F. N. B. CLOSE, *Asst. Tr. Off'r.*

REPRESENTATIVE IOWA BANKS

These Banks have special facilities for handling collections and any other business entrusted to them.

BATTLE CREEK — Battle Creek Savings Bank
Capital, \$25,000. Undivided Profits, \$24,644.66
Deposits, \$211,467.61.
Alex McHugh, Pres.; J. L. Riedesel, V-Pres.
D. H. Hedrick, Cash.; J. F. Christiansen, Jr., A. C.

BAXTER — State Savings Bank
Capital, \$30,000. Surplus, \$2400. Undivided
Profits \$2200. Deposits, \$230,000.
Fred Hager, Pres.; H. A. Geise, Vice-Pres.;
Chas. Burdick, Cash.; J. E. Holmes, Ass't C.

BENNETT — Bennett Savings Bank.
Capital, \$20,000. Surplus, \$10,000. Undivided
Profits, \$3,000. Deposits, \$220,000.
D. H. Snoko, Pres., O. W. Schiele, Vice-Pres.
J. P. Myers, Cashier, A. Brandt, Ass't Cash.

BOONE — Boone National Bank.
Capital, \$100,000. Surplus, \$25,000. Undivided
Profits, \$10,000. Deposits, \$410,000.
E. E. Hughes, Pres. E. C. Furrow, Vice-Pres.
T. L. Ashford, Cash., A. W. Brunsted, A. Cash.

BELLE PLAINE — First National Bank.
Capital, \$60,000. Surplus, \$40,000. Undivided
Profits, \$20,000. Deposits, \$340,000.
S. S. Sweet, Pres., F. E. Zalisky, Vice-Pres.
G. R. Ahrens, Cash., W. A. Wall, Ass't. Cash.

BURLINGTON — National State Bank.
Capital, 150,000. Surplus, \$100,000. Undivided
Profits, \$53,189. Deposits, \$1,210,968
John T. Remy, Pres. J. W. Brooks, Vice-P.
and Cashier. M. C. Stelle, Ass't. Cashier.

CASTANA — Castana Savings Bank.
Capital, \$50,000. Surplus and Undivided
Profits, \$15,000. Deposits, \$150,000.
W. T. Day, Pres., S. S. Willits, Vice-Pres.
E. E. Wiley, Cash., Harry Whittier, Ass't. C.

CHEROKEE — First National Bank.
Capital, \$50,000. Surplus, \$35,000. Undivided
Profits, \$7,000. Deposits, \$550,000.
N. T. Burroughs, P., W. A. Sanford, Vice-P.
R. H. Scribner, Cash., C. Sullivan, Ass't C.

CEDAR RAPIDS — Citizens National Bank.
Capital, \$200,000. Surplus, \$40,000. Undivided
Profits, \$15,000. Deposits, \$1,400,000.
J. R. Amidon, Pres., T. C. Munger, C. E. Putman
and R. T. Forbes V-Pres., J. S. Broekmit, C.

CLINTON — People's Trust and Savings Bank.
Capital, \$300,000. Surplus and Profits,
\$190,000. Deposits, \$4,250,000.
G. E. Lamb, Pres. C. F. Alden, Vice-Pres.
C. B. Mills, Cash. W. W. Cook, Asst. Cash.

DECORAH — Winneshiek County State Bank.
Capital, \$100,000. Surplus, \$25,000. Undivided
Profits, \$25,000. Deposits, \$825,000.
E. J. Weiser, Pres. E. W. D. Holway, V. P.
R. Alger, Cashier. A. Ankinson, Teller.

ELDORA — First National Bank.
Capital, \$50,000. Surplus and Profits, \$35,000.
J. H. Bales, Pres., D. E. Byam, Vice-Pres
W. J. Murray, Cash., W. E. Rathbone, A. W.
Crossan, A. Cashiers. U. S. Depository

FAIRFIELD — Iowa State Savings Bank.
Capital, \$60,000. Surplus, \$60,000. Undivided
Profits, \$30,000. Deposits, \$600,000.
J. E. Roth, Pres. E. A. Howard, Vice-Pres.
C. P. Hague, Cash. F. E. Callister, Ass't. Cash.

FOREST CITY — Forest City National Bank.
Capital and Surplus, \$65,000.
G. S. Gilbertson, Pres., W. O. Hanson, V. P.
C. H. Kelley, Vice-Pres., C. A. Isaacs, Cashier.
M. J. Johnson, Ass't Cashier.

FORT DODGE — First National Bank.
Capital, \$200,000. Surplus, \$50,000. Undivided
Profits, \$55,000. Deposits, \$1,850,000.
Webb Vincent, Pres., J. L. Mulvaney, V. P.
E. H. Rich, Cash., Geo. L. Rich, Ass't. Cash.

GREENE — First State Bank.
Capital, \$50,000. Surplus, \$84,616. Undivided
Profits, \$9,315. Deposits, \$285,000.
O. C. Perrin, Pres., M. J. Perrin, Vice-Pres.
T. L. Stober, Cashier.

HAMBURG — Farmers National Bank
Capital \$50,000. Surplus \$5,500. Undivided
Profits \$11,000. Deposits, \$425,000.
A. Hydinger, Pres.; G. M. Beal, Vice-Pres.
B. D. Butterfield, Cash.; B. G. Franklin, A. C.

HUMBOLDT — The Peoples Bank.
Capital, 100,000. Surplus, \$50,000.
G. L. Tremain, President
W. W. Sterns, Cashier.
All business given good attention.

INDEPENDENCE — Commercial State Bank.
Capital, \$100,000. Surplus, \$20,000. Undivided
Profits, \$29,845. Deposits, \$343,818.
O. M. Gillett, Pres., A. J. Barnhart, V. P.
C. E. Purdy, Cashier.

INDEPENDENCE — First National Bank.
Capital, \$100,000. Surplus, \$60,000. Undivided
Profits, \$40,000. Deposits, \$655,000.
W. G. Donnon, Pres., R. M. Campbell, V. P.
R. B. Raines, Cash., W. G. Stevenson, A. Cash.

KLEMME — State Savings Bank.
Capital, \$15,000. Surplus, \$2,500. Undivided
Profits, \$1,000. Deposits, \$90,000.
W. R. Bloom, P., D. D. Ross, Wm. Katter,
V. P's., P. M. Guesemer, C., F. J. Wench, A.

LE MARS — First National Bank.
P. F. Dalton, Pres. G. L. Wernli, Vice-Pres
E. A. Dalton, Cashier. J. A. Hoffmann, Asst. C.
Capital, \$100,000. Surplus, \$20,000. Undivided
Profits, \$8,000. Deposits, \$1,085,000.

LIME SPRINGS — Exchange State Bank
Capital, \$25,000. Deposits, \$98,781.89
A. J. Cray, President
C. P. Nash, Vice-Pres.
F. W. Clark, Cashier

MASON CITY — First National Bank.
Capital, \$150,000. Surplus, \$150,000. Deposits,
\$1,800,000.
C. H. McNider, Pres. W. G. C. Bagley,
C. A. Parker, Ass't Cashiers.

MILFORD — First National Bank.
Capital, \$35,000. Surplus, \$7,000. Undivided
Profits, \$5,000. Deposits, \$125,000.
P. Rasmussen, Pres., C. Forstenson, V. P.
C' F. Mauss, Cash., V. D. Flemming, A. Cash.

MEDIAPOLIS — Citizens State Bank.
Capital, \$50,000. Surplus, \$20,000. Deposits,
\$350,000.
D. H. McKee, Pres., Joseph Barton, V. Pres.
M. U. Bridwell, Cashier.

MONTICELLO — The Monticello State Bank.
Capital, \$100,000. Surplus and Profits,
\$150,000. Deposits, \$1,348,000.
S. S. Farwell, Pres. Wm. Stuhler, Vice-Pres.
H. M. Carpenter, C., H. S. Richardson, A-Cash.

MARSHALLTOWN — Marshalltown State Bank.
Capital, \$100,000. Surplus and Profits,
\$50,000. Deposits, \$750,000.
A. F. Balch, Pres., G. A. Turner, Vice-Pres.
P. S. Balch, Cash., C. C. Trine, Asst-Cash.

NEW HAMPTON — First National Bank.
Capital, \$50,000. Surplus, \$10,000. Undivided
Profits, \$5,000. Deposits, \$300,000.
A. E. Bigelow, Pres. Tim Donovan, Vice-P.
C. A. Larson, Cashier. Grant M. Bigelow A. C.

OSKALOOSA — Oskaloosa National Bank
Capital \$100,000. Surplus \$50,000. Deposits
\$700,000.
W. H. Kalbach, Pres.; H. L. Spencer, Vice-
Pres.; C. E. Lofland, Cash.

POCAHONTAS — City Exchange Bank.
Will D. McEwen, Pres., H. C. Doyle, Cash.
Banking and Real Estate. Collections a
specialty. General banking business transacted.

REINBECK — Bank of Reinbeck.
Capital, \$100,000. Surplus, \$40,000.
N. R. Pierce, Pres., John Wilson, Cashier.
E. P. Bieber, Ass't Cashier.

ROCK RAPIDS — Lyon County National Bank.
Miller & Thompson. Capital, \$75,000.
O. P. Miller, J. K. P. Thompson.
M. A. Cox, Cash. F. B. Parker. Asst-Cash.

SHENANDOAH — Shenandoah National Bank
Capital, \$100,000. Surplus, \$60,000. Deposits,
\$375,000.
George Bogart, Pres.; E. H. Mitchell, V-P.;
R. M. Gwynn, Cash.; F. M. Schneider, A. C.

SIoux CITY — Live Stock National Bank.
Located at Sioux City Stock Yards.
Capital, \$100,000. Surplus, \$75,000.
Geo. S. Parker, Pres., F. L. Eaton, Vice-P.
Melvin E. Bauer, Cash., W. P. Dickey, Asst C

VICTOR — Farmers Savings Bank.
Capital, \$25,000. Surplus, \$15,000. Undivided
Profits, \$3,500. Deposits, \$400,000.
H. C. Phelps, Pres., Levi Lewis, Vice-Pres.
H. L. Mussetter, C., Florence Mussetter, A. C.

WILTON JUNCTION — Union Savings Bank.
Capital, \$40,000. Surplus, \$20,000. Undivided
Profits, \$2,500. Deposits, \$400,000.
A. R. Leith, Pres., H. Weldasin, Vice-Pres.
W. D. Harris, Cashier.

WESLEY — Security Bank.
Capital, \$30,000. Surplus, \$7,900. Undivided
Profits, \$1,346. Deposits, \$159,825.
Rodney Hill Pres., Geo. B. Hall, Cashier.
Louis B. Rasmussen, Ass't Cashier.

Burroughs Adding Machines Sold in Iowa During the Month of May

Bank of Oelwein, Oelwein; Merchants National Bank, Cedar Rapids; Rembrandt Savings Bank, Rembrandt; First National Bank, Northwood; State Bank of Clare, Clare; Bailey State Bank, Correctionville; First National Bank, Odebolt; Bank of Pierson, Pierson; Savings Bank of Brighton, Brighton; First National Bank, Council Bluffs; First National Bank, Lineville; First National Bank, Villisca; A. Freund & Co., Bankers, Lowden; Johnson County Savings Bank, Iowa City; State Savings Bank, Pacific Junction; Citizens Savings Bank, Casey; Bank of Barnes City, Barnes City; National State Bank, Mt. Pleasant; Hershey State Bank, Muscatine; Bank of Dallas Center, Dallas Center; First National Bank, Lyons; Bedford National Bedford.

Round Trip Pacific Coast Excursion

Daily to September 15, the Minneapolis & St. Louis R. R., will sell round trip excursion tickets to Portland, Tacoma, Seattle and Vancouver for \$64.80. On account of the Christian Endeavor convention at Seattle the rate will be \$54.00 to Puget Sound points. Tickets on sale June 20 to July 12, return limit September 15. Slightly higher rate to return through California. For further information write W. K. Adams, D. P. A., 512 Walnut St., Des Moines.

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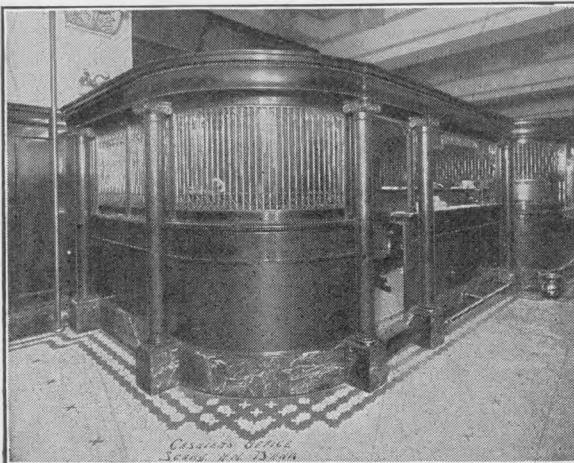
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CAPITAL AND SURPLUS.....	2,986,463.85
LOSSES PAID TO JANUARY 1, 1906.....	21,742,060.27

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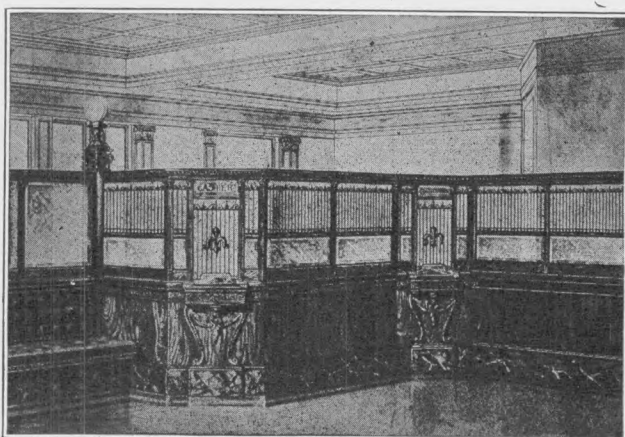
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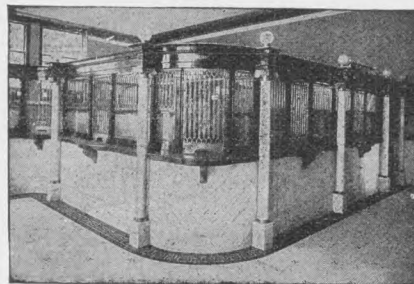
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Deposits

May 20, 1897	\$ 4,525,487.75
May 20th, 1898	7,168,924.07
May 20th, 1899	10,751,421.24
May 20th, 1900	11,718,822.78
May 20th, 1901	13,622,370.70
May 20th, 1902	15,563,927.76
May 20th, 1903	20,582,039.35
May 20th, 1904	24,855,529.12
May 20th, 1905	26,736,442.99
May 30th, 1906	27,002,805.58
May 20th, 1907	31,158,167.09

Increase in Deposits in Ten Years,
\$26,632,679.34

Condensed Statement---May 20, 1907

Resources

Loans and Discounts	\$20,171,298.34
U. S. Bonds and Premiums	2,219,000.00
Other Stocks and Bonds	1,058,520.31
Banking House and Real Estate	210,000.00
Cash and Sight Exchange	13,701,474.94
	\$37,360,293.59

Liabilities

Capital	\$ 2,000,000.00
Surplus and Profits	2,110,926.50
Reserve for Interest, Taxes, etc.	100,000.00
Circulation	1,991,200.00
Deposits	31,158,167.09
	\$37,360,293.59