

MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1847.

AUGUSTA:

Wm. T. JOHNSON,.....PRINTER TO THE STATE

1848.

ANNUAL REPORT

OF THE

BANK COMMISSIONERS,

DECEMBER 31, 1846.

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Published agreeably to Resolve of March 24, 1843.  
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AUGUSTA:

WM. T. JOHNSON,.....PRINTER TO THE STATE. .

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1847.



# R E P O R T .

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*To the Governor and Council of the State of Maine :*

The undersigned, Bank Commissioners, respectfully report that they have visited the thirty-five Banks now in active operation in this state, to enquire into and examine their transactions and to ascertain their condition, and whether there has been any departure, by brokerage or otherwise, from the ordinary business of banking associations.

We have found in all the officers a praiseworthy readiness promptly to meet all our enquiries, and an exemption from all disguise or artifice to conceal the true state of the institutions.

The provisions of law limiting the circulation of bills of a bank of fifty thousand dollars to an amount equal to its capital ; of a bank over fifty thousand and less than one hundred and fifty thousand, to an amount equal to three-fourths of its capital actually paid in ; and a bank of one hundred and fifty thousand dollars or upwards an amount equal to two-thirds of its capital actually paid in, should be decidedly respected by the several banking corporations. That they may issue bills under five dollars to an amount equal to one-fourth of its capital actually paid in, *and no more*, was undoubtedly intended to open a sufficient accommodation for the ordinary purposes of business.

How far these regulations have been regarded, the particular statements of the respective institutions hereafter exhibited, disclosing their situation when we visited them, will afford the best criterion for deciding.

To facilitate the right discrimination in reviewing the subsequent statements as to the several banks, we would premise that the law restricts the circulation and the loans as follows :

| A bank with a capital of | Is entitled to a circulation of | And is entitled to loan |
|--------------------------|---------------------------------|-------------------------|
| DOLLARS.                 | DOLLS. CTS.                     | DOLLARS.                |
| 49,000                   | 49,000 00 only                  | 98,000 only             |
| 50,000                   | 50,000 00 only                  | 100,000 only            |
| 75,000                   | 56,250 00 only                  | 150,000 only            |
| 100,000                  | 75,000 00 only                  | 200,000 only            |
| 110,000                  | 82,500 00 only                  | 220,000 only            |
| 150,000                  | 100,000 00 only                 | 300,000 only            |
| 300,000                  | 200,000 00 only                 | 600,000 only            |
| 400,000                  | 266,666 $66\frac{2}{3}$ only    | 800,000 only            |

The aggregate of debts due from Directors as principals, endorsers or sureties is not to exceed one-third of the capital ; nor from any one Director, as principal or surety, exceed eight per cent. of the capital.

Errors to a small amount would arise, almost necessarily, as shewn in the weekly accounts in the circulation, and might be corrected by the return of bills within a day or a week, in the course of business.

But long continued systematical increase in circulation and in the loan beyond the legal limitation assumes a character of defiance. It induces, also, and nurtures a complaint, that those, who pay the largest tax to the state on capital stock, have not, proportionally, so large a circulation, or loan, as those who have a smaller capital of forty-nine thousand or one hundred thousand dollars.

We should have been happy to see a total correction of all such errors as these statements will disclose as to excesses in circulation and in loans, which have so often been brought to public notice in the former reports of the Bank Commissioners. We do not dismiss all expectation of decisive amendment. Our deep regret is that we were not furnished with the evidence that it had taken place, when we made our visitation.

## State of the Banks at the time of examination.

### AUGUSTA BANK.

|                  |              |                       |              |
|------------------|--------------|-----------------------|--------------|
| Capital stock,   | 110,000 00   | Loan,                 | 216,266 42   |
| Circulation,     | 81,795 00    | Real estate,          | 10,333 51    |
| Profits,         | 2,888 93     | Specie,               | 10,158 55    |
| Due other banks, | 2,679 01     | Bills of other banks, | 4,289 00     |
| Deposits,        | 71,806 64    | Due from other bks.,  | 28,122 10    |
|                  | \$269,169 58 |                       | \$269,169 58 |

Thos. W. Smith, *President*; Issachar Snell, Greenleaf White, J. W. Bradbury, G. W. Morton, *Directors*, for the year ensuing the 27th day of October, 1845; George W. Allen, *Cashier*.

|                                         |             |
|-----------------------------------------|-------------|
| Liabilities of Directors as principals, | nothing.    |
| “ “ as sureties,                        | 4,746 26    |
| “ “ as stockholders,                    | 6,000 00    |
| “ of State Director with sureties,      | 2,100 00    |
|                                         | \$12,846 26 |

There are seventy stockholders.

Immediate resources of the bank, \$42,569 65.

Immediate liabilities, \$156,280 65.

### ANDROSCOGGIN BANK—TOPSHAM.

|                |              |                           |              |
|----------------|--------------|---------------------------|--------------|
| Capital stock, | 50,000 00    | Loan,                     | 68,060 48    |
| Circulation,   | 38,494 00    | Real estate,              | 800 00       |
| Profits,       | 4,229 49     | Specie,                   | 6,160 82     |
| Deposits,      | 30,897 63    | Bank stock,               | 1,000 00     |
|                |              | Due from other bks.,      | 47,110 36    |
|                |              | Bills of other bks., &c., | 489 46       |
|                | \$123,621 12 |                           | \$123,621 12 |

Charles Thompson, *President*; John Barron, David Scribner, Nahum Perkins, and Woodbury B. Purington, *Directors*; John Coburn, *Cashier*.

## BANK COMMISSIONERS' REPORT.

Immediate resources, \$53,759 84.

Immediate liabilities, \$69,391 63.

There are thirty-four stockholders.

Liabilities of President and Directors as principals, \$2,700 00

“ “ “ as sureties, \$3,428 82

Nothing on the 29th of September last against stockholders as principals exclusive of their liability as directors.

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BANK OF BANGOR.

|                               |              |                       |              |
|-------------------------------|--------------|-----------------------|--------------|
| Capital stock,                | 100,000 00   | Loan,                 | 198,870 10   |
| Circulation,                  | 151,558 00   | Specie,               | 8,358 10     |
| Profit and loss and discount, | 22,320 66    | Real estate,          | 3,272 62     |
| Deposits,                     | 44,728 44    | Bills of other banks, | 2,025 00     |
| Due to banks,                 | 4,154 75     | Checks and drafts,    | 8,117 41     |
|                               |              | Bank stock,           | 35,900 00    |
|                               |              | Bank charges,         | 870 19       |
|                               |              | Due from banks,       | 65,348 43    |
|                               |              |                       |              |
|                               | <hr/>        |                       | <hr/>        |
|                               | \$322,761 85 |                       | \$322,761 85 |

Samuel Veazie, *President*; John Bright, Nathaniel Lord, John McDonald, Jonas P. Veazie, *Directors*; William S. Dennett, *Cashier*.

There are eight stockholders.

Immediate resources, \$83,848 94.

Immediate liabilities, \$200,441 19.

Liability of President and Directors as principals, \$5,900 00

“ “ “ as sureties, 9,037 86

Stockholders exclusive of Directors as principals are not liable for any thing.

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BANK OF CUMBERLAND.

|                |            |              |            |
|----------------|------------|--------------|------------|
| Capital stock, | 100,000 00 | Loan,        | 147,083 10 |
| Circulation,   | 75,024 00  | Real estate, | 17,000 00  |
| Profit,        | 7,656 39   | Specie,      | 7,529 82   |
| Deposit,       | 38,921 62  | Stock,       | 8,800 00   |



BANK OF CUMBERLAND, (*Continued.*)

|               |              |                 |              |
|---------------|--------------|-----------------|--------------|
| Due to banks, | 153 04       | Charges,        | 1,177 86     |
|               |              | Checks,         | 9,288 96     |
|               |              | Due from banks, | 25,312 31    |
|               |              | Current bills,  | 5,563        |
|               | <hr/>        |                 | <hr/>        |
|               | \$221,755 05 |                 | \$221,755 05 |

William Moulton, *President*; David Drinkwater, John Anderson, Ashur Ware, James Todd, Jonathan Tukesbury, Augustine Haines, *Directors*; Samuel Small, jr., *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$1,706 00 |
| “ “ as sureties,                      | 3,857 89   |
| “ stockholders as principals,         | 8,280 05   |

There are one hundred and thirty-four stockholders.

Immediate resources, \$47,694 09.

Immediate liabilities, \$114,098 66.

## BANK OF WESTBROOK.

|                  |              |                         |              |
|------------------|--------------|-------------------------|--------------|
| Capital stock,   | 50,000 00    | Loan,                   | 71,476 40    |
| Circulation,     | 47,579 00    | Real estate,            | 3,819 56     |
| Profit,          | 2,709 84     | Bank stock,             | 8,240 00     |
| Deposits,        | 12,201 73    | Specie,                 | 2,684 23     |
| Dividends,       | 299 50       | Bank charges,           | 22 56        |
| Due other banks, | 50 00        | Foreign bills, current, | 182 00       |
|                  |              | Due from other bks.,    | 23,703 78    |
|                  |              | Checks,                 | 2,711 54     |
|                  | <hr/>        |                         | <hr/>        |
|                  | \$112,840 07 |                         | \$112,840 07 |

Samuel Jordan, *President*; Samuel B. Stevens, Joseph Walker, jr., Walter B. Goodrich, Oliver Buckley, *Directors*; Albert Gallatin Fobes, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$2,750 00 |
| “ “ as sureties,                      | 50 00      |
| “ stockholders as principals,         | 11,379 26  |

There are thirty-five stockholders.

Immediate resources, \$29,281 57.

Immediate liabilities, \$59,780 73.

## BELFAST BANK.

|                     |              |                      |              |
|---------------------|--------------|----------------------|--------------|
| Capital stock,      | 50,000 00    | Loan,                | 88,575 62    |
| Circulation,        | 61,525 00    | Real estate,         | 5,306 63     |
| Profit,             | 4,478 89     | Bank charges,        | 620 73       |
| Deposits, including |              | In hands of J. Hath- |              |
| \$133 unpd div.,    | 18,707 45    | away, agent,         | 25,194 63    |
|                     |              | Suffolk bank,        | 3,000 00     |
|                     |              | Current bills, &c.,  | 6,726 89     |
|                     |              | Specie,              | 5,286 84     |
|                     | <hr/>        |                      | <hr/>        |
|                     | \$134,711 34 |                      | \$134,711 34 |

James White, *President*; Joseph Williamson, Paul R. Hazeltine, James P. White, Thomas Marshall, Daniel Haraden, Horatio H. Johnson, *Directors*; Nathaniel H. Bradbury, *Cashier*.

|                                         |         |
|-----------------------------------------|---------|
| Liabilities of Directors as principals, | \$2,850 |
| "          "      as sureties,          | 4,405   |
| "          stockholders as principals,  | 3,425   |

Immediate resources, \$40,208 26.

Immediate liabilities, \$80,232 45.

There are eighty stockholders.

## BRUNSWICK BANK.

|                |              |                       |              |
|----------------|--------------|-----------------------|--------------|
| Capital stock, | 75,000 00    | Loan, including 4,000 |              |
| Circulation,   | 38,301 00    | to the state,         | 91,698 73    |
| Profits,       | 2,918 95     | Real estate,          | 2,925 82     |
| Deposits,      | 27,148 03    | Due from other bks.,  | 40,756 41    |
|                |              | Bills of other banks, |              |
|                |              | including checks,     | 2,325 64     |
|                |              | Bank stock,           | 2,000 00     |
|                |              | Specie,               | 3,661 38     |
|                | <hr/>        |                       | <hr/>        |
|                | \$143,367 98 |                       | \$143,367 98 |

Richard T. Dunlap, *President*; Joseph Badger, William Barron, John C. Humphreys, Alfred J. Stone, *Directors*; Augustus C. Robbins, *Cashier*.

|                                       |                         |
|---------------------------------------|-------------------------|
| Liability of Directors as principals, | \$8,456 80              |
| “ “ sureties, .                       | 758 13                  |
| “ Stockholders,                       | \$6,523 <sup>1</sup> 17 |
| There are fifty-eight stockholders.   |                         |
| Immediate resources, \$52,743 66.     |                         |
| Immediate liabilities, \$65,459 03.   |                         |

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CALAIS BANK.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 50,000 00    | Loan,           | 86,700 18    |
| Circulation,   | 34,375 00    | Real estate,    | 4,432 78     |
| Profits,       | 3,552 39     | Current bills,  | 5,116 19     |
| Due banks,     | 3,767 16     | Due from banks, | 3,800 64     |
| Deposits,      | 13,342 64    | Specie,         | 4,987 40     |
|                | <hr/>        |                 | <hr/>        |
|                | \$105,037 19 |                 | \$105,037 19 |

George Downes, *President*; Francis Swan, William Deming, Lewis L. Lowell, Ovid Burrill, *Directors*; Joseph A. Lee, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$2,298 77 |
| “ “ sureties,                         | 1680 50    |
| “ Stockholders as principals,         | nothing.   |

There are forty-nine stockholders.  
 Immediate resources, \$13,349 42.  
 Immediate resources, \$51,484 80.

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CANAL BANK.

|                |            |                 |            |
|----------------|------------|-----------------|------------|
| Capital stock, | 400,000 00 | Loan,           | 592,436 04 |
| Circulation,   | 207,376 00 | Canal stock,    | 75,000 00  |
| Profit,        | 22,426 74  | Real estate,    | 7,483 00   |
| Due banks,     | 14,971 30  | Stocks,         | 10,533 00  |
| Deposits,      | 170,108 41 | Charges,        | 974 60     |
|                |            | Due from banks, | 76,869 88  |
|                |            | Current bills,  | 22,802 00  |

CANAL BANK, (*Continued.*)

|              |             |              |
|--------------|-------------|--------------|
|              | Specie,     | 25,033 35    |
|              | Checks, &c. | 2,750 58     |
| \$814,882 45 |             | \$814,882 45 |

Charles E. Barrett,\* *President*; Joshua B. Osgood, Nathaniel Warren, Thomas Hammond, William W. Thomas, William Goodenow, William Kimball, *Directors*; Josiah B. Scott, *Cashier*.

|                                        |             |
|----------------------------------------|-------------|
| Liability of Directors as principals,  | \$13,277 31 |
| "          "          sureties,        | 6,039 68    |
| "          stockholders as principals, | 6,500 00    |

There are two hundred and forty-one stockholders.  
 Immediate resources, \$137,988 23.  
 Immediate liabilities, \$392,455 71.

## CASCO BANK.

|                |              |                    |              |
|----------------|--------------|--------------------|--------------|
| Capital stock, | \$300,000 00 | Loan,              | 456,114 97   |
| Circulation,   | 106,982 00   | Bank stock,        | 21,533 25    |
| Profit,        | 11,727 76    | Insurance stock,   | 500 00       |
| Due banks,     | 2,727 34     | Real estate,       | 17,616 04    |
| Deposits,      | 126,622 21   | Current bills,     | 10,338 00    |
|                |              | Checks and drafts, | 6,105 88     |
|                |              | Bank charges,      | 436 77       |
|                |              | Due from banks,    | 14,820 61    |
|                |              | Specie,            | 20,593 79    |
| \$548,059 31   |              |                    | \$548,059 31 |

Eliphalet Greeley, *President*; Nathaniel Blanchard, Nathan Cummings, William Evans, Charles Jones, St. John Smith, Phinehas Varnum, *Directors*; John Chute, *Cashier*.

|                                        |             |
|----------------------------------------|-------------|
| Liability of Directors as principals,  | \$45,318 36 |
| "          "          as sureties,     | 25,950 87   |
| "          stockholders as principals, | 10,538 75   |

\* Mr. Barrett declined the office of President, and Joshua B. Osgood was elected President on the 8th October, 1846.

There are one hundred and forty stockholders.

Immediate resources, \$51,858 28.

Immediate liabilities, \$236,331 55.

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CENTRAL BANK.

|                       |              |                 |              |
|-----------------------|--------------|-----------------|--------------|
| Capital stock,        | 50,000 00    | Loan,           | 97,611 77    |
| Circulation,          | 74,028 00    | Real estate,    | 27,416 19    |
| Profits,              | 3,639 65     | Checks, &c.,    | 1,510 81     |
| Undivided stocks,     | 3,568 50     | Charges, &c.,   | 96 28        |
| Due banks and others, | 8,467 74     | Bank stock,     | 7,070 60     |
| Deposits,             | 47,762 65    | Current bills,  | 1,852 00     |
|                       |              | Due from banks, | 50,658 89    |
|                       |              | Specie,         | 1,250 00     |
|                       | \$187,466 54 |                 | \$187,466 54 |

Calvin Spaulding, *President*; John Smith, Reuel Washburn, Thomas M. Andrews, Merrill Coolidge, *Directors*; Artemas Leonard, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$1,150 00 |
| "    "    as sureties,                | nothing.   |
| "    stockholders,                    | nothing.   |

There are twenty-four stockholders.

Immediate resources, \$53,760 89.

Immediate liabilities, \$130,258 39.

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COMMERCIAL BANK—BATH.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 50,000 00    | Loan,           | 80,816 94    |
| Circulation,   | 43,348 00    | Real estate,    | 550 00       |
| Profit,        | 2,261 23     | Current bills,  | 3,512 00     |
| Due banks,     | 453 48       | Due from banks, | 17,617 82    |
| Deposit,       | 8,788 37     | Specie,         | 2,354 32     |
|                | \$104,851 08 |                 | \$104,851 08 |

Jacob Robinson, *President*; Gilbert Trufant, William Patten, William D. Sewall, Thomas M. Reed, *Directors*; Thomas Agry, *Cashier*.

|                                        |            |
|----------------------------------------|------------|
| Liability of Directors as principals,  | \$7,743 00 |
| "          "          as sureties,     | 11,566 78  |
| "          stockholders as principals, | 6,879 00   |
| There are fifty-nine stockholders.     |            |
| Immediate resources, \$23,484 14.      |            |
| Immediate liabilities, \$52,589 85.    |            |

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EASTERN BANK—BANGOR.

|                  |              |                      |              |
|------------------|--------------|----------------------|--------------|
| Capital stock,   | 50,000 00    | Loan,                | 159,314 56   |
| Circulation,     | 99,782 00    | Bills due from other |              |
| Profit,          | 1,340 11     | banks,               | 12,434 00    |
| Deposits,        | 46,060 21    | Due fm. Suffolk bk., | 23,598 53    |
| Due other banks, | 4,425 66     | Specie,              | 6,260 89     |
|                  | <hr/>        |                      | <hr/>        |
|                  | \$201,607 98 |                      | \$201,607 98 |

Amos M. Roberts, *President*; Daniel B. Hinckley, John Bradbury, Samuel P. Strickland, William A. Blake, *Directors*; William H. Mills, *Cashier*.

|                                                                   |             |
|-------------------------------------------------------------------|-------------|
| Liability of Directors as principals,                             | nothing.    |
| "          "          as sureties, drawers of lum-<br>ber drafts, | \$33,160 86 |
| "          stockholders as principals,                            | nothing.    |
| Immediate resources, \$42,293 42.                                 |             |
| Immediate liabilities, \$150,267 87.                              |             |
| There are twelve stockholders.                                    |             |

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FRANKLIN BANK—GARDINER.

|                |           |                 |           |
|----------------|-----------|-----------------|-----------|
| Capital stock, | 50,000 00 | Loan,           | 75,111 63 |
| Circulation,   | 19,559 00 | Real estate,    | 505 00    |
| Profits,       | 262 65    | Due from banks, | 4,247 00  |

FRANKLIN BANK, (*Continued.*)

|                  |                   |                     |                   |
|------------------|-------------------|---------------------|-------------------|
| Due other banks, | 5,762 08          | Current bills, &c., | 7,160 27          |
| Deposits,        | 14,317 42         | Specie,             | 2,877 25          |
|                  | <u>          </u> |                     | <u>          </u> |
|                  | \$89,901 15       |                     | \$89,901 15       |

John Otis, *President*; Stephen Young, Joseph Eaton, E. F. Deane, James N. Cooper, *Directors*; Hiram Stevens, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$7,823 46 |
| “ “ as sureties,                      | 2,728 24   |
| “ stockholders as principals,         | 267 57     |

Immediate resources, \$14,284 52.

Immediate liabilities, \$39,638 50.

There are thirty-three stockholders.

## FREEMAN'S BANK—AUGUSTA.

|                |                   |                     |                   |
|----------------|-------------------|---------------------|-------------------|
| Capital stock, | 50,000 00         | Loan,               | 85,100 77         |
| Circulation,   | 53,454 00         | Due from banks,     | 19,160 12         |
| Profits,       | 3,693 55          | Current bills, &c., | 5,892 38          |
| Deposits,      | 7,744 82          | Specie,             | 4,744 10          |
|                | <u>          </u> |                     | <u>          </u> |
|                | \$114,897 37      |                     | \$114,897 37      |

Benjamin Davis, *President*; John Mulliken, W. F. Hallett, William Hunt, P. B. Moores, *Directors*; William Caldwell, *Cashier*.

|                                                       |            |
|-------------------------------------------------------|------------|
| Liabilities of President and Directors as principals, | \$6,100 00 |
| “ “ “ as sureties,                                    | 500 00     |
| “ stockholders as principals,                         | 3,000 00   |

Immediate resources, \$29,796 60.

Immediate liabilities, \$61,198 82.

There are forty-eight stockholders.

## FRONTIER BANK—EASTPORT.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 75,000 00    | Loan,           | 121,573 52   |
| Circulation,   | 31,547 00    | Real estate,    | 2,500 00     |
| Profit,        | 4,794 92     | Bank stock,     | 300 00       |
| Due banks,     | 3,491 77     | Due from banks, | 3,459 62     |
| Deposit,       | 22,556 07    | Current bills,  | 4,322 36     |
|                |              | Specie,         | 5,234 26     |
|                | <hr/>        |                 | <hr/>        |
|                | \$137,389 76 |                 | \$137,389 76 |

Samuel Wheeler, *President*; Darius Pearce, Lorenzo Sabine, Parkman Houghton, William M. Brooks, George A. Peabody, Charles H. Hayden, *Directors*; Edward Ilsley, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$7,382 60 |
| “ “ as sureties,                      | 13,927 71  |
| “ stockholders as principals,         | 20,028 01  |

Immediate resources, \$13,016 00.

Immediate liabilities, \$57,594 84.

There are seventy stockholders.

## GARDINER BANK.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 100,000 00   | Loan,           | 174,655 78   |
| Circulation,   | 61,605 00    | Real estate,    | 2,000 00     |
| Profits,       | 2,122 38     | Current bills,  | 11,525 71    |
| Due banks,     | 6,315 45     | Due from banks, | 11,609 64    |
| Deposits,      | 33,468 40    | Specie,         | 3,720 10     |
|                | <hr/>        |                 | <hr/>        |
|                | \$203,511 23 |                 | \$203,511 23 |

S. C. Grant, *President*; S. B. Tarbox, William B. Grant, F. Allen, Peter Grant, *Directors*; Joseph Adams, *Cashier*.

|                                       |          |
|---------------------------------------|----------|
| Liability of Directors as principals, | nothing. |
| “ “ sureties,                         | \$909 15 |
| “ Stockholders as principals,         | 4,500 00 |

Immediate resources, \$26,855 45.

Immediate liabilities, \$101,388 85.

There are forty-six stockholders.



## GRANITE BANK—AUGUSTA.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 75,000 00    | Loan,           | 122,759 30   |
| Circulation,   | 61,232 00    | Real estate,    | 4,200 00     |
| Profit,        | 1,496 66     | Current bills,  | 1,563 00     |
| Due banks,     | 425 51       | Due from banks, | 14,496 25    |
| Deposits,      | 10,180 84    | Specie,         | 4,316 46     |
|                | <hr/>        |                 | <hr/>        |
|                | \$148,335 01 |                 | \$148,335 01 |

William Woart *President*; William A. Brooks, Henry Williams, Erastus Bartlett, William Thomas, *Directors*; Silas Leonard, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$4,313 85 |
| “ “ sureties,                         | 2,476 29   |
| “ stockholders as principals,         | 4,100 00   |

Immediate resources, \$20,375 71.

Immediate liabilities, \$71,838 35.

There are seventy-four stockholders.

## KENDUSKEAG BANK—BANGOR.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 100,000 00   | Loan,           | 134,841 93   |
| Circulation,   | 73,036 00    | Bank stock,     | 60,600 00    |
| Profit,        | 7,519 48     | Bridge stock,   | 300 00       |
| Due banks,     | 1,682 13     | Real estate,    | 6,000 00     |
| Deposits,      | 54,465 00    | Due from banks, | 19,857 22    |
|                |              | Foreign bills,  | 3,554 00     |
|                |              | Specie,         | 11,549 46    |
|                | <hr/>        |                 | <hr/>        |
|                | \$236,702 61 |                 | \$236,702 61 |

George W. Pickering, *President*; John Wilkins, Abner Taylor, John Godfrey, Jonathan Moulton, *Directors*; Theodore S. Dodd, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of Directors as principals, | \$3,900 00 |
| “ “ as sureties,                      | 33,812 90  |
| “ stockholders as principals,         | 200 00     |

Immediate resources, \$34,960 68.

Immediate liabilities, \$114,183 13.

There are thirty-six stockholders.

## LIME ROCK BANK—EAST THOMASTON.

|                |              |                      |              |
|----------------|--------------|----------------------|--------------|
| Capital stock, | 50,000 00    | Loan,                | 90,855 39    |
| Circulation,   | 44,159 00    | Real estate,         | 3,917 73     |
| Profit,        | 1,586 99     | Current bills,       | 13,053 00    |
| Due banks,     | 1,059 16     | Due from other bk's, | 13,498 51    |
| Deposits,      | 29,577 87    | Specie,              | 5,058 39     |
|                | <hr/>        |                      | <hr/>        |
|                | \$126,383 02 |                      | \$126,383 02 |

Knott Crockett, *President*; Iddo Kimball, Charles Holmes, Joseph Hewett, Iddo K. Kimball, John Spear, Jr., Reuben Sherer, *Directors*; Ephraim M. Perry, *Cashier*.

|                                                       |            |
|-------------------------------------------------------|------------|
| Liability of directors as principals,                 | \$3,270 50 |
| “ “ as sureties,                                      | 4,466 31   |
| “ stockholders as principals, exclusive of directors, | 11,198 06  |

Immediate resources, \$31,609 90.

Immediate liabilities, \$74,769 03.

There are eighty-seven stockholders.

## LINCOLN BANK—BATH.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 100,000 00   | Loan,           | 153,076 42   |
| Circulation,   | 64,548 00    | Real estate,    | 3,000 00     |
| Profit,        | 4,214 80     | Specie,         | 17,412 34    |
| Deposits,      | 73,780 50    | Current bills,  | 2,512 00     |
|                |              | Due from banks, | 66,542 54    |
|                | <hr/>        |                 | <hr/>        |
|                | \$242,543 30 |                 | \$242,543 30 |

George F. Patten, *President*; Charles Davenport, Levi Houghton, W. M. Rogers, Thomas Harwood, Samuel Gray, William Ledyard, *Directors*; John Shaw, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of directors as principals, | nothing.   |
| “ “ as sureties,                      | \$6,175 38 |
| “ stockholders as principals,         | 13,271 00  |

Immediate resources, \$86,466 88.

Immediate liabilities, \$138,328 50.

There are sixty-eight stockholders.

## MANUFACTURERS' BANK—SACO.

|                    |              |                      |              |
|--------------------|--------------|----------------------|--------------|
| Capital stock,     | 100,000 00   | Loan,                | 169,251 85   |
| Circulation,       | 70,724 00    | Real estate,         | 5,716 34     |
| Profit,            | 8,425 27     | Due from banks,      | 31,740 49    |
| Deposits and divi- |              | Bills of other bks., | 2,339 00     |
| dend unpaid,       | 34,443 90    | Specie,              | 5,357 59     |
| Due banks,         | 812 10       |                      |              |
|                    | <hr/>        |                      | <hr/>        |
|                    | \$214,405 27 |                      | \$214,405 27 |

Josiah Calef, *President*; Amos Chase, Tristram Jordan, jr., David Fernald, Loring French, Nathaniel M. Towle, *Directors*; Seth S. Fairfield, *Cashier*.

|                                         |            |
|-----------------------------------------|------------|
| Liabilities of directors as principals, | \$3,436 61 |
| “ “ as sureties,                        | 7,451 75   |
| “ stockholders as principals,           | 4,015 00   |

Immediate resources, \$39,437 08.

Immediate liabilities, \$105,980 00.

There are one hundred and four stockholders.

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MANUFACTURERS' AND TRADERS' BANK—  
PORTLAND.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 75,000 00    | Loan,           | 130,796 89   |
| Circulation,   | 46,418 00    | Real estate,    | 1,000 00     |
| Due to banks,  | 183 51       | Bank charges,   | 401 48       |
| Profit,        | 4,522 08     | Due from banks, | 6,939 64     |
| Deposits,      | 23,152 43    | Current bills,  | 6,614 00     |
|                |              | Specie,         | 3,524 01     |
|                | <hr/>        |                 | <hr/>        |
|                | \$149,276 02 |                 | \$149,276 02 |

Joshua Richardson, *President*; Rufus Horton, Stephen Waite, Neal Dow, Eleazer McKenney, *Directors*; Edward Gould, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of directors as principals, | \$6,800 00 |
| “ “ sureties,                         | 6,058 24   |
| stockholders as principals,           | 2,001 00   |

Immediate resources, \$17,077 65.

Immediate liabilities, \$69,753 94.

There are ninety-seven stockholders.

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THE MERCHANTS' BANK—PORTLAND.

|                |              |                              |              |
|----------------|--------------|------------------------------|--------------|
| Capital stock, | 150,000 00   | Loan,                        | 293,948 03   |
| Circulation,   | 115,652 00   | Real estate,                 | 5,000 00     |
| Profit,        | 18,245 24    | Bank charges,                | 561 04       |
| Due to banks,  | 11,625 12    | Due from banks,              | 85,911 73    |
| Deposits,      | 129,926 55   | Stocks,                      | 1,407 50     |
|                |              | Current bills and<br>checks, | 7,885 71     |
|                |              | Specie,                      | 30,734 90    |
|                | <hr/>        |                              | <hr/>        |
|                | \$425,448 91 |                              | \$425,448 91 |

William Woodbury, *President*; Philip Greeley, Jonathan Tucker, George Warren, Rufus Emerson, Josiah Dow, Charles Kimball, *Directors*; Reuben Mitchel, *Cashier*.

Liability of directors as principals, nothing.

“ “ sureties, \$1,250 00

“ stockholders as principals, 17,150 00

Immediate resources, \$117,836 63.

Immediate liabilities, \$250,507 96.

There are one hundred and twenty-three stockholders.

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THE MEDOMAK BANK—WALDOBOROUGH.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 50,000 00    | Loan,           | 81,932 87    |
| Circulation,   | 52,250 00    | Real estate,    | 4,479 75     |
| Profits,       | 1,063 48     | Due from banks, | 19,336 56    |
| Due to banks,  | 261 17       | Current bills,  | 1,637 00     |
| Deposits,      | 10,253 71    | Specie,         | 6,442 18     |
|                | <hr/>        |                 | <hr/>        |
|                | \$113,828 36 |                 | \$113,828 36 |

George D. Smouse, James Hovey, Frederick Castner, John Bulfinch, Alexander Palmer, Joseph Clark, George Sprout, *Directors*; George Allen, *Cashier*. They did not elect a President.

|                                                          |            |
|----------------------------------------------------------|------------|
| Liability of directors as principals,                    | \$3,465 50 |
| “ “ sureties,                                            | 2,035 26   |
| “ stockholders as principals, exclusive<br>of directors, | 4,651 83   |
| Immediate resources, \$27,415 74.                        |            |
| Immediate liabilities, \$62,764 88.                      |            |
| There are seventy-one stockholders.                      |            |

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THE MARINER'S BANK—WISCASSET.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 50,000 00    | Loan,           | 78,746 72    |
| Circulation,   | 33,556 00    | Real estate,    | 3,705 54     |
| Profit,        | 1,615 07     | Bank charges,   | 30 15        |
| Due banks,     | 151 00       | Due from banks, | 12,159 43    |
| Deposits,      | 19,151 67    | Current bills,  | 4,789 00     |
|                |              | Specie,         | 5,042 90     |
|                | <hr/>        |                 | <hr/>        |
|                | \$104,473 74 |                 | \$104,473 74 |

Henry Clark, *President*; Wilmot Wood, William M. Boyd, Samuel Alley, James McCarty, *Directors*; Samuel P. Baker, *Cashier*.

|                                                          |            |
|----------------------------------------------------------|------------|
| Liability of directors as principals,                    | \$4,155 00 |
| “ “ sureties,                                            | 1,655 00   |
| “ stockholders as principals, exclusive<br>of directors, | 10,606 50  |
| Immediate resources, \$21,991 33.                        |            |
| Immediate liabilities, \$52,858 67.                      |            |
| There are seventy stockholders.                          |            |

## MERCANTILE BANK—BANGOR.

|                |              |                        |              |
|----------------|--------------|------------------------|--------------|
| Capital stock, | 50,000 00    | Loan,                  | 56,227 66    |
| Circulation,   | 46,145 00    | Real estate,           | 5,973 09     |
| Profit,        | 2,676 92     | Bn'k and bridge stock, | 20,000 00    |
| Deposits,      | 20,964 04    | Bank charges,          | 544 01       |
|                |              | Due from banks,        | 14,519 60    |
|                |              | Current Bills,         | 5,083 00     |
|                |              | Checks, drafts, &c.,   | 13,969 18    |
|                |              | Specie,                | 3,469 42     |
|                | <hr/>        |                        | <hr/>        |
|                | \$119,765 96 |                        | \$119,765 96 |

Samuel Farrar, *President*; James Jenkins, Oliver Frost, E. G. Rawson, Moses Woodward of Bangor, John Hodgdon of Hodgdon, and Asa Warren of Guilford, *Directors*; John S. Ricker, *Cashier*.

|                                        |            |
|----------------------------------------|------------|
| Liability of directors as principals,  | \$8,528 78 |
| “ “ sureties,                          | 17,119 77  |
| “ stockholders exclusive of directors, | nothing.   |

Immediate resources, \$37,041 20.

Immediate liabilities, \$77,109 04.

There are fourteen stockholders.

## THE MEGUNTICOOK BANK—CAMDEN.

|                |             |                 |             |
|----------------|-------------|-----------------|-------------|
| Capital stock, | 49,000 00   | Loan,           | 64,436 23   |
| Circulation,   | 37,608 00   | Real estate,    | 2,411 09    |
| Profit,        | 618 74      | Bank stock,     | 6,300 00    |
| Deposits,      | 4,270 51    | Current bills,  | 821 00      |
|                |             | Due from banks, | 13,548 29   |
|                |             | Specie,         | 3,980 64    |
|                | <hr/>       |                 | <hr/>       |
|                | \$91,497 25 |                 | \$91,497 25 |

Josiah Jones, *President*; Samuel G. Adams, J. C. Stetson, Samuel D. Carlton, Benjamin Crabtree, *Directors*; Hiram Bass, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of directors as principals, | \$5,086 62 |
| “ “ sureties,                         | 5,865 67   |

Liability of stockholders, exclusive of directors, \$5,484 65  
 Immediate resources, \$18,349 93.  
 Immediate liabilities, \$41,878 51.  
 There are seventy-four stockholders.

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THE NORTHERN BANK—HALLOWELL.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 75,000 00    | Loan, 35,635 53 | } 125,549 60 |
| Circulation,   | 38,716 00    | 89,914 07       |              |
| Profit,        | 2,563 83     | Real estate,    | 200 00       |
| Due to banks,  | 1,447 71     | Current bills,  | 5,364 00     |
| Deposits,      | 28,733 41    | Due from banks, | 13,518 78    |
|                |              | Specie,         | 1,828 57     |
|                | <hr/>        |                 | <hr/>        |
|                | \$146,460 95 |                 | \$146,460 95 |

Franklin Glazier, *President*; Williams Emmons, Jesse Aiken, Bartholomew Nason, John Gardiner, David Brown, Philo Sanford, *Directors*; Ichabod Butler, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of directors as principals, | \$4,400 00 |
| “ “ sureties,                         | 13,616 06  |
| “ stockholders as principals,         | 5,700 00   |
| “ “ sureties,                         | 3,600 00   |

Immediate resources, \$20,711 35.

Immediate liabilities, \$68,897 12.

There are fifty-eight stockholders.

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THE SAGADAHOCK BANK—BATH.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 50,000 00    | Loan,           | 80,479 48    |
| Circulation,   | 37,879 00    | Checks,         | 3,825 56     |
| Profit,        | 2,774 65     | Current bills,  | 1,438 00     |
| Due to banks,  | 645 73       | Due from banks, | 26,195 91    |
| Deposits,      | 32,188 48    | Specie,         | 11,548 91    |
|                | <hr/>        |                 | <hr/>        |
|                | \$123,487 86 |                 | \$123,487 86 |

Joseph Sewall, *President*; T. D. Robinson, John Smith, L. Blackmer, W. Purinton, Moses Riggs, W. M. Reed, *Directors*; Daniel F. Baker, *Cashier*.

|                                        |            |
|----------------------------------------|------------|
| Liability of directors as principals,  | \$2,940 00 |
| "          "          sureties,        | 7,089 93   |
| "          stockholders as principals, | 6,100 85   |
| Immediate resources, \$43,008 38.      |            |
| Immediate liabilities, 70,713 21.      |            |
| There are fifty-nine stockholders.     |            |

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### THE SKOWHEGAN BANK.

|                       |              |                 |              |
|-----------------------|--------------|-----------------|--------------|
| Capital stock,        | 75,000 00    | Loan,           | 117,248 31   |
| Bills in circulation, | 42,144 00    | Real estate,    | 2,684 82     |
| Profit,               | 1,900 38     | Current bills,  | 3,393 00     |
| Due to banks,         | 375 43       | Due from banks, | 3,000 00     |
| Deposits,             | 9,619 94     | Specie,         | 2,713 62     |
|                       | <hr/>        |                 | <hr/>        |
|                       | \$129,039 75 |                 | \$129,039 75 |

William Allen, *President*; Ebenezer H. Neil, Judah McLellan, Abner Coburn, Samuel Parker, John G. Neil, Edmund Pearson, *Directors*; Samuel Philbrick, *Cashier*.

|                                        |          |
|----------------------------------------|----------|
| Liability of directors as principals,  | 4,700 00 |
| "          "          sureties,        | 6,150 00 |
| "          stockholders as principals, | 6,238 00 |
| Immediate resources, \$9,106 62.       |          |
| Immediate liabilities, \$52,139 37.    |          |
| There are ninety-six stockholders.     |          |

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### THE SOUTH BERWICK BANK.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 50,000 00    | Loan,           | 85,051 69    |
| Circulation,   | 43,363 00    | Real estate,    | 1,000 00     |
| Profit,        | 6,689 10     | Current bills,  | 2,310 00     |
| Deposits,      | 5,369 23     | Due from banks, | 15,271 29    |
|                |              | Specie,         | 1,788 35     |
|                | <hr/>        |                 | <hr/>        |
|                | \$105,421 33 |                 | \$105,421 33 |



William A. Hayes, *President*; William Hight, Thomas Jewett, Benjamin Nason, Josiah W. Seaver, *Directors*; Charles E. Norton, *Cashier*.

|                                       |              |
|---------------------------------------|--------------|
| Liability of directors as principals, | nothing.     |
| “ “ sureties,                         | \$9,469 00   |
| “ stockholders as principals,         | 1,250 00     |
| Immediate resources,                  | \$19,369 64. |
| Immediate liabilities,                | \$48,732 23. |
| There are forty-nine stockholders.    |              |

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THE THOMASTON BANK.

|                         |              |                     |              |
|-------------------------|--------------|---------------------|--------------|
| Capital stock,          | 50,000 00    | Loan,               | 87,182 24    |
| Bills in circulation,   | 53,744 00    | Real estate,        | 2,500 00     |
| Profit,                 | 2,144 35     | Stimpson's estate,  | 2,746 00     |
| Due to banks,           | 290 33       | Losses,             | 6,814 71     |
| Deposits and dividends, | 38,399 55    | Due from banks,     | 37,362 55    |
|                         |              | Specie,             | 6,033 78     |
|                         |              | Check,              | 847 52       |
|                         |              | Current bills, &c., | 1,091 43     |
|                         | <hr/>        |                     | <hr/>        |
|                         | \$144,578 23 |                     | \$144,578 23 |

Richard Robinson, *President*; M. H. Smith, William Singer, Edward Robinson, John T. Gleason, William R. Keith, Edward O'Brien, *Directors*; John D. Barnard, *Cashier*.

|                                       |              |
|---------------------------------------|--------------|
| Liability of directors as principals, | \$2,202 10   |
| “ “ sureties,                         | 7,290 13     |
| “ stockholders as principals,         | 3,520 00     |
| Immediate resources,                  | \$45,335 28. |
| Immediate liabilities,                | \$92,433 88. |
| There are seventy-two stockholders.   |              |

## THE TICONIC BANK—WATERVILLE.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 75,000 00    | Loan,           | 106,024 94   |
| Circulation,   | 52,000 00    | Real estate,    | 3,200 00     |
| Profits,       | 2,358 83     | Current bills,  | 3,000 00     |
| Due banks,     | 444 50       | Due from banks, | 18,754 94    |
| Deposits,      | 7,176 64     | Specie,         | 6,000 09     |
|                | <hr/>        |                 | <hr/>        |
|                | \$136,979 97 |                 | \$136,979 97 |

Timothy Boutelle, *President*; Moses Appleton, Jedediah Morrill, Elah Esty, Sumner Percival, *Directors*; Augustine Perkins, *Cashier*.

|                                       |          |
|---------------------------------------|----------|
| Liability of directors as principals, | \$540 00 |
| “ “ sureties,                         | 3,390 00 |
| “ stockholders as principals,         | 3,200 00 |

Immediate resources, \$27,755 03.

Immediate liabilities, \$59,621 14.

There are seventy-five stockholders.

## THE YORK BANK—SACO.

|                |              |                 |              |
|----------------|--------------|-----------------|--------------|
| Capital stock, | 75,000 00    | Loan,           | 130,100 16   |
| Circulation,   | 56,600 00    | Real estate,    | 9,242 30     |
| Profit,        | 10,962 88    | Bank stock,     | 780 00       |
| Deposits,      | 23,963 10    | Bank charges,   | 356 00       |
|                |              | Checks,         | 523 40       |
|                |              | Due from banks, | 17,597 01    |
|                |              | Specie,         | 6,624 11     |
|                |              | Current bills,  | 1,303 00     |
|                | <hr/>        |                 | <hr/>        |
|                | \$166,525 98 |                 | \$166,525 98 |

Jonathan King, *President*; James M. Deering, Wm. Smith, Horace Bacon, Joseph M. Hayes, *Directors*; Henry S. Thacher, *Cashier*.

|                                       |            |
|---------------------------------------|------------|
| Liability of directors as principals, | \$6,300 00 |
| “ “ sureties,                         | 7,142 55   |
| “ stockholders as principals,         | 9,689 00   |

Immediate resources, \$26,147 52.

Immediate liabilities, \$80,563 10.

There are seventy-three stockholders.

The vast responsibility of the office of Cashier, in the administration of bank affairs, seems to be justly appreciated. The faithful performance of his arduous duties rests mainly on his integrity and ability, notwithstanding the precaution of requiring from him an oath, and a bond with two or more sureties. Its highest limitation is the penal sum of fifty thousand dollars, the lowest twenty thousand dollars. With great propriety the statute requires a yearly renewal of the bond.

In one instance, we found a bond executed in 1843, with a condition to perform all the duties of Cashier so long as he should continue in that office, &c., with this addition. "And it is further provided and agreed that a renewal of this bond by the Directors of said bank for the time being, shall be deemed, and be a renewal thereof on the part of the undersigned obligors as fully and effectually as if we executed to said bank a new bond of the foregoing purport at the date of said renewal, and so forward for as many times as said bank shall see fit to renew the same, and this without further action on our part." Renewals in 1844 and 1845 were indorsed and signed by the President of the bank.

It is not for the Commissioners to assert what would be determined by the courts, if any question should arise as to the validity of such a renewal. But we considered it proper to present the subject in our report, so that if any additional legal provision should be deemed important, it may not be omitted.

When it is recollected that this renewal of the Cashier's bond was designed as well for the relief, convenience and benefit of sureties as for the satisfaction of the bank, it would seem that a voluntary and foreseeing regard, on the part of sureties, to their own safety and convenience by such a mode of renewal as is adopted in this condition, ought not to be turned into a deception upon the corporation.

The circulation of the bills of the banks amounts to the sum of

two million one hundred ninety-six thousand one hundred and six dollars. The specie in their vaults is two hundred fifty-four thousand three hundred and twenty dollars and eighty-two cents. This is a considerable increase of gold and silver, beyond the general returns on the Saturday preceding the first Monday in May last, to the amount of thirty-five thousand two hundred fifty-two dollars and thirty-two cents, and an increase of fifty-seven thousand five hundred and seventeen dollars and eighty-two cents from the Commissioners' examination in the year 1845, to the time of our own examination.

On the three million nine thousand dollars of capital stock, the loans amount to four million nine hundred twenty-one thousand nine hundred seventy-six dollars and seventy-two cents.

Such, however, is the confidence of the community that there is left on deposit in these thirty-five banking institutions, the sum of one million two hundred and ninety thousand eight hundred ninety-four dollars and ninety-one cents; and this too, in the foreknowledge of the expected curtailment of specie by the Independent Treasury bill, which would be coming into operation on the first of January, 1847.

Doubtless much was justly anticipated from our vast exports of bread stuffs, provisions, &c., as insuring in return an increase of specie from across the Atlantic. And while our hearts must glow with gratitude to the all-wise and good being who has permitted our agriculture to be so blessed, and such munificent remuneration to be made for our labors, we may well be admonished against the indulgence of any extravagant use of our credit, merely because the precious metals are just now flowing into our coffers.

Perhaps the greatest wisdom on the part of hirers would be resolutely to diminish their liabilities by actual payments, in the season of temporary prosperity.

For it is apparent that Directors as principals are hirers to the amount of one hundred and seventy-nine thousand four hundred and ninety-five dollars and twenty-six cents; and they appear responsible as sureties to the amount of two hundred sixty-seven thousand three hundred sixty-two dollars and one cent. And the

stockholders avail themselves of the loan of one hundred ninety-five thousand six hundred and ninety-six dollars and seventy cents. The mass of these three descriptions of loans is six hundred forty-two thousand five hundred fifty-three dollars and sixty-seven cents.

It would be improper not to remark that the amount of responsibility of directors as sureties, arises, in many cases, from their indorsement of negotiable paper given in payment for lumber, lime, leather, provisions, &c., which are immediately transmitted to Massachusetts, Rhode Island, New York, and other cities, and are sources of great emoluments to the indorsers, and of respectable compensation to the banks here, for aid in helping the owners to realize funds by anticipation, if they choose so to do. Vivacity and vigor is thus transfused into the enterprise of our citizens.

We think the fact, that the loan exhibited by us is one hundred and twenty-one thousand eight hundred sixty-six dollars and seventy-two cents greater than it was at the Commissioners' examination in the year 1845, shews that the tendency is to expansion. We should regret to find the present healthy state of our banking concerns jeopardized by experiments of running too heedlessly into debt.

The belief is gaining ground that in case banks continue to redeem their bills in Boston under what is denominated the Suffolk system, little specie at home will be needed for the redemption of the bills of the banks in our own state. Perhaps this may be true, at least for a time. But so precarious is the credit of bank paper when not based on the conviction that there is specie within the command of the bank to sustain that credit, in emergencies, it may be deemed a very unsafe course of banking, rashly to part with large amounts of this final resort for security.

True the island of Cuba had not, till very recently, even if it now has, a single bank. "The merchant draws on his foreign credit, and although there is in that great mart of trade only a hard currency," it is said that in "no other country is more paper afloat in the way of bonds, &c." Individuals there become "securities for promissory notes," not however, probably, communicating a better indemnity, than is gathered from our system of responsibility on

the part of the corporation authorized to issue bills. "A planter's mortgage of his estate, is said to amount to but little."

In times of panic, the bank well furnished with specie remains quiet and unaffected, "and quiet, it has been said, is the test of efficient machinery in nations as well as individuals."

We are aware that the activity of our citizens will urge them to resort to their credit. It is not our wish to suppress this stimulating propensity, but to temper it.

We know that whenever a high tone of mercantile honor pervades a community, when promptitude and punctuality do not slumber, and men will almost as soon forfeit their lives as their engagements in pecuniary matters, confidence is established, and prosperity is the consequence. And this prosperity is apt to continue till chimerical projects for the sudden accumulation of wealth, impel those of ardent or too facile temperament, to plunge into schemes of speculation. Then, too frequent depletions of funds, to meet honorary liabilities, quickly cripple the means, and usually exhaust the resources of many people of lofty enterprise, and of the best and most honorable intentions.

In such a crisis, will banks be very solicitous to become their creditors? will they not most probably be strenuous for additional security?

The United States expect interest from its debtors for the use of money, and pay it. So also does the State, and it intends that banks shall have the like liberty. The law speaks its intention to the banks regarding their duty. This law, in the 77th chap. sect. 49 of the Revised Statutes, limits the rate of interest to six per cent. a year, and provides that such interest or discount may be calculated and taken "according to the established rules of banking," and in discounting drafts, bills of exchange, or other negotiable securities payable at another place, may in addition to the said interest, charge the then existing rate of exchange between the place of discounting and the place of payment.

And we are to inquire whether there has been any departure by brokerage or otherwise, from the ordinary business of banking associations, and report.

In some countries there are banks of deposit solely—banks for issuing bills only—banks for issue and deposits. Our banks are chartered upon the principle of being institutions for issue and deposit, and the transaction of all sorts of ordinary banking business.

The terms “according to established rules of banking,” and “ordinary business of banking,” we suppose mean the same thing. That is, rules directly laid down in the statutes, or settled by decisions of the courts, or fairly deducible by just construction from those decisions.

Hence the legal rate of interest, and the existing rate of exchange, may be taken in advance.

What is the sense in which the word brokerage is used in our statute? Brokeage ought not to be dishonorable, because when kept within proper limits, it contributes to the convenience of society.

Indeed, a portion of Brokeage seems to be directly countenanced by law.

“The departure from the ordinary business of banking associations by brokerage,” would seem to be in excessive demands beyond existing rates of exchange and interest, and the reception of the excess so demanded.

We cannot decide that there has been such a departure, because the price for discounting drafts, varies from one-fourth to one per cent. at certain banks,—and we do not know that a greater amount has been received.

If this State can guard completely against counterfeit bills, it will be more lucky than any of our sister States. We believe it is the practice of the banks here on discovering any counterfeit of its bills, immediately to withdraw from circulation and destroy every bill of the emission, which has been counterfeited, as soon as the true bills return to the bank.

As the bank records will show the amount of each denomination issued, a little examination will enable the Cashier to decide when they are all in. He can then confidently warn the public against such bills as are in their similitude—because none, genuine, can be circulating in the community.

In years gone by, the public have suffered severely, by the gross

misconduct of some banks in this State—nearly two millions of capital have been lost, and about \$175,000 of worthless bills have fallen upon innocent bill holders—stockholders too, have been abominably fleeced.

The banking system in this State has lately worked comparatively well. No injury has recently resulted to the State, or to the inhabitants, from having their operations keenly watched, and their abuses corrected. If there is a spirit of adventure, we indulge the hope that there will arise a corresponding spirit of reform and improvement.

Too great zeal for creating large dividends, and too much arrangement for indulging favorites in expanded loans, become the sources of terrific distress. These causes must be moderated. Permanent loans are almost inevitably injurious. If accommodation be made by the loan of extravagant sums to a few, and embarrassment ensue, a recuperative energy is not so likely to be called forth for the redemption of our issues, and to secure the stockholders in the capital stock. The business paper of an industrious community on short credits, may satisfy any reasonable board of directors.

The whole capital stock of our banks is \$3,009,000. It is owned by 2441 stockholders, including literary institutions, charitable societies, widows, orphans, guardians, men of business, and persons not inhabitants of the State, as well as citizens of the State.

|                                                |                |
|------------------------------------------------|----------------|
| The aggregate of the immediate liabilities of  |                |
| these banks is,                                | \$3,541,982 58 |
| The aggregate of their immediate resources is, | 1,511,789 41   |

|                                                                                    |            |
|------------------------------------------------------------------------------------|------------|
| The whole amount of debts from banks is,                                           | 920,304 51 |
| Banks here owe each other,                                                         | 77,122 18  |
| If this sum be deducted there will remain                                          | 843,182 33 |
| due probably from banks in Massachusetts and other States, to banks in this State. |            |

The foregoing facts, we imagine, lead to the conclusion that with ordinary prudence on the part of the banking institutions here, the public will not sustain any injury, and that stockholders may rest in confidence that their interest will be secure, unless they should be



placed in hazard by the corporations hiring too much money, on which to make discounts.

As to those banks whose charters are expired, we would remark that we have received from the late cashier of the City Bank, Portland, in writing, a communication that the charter expired on the first of April, 1846. That on the 19th day of March, 1845, the stockholders, in conformity with a law of the State, authorizing them so to do, did, by a committee, transfer all the property of said bank, both personal and real, to Thomas Amory Deblois, John Black and Reuben Mitchell, in trust for the benefit of said stockholders. The whole indebtedness of the bank to the public, at the time of transfer, was but four hundred and seventy-one dollars, which was for bank notes issued by said bank, and which has not been presented for redemption.

The corporation by vote, authorized and directed their trustees to pay said bank notes when they should be presented for that purpose. All of said outstanding notes which have been presented for payment, have been paid, and a sufficient sum of money is retained in the hands of the trustees, at all times to meet the balance of said notes as they may be presented. The trustees have collected and paid out to the stockholders since their appointment, two dividends of two dollars each, on each share of the capital stock of said bank, amounting to eight thousand dollars. And the clerk of the trustees says that the corporation owes no private debts.

The Maine Bank has transferred its property to trustees who pay all bills as presented. The like has been done by the Bank of Portland. We apprehend that the public feels very little interest in the concerns of all such inoperative banks as have paid their bills on presentment.

It is conjectured that great alteration in the practice of banks will result from the "additional law" passed the 10th of August last, "in relation to banks and banking." Such alteration was probably deliberately intended. Till after the first Monday in October next, it does not take effect. Surely it is entitled to a fair trial.

If practically it be found to improve accommodation to individuals with just security to the banks, and so preserve the credit of the currency of the State, our citizens will rejoice in the reform.

By way of aid to the good operation of so well intended a measure, the provisions of law now in existence should be thoroughly enforced.

ALPHEUS LYON.  
NICHOLAS EMERY.

February 27, 1847.