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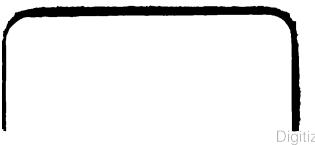


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Edward Everett

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PROCEEDINGS OF THE THIRTY-FIFTH
ANNUAL CONVENTION

OF THE

AMERICAN BANKERS' ASSOCIATION

AND

ANNUAL PROCEEDINGS OF THE TRUST COMPANY SECTION, SAVINGS BANK SECTION AND CLEARING HOUSE SECTION

HELD AT CHICAGO, ILLINOIS
SEPTEMBER 13–17, 1909

ALSO

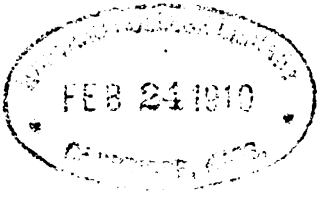
CONSTITUTION, BY-LAWS, APPENDICES
LIST OF OFFICERS AND MEMBERS OF THE ASSOCIATION



NEW YORK
COMPILED BY FRED. E. FARNSWORTH
General Secretary The American Bankers' Association
1909

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425-435 East Twenty-fourth Street, New York



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DISCLAIMER

At a regularly appointed meeting of the Executive Council of the Association, held at the Windsor Hotel, Saratoga Springs, on September 2, 1890, the following resolution was adopted:

"*Resolved, That the Secretary be directed to insert this resolution as a preface in the annual printed proceedings, disclaiming the responsibility of the Association for the opinions expressed in any of the addresses or papers printed, unless such opinions have been endorsed by special action of the Council and Convention.*"

EXTRACT FROM THE CONSTITUTION

RESOLUTIONS

Article VII

Section 1. Resolutions or subjects for discussion (excepting those referring to points of order or matters of courtesy) must be filed with the Secretary at least fifteen days before the annual convention and submitted to the Executive Council at its regular meeting preceding the convention, but any person desiring to submit any resolution or business in open convention may do so upon a two-thirds vote of the delegates present, which resolution or business may be referred to the Executive Council to report upon immediately; provided that this shall not apply to any proposed amendment of the Constitution.

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MEMBERSHIP

Those desiring to join the Association can do so by sending application and check for membership dues to the order of the Treasurer, addressed to the offices of the Association, Hanover Bank Building, New York City. On approval of application and receipt of the dues a certificate of membership in the Association will be sent.

Dues as fixed by By-Law 2.

The annual dues of the members of this Association shall be $10.00 for Banks and Trust Companies having an aggregate capital and surplus of less than $100,000, private bankers and banking firms; $20.00 for Banks and Trust Companies having an aggregate capital and surplus of $100,000 and less than $250,000; $25.00 for Banks and Trust Companies having an aggregate capital and surplus of $250,000 and less than $500,000; $30.00 for Banks and Trust Companies having a capital and surplus of $500,000 and less than $750,000; $40.00 for Banks and Trust Companies having a capital and surplus of $750,000 and below $1,000,000; $50.00 for Banks and Trust Companies having a capital and surplus of $1,000,000 and below $5,000,000; $75.00 for Banks and Trust Companies having a capital and surplus of $5,000,000 and over.

Each member of the Association having a branch or branches, without separate capital specifically set aside therefor, and desiring to have such branch or branches become members of this Association, must pay annual dues in addition of $10.00 for each such branch. In case any branch has a separate capital, dues must be paid for such branch according to capital the same as if it were an independent member.

Dues for savings banks without capital are based on surplus or reserve fund.

No additional dues or expenses whatever are required of members of the American Bankers' Association who desire enrollment in the Trust Company Section or the Savings Bank Section.

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RULES OF PROTECTIVE COMMITTEE

The American Bankers' Association in deciding to become the aggressive agent of its members for the apprehension and prosecution of professional criminals, devolves the executive work upon a Protective Committee of three persons (whose names are not made public) which Committee has full power, when called upon for aid by any member, to take such steps as it shall deem proper to detect, arrest and prosecute the offenders. The Committee is limited in the expense it may incur to the amount of funds in the Treasury appropriated for protective purposes. The Constitution of the American Bankers' Association prohibits the Protective Committee or a member from compromising or compounding with any parties charged with crime, or with their agents or attorneys. The policy of the Committee is to relentlessly pursue every professional bank criminal, and to this work it distinctly limits its undertakings.

The following rules govern the action of the Committee:—

1. "Upon receipt of notification by the General Secretary of an attempted or successful perpetration of fraud upon a member of the Association, either by forgery, check-raising, robbery or safe-breaking, which appears to the Committee to be the work of professional criminals, accompanied by a full account of the offense, and, if possible, a description of the operators, the Committee will, if the case come within the category of those of which the Association can take cognizance, at once undertake the apprehension of the criminals by means of detectives and such other means as they may consider warranted. A case once committed to the Association which results in the apprehension of the criminal, cannot be taken out of its hands, nor the offense condoned or compromised."

2. "The Association cannot take cognizance of petty larcenies, thefts by employees, amateur forgeries, or frauds committed by others than professional operators."

The Committee can spend no money, undertake no detective work, employ no lawyers and pay no fees of any kind in cases of local swindles, amateur forgeries, or frauds or confidence tricks. The vigilance, alertness and energy of the officers of the banks must be relied upon in such cases.

3. The Association cannot be held responsible for any expense incurred for Protective Work, which has not been previously authorized by the Committee.

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4. The Committee cannot undertake action on any case unless immediate notice of crime has been given to the General Secretary or such notice sent to the nearest Pinkerton Office.

5. The Committee will not take cognizance of cases where other than members are defrauded. If customers of members cash checks for unidentified strangers, and same turn out to be forged or raised, they must pursue the criminal through the police, sheriff, or other county authorities or some detective agency at their own expense.

It is expected that every member will co-operate with the Committee and promptly report every offense coming under their notice, as well as by using all reasonable diligence in assisting in the arrest and conviction of the criminals.

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HISTORY OF THE AMERICAN BANKERS' ASSOCIATION

FROM ITS INCEPTION IN 1875 TO SEPTEMBER 1ST, 1909

By W. W. Waine, Associate Editor, Journal

Inception of the Association

The great financial crisis of 1873 made such a profound impression on the minds of the banking community that it was felt something should be done to avert a repetition of such a catastrophe. At that time the legislation pertaining to matters of money and banking was practically in a provisional and temporary stage. In fact, it was the most critical period in the financial history of the country. While in 1875 these emergencies were to a certain extent past, many problems of vital importance confronted the financial and industrial world, and it was necessary for some one to take the initiative in a movement toward a solution of these problems and place the finances and industries of the country on a substantial and lasting foundation.

On May 24, 1875, the following seventeen bankers met at Barnum's Hotel, on Broadway, New York City, in response to an invitation sent out by Mr. James T. Howenstein, Cashier of the Valley National Bank, St. Louis, Mo., to consider plans for the founding of a bankers' association: George F. Baker, Cashier, First National Bank, New York, N. Y.; Arthur W. Sherman, Cashier, Dry Goods Bank, New York, N. Y.; Edward Skillen, Cashier, Central National Bank, New York, N. Y.; Edward H. Perkins, Jr., Cashier, Importers' and Traders' National Bank, New York, N. Y.; George W. Perkins, Cashier, Hanover National Bank, New York, N. Y.; John M. Crane, Cashier, National Shoe and Leather Bank, New York, N. Y.; John S. Harburger, Cashier, Manhattan Company Bank, New York, N. Y.; Charles E. Upton, Cashier, City Bank, Rochester, N. Y.; John S. Leake, Cashier, First National Bank, Saratoga Springs, N. Y.; Amos P. Palmer, Cashier, Albany City National Bank, Albany, N. Y.; Royal B. Conant, Cashier, Eliot National Bank, Boston, Mass.; Morton McMichael, Jr., Cashier, First National Bank, Philadelphia, Pa.; John D. Scully, Cashier, First National Bank, Pittsburg, Pa.; Joshua W. Lockwood, Cashier, National Bank of Virginia, Richmond, Va.; Logan C. Murray, Cashier, Kentucky National Bank, Louisville, Ky.; Charles

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C. Cadman, Cashier, Merchants' and Manufacturers' Bank, Detroit, Mich.; James T. Howenstein, Cashier, Valley National Bank, St. Louis, Mo.

To these gentlemen, therefore, who met at Barnum's Hotel, thirty-four years ago, belong the honor of being the pioneers of a movement from which has emanated the greatest organization of bankers in the world.

On that day two sessions of the meeting were held, one in the afternoon, the other in the evening. Amos P. Palmer of Albany presided and John D. Scully of Pittsburg was Secretary.

At this time a program was arranged, committees appointed, and a call prepared for the first convention of The American Bankers' Association to be held at Saratoga, July 20, 21 and 22, 1875.

In addition to the seventeen who took part in this first meeting, the following gentlemen should be mentioned for the pioneer work they did and their unremitting efforts in bringing the idea to a successful issue: Edward C. Breck, Cashier Exchange Bank, St. Louis, Mo.; J. D. Hayes, Vice-President Merchants' and Manufacturers' Bank, Detroit, Mich.; Frank W. Tracy, Cashier First National Bank, Springfield, Ill., Henry W. Yates, Assistant Cashier First National Bank, Omaha, Neb.; Thomas R. Roach, Cashier State National Bank, New Orleans, La.; Jackson L. Leonard, of Adams & Leonard, Dallas, Texas; Edwin A. Burbank, Cashier North National Bank, Boston, Mass.; John J. Eddy, Cashier National Bank of the Commonwealth, Boston, Mass.; Philip N. Lilienthal, Manager Anglo-Californian Bank, Ltd., San Francisco, Cal.; Jacob D. Vermilye, President Merchants' National Bank, New York, N. Y.; Wm. H. Hollister, Cashier Kountze Bros., New York, N. Y.; S. H. Richards, Cashier Commerical National Bank, Saratoga Springs, N. Y.; Captain Joseph L. Stephens, President Central National Bank, Boonville, Mo.; Charles B. Hall, Cashier Boston National Bank, Boston, Mass.

First Convention

Over three hundred bankers attended the first convention at Saratoga representing thirty-two states and territories. C. E. Upton, Cashier of the City Bank, Rochester, N. Y., was chosen temporary chairman. A committee of nine was appointed on the permanent organization of the convention, and they reported Mr. Charles B. Hall, Cashier of the Boston National Bank, Boston, Mass., for President; James J. Howenstein, of the Valley National Bank, St. Louis, Mo., for Secretary, and A. W. Sherman, of the Dry Goods Bank, New York City, for Treasurer. The report was unanimously adopted on the last day of the convention. President Hall named a committee of nine on a permanent organization of the Association and the drafting of a Constitution and By-Laws. This committee went into session and constituted themselves as an Executive Council as follows: James Buell, President Importers' and Traders' National Bank, New York City, President; J. D. Hayes, Vice-President Merchants' and

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CHARLES B. HALL 1875-1877


ALEXANDER MITCHELL 1878-1880


GEORGE S. COE 1881-1882


LYMAN J. GAGE 1883-1885


LOGAN C. MURRAY 1886-1887


CHARLES PARSONS 1888-1889


MORTON McMICHAEL 1890


WILLIAM H. RHAWN 1892

PRESIDENTS

AMERICAN BANKERS ASSOCIATION

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Manufacturers' National Bank, Detroit, Mich., Secretary; George F. Baker, Cashier First National Bank, New York City, Treasurer; C. E. Upton, Cashier City Bank, Rochester, N. Y.; Morton McMichael, Jr., Cashier First National Bank, Philadelphia, Pa.; J. Thomas Smith, President National Bank of Baltimore, Baltimore, Md.; L. J. Gage, Cashier First National Bank, Chicago, Ill.; J. L. Stephens, Central National Bank, Boonville, Mo.; Ed. Tyler, Cashier Suffolk National Bank, Boston, Mass.

Specie Payments and Taxes

The following are some of the resolutions adopted at this convention, which is an index of the sentiment prevailing at that time:

"*Resolved*, That it is the opinion of this convention that the act to provide for the resumption of specie payments ought to be amended so as to provide for the gradual contraction of all legal tender circulation, so as to afford time for the business of the country to adjust itself to the change without a sudden fall of values."

"*Resolved*, That this convention deems the subject of commercial crisis or money panics, is a proper one for discussion, with a view of finding their causes and progress, and the necessary means of preventing them."

"*Resolved*, That in the opinion of this convention, it should be the effort of every good citizen to hasten the day when every promise of our Government to pay a dollar shall be honestly redeemed in coin."

"*Resolved*, That ten years after the close of the war, the time has arrived when the especially burdensome war tax imposed upon banks should be greatly reduced or entirely abolished, as now in some localities the national tax, added to the local taxes, aggregates over seven per cent. on banking capital."

"*Resolved*, That the two cent stamp tax on checks and vouchers bears so vexatiously upon the commercial public, and its benefit to the Government is so inconsiderable, that it ought to be abolished."

Permanent Organization

At the second convention held in Philadelphia, Pa., October 3, 4 and 5, 1876, the organization of the American Bankers' Association was completed and a Constitution and By-Laws adopted, preceded by the following declaration, which declaration is still in vogue, the words "and for protection against loss by crime," being subsequently added at a later date.

"In order to promote the general welfare and usefulness of banks and banking institutions, and to secure uniformity of action, together with the practical benefits to be derived from personal acquaintance, and from the discussion of subjects of importance to the banking and commercial interests of the country, and especially in order to secure the proper consideration of questions regarding the financial and commercial usages, cus-

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toms and laws which affect the banking interests of the entire country and for protection against loss by crime, we submit the following Constitution and By-Laws for The American Bankers' Association."

The Constitution provided that membership in the Association was open to National and State Banks, Trust Companies, Savings Banks and private bankers, and each institution was entitled to send one delegate to the conventions. The dues were fixed at ten dollars a year. The general administrative government of the Association was vested in the President and an Executive Council. This Council was the natural outgrowth of the original committee on permanent organization, and like that committee consisted at first of nine members, to be elected yearly. The provision for a Vice-President for each State and Territory was for the purpose of representation in different sections of the country, and these Vice-Presidents were charged with the supervision of such business of the Association as might pertain to their respective States and Territories, with authority to call meetings when they might deem the same necessary.

The officers elected for the ensuing year were as follows: President, Charles B. Hall, Cashier Boston National Bank, Boston, Mass.; Secretary, J. D. Hayes, Vice-President Merchants' and Manufacturers' National Bank, Detroit, Mich.; Treasurer, George F. Baker, Cashier First National Bank, New York City, together with an executive council of nine members and a Vice-President from each State and Territory.

The Association Takes a Hand in Legislation

In 1877 arrangements were made for a deputation of the Association to unite with the representatives of the Chambers of Commerce and Boards of Trade in soliciting a hearing before the Committee on Ways and Means of the House of Representatives at Washington, and advocate the passage of a bill to relieve the banks and bankers from all national taxation, including the stamp tax. A hearing was granted on February 7th, and the deputation made strong arguments in favor of a repeal of the tax laws, giving statistics which proved conclusively that bank taxation worked mischief to business, injury to the workingmen, contracted bank capital, and in many other ways menaced financial, commercial and industrial institutions.

On Monday, June 17, 1878, the House of Representatives considered and discussed several proposed amendments for certain repeals, and during a stormy session carried them by a small majority. Then the aggressive campaign which had been carried on by the Association in conjunction with other bodies bore fruit.

The Association had for some time spoken unequivocally and emphatically in favor of a speedy resumption of specie payments and of aiding by every possible means the Government in carrying out the resumption law. The following resolution of the convention of 1877 shows the temper of the Association:

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"*Resolved*, That in the opinion of this Association, the early resumption of specie payments is necessary to the restoration of general prosperity and social progress throughout the nation."

In this year the office of First Vice-President was created and the membership of the Executive Council increased to twenty-one. Mr. James D. Vermilye, President Merchants' National Bank, New York City, was the first one elected to fill that office.

At the convention in 1882, among many resolutions adopted, were the two following:

"*Resolved*, That a committee of three be nominated by the Chair to take into consideration the laws of the various States regulating Savings Banks and to prepare a plan for organizing and maintaining such institutions, whereby certain essential features may be incorporated into the several State laws, so that the banks of this class may be controlled by a more uniform legislation."

The following gentlemen were nominated by the President to serve as such committee: W. E. Gould, of Maine, Chairman; A. D. Lynch, of Indiana, and the Hon. A. B. Hepburn, of New York.

This committee made a report at the convention in 1883 that they had made a careful examination of all the general laws regulating Savings Banks in those States where such laws could be found to exist. The committee embodied a synopsis of the laws in their report. They carried on the work along the lines covered in the resolution, which was the means of incorporating the features mentioned, in many State laws.

"*Resolved*, That the Executive Council be and are hereby requested to formulate and suggest some system by which there will be an interchange of information between the banks of the country through the several Clearing Houses by which this, at present, unavoidable ignorance concerning the indebtedness of the money borrowers may be remedied, and report on the same at the next annual meeting of this Association."

The Council subsequently promulgated certain systems in accordance with the above resolution, which later on did much to remedy the conditions existing at that time.

At the convention in 1889 held at Kansas City, Mo., the By-Laws were amended dividing the Executive Council into three groups, the first to be elected for one year, the second for two years, and the third for three years.

State Bankers' Associations

In the year 1891 there were about fifteen or sixteen State Bankers' Associations in existence which were affiliated with the National Association by direct representation. The success which had been attained by the National body stimulated interest among bankers in their respective States, and the influence of the National Association was potent and far-

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reaching in helping to promote throughout the country the spirit of intellectual and social companionship among the bankers, which resulted in new State associations being organized from time to time and an ever-increasing interest in the affairs of the national organization. At this writing there is a Bankers' Association in every State in the Union, with the exception of three of the smaller States, and there are no more loyal friends to the National body than the State Associations, the Secretaries being indefatigable in their efforts to increase the membership in the A. B. A., which efforts have been very successful, especially within the last couple of years.

The Protective Feature

At the nineteenth annual convention at Chicago in 1893, the Standing Protective Committee submitted plans under a resolution adopted by the convention in New Orleans in November, 1891, in which the committee was requested to give their attention to the preparation of a plan under and by means of which criminals who defraud banking institutions, which are members of the Association, should be pursued and punished.

In accordance with this resolution, the committee at the convention in 1895 recommended the employment of a reputable detective agency, the active prosecution of offenders by the Association and the maintenance of a record of such offenders as were reported, together with a compilation of descriptions, etc. Acting under authority a contract was made with the Pinkerton's National Detective Agency to serve for one year as the agent of the Association, which service was to include looking after and keeping track of professional criminals, and wherever possible, to forewarn members of their movements. The results of this arrangement proved so eminently satisfactory that the contract was renewed with the agency, and the work has developed to such an extent that the Protective Committee and the Secretary of the Association recommended to the Executive Council at their meeting in May last the creation of a protective department in charge of a competent manager, who should devote all of his time to its duties, and one who had had years of experience in work of this class. A special committee was appointed to make a thorough investigation of the existing conditions, in conjunction with the Standing Protective Committee, and were given full power in the premises. As a result of this investigation, a new department was created and opened at the Association offices on August 2, 1909, and Mr. L. W. Gammon, formerly agent in charge of the Buffalo Division of the United States Secret Service of the Treasury Department, was appointed manager and assumed his duties on the date mentioned. Mr. Gammon has had sixteen years' experience in the Secret Service. The scope of his work has embraced nearly all branches, and his clever work attracted the attention of bankers in all parts of the country. There is no change in the present relations of the Association and the Pinkerton's Agency, Mr. Gammon representing the Association.

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The protective work of the Association is now systematized to the highest degree of perfection, and the protection and safeguards thrown around banking institutions, members of the Association, are of such a character that criminality will be reduced to a minimum. It is proverbial that if a "crook" has designs on a bank and he should see the American Bankers' Association membership sign hanging over the teller's window, he will experience a quick change of mind and make for some other field "where the sign is not," as he knows, and so does all the fraternity to which he belongs, that that sign spells "DANGER."

Currency Commission

At the convention in 1893 the principal theme of the addresses and discussions which ensued, was a plea for a sound currency and banking system, setting forth the need for a comprehensive currency reform and a plan for the creation of a safe and elastic currency. These questions were also agitated in the conventions of 1904–5 and 6, which resulted in the appointment of a Currency Commission at the 1906 convention, as per the following action:

"Whereas, the currency system of the United States is defective, in that it is issued and retired without regard to the needs of commerce, and

Whereas, a problem so important and so vital to financial and commercial interests of the country should have a profound consideration, impossible in the limited time at the disposal of this convention; therefore be it

Resolved, That a Commission of fifteen shall be appointed by the Executive Council, five members of which Commission shall be the present Legislative Committee, the other ten members to be selected with due reference to national, State banks and trust companies, and said Commission shall confer with the committee of the Chamber of Commerce of New York City, and, after careful investigation and study of plans submitted, shall co-operate with the proper Congressional committees, with the end in view of the enactment of a bill covering this subject."

The Commission is as follows: A. B. Hepburn, New York City, Chairman; James B. Forgan, Chicago, Ill., Vice-Chairman; Myron T. Herrick, Cleveland, Ohio; Festus J. Wade, St. Louis, Mo.; Joseph T. Talbert, Chicago, Ill.; Charles H. Huttig, St. Louis, Mo.; John Perrin, Indianapolis, Ind.; Luther Drake, Omaha, Neb.; Solomon Wexler, New Orleans, La.; Robert Wardrop, Pittsburg, Pa.; Arthur Reynolds, Des Moines, Iowa; E. F. Swinney, Kansas City, Mo.; Joseph A. McCord, Atlanta, Ga.; W. V. Cox, Washington, D. C.; John L. Hamilton, Hoopeston, Ill.; Fred. E. Farnsworth is Secretary of the Commission.

At the convention in 1897 the following resolutions were adopted:

"Whereas, the President of the United States suggests that a Currency Commission be appointed, and the Secretary of the Treasury urges immediate action; and

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WHEREAS, we are convinced that the currency question is the vital commercial question of the day, and that we cannot hope to attain that measure of prosperity to which our energy, industry, and inexhaustible resources entitle us, until our currency is placed upon a firm foundation; therefore be it

Resolved, That Congress be urged to provide properly for a competent, non-partisan Currency Commission, to thoroughly investigate and report without delay; also, be it further

Resolved, That the President of this Association shall appoint a committee of five, of which he shall be chairman, to further and promote the appointment of a Currency Commission by Congress."

The resolution was seconded and adopted.

The Chair appointed, under the above resolution, the following committee:

Robert J. Lowry, Atlanta, Ga.; John P. Branch, Richmond, Va.; Charles C. Homer, Baltimore, Md.; John L. Hamilton, Jr., Hoopeston, Ill.; E. H. Perkins, Jr., New York City.

The President of the Association read a telegram which had been received from the sub-committee of the Indianapolis Monetary Conference, which was then in session at Saratoga, N. Y.:

"SARATOGA, N. Y., August 18, 1897.

ROBERT J. LOWRY,
American Bankers' Association,
Detroit, Mich.

The Executive Committee of the Indianapolis Monetary Convention cordially acknowledges the greeting of the American Bankers' Association, and hopes that it may be the forerunner of like sympathy and co-operation from all the business interests of our country, in a united demand for wise and practical measures for the improvement of our currency and banking laws.

H. H. HANNA, Chairman."

At the convention in 1902 the following resolutions were adopted:

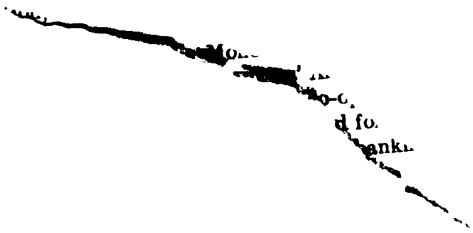
"WHEREAS, experience has demonstrated the inadequacy of our present currency system, and believing that the best interests of the country demand a system flexible as well as stable; therefore, be it

Resolved, That the American Bankers' Association records its unqualified approval of the enactment of a law imparting a greater degree of elasticity to our currency system, in order to make it responsive to the demands of the business interests of the country;

Resolved, That we favor the appointment by the President of this Association of a committee of seven citizens of the United States, selected with reference to their ability and high character and their experience in monetary affairs and representing the different sections of the country, for the purpose of carefully considering the entire subject, and that they report to the next meeting of this Association."

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M. M. WHITE 1893



JOHN J. P. ODELL 1894



EUGENE H. PULLEN 1895



ROBERT J. LOWRY 1896



JOSEPH C. HENDRIX 1897



GEORGE H. RUSSEL 1898



WALKER HILL 1899



ALVAH TROWBRIDGE 1900

PRESIDENTS

AMERICAN BANKERS ASSOCIATION

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The committee is as follows: Charles S. Fairchild, H. C. Fahnestock, Myron T. Herrick, Homer S. King, J. J. Mitchell, George Q. Whitney.

This committee in its report to the convention the following year, gave statistics gathered by them showing that there was more real money in the United States than at any previous period in its history, and that taking the country altogether there was no scarcity of money, including United States and national bank notes to meet any legitimate demands of business.

In the opinion of the committee the most serious need was the reform of the Sub-Treasury system. The committee outlined a plan of reform which would render impossible the embarrassments which had frequently occurred as the result of treasury accumulations.

The Currency Commission held a meeting at Washington, D. C., in the fall of 1906; discussed in detail the defects in the currency system, and mapped out changes which would make the volume of currency more responsive to the demands of commerce.

The Commission held another meeting at Chicago on January 18, 1908, and analyzed the Aldrich and the Fowler bills. The Commission came to the conclusion that these bills were too broad in their scope and the details too involved to be practical.

On April 15, 1908, the Commission submitted a statement to the House of Representatives, placing itself on record as opposed to the Aldrich Bill.

The Currency Commission and the Legislative Committee of the Association were most important factors, through their educational work, in preventing the passage of the Aldrich and Fowler bills as originally introduced; in fact, had it not been for the work of the Currency Commission, one of these bills would no doubt have been passed by Congress. They also set forth the fact that had the recommendations of the Currency Commission been adopted by the House of Representatives a year ago, which recommendations were conservative in their character, they would have met all the exigencies existing.

The Commission kept in close touch with affairs at Washington, the Federal Currency Commission desiring the fullest co-operation with the American Bankers' Association in endeavoring to reach practical conclusions, and the assurance that the committees of the Association would be taken into their confidence before any bills were submitted to Congress.

Last summer President George M. Reynolds had the honor of being invited by the National Commission to visit Europe, and at the proper time the Association Commission will be invited to co-operate with the National Commission in the fullest measure.

An Official Organ

In an address at the 1893 convention, Professor Sidney Sherwood, Ph.D., Johns Hopkins University, advocated the publication of an official organ by the Association. He said "What is needed is a systematic, persistent

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attempt to educate the whole people to understand what real services the banks render and are capable of rendering. It will then appear likewise how far short the banks are of realizing their potential efficiency. No better agency for this purpose can be suggested than an official organ of the American Bankers' Association. A weekly paper, ably edited, published avowedly in the interests of the Association, but free as air to the expression of all opinions, welcoming controversy and opposing views, and restricted to banking and monetary subjects, would be of great benefit to the Association and the country. It would give assured and lasting vitality to the Association. It would make the Association an aggressive force, compelling the attention of the people. It would at the same time put the banking profession on the defensive. In thus challenging the attention of the public they would have to meet the attacks of public opinion. Whatever is sound and good in their organization and methods, could thus be tested; whatever is evil and obstructive could be condemned. It would furnish an open arena where a fair struggle could be carried on. The Bankers' Association would be serving their own best interests and be contributing to the education of the people in monetary affairs at the same time. The same agency would be their best method of influencing legislation. It was an avowed object of the Association to struggle for a repeal of certain tax laws. In this they were successful. They influenced legislative opinion. In such an organ as that suggested, open to all views, it is true, but editorially the official utterance of the Bankers' Association, an agency would be found capable of influencing the opinion both of the legislators and their constituents."

Although many State Bankers' Associations have official organs published monthly, the National Association did not publish one until July, 1908. The conditions are very different now to what they were in 1893 in regard to financial publications; the field outlined by Prof. Sherwood being largely covered by financial journals throughout the country, of late years.

Previous to July, 1908, the Association was continuously sending out reports, pamphlets and such like, to the members, and as the membership was increasing right along, the cost of postage was no small item.

The Executive Council at their spring meeting at Lakewood, N. J., in May, 1908, decided that the Association should publish a monthly journal, devoted exclusively to the affairs of the Association, and to contain a large amount of matter which it had been the custom hitherto to send out in pamphlet form and otherwise, committee and other reports also to be embodied in the journal, and space given to the law department of the Association; the publication to contain no advertising whatever, and to in no way encroach on the prerogatives of the commercial and financial papers.

The following resolution was adopted:

"*Resolved*, That the Secretary be and he is hereby instructed to publish a monthly journal, the same to be devoted to the interests and for the information of the members of the Association."

The first number was published in July, 1908, under the title of the

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"Journal of the American Bankers' Association." Fred. E. Farnsworth, Secretary of the Association is the publisher, Thomas B. Paton, General Counsel of the Association, Editor, and W. W. Waine, Associate Editor. The monthly edition is 11,000. Hundreds of letters have been received at the Secretary's office from the members commending this feature of Association work, and it is greatly appreciated by the entire membership.

Membership Dues

At the twenty-first annual convention in Atlanta, Ga., the By-Laws were amended, placing the annual dues on a sliding scale from $10.00 up to $30.00, according to the capital of the bank. The convention of 1904 fixed a schedule of dues, $10.00 to $75.00, which became effective in 1905.

Trust Company Section

A meeting of representatives of trust companies in attendance at the Association convention in St. Louis, Mo., was held at the Planters' Hotel on Tuesday, September 22, 1896, for the purpose of discussing and adopting a plan for organizing a trust company section of the American Bankers' Association, pursuant to an invitation sent to officers of trust companies throughout the country, under date of September 9, 1896. This invitation set forth the fact that there had been but little published as to trust company practices, and as no general meetings for an interchange of ideas had ever been held, each company was forced to establish its own precedents without having the benefit of the experience and methods of other companies; that there had been no general move to secure uniformity of action, similarity of laws or practical benefits to be derived from personal acquaintance; that it might be desirable and practicable to have a gathering of representatives of trust companies at the time of the meetings of the American Bankers' Association; that many trust companies are now members of that Association, and if at such odd times as not to interfere with the general convention, there were some proceedings specially suited to trust companies, the meetings of the Association would be of broader interest and its membership increased.

This call was signed by officers of trust companies in different parts of the country, and there was a large attendance at the meeting.

Suitable By-Laws were adopted, and the administration of the affairs of the Section was vested in a Chairman, Vice-Chairman and an Executive Committee of nine members to be elected from the membership.

An amendment to the By-Laws of the Association was adopted as follows:

"A section of the Association to be known as the Section of Trust Companies is hereby established, which shall meet annually with the meeting of this Association.

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The scope of the Section shall embrace matters of interest to trust companies in so far as such matters are distinct from banking. It may report to the Association and affairs relating to trust companies may be referred to it.

Its program and proceedings may be published from time to time, together with the proceedings of this Association.

All trust companies' members of the Association who desire, may enroll themselves as members of the Section.

The Executive Council of this Association shall have supervision over the Section, and may make such provision for it as to such Council may seem wise."

The first officers elected are as follows: Chairman, Henry M. Dechert, President Commonwealth Title Insurance & Trust Company, Philadelphia, Pa.; Vice-Chairman, Gordon Abbott, Vice-President Old Colony Trust Company, Boston, Mass.; Chairman Executive Committee, Breckinridge Jones, First Vice-President Mississippi Valley Trust Company, St. Louis, Mo.; Secretary, Anton G. Hodenpyl, Secretary Michigan Trust Company, Grand Rapids, Mich.

In 1904 the Executive Committee was increased to fifteen members and the titles of the Chairman and Vice-Chairman changed to President and First Vice-President. Vice-Presidents of the Section were also elected from each State having a membership of ten or more trust companies members of the Association. In 1908 the By-Laws were changed to have Vice-Presidents from each State having five or more members.

The Section, in addition to the discussion of practical questions of trust company business and management at its annual conventions, has from time to time appointed committees who have been active in various lines of trust company work; one of the most important has been the protection of the use of the word "Trust" by legislative enactments in many States where such laws were needed. Other committees have classified legal documents relating to safe deposit companies and have compiled a set of rules and forms of typical companies; have compiled and published a book of forms for the various departments of trust companies. Other committees have in conjunction with committees of the Association, done much to have enacted laws calling for proper supervision by State authorities, and brought about various safeguards in the issue of municipal securities. Recently the Section has published a compilation of laws relating to trust companies in every State and Territory in the United States. The membership is now 964.

The present officers of the Section are as follows: President, A. A. Jackson, Second Vice-President Girard Trust Company, Philadelphia, Pa.; First Vice-President, H. P. McIntosh, President Guardian Savings and Trust Company, Cleveland, Ohio; Chairman Executive Committee, Oliver C. Fuller, President Wisconsin Trust Company, Milwaukee, Wis.; Secretary, Philip S. Babcock, 11 Pine Street, New York City. The Section has representation on the Executive Council of the Association, the President, First

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Vice-President and Chairman of the Executive Committee being members of that body.

Committee on Express Companies and Money Orders

At the beginning of the year 1896 the Association received many letters from bankers throughout the country inviting attention to the competition of Express Companies in the issuance of money orders which the banks were called upon to cash, and also to the increase of rates upon money packages. These letters may be summarized in the complaints reported as follows:

1. That the Express Companies were encroaching upon the business of banks, in issuing what in fact were drafts or bills of exchange, and were thus doing a business not contemplated in their organization.

2. This competition for exchange business was severely felt by banks in the interior.

3. That the companies did not provide for the payment of these orders at their places of presentation, but depended upon the banks to float them.

4. That the companies had advanced rates for carrying currency which the banks had to provide to cash these Express Money Orders.

5. That the Express Companies were free from the restraints to which banking in its various forms is subject, as they should be if they assumed any of the functions of banking.

6. That the Express Companies shipped the money they received for Money Orders without any cost for transportation.

It was also stated that there were thirteen express companies engaged in the business of issuing Money Orders and that the practice of the banks in cashing these orders had accelerated the growth of this competitive business until it was much larger than was generally supposed.

The officers of the Association considered most carefully the whole question and had an interview with the presidents of some of the leading express companies, where there was a full interchange of the views of both sides.

A general statement of the whole matter was made to the Executive Council of the Association at its meeting in New York City on March 11, 1896, and by vote of the Council the subject was referred to a special meeting for further consideration and report.

This special committee, composed of F. W. Hayes, George H. Russel, H. W. Yates, John N. Simpson and G. P. Griffith, made a report to the convention on September 22nd, recommending a campaign through different channels, including Congress, State legislatures, etc. This campaign was carried on for some time, but conditions were such that very little headway was made. When, however, the Fifty-ninth Congress in an amendment to the act entitled "An Act to regulate commerce" placed the Express Companies under the jurisdiction of the Interstate Commerce

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Commission, the following resolution was adopted at the 1906 convention in St. Louis:

"WHEREAS, the Express Companies are now subject to the interstate commerce law, and are daily transgressing said law in the carrying on of two lines of business which, in effect, rebate against each other; therefore be it

"*Resolved*, That the Executive Council of the American Bankers' Association appoint a committee with power to act, whose duty it shall be to gather evidence of the breaking of the interstate commerce law by the express companies and place same before the Interstate Commerce Commission, with the avowed intention of compelling said express companies to discontinue the banking business."

The committee appointed at that time and known as the Committee on Express Companies and Money Orders is as follows: Fred I. Kent, Chicago, Ill., Chairman; Milton E. Ailes, Washington, D. C.; Thornton Cooke, Kansas City, Mo.; E. D. Durham, Onarga, Ill.; Joseph Chapman, Jr., Minneapolis, Minn.

Before taking the work up, the committee wrote to every bank in the United States in order to determine the nature of the competition of the Express Companies that had brought about the appointment of the committee, and also in order to find out how extensive such competition was. Replies from bankers in every State in the Union showed that the competition was met with everywhere, and conditions were disclosed which made it seem desirable to carry a case before the Interstate Commerce Commission as instructed.

The first hearing was held before Commissioner Clark in New York City, April 21, 1908. At this hearing witnesses for the American Bankers' Association were put on the stand, representing the States of Arkansas, Illinois, Kansas, Minnesota, Missouri and Wisconsin. Witnesses from other States could have been called, but it did not seem necessary. At this hearing the Express Companies' attorneys requested that the case be dismissed for want of jurisdiction, and the attorneys for the Association requested that the Commission order the Express Companies to present their books for the purpose of investigating the operations of their business as bankers. These two points were not decided, but were taken under advisement, and arguments by the attorneys for both sides were heard in Washington before the Interstate Commerce Commission November 11, 1908. A decision was rendered on the two points in question January 5, 1909. In the decision, which was written by Commissioner Clark, the Interstate Commerce Commission said that there was no doubt as to the jurisdiction of the Association in the case, which was a finding in favor of the Association. The second point, the question of the production of the books by the Express Companies, was found in favor of the defendants.

The case has not yet come to a further hearing, and was postponed until the fall of 1909.

The committee made arrangements for the issuance of Domestic Money

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Orders to be obtained through and guaranteed by the American Surety Company and which is now being extensively used.

Another feature of the work of this committee is the issuance of an American Bankers' Association form of Travelers' Cheque, which has proved an unqualified success. It is in great demand in all parts of the world, and is issued by the Bankers' Trust Company of New York.

Bankers are now in a position to sell these Travelers' Cheques over their own name to their customers, good in any place in the world, instead of being obliged to arrange for such service with others. These cheques having the name of the American Bankers' Association on them, is a warning to all criminals that the Association, through its protective department (which work we have described elsewhere) will have to be reckoned with, should they attempt to forge, or otherwise defraud the rightful owners of the cheques.

Declaration for Gold Standard

At a meeting of the Executive Council, March 11, 1896, in New York City, the following declaration was made by unanimous vote:

"The Executive Council of the American Bankers' Association declare unequivocally in favor of the maintenance of the existing gold standard of value, and recommend to all bankers and to the customers of all banks the exercise of all of their influence as citizens in their various States to select delegates to the political conventions of both of the great parties who will declare unequivocally in favor of the maintenance of the existing gold standard of value."

A copy was sent in circular form to the bankers of the United States, requesting them to use their influence to give practical effect to the action of the Council.

The American Institute of Banking

At the convention at Cleveland in 1899 a discussion took place as to the need of and desire for an education on the part of bank clerks and a committee was appointed to consider the subject. This committee reported at the convention at Richmond the following year, that after careful consideration they found the project entirely feasible and the Executive Council was instructed by the convention to authorize the Committee on Education to organize an Institute of Bank Clerks. The American Institute of Banking was therefore started and its growth in membership has been phenomenal.

The American Institute of Banking Committee was as follows: Joseph Chapman, Jr., Vice-President Northwestern National Bank, Minneapolis, Minn., Chairman; John F. Thompson, Vice-President Bankers' Trust Co., New York City; E. D. Hulbert, Vice-President Merchants' Loan and Trust Co., Chicago, Ill.

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At the convention of the Association at Denver in 1908 the Institute was made a section and the By-Laws of the Association amended as follows:

"An American Institute of Banking Section, whose scope shall embrace all matters relating especially to the work as outlined by the Educational Committee of this Association and embodied in the Constitution and By-Laws of said Institute. Said Section shall meet at such time and place as shall be designated by the Executive Council of said Section."

The officers of the Section at that time were as follows: President: Franklin L. Johnson, Mercantile Trust Co., St. Louis, Mo.; Vice-President: Samuel J. Henry, National Savings & Trust Co., Washington, D. C.; Chairman of the Executive Council: J. H. Puelicher, Cashier Marshall & Ilsley Bank, Milwaukee, Wis.; Secretary: W. E. Bullard, People's State Bank, Detroit, Mich.; Treasurer: E. A. Fitzpatrick, Miners' Savings Bank, Pittston, Pa.; Educational Director: George E. Allen, 11 Pine Street, New York City.

The Institute is represented on the Executive Council of the Association by the Chairman of their Executive Council.

The following is an outline of the objects of the Institute:

To promote the education of bankers in "Banking and Finance" and "Commercial and Banking Law" through the organization of local chapters and alliances with available schools of finance and law. It is the further purpose of the Institute to fix and maintain a uniform standard of banking education by means of official examinations and the issuance of certificates. Such certificates are issued in the name of the "American Bankers' Association, American Institute of Banking Section," and are signed by officers of both organizations. The Institute now has fifty-two chapters located in leading cities. Individual students outside of chapter cities are associated in the Correspondence Chapter in accordance with the general plan of education through organization. The special field of the Correspondence Chapter is to provide correspondence instruction for all chapter members on equal terms. Chapter organization is thus made universal. The total chapter membership of the Institute is over eleven thousand.

The Savings Bank Section

In November, 1902, at New Orleans, a Savings Bank Section was organized and the By-Laws of the Association amended as follows:

"A section of the Association, to be known as the Savings Bank Section, is hereby established, which shall meet annually in connection with the meeting of this Association; its scope shall embrace all matters relating especially to savings banks, with a similar program and proceedings as the Trust Company Section, and it shall be under the supervision of the Executive Council."

The first officers elected were Hon. Myron T. Herrick, Cleveland, Ohio,

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Chairman; James McMahon, New York, Vice-Chairman; William Hanhart, New York City, Secretary; and an Executive Committee of nine members. Each State, having over ten members, is entitled to one delegate to the conventions.

At the meeting of the Section in New York in 1904 the titles of chairman and vice-chairman were changed to president and first vice-president respectively; the representation at the conventions being one delegate from each State having over ten members.

The Savings Bank Section has been very active in the general interests of Savings Banks; in looking to the protection of depositors. They have made a collection of six hundred forms for general use in Savings Banks, gathered from twenty thousand forms.

The Committee of the Section on Joint Accounts and Trust Accounts labored for years to make these accounts plainer for the banks and for the depositors; also to further legislation in that direction, and it has been successful, as a number of States have now put in their banking law, clauses that cover these accounts.

At the convention at Denver in 1908 the following resolution was adopted:

"*Resolved*, That the American Bankers' Association condemns as unwise and hurtful all propositions to establish postal savings banks."

The Committee of the Section on Postal Savings Banks have been carrying on a systematic educational campaign in creating sentiment of opposition to the proposed establishment of postal savings banks, and compiled and published sometime since, a chart showing the provisions of the postal savings bank bills introduced in Congress. The chart was so arranged that the nature of the various bills could be seen at a glance. In fact, the committee is following very closely all proposed legislation pertaining to this question.

The present officers of the Section are as follows: President, John H. Johnson, President Peninsular Savings Bank, Detroit, Mich.; First Vice-President, Wm. R. Creer, Secretary Cleveland Savings & Loan Company, Cleveland, Ohio; Chairman Executive Committee, Edward L. Robinson, Vice-President Eutaw Savings Bank, Baltimore, Md.; Secretary, William Hanhart, 11 Pine Street, New York, N. Y.

The Section is represented on the Executive Council of the Association by the President, First Vice-President and Chairman of the Executive Committee.

The membership of the Section is now 1,651.

The Fidelity Bond

At the twenty-fifth annual convention held in Cleveland in 1899 the matter of the preparation of a uniform Indemnity Bond was discussed, and the Fidelity Insurance Committee had prepared and copyrighted a form

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for the exclusive use of members of the Association. The bond is known as the American Bankers' Association Copyrighted Standard Form of Bond and can be furnished only to banks members of the Association. There is quite a demand for them and they are now in general use throughout the country.

At an Executive Council meeting in May, 1909, burglary insurance was considered, as to the advisability of the Association preparing a form of burglary policy. The matter was referred to the General Counsel of the Association, with instructions to investigate the general policies now being used by different companies and to make report on the entire matter at the next meeting of the Council, which will be held in Chicago this month.

Clearing House Section

The Clearing House Section was organized at the convention in St. Louis in 1906. Previous to this it was known as the "Conference of Clearing Houses of the United States" which was the outcome of a movement started at Port Huron, Mich., by the Michigan Bankers' Association, recommending a conference of Clearing Houses in the reserve cities, to consider the unsatisfactory and confused conditions pertaining to collection and exchange charges.

The first officers of the Section were Walker Hill of St. Louis, President; Fred. E. Farnsworth, Detroit, Mich., Vice-President and Secretary; August Blum, Chicago, Chairman Executive Committee.

Some of the most important features of the work of the Section which have been brought to a successful issue, are the following: A system of letters and numbers on drafts and checks in the transit department of banks, thereby reducing the clerical work to a minimum. At the present time the scope is being broadened by the numbering of non-member banks.

The appointment of Clearing House Examiners is being strenuously advocated by the Executive Committee of the Section and the work is proving successful, as Clearing House Examiners are being appointed from time to time.

The committee is having prepared a suitable form to be used in the organization of Clearing House Associations. They also have under consideration the working out of a plan for a uniform method of reporting weekly exchanges, and are confident that some system of accounting may be evolved which will be generally put into force.

There are now 112 Clearing House Associations members of the Section.

The present officers of the Section are as follows: President: E. C. McDougal, President Bank of Buffalo, Buffalo, N. Y.; Vice-President: Sol. Wexler, Vice-President Whitney Central National Bank, New Orleans, La.; Chairman Executive Committee: E. R. Fancher, Vice-President Union National Bank, Cleveland, Ohio; Secretary, Fred. E. Farnsworth, 11 Pine Street, New York, N. Y.

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The Code

At the thirty-first annual convention at Washington, D. C., in October, 1905, a cipher telegraphic code for the exclusive use of the members of the Association was recommended. A committee appointed at the convention in 1904, to prepare such a code, was as follows: James G. Cannon, New York; W. T. Fenton, Chicago, and Frederick F. Glossom of Peoria, Ill. This committee worked assiduously to construct a code sufficiently broad and comprehensive for the general use of the Association, omitting such material as was deemed unnecessary for a code of the character and scope contemplated. In 1908 the edition became exhausted, and as the membership had increased rapidly, a new code was prepared with many impovements on the previous one, and an edition of fifteen thousand was printed and copies sent to all the members.

Bills of Lading

At the convention in 1905 the Association created a Committee on Bills of Lading.

The committee is as follows: Lewis E. Pierson, President Irving National Exchange Bank, New York, N. Y., Chairman; William Livingstone, President Dime Savings Bank, Detroit, Mich.; F. O. Wetmore, Vice-President First National Bank, Chicago, Ill.; J. A. Lewis, Cashier National Bank of Commerce, St. Louis, Mo.; Wm. Ingle, Cashier Merchants' National Bank, Baltimore, Md.

Frequent and heavy losses incurred by bankers by reason of the defective forms of Bills of Lading, and the inadequate laws governing them led to the creation of this committee, which at once started on an aggressive campaign, both for the adoption of a uniform Bill of Lading and the improvement of the laws governing the subject. This campaign has been aggressively prosecuted, and as a result many other benefits thus far accomplished. We have a uniform Bill of Lading in two distinctive forms, one for order and one for straight shipments, approved by the Interstate Commerce Commission, and in quite general use throughout the country. Laws improving the security of Bills of Lading drafted by the General Counsel of the Association have already been enacted in a number of States, and constant efforts are being made to have Congress adopt a law governing Interstate Bills.

Committees

A Standing Law Committee was also created at this convention in view of the necessity for the promotion of uniformity and improvement in the laws affecting the banking business.

The committee is as follows: W. J. Field, Secretary and Treasurer Commercial Trust Company, Jersey City, N. J., Chairman; Henry Dimse, Vice-President Century Bank, New York City; P. C. Kauffman, Second Vice-

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President Fidelity Trust Co., Tacoma, Wash.; John K. Ottley, Vice-President Fourth National Bank, Atlanta, Ga.; Henry B. Wilcox, Vice-President and Cashier First National Bank, Baltimore, Md.; Thomas B. Paton, Counsel and Secretary, 11 Pine Street, New York City.

It has worked assiduously, aided by the Committee on Uniform Laws, for the enactment of the Uniform Negotiable Instruments Law, which has now been adopted in thirty-eight States and Territories, and for a Uniform Warehouse Receipt Law, which has already been adopted in eighteen States. In addition, under the guidance of General Counsel Paton, a number of laws for the better protection and security of banks have been drafted, introduced and passed in a large number of State legislatures. Among these laws are bills to punish the making or use of false statements to obtain credit; to punish the giving of checks or drafts without funds; defining and punishing the crime of burglary with explosives; providing a short Statute of Limitations where forged or raised checks have been paid; regulating and making safe the payment of joint or two name accounts to the survivor; providing for the competency of bank notaries, and a number of other subjects connected with the practice of banking

At the Council meeting at Atlantic City, N. J., September 27, 1907, an Advisory Committee was appointed to act between meetings of the Council on all matters referred to it by the officers of the Association, and to have general supervision over the affairs of the Association, including all receipts and disbursements between meetings.

The committee as appointed is as follows:

John L. Hamilton, Hoopeston, Ill.; F. H. Curtiss, Boston, Mass.; F. O. Watts, Nashville, Tenn.; M. E. Ailes, Washington, D. C.; Clay H. Hollister, Grand Rapids, Mich., and the President of the Association as chairman.

The committee held several meetings, transacted much routine business and submitted many suggestions to the Executive Council which were acted upon at the Council meeting in Lakewood, N. J., in May, 1908.

At this meeting the committee was discontinued and a Finance Committee appointed, composed of nine members of the Council, for the purpose of receiving all requests for appropriations each year and submitting same to the Council with their recommendations.

The committee as appointed at that time is as follows: George M. Reynolds, J. J. Sullivan, A. G. Lupton, C. Q. Chandler, Frederick H. Curtiss, D. S. Culver, C. E. Warren, N. T. Gilbert and C. B. Mills, with the President of the Association as Chairman.

New Administration

The new Executive Council at its meeting following the adjournment of the convention in Atlantic City, elected Col. Fred. E. Farnsworth, of Detroit, Mich., Secretary of the Association. Mr. Farnsworth was formerly cashier of the Union National Bank in Detroit, and at the time of his election was Secretary of the Michigan Bankers' Association and Secre-

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PRESIDENTS

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tary-Treasurer of the Bankers' Club of Detroit, which offices he had held for many years. He was also a director of The German-American Savings Bank of Port Huron, Mich., and a member of the Board of Incorporators and Trustee of the Detroit Museum of Art, as well as its Secretary. Mr. Farnsworth was also affiliated with the American Bankers' Association, being Vice-President and Secretary of the Clearing House Section and a member of the Executive Council, and Secretary-Treasurer of the Organization of Secretaries of State Bankers' Associations.

Denver Convention

At the convention at Denver in 1908, amendments to the Constitution were amended increasing representation on the Executive Council through State Bankers' Associations, as well as from the State direct, which enlarged the Council to seventy-one members.

Among the resolutions adopted at that convention, two of them are as follows:

Guaranty of Deposits.

Resolved, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits, either by a State or the Nation, for the following reasons:—

1. It is a function outside of State or National Government.
2. It is unsound in principle.
3. It is impractical and misleading.
4. It is revolutionary in character.
5. It is subversive to sound economics.
6. It will lower the standard of our present banking system
7. Productive of and encourages bad banking.
8. It is a delusion that a tax upon the strong will prevent failures of the weak.
9. It discredits honesty, ability and conservatism.
10. A loss suffered by one bank jeopardizes all banks.
11. The public must eventually pay the tax.
12. It will cause and not avert panics.

Resolved, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits either by a State or the Nation, believing it to be impractical, unsound and misleading, revolutionary in character and subversive to sound economics, placing a tool in the hands of the unscrupulous and inexperienced for reckless banking, and knowing further that such a law would weaken our banking system and jeopardize the interests of the people.

Postal Savings Banks.

Resolved, That it is the sense of this Association that we should condemn in unqualified terms the proposition for the establishment of Postal Sav-

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ings Banks or any other system by which the government enters directly into banking relations with the people.

VOUCHER-CHECKS.

In the spring of 1908 a Committee on Voucher-Checks was appointed to devise and recommend for universal adoption by customers of members of the Association, a form of voucher-check which should not only be negotiable, but free banks from the many dangers now incurred in paying and receiving on deposit the various forms of such documents in present use.

The committee is as follows: Clay H. Hollister, Cashier Old National Bank, Grand Rapids, Mich., Chairman; M. E. Ailes, Vice-President Riggs National Bank, Washington, D. C.; S. H. Burnham, President First National Bank, Lincoln, Neb.; A. Kavanagh, Cashier National City Bank, New York, N. Y.; E. F. Shanbacker, Vice-President Fourth Street National Bank, Philadelphia, Pa.

The committee gave considerable attention to the designing of a form of voucher-check to be recommended for general adoption. The General Counsel of the Association took the matter up with the American Association of Public Accountants with a view to the co-operation of that body in designing a form of voucher-check which the bankers committee could recommend.

On November 18, 1908, a joint conference was held at the Association offices between committees representing the Society of Railway Financial Officers, The Association of American Railway Accounting Officers, The American Association of Public Accountants and the American Bankers' Association, for the purpose of agreeing upon and recommending to their respective associations, the adoption and use of a uniform negotiable voucher-check.

The Chairman of the Voucher-Check Committee submitted samples of voucher-checks, which had been prepared by him as a suggestion of the character of form which the bankers would like to see uniformly put into use. Other forms which had been collected by the committees were also submitted, and as a result of the deliberations of the joint committees, certain new forms of voucher-checks for the use of customers of banks were approved and recommended. The forms applied to railroads, corporations, manufacturers, merchants or individuals.

The report of the joint committees, together with specimens of the voucher-checks, printed in the exact size and form in which they were recommended for use, were published in Section 2 of the *Journal* of the American Bankers' Association for January, 1909.

Many railroads and other corporations have adopted these new forms and are using them to great advantage.

The work of the Committee on Voucher-Checks being practically completed, they asked leave to be discharged. The request of the committee was granted and any further detail involved in perpetuating the work of this committee will be done by the Clearing House Section.

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Legal Department

In May, 1908, a legal department was created and Thomas B. Paton elected General Counsel with offices at the headquarters of the Association. Mr. Paton previous to this time, was counsel for many of the committees of the Association including the Bills of Lading Committee and the Standing Law Committee, his advice and services to these two committees having been especially valuable. He was also honorary counsel to the Savings Bank Section and lecturer and instructor on banking and commercial law in the American Institute of Banking.

The work of the General Counsel has proceeded along two main lines, legislative and advisory. He has been actively engaged in drafting and securing the enactment of a large number of legislative measures in the banking interest; the accumulation and classification of data, including the banking laws of all the States, and preparation of a general digest of these laws for the establishment of a legal bureau of information. He is also constantly engaged in rendering opinions and giving advice to members in all parts of the Union upon various questions of banking law, and has promoted various Association measures providing reasons and arguments in behalf of proposed legislation. His bill to punish the making or use of false statements for credit, which was endorsed by the National and State Credit Men's Associations, was quite generally introduced in legislatures throughout the country and passed in many States. The information, legal decisions and opinions published each month in the *Journal* of the American Bankers' Association is also an important and valuable feature to the members.

At the Council meeting at Briarcliff Manor in May last, the Federal Legislative Committee, which is a very active one and has accomplished good results, made a report on the progress of its work.

The committee is as follows: Arthur Reynolds, President Des Moines National Bank, Des Moines, Iowa, Chairman; E. F. Swinney, President First National Bank, Kansas City, Mo.; Joseph A. McCord, Vice-President Third National Bank, Atlanta, Ga.; W. V. Cox, President Second National Bank, Washington, D. C.; John L. Hamilton, Vice-President, Hamilton & Cunningham, Hoopeston, Ill.

The committee has considered some ninety different bills which they had in their possession and which had been presented to Congress pertaining to banking interests. The bills, however, affecting banking legislation that coincided with the work of the Currency Commission had been taken up through that Commission. In fact, the committee has been in close touch with what transpired at Washington relating to their line of work, and had several conferences with the President of the United States and with the leaders of the Senate and House, and followed up the work when Congress was in session.

The committee and Mr. George M. Reynolds, President of the Association, was invited to a conference at Washington on December 2nd last with the National Monetary Commission, of which Senator Aldrich is chairman,

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to consider proposed changes in National Banking Laws. There were also in attendance at the conference in addition to the above, Secretary of the Treasury Cortelyou, Comptroller of the Currency Murray, and many other prominent bankers from different sections of the country. Plans were discussed for the framing of a law giving the Comptroller of the Currency broader jurisdiction in dealing with banks that are guilty of violating the regulations governing their control, and also improving the methods of examination of banks now in vogue.

The committee is following up closely all matters pertaining to legislation affecting the banking interests, and will continue its efforts in that direction.

The Committee on Credit Information made a report to the Executive Council at its meeting at Briarcliff Manor in May last, and having practically completed its labors, asked leave to be discharged.

The committee is as follows: Jos. T. Talbert, Vice-President Commercial National Bank, Chicago, Ill., Chairman; Thomas P. Beal, President Second National Bank, Boston, Mass.; William A. Law, Vice-President Merchants' National Bank, Philadelphia, Pa.; Robert A. Parker, Vice-President Market and Fulton National Bank, New York, N. Y.; H. P. Hilliard, Vice-President Mechanics-American National Bank, St. Louis, Mo.; J. H. Fulton, Vice-President Commercial German Trust and Savings Bank, New Orleans, La.

At the time of its appointment this committee was instructed to consider the practicability of establishing a credit bureau to be conducted by the Association for the purpose of collecting and distributing information to members concerning the credit standing and financial responsibility of all concerns whose paper was sold through note brokers. After several conferences and mature consideration, the committee concluded that the establishment of such a bureau would be impractical. The committee was of the opinion that the solution of the problem laid rather in the maintenance of a number of credit bureaus by the Associated Banks in cities where there are organized Clearing Houses, than in the establishment of a central single bureau. The committee offered some very valuable suggestions and recommendations, as to certain plans to be tried, in connection with Clearing Houses, the carrying out of which would bring the work within the scope of the Clearing House Section of the Association.

At the Executive Council meeting last May the Committee on Negotiable Instruments Law, which was appointed for the purpose of creating sentiment for the enactment of such a law, made its final report.

The committee is as follows: Edward D. Keys, President Farmers' National Bank, Springfield, Ill., Chairman; Homer A. Miller, President Iowa National Bank, Des Moines, Iowa; Geo. F. Orde, Cashier First National Bank, Minneapolis, Minn.

The result of the continuous work of this committee has been eminently satisfactory, a Uniform Negotiable Instruments Law having been enacted in thirty-eight States.

The committee received the hearty support of the American Bar Association and the different State Bar Associations in their work.

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The continuation of the work of this committee will now be carried on by the Standing Law Committee.

During the past two years the Association has been more active in all lines of work for the welfare of its members and the banking business in general than ever before in its history.

Association Headquarters

Many improvements have been made and innovations introduced for the transaction of business at the Association offices. All of the adjuncts of the Association are now housed under the same roof, the offices of the Sections as well as of the Protective Department and the Legal Department occupying adjoining offices. In addition to the various offices, there is a reception room and library, in which are to be found, bound copies of the annual proceedings and other books and pamphlets published by the Association since its organization, also the principal financial journals and papers of the country. Since the opening of these rooms over six hundred visitors have registered, nearly every State in the Union being represented.

The members and their friends are always welcome, the privileges of the use of the stenographers for correspondence, the telephones, and other facilities being extended to them.

The offices are now fitted up with an addressograph and a full membership and non-membership stencil list; a multigraph, dictograph, Burroughs adding machine, and all the latest up-to-date filing devices, so that every facility is afforded for carrying on the business in a systematic way and making a quick and easy reference, thus saving time and preventing errors.

Membership

On September 1, 1907, the membership of the Association was 9,251. From September 1, 1907, to September 1, 1908, the Association lost through mergers, withdrawals, failures and liquidations, 691 members; 1,243 were added, making a total membership of 9,803 on September 1, 1908, a net gain of 552 for the year. From September 1, 1908, to September 1, 1909, there were lost through mergers, withdrawals, failures, delinquents and liquidations, 374 members; 1,253 were added, making a total membership of 10,682 on September 1, 1909, a net gain of 879, so that the net gain in membership for two years from September 1, 1907, to September 1, 1909, is 1,431.

The officers, members of the Executive Council, and Vice-Presidents of the Association, and the Secretaries of State Bankers' Associations have at all times given their hearty support by their individual efforts to bring about this wonderful growth of membership.

Personnel of Officers and Speakers

Among those who have held office in the American Bankers' Association were some of the greatest financiers in the country, a power in the banking

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world and men of national reputation, some of whom have held high office in the government and did much in guiding the destinies of the Nation. Among those who have delivered addresses at the annual conventions, have also been men of like character.

Influence of the Association

The deliberations of the bankers of the country at the conventions have created sentiment and done much towards promoting and guiding many important measures to a successful issue. The settlement of some of the vital questions of the day burdened with many intricacies, at different periods, has for over thirty years emanated from this great organization of bankers, and has helped to strengthen the bulwark of the financial institutions of the country.

HISTORICAL STATISTICS
AMERICAN BANKERS' ASSOCIATION

ANNUAL CONVENTIONS

1.	1875.	Saratoga Springs, N. Y.	Town Hall	July 20, 21, 22.
2.	1876.	Philadelphia, Pa	Centennial Grounds	Oct. 3, 4, 5.
3.	1877.	New York City	Association Hall	Sept. 12, 13, 14.
4.	1878.	Saratoga Springs, N. Y.	Town Hall	Aug. 7, 8, 9.
5.	1879.	Saratoga Springs, N. Y.	Town Hall	Aug. 6, 7, 8.
6.	1880.	Saratoga Springs, N. Y.	Town Hall	Aug. 11, 12, 13.
7.	1881.	Niagara Falls, N. Y	Pavilion	Aug. 10, 11, 12.
8.	1882.	Saratoga Springs, N. Y.	Putnam Hall	Aug. 16, 17.
9.	1883.	Louisville, Ky	Masonic Temple	Oct. 10, 11, 12.
10.	1884.	Saratoga Springs, N. Y.	Putnam Hall	Aug. 13, 14, 15.
11.	1885.	Chicago, Ill	Hershey Hall	Sept. 23, 24.
12.	1886.	Boston, Mass	Horticultural Hall	Aug. 11, 12.
13.	1887.	Pittsburg, Pa	Grand Opera House	Oct. 12, 13.
14.	1888.	Cincinnati, Ohio	Scottish Rite Hall	Oct. 3, 4.
15.	1889.	Kansas City, Mo	Wardner Grand Opera House	Sept. 25, 26.
16.	1890.	Saratoga Springs, N. Y.	Town Hall	Sept. 3, 4, 5.
17.	1891.	New Orleans, La	Greenwald Hall	Nov. 11, 12.
18.	1892.	San Francisco, Cal	California Theatre	Sept. 7, 8.
19.	1893.	Chicago, Ill	Hall No. 3, Art Institute	Oct. 18, 19.
20.	1894.	Baltimore, Md	Ford's Opera House	Oct. 10, 11.
21.	1895.	Atlanta, Ga	Grand Opera House	Oct. 15, 16, 17.
22.	1896.	St. Louis, Mo	Olympic Theatre	Sept. 22, 23, 24.
23.	1897.	Detroit, Mich	Detroit Opera House	Aug. 17, 18, 19.
24.	1898.	Denver, Colo	Broadway Theatre	Aug. 23, 24, 25.
25.	1899.	Cleveland, Ohio	Chamber of Commerce	Sept. 5, 6, 7.
26.	1900.	Richmond, Va	Jefferson Hotel	Oct. 2, 3, 4.
27.	1901.	Milwaukee, Wis	Pabst Theatre	Sept. 24, 25, 26.
28.	1902.	New Orleans, La	Tulane Hall	Nov. 11, 12, 13.
29.	1903.	San Francisco, Cal	California Theatre	Oct. 20, 21, 22, 23.
30.	1904.	New York City	Waldorf-Astoria	Sept. 13, 14, 15, 16.
31.	1905.	Washington, D. C	New National Theatre	Oct. 10, 11, 12, 13.
32.	1906.	St. Louis, Mo	Olympic Theatre	Oct. 16, 17, 18, 19.
33.	1907.	Atlantic City, N. J	Young's Pier	Sept. 24, 25, 26, 27.
34.	1908.	Denver, Colo	Auditorium	Sept. 28, 29, 30, Oct. 1, 2.
35.	1909.	Chicago, Ill	Auditorium Theatre	Sept. 13, 14, 15, 16, 17.

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F. O. Watts.

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PRESIDENTS

1875. Hon. Charles B. Hall, Cashier Boston Nat. Bank, Boston, Mass.
1878. Alex. Mitchell, Pres. Wis. Marine & Fire Ins. Co. Bk., Mil., Wis.
1881. George S. Coe, Pres. American Exch. Nat'l Bk., New York City.
1883. Lyman J. Gage, Vice-President First Nat'l Bank, Chicago, Ill.
1886. Logan C. Murray, Pres. U. S. Nat'l Bank, New York City.
1888. Charles Parsons, President State Bank, St. Louis, Mo.
1890. Morton McMichael, Cashier First Nat'l Bank, Philadelphia, Pa.
1892. Wm. H. Rhawn, Pres. Nat'l Bank of the Rep., Philadelphia, Pa.
1893. M. M. White, President Fourth National Bank, Cincinnati, Ohio.
1894. John J. P. Odell, President Union National Bank, Chicago, Ill.
1895. Eugene H. Pullen, V.-Pres. Nat'l Bk. of the Rep., New York City.
1896. Robert J. Lowry, Pres. Lowry Banking Company, Atlanta, Ga.
1897. Joseph C. Hendrix, President Nat'l Union Bank, New York City.
1898. George H. Russel, President State Savings Bank, Detroit, Mich.
1899. Walker Hill, Pres. American Exchange Bank, St. Louis, Mo.
1900. Alvah Trowbridge, President Ninth Nat'l Bank, New York City.
1901. Myron T. Herrick, Pres. Society for Savings, Cleveland, Ohio.
1902. Caldwell Hardy, President Norfolk National Bank, Norfolk, Va.
1904. E. F. Swinney, President First National Bank, Kansas City, Mo.
1905. John L. Hamilton, V.-P. Hamilton & Cunningham, Hoopeston, Ill.
1906. G. S. Whitson, Vice-President Nat'l City Bank, New York City.
1907. J. D. Powers, Vice-President Third Nat'l Bank, Louisville, Ky.
1908. George M. Reynolds, Pres. Continental Nat'l Bank, Chicago, Ill.
1909. Lewis E. Pierson, Pres. Irving Nat'l Ex. Bank, New York City.

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FIRST VICE-PRESIDENTS

1877. Jacob D. Vermilye, Pres. Merchants' Nat'l Bank, New York City.
1881. Lyman J. Gage, Vice-President First National Bank, Chicago, Ill.
1883. Logan C. Murray, Pres. U. S. Nat'l Bank, New York City.
1886. Hoel H. Camp, President First National Bank, Milwaukee, Wis.
1887. Charles Parsons, President State Bank, St. Louis, Mo.
1888. Morton McMichael, Cashier First Nat'l Bank, Philadelphia, Pa.
1890. Richard M. Nelson, President Commercial Bank, Selma, Ala.
1891. John J. Knox, Pres. Nat'l Bank of the Republic, New York City.
1892. M. M. White, President Fourth National Bank, Cincinnati, Ohio.
1893. J. J. P. Odell, President Union National Bank, Chicago, Ill.
1894. Douglas H. Thomas, Pres. Merch. Nat'l Bank, Baltimore, Md.
1895. Robert J. Lowry, Pres. Lowry Banking Company, Atlanta, Ga.
1896. Joseph C. Hendrix, President Nat'l Union Bank, New York City.
1897. George H. Russel, President State Savings Bank, Detroit, Mich.
1898. Walker Hill, Pres. American Exchange Bank, St. Louis, Mo.
1899. Alvah Trowbridge, Pres. N. Amer. Trust Co., New York City.
1900. Myron T. Herrick, Pres. Society for Savings, Cleveland, Ohio.
1901. Caldwell Hardy, President Norfolk Nat'l Bank, Norfolk, Va.
1903. E. F. Swinney, President First Nat'l Bank, Kansas City, Mo.
1904. John L. Hamilton, V.-P. Hamilton & Cunningham, Hoopeston, Ill.
1905. G. S. Whitson, Vice-President Nat'l City Bank, New York City.
1906. J. D. Powers, Banker, Louisville, Ky.
1907. George M. Reynolds, Pres. Continental Nat'l Bank, Chicago, Ill.
1908. Lewis E. Pierson, Pres. Irving Nat'l Exch. Bank, New York City.
1909. F. O. Watts, President First National Bank, Nashville, Tenn.

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CHAIRMEN OF THE EXECUTIVE COUNCIL

1876. George S. Coe, Pres. Amer. Exchange Nat'l Bk., New York City.
1881. Jacob D. Vermilye, Pres. Merchants' Nat'l Bank, New York City.
1883. George S. Coe, Pres. Amer. Exchange Nat'l Bk., New York City.
1886. John J. Knox, Pres. Nat'l Bank of the Republic, New York City.
1891. Wm. H. Rhawn, Pres. Nat'l Bk. of the Rep., Philadelphia, Pa.
1892. E. H. Pullen, V.-Pres. Nat'l Bk. of the Republic, New York City.
1895. Joseph C. Hendrix, President Nat'l Union Bank, New York City.
1896. Alvah Trowbridge, V.-P. Nat'l Bk. of N. Amer., New York City.
1899. Myron T. Herrick, Pres. Society for Savings, Cleveland, Ohio.
1900. Caldwell Hardy, President Norfolk Nat'l Bank, Norfolk, Va.
1902. E. F. Swinney, President First National Bank, Kansas City, Mo.
1903. John L. Hamilton, V.-P. Hamilton & Cunningham, Hoopeston, Ill.
1904. G. S. Whitson, Vice-President Nat'l City Bank, New York City.
1905. J. D. Powers, Director Hancock Deposit Bank, Hawesville, Ky.
1906. G. M. Reynolds, President Continental Nat'l Bank, Chicago, Ill.
1907. Lewis E. Pierson, Pres. Irving Nat'l Exch. Bk., New York City.
1908. F. O. Watts, President First National Bank, Nashville, Tenn.
1909. William Livingstone, Pres. Dime Savings Bank, Detroit, Mich.

SECRETARIES

1875–76. J. D. Hayes, V.-Pres. Merch. & Mfrs. Nat. Bk., Detroit, Mich.
1876–80. James Buell, Pres. Imp. & Traders' Nat'l Bk., New York City.
1880–83. Edmund D. Randolph, Pres. Continental Nat'l Bk., N. Y. City.
1883–87. George Marsland, writer on topics of Banking and Finance.
1887–92. William B. Green, formerly Chief of Division, Office of the Comptroller of the Currency, Washington, D. C.
1893–94. Henry W. Ford, form. Pres. Nat'l Bk. of the Rep., N. Y. City.
1895–06. James R. Branch, formerly National Bank Examiner, Virginia, West Virginia, North Carolina, South Carolina and Eastern Tennessee.
1907–09. Fred. E. Farnsworth, formerly Cashier Union National Bank, Detroit, and Secretary Michigan Bankers' Association.

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TREASURERS

1875–94. GEORGE F. BAKER, Pres. First Nat'l Bank, New York City.
1895–96. WILLIAM H. PORTER, V.-Pres. Chase Nat'l Bk., New York City.
1897. WALKER HILL, Pres. American Exchange Bank, St. Louis, Mo.
1898–01. GEO. M. REYNOLDS, V.-Pres. Continental Nat'l Bk., Chicago, Ill.
1902–03. GEORGE F. ORDE, Cash. Northern Trust Co. Bank, Chicago, Ill.
1904–05. RALPH VAN VECHTEN, V.-Pres. Com. Nat'l Bk., Chicago, Ill.
1906–07. A. A. CRANE, V.-Pres. Nat'l Bk. of Com., Minneapolis, Minn.
1908–09 P. C. KAUFFMAN, 2d V.-Pres. Fidelity Tr. Co., Tacoma, Wash.

ASSISTANT SECRETARY

1900–09. WM. G. FITZWILSON, form. with Merch. Nat'l Bk., Richmond, Va.

GENERAL COUNSEL

1908–09. THOS. B. PATON, formerly Ed. *Bkg. Law Journal*, New York City.

MANAGER PROTECTIVE DEPARTMENT

1909. L. W. GAMMON, formerly Supt. U. S. Secret Service, Buffalo, N. Y.

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OFFICERS
AMERICAN BANKERS' ASSOCIATION
1909–1910

PRESIDENT:

LEWIS E. PIERSON,
President Irving National Exchange Bank, New York.

FIRST VICE-PRESIDENT:

F. O. WATTS,
President First National Bank, Nashville, Tenn.

CHAIRMAN EXECUTIVE COUNCIL:

WILLIAM LIVINGSTONE,
President Dime Savings Bank, Detroit, Mich.

GENERAL SECRETARY:

FRED. E. FARNSWORTH,
Eleven Pine Street, New York City

TREASURER:

P. C. KAUFFMAN,
Second Vice-Pres. Fidelity Trust Company, Tacoma, Wash.

ASSISTANT SECRETARY:

WILLIAM G. FITZWILSON,
Eleven Pine Street, New York City.

GENERAL COUNSEL:

THOMAS B. PATON,
Eleven Pine Street, New York City.

MANAGER PROTECTIVE DEPARTMENT:

L. W. GAMMON,
Eleven Pine Street, New York City.

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OFFICERS OF SECTIONS

TRUST COMPANY SECTION

PRESIDENT:

H. P. McINTOSH, President Guardian Savings and Trust Co., Cleveland, O.

FIRST VICE-PRESIDENT:

OLIVER C. FULLER, President Wisconsin Trust Company, Wilwaukee, Wis.

CHAIRMAN EXECUTIVE COMMITTEE:

LAWRENCE L. GILLESPIE, Vice-Pres. Equitable Trust Co., NewYork, N. Y.

SECRETARY:

PHILIP S. BABCOCK, Eleven Pine Street, New York City.

SAVINGS BANK SECTION

PRESIDENT:

WILLIAM R. CREER, Sec'y Cleveland Savings and Loan Co., Cleveland, Ohio.

FIRST VICE-PRESIDENT:

EDWARD L. ROBINSON, Vice-President Eutaw Savings Bank, Baltimore, Md.

CHAIRMAN EXECUTIVE COMMITTEE:

ALFRED L. AIKEN, Pres. Worcester Co. Institution for Sav., Worcester, Mass.

SECRETARY:

WILLIAM HANHART, Eleven Pine Street, New York City.

CLEARING HOUSE SECTION

PRESIDENT:

SOL. WEXLER, Vice-Pres. Whitney-Central Nat'l Bank, New Orleans, La.

FIRST VICE-PRESIDENT:

E. R. FANCHER, Vice-President Union National Bank, Cleveland, Ohio.

CHAIRMAN EXECUTIVE COMMITTEE:

GEORGE GUCKENBERGER, President Atlas National Bank, Cincinnati, Ohio.

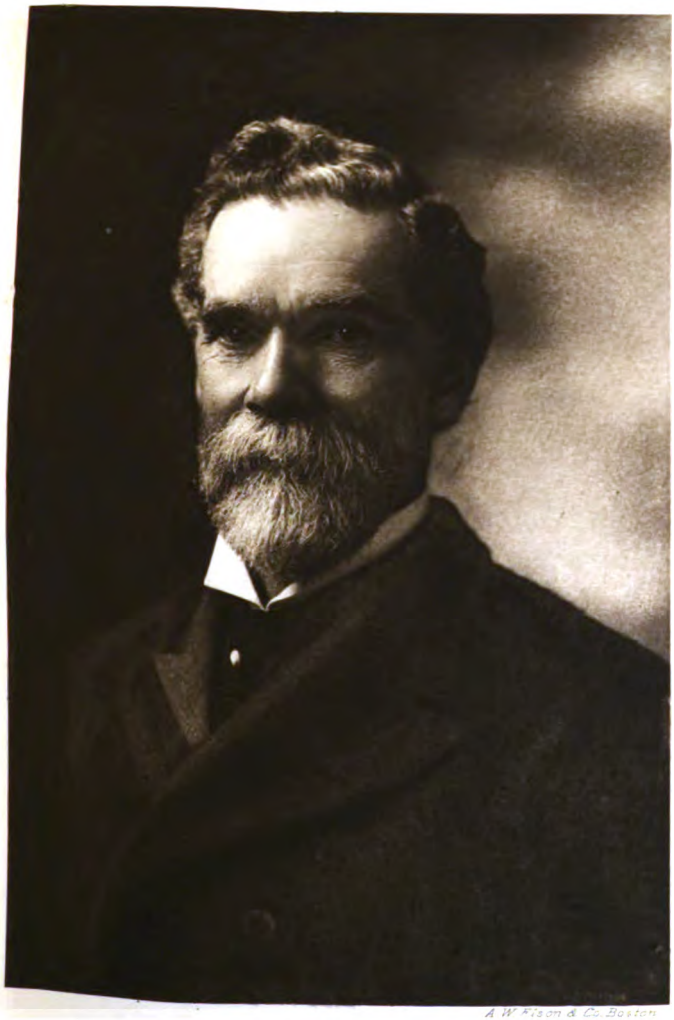
SECRETARY:

FRED. E. FARNSWORTH, Eleven Pine Street, New York City.

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A. W. Elson & Co. Boston

W. Livingstone

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OFFICERS OF SECTIONS—CONTINUED

AMERICAN INSTITUTE OF BANKING SECTION

PRESIDENT:

NEWTON D. ALLING, The Nassau Bank, New York City.

VICE-PRESIDENT:

GEORGE A. JACKSON, Continental National Bank, Chicago, Ill.

CHAIRMAN EXECUTIVE COUNCIL:

RALPH C. WILSON, Asst. Cashier Commercial National Bank, Chicago, Ill.

SECRETARY:

H. G. PROCTOR, National Bank of Virginia, Richmond, Va.

TREASURER:

LOUIS H. P. MOSS, German-American National Bank, New Orleans, La.

EDUCATIONAL DIRECTOR:

GEORGE E. ALLEN, Eleven Pine Street, New York City.

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EXECUTIVE COUNCIL

MEMBERS EX-OFFICIO

LEWIS E. PIERSON, President Irving Nat'l Exchange Bank, New York City.
F. O. WATTS, President First National Bank, Nashville, Tenn.
GEORGE M. REYNOLDS, President Continental Nat'l Bank, Chicago, Ill.
J. D. POWERS, Vice-President Third National Bank, Louisville, Ky.

MEMBERS FOR ONE YEAR

E. J. BUCK, President City Bank & Trust Company, Mobile, Ala.
WILLIAM J. FIELD, Sec.-Treas. Com'l Trust Co. of N. J., Jersey City, N. J.
JOHN H. HOLLIDAY, President Union Trust Company, Indianapolis, Ind.
GEORGE L. RAMSEY, Pres. Union Bank & Trust Company, Helena, Mont.
CHARLES E. WARREN, Cashier Lincoln National Bank, New York City.
S. H. BURNHAM, President First National Bank, Lincoln, Neb.
E. D. DURHAM, The Onarga Bank, Onarga, Ill.
N. T. GILBERT, Vice-President Lawton State Bank, Lawton, Okla.
CHARLES B. MILLS, Vice-Pres. People's Trust & Savings Bank, Clinton, Iowa.
E. K. SMITH, Cashier State National Bank, Texarkana, Ark.
E. W. BIXBY, Cashier First National Bank, Ironton, O.
JAMES R. EDMUNDS, Vice-Pres. Nat'l Bank of Commerce, Baltimore, Md.
ROBERT E. JAMES, President Easton Trust Company, Easton, Pa.
JAMES A. LATTA, V.-P. Northwestern Nat'l Bank, Minneapolis, Minn.
WILLIAM LIVINGSTONE, President Dime Savings Bank, Detroit, Mich.
FRED G. MOFFAT, Cashier First National Bank, Denver, Colo.
GEORGE W. PELTIER, Vice-Pres. California Nat'l Bank, Sacramento, Cal.
EDWIN W. ROBERTSON, Pres. Nat'l Loan & Exchange, Bk., Columbia, S. C.
ALFRED SPENCER, JR., Pres. Ætna National Bank, Hartford, Conn.
FRANK KNOX, Pres. Nat'l Bank of the Republic, Salt Lake City, Utah.

MEMBERS FOR TWO YEARS

J. C. AINSWORTH, Pres. United States National Bank, Portland, Ore.
ROBERT L. ARCHER, Cashier West Virginia Nat'l Bank, Huntington, W. Va.
BION H. BARNETT, President Barnett National Bank, Jacksonville, Fla.
J. C. BASSETT, President Aberdeen National Bank, Aberdeen, S. Dak.
C. E. BATCHELLER, Cashier First National Bank, Fingal, N. Dak.
GEORGE W. BOLTON, President The Rapides Bank, Alexandria, La.
JOHN F. BRUTON, President First National Bank, Wilson, N. C.
W. V. COX, President Second National Bank, Washington, D. C.
J. M. ELLIOTT, President First National Bank, Los Angeles, Cal.
L. A. GODDARD, President State Bank, Chicago, Ill.
W. L. GORGAS, Cashier Harrisburg National Bank, Harrisburg, Pa.
WILLIAM A. LAW, Vice-Pres. Merchants' National Bank, Philadelphia, Pa.
T. W. MCCOY, Cashier Merchants' National Bank, Vicksburg, Miss.

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EXECUTIVE COUNCIL—CONTINUED

MEMBERS FOR TWO YEARS—CONTINUED

CHAS. H. MCNIDER, Pres. First National Bank, Mason City, Iowa.
JOHN M. MILLER, JR., V.-P. and Cashier First Nat'l Bk., Richmond, Va.
MILES C. MOORE, Pres. Baker-Boyer National Bank, Walla Walla, Wash.
LUTHER W. MOTT, Vice-Pres. and Cashier First Nat'l Bank, Oswego, N. Y.
LOGAN C. MURRAY, President American National Bank, Louisville, Ky.
DAVID H. PIERSON, Cashier Bank of the Manhattan Co., New York City.
CHARLES M. SAWYER, President First National Bank, Norton, Kan.
F. J. WOODWORTH, Vice-President First National Bank, Cleveland, O.
J. FLETCHER FARRELL, Assistant Cashier Third Nat'l Bank, St. Louis, Mo.

MEMBERS FOR THREE YEARS

JOS. W. HEFFERNAN, Cashier Hibernia Bank, Savannah, Ga.
B. F. O'NEIL, President State Bank of Commerce, Wallace, Idaho.
FRANK P. JUDSON, Secretary Commercial National Bank, Chicago, Ill.
WILLIAM GEORGE, President Old Second National Bank, Aurora, Ill.
JONCE MONYHAN, President Citizens' State Bank, Orleans, Ind.
W. J. BAILEY, Vice-President Exchange National Bank, Atchison, Kan.
HENRY M. BATCHELDER, President Merchants' National Bank, Salem, Mass.
L. G. KAUFMAN, President First National Bank, Marquette, Mich.
O. H. HAVILL, President Merchants' National Bank, St. Cloud, Minn.
W. C. HARRIS, President Callaway Bank, Fulton, Mo.
E. R. GURNEY, Vice-President First National Bank, Fremont, Neb.
E. S. TEFFT, Cashier First National Bank, Syracuse, N. Y.
D. MCK. LLOYD, President People's Savings Bank, Pittsburg, Pa.
T. R. PRESTON, President Hamilton National Bank, Chattanooga, Tenn.
A. V. LANE, Vice-Pres. American Exchange National Bank, Dallas, Tex.
A. J. FRAME, President Waukesha National Bank, Waukesha, Wis.
JOHN J. SHERMAN, Cashier Citizens' National Bank, Appleton, Wis.
ARTHUR H. MARBLE, Vice-Pres. Stock Growers' Nat'l Bk., Cheyenne, Wyo.

REPRESENTING TRUST COMPANY SECTION

H. P. MCINTOSH, Pres. Guardian Savings & Trust Co., Cleveland, O.
OLIVER C. FULLER, President Wisconsin Trust Company, Milwaukee, Wis.
LAWRENCE L. GILLESPIE, Vice-Pres. Equitable Trust Co., New York, N. Y.

REPRESENTING SAVINGS BANK SECTION

WILLIAM R. CREER, Sec. Cleveland Savings and Loan Co., Cleveland, O.
EDWARD L. ROBINSON, Vice-Pres. Eutaw Savings Bank, Baltimore, Md.
ALFRED L. AIKEN, Pres. Worcester Co. Institution for Sav., Worcester, Mass.

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EXECUTIVE COUNCIL—CONTINUED

REPRESENTING CLEARING HOUSE SECTION

SOL. WEXLER, Vice-Pres. Whitney-Central Nat'l Bank, New Orleans, La.
E. R. FANCHER, Vice-President Union National Bank, Cleveland, O.
GEORGE GUCKENBERGER, President Atlas National Bank, Cincinnati, O.

REPRESENTING AMERICAN INSTITUTE OF BANKING SECTION

RALPH C. WILSON, Asst. Cashier Commercial National Bank, Chicago, Ill.

MEMBERSHIP OF THE EXECUTIVE COUNCIL BY STATES

State	Name	Members Aug. 31, 1909	Term Expires
Alabama	E. J. Buck	133	1910
Arkansas	E. K. Smith	132	1910
California	George W. Peltier	406	1910
"	J. M. Elliott		1911
Colorado	Fred G. Moffat	172	1910
Connecticut	Alfred Spencer, Jr	151	1910
Florida	Bion H. Barnett	107	1911
Georgia	Jos. W. Hefferman	280	1912
Idaho	B. F. O'Neil	106	1912
Illinois	E. D. Durham	738	1910
"	L. A. Goddard		1911
"	William George		1912
"	Frank P. Judson		1912
Indiana	John H. Holliday	332	1910
"	Jonce Monyhan		1912
Iowa	Charles B. Mills	385	1910
"	Charles H. McNider		1911
Kansas	Charles M. Sawyer	366	1911
"	W. J. Bailey		1912
Kentucky	Logan C. Murray	140	1911
Louisiana	George W. Bolton	143	1911
Maryland	James R. Edmunds	151	1910
Massachusetts	Henry M. Batchelder	235	1912
Michigan	William Livingstone	341	1910
"	L. G. Kaufman		1912
Minnesota	James A. Latta	338	1910
"	O. H. Havill		1912

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MEMBERSHIP OF THE EXECUTIVE COUNCIL BY STATES —CONTINUED

State	Name	Members Aug. 31, 1909	Term Expires
Mississippi	T. W. McCoy	133	1911
Missouri	J. Fletcher Farrell	361	1911
"	W. C. Harris		1912
Montana	Geo. L. Ramsey	130	1910
Nebraska	S. H. Burnham	314	1910
"	E. R. Gurney		1912
New Jersey	William J. Field	244	1910
New York	Charles E. Warren	865	1910
"	Luther W. Mott		1911
"	David H. Pierson		1911
"	E. S. Tefft		1912
North Carolina	John F. Bruton	127	1911
North Dakota	C. E. Batcheller	190	1911
Ohio	E. W. Bixby	451	1910
"	F. J. Woodworth		1911
Oklahoma	N. T. Gilbert	234	1910
Oregon	J. C. Ainsworth	121	1911
Pennsylvania	Robert E. James	796	1910
"	W. L. Gorgas		1911
"	Wm. A. Law		1911
"	D. McK. Lloyd		1912
South Carolina	Edwin W. Robertson	110	1910
South Dakota	J. C. Bassett	166	1911
Tennessee	T. R. Preston	117	1912
Texas	A. V. Lane	279	1912
Virginia	John M. Miller, Jr	176	1911
Washington	Miles C. Moore	206	1911
West Virginia	Robert L. Archer	133	1911
Wisconsin	A. J. Frame	306	1912
"	John J. Sherman		1912

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EXECUTIVE COUNCIL—CONTINUED

MEMBERS AT LARGE

State	Name	Title	Term Expires
Illinois	George M. Reynolds	Ex-President	1912
"	Ralph C. Wilson	Chairman Ex. Council Am. Inst. of Bank'g Sec.	1910
Kentucky	J. D. Powers	Ex-President	1911
Louisiana	Sol. Wexler	Pres. Clearing House Sec.	1910
Maryland	Edward L. Robinson	V.-P. Sav. Bank Sec.	
Massachusetts	Alfred L. Aiken	Chairman Ex. Com. Savings Bank Sec.	
New York	Lawrence L. Gillespie	Chairman Ex. Com. Trust Co. Section	
"	Lewis E. Pierson	President A. B. A.	1913
Ohio	Wm. R. Creer	President Sav. Bank Sec.	1910
"	E. R. Fancher	V.-P. Clear. House Sec.	
"	Geo. Guckenberger	Chairman Ex. Com. Clearing House Section	
"	H. P. McIntosh	President Trust Co. Section.	1910
Tennessee	F. O. Watts	Vice-President A. B. A.	
Wisconsin	Oliver C. Fuller	V.-P. Trust Co. Section	

MEMBERSHIP OF STATES AND TERRITORIES HAVING LESS THAN 100 MEMBERS

[As of August 31, 1909.]

Alaska	14	Utah	41
Arizona	40	Vermont	59
Delaware	31	Wyoming	52
District of Columbia	32	Canada	11
Maine	84	Cuba	6
Nevada	31	Hawaii	8
New Hampshire	45	Isle of Pines	1
New Mexico	43	Porto Rico	1
Rhode Island	51	Mexico	17
		Total	567

Members Representing the Above States are as follows:

Name	State	Term Expires
Frank Knox	Utah	1910
W. V. Cox	Dist. of Columbia	1911
Arthur H. Marble	Wyoming	1912

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VICE-PRESIDENTS FOR THE DIFFERENT STATES AND TERRITORIES

W. P. G. HARDING, President First National Bank, Birmingham, Ala.
W. T. PERKINS, Director Alaska Banking & Safe Deposit Co., Nome, Alas.
LLOYD B. CHRISTY, Cashier Valley Bank of Phœnix, Phœnix, Ariz.
HENRY THANE, Pres. Desha Bank & Trust Co., Arkansas City, Ark.
JAS. K. LYNCH, Vice-President First National Bank, San Francisco, Cal.
H. M. RUBEY, Cashier Woods-Rubey National Bank, Golden, Colo.
C. C. BARLOW, Cashier Yale National Bank, New Haven, Conn.
J. P. WINCHESTER, President First National Bank, Wilmington, Del.
WM. D. HOOVER, President National Savings & Trust Co, Washington, D.C.
Dr. H. ROBINSON, President Commercial Bank, Jacksonville, Fla.
E. W. STETSON, Cashier Citizens' National Bank, Macon, Ga.
F. F. JOHNSON, President First National Bank, Wallace, Idaho.
WALTER S. REARICK, President Skiles, Rearick & Co., Ashland, Ill.
J. L. MCCULLOCH, President Marion National Bank, Marion, Ind.
E. L. JOHNSON, Vice-President Leavitt & Johnson Trust Co., Waterloo, Ia.
J. R. BURROW, President Central National Bank, Topeka, Kans.
A. M. LARKIN, Cashier German National Bank, Newport, Ky.
N. E. NORTH, Cashier First National Bank, Lake Charles, La.
CHARLES A. MOODY, President First National Bank, Biddeford, Me.
JOHN M. LITTIG, President National Marine Bank, Baltimore, Md.
ALFRED L. AIKEN, Pres. Worcester Co. Institution for Sav., Worcester, Mass.
HENRY IDEMA, President Kent State Bank, Grand Rapids, Mich.
J. S. POMEROY, Cashier Security National Bank, Minneapolis, Minn.
F. W. FOOTE, Vice-Pres. First Nat'l Bank of Commerce, Hattiesburg, Miss.
GRAHAM G. LACEY, Vice-Pres. Tootle-Lemon Nat'l Bank, St. Joseph, Mo.
J. H. T. RYMAN, Cashier Western Montana Nat'l Bank, Missoula, Mont.
S. K. WARRICK, Cashier First National Bank, Alliance, Neb.
L. L. PATRICK, President First Nat'l Bank, Goldfield, Nev.
ARTHUR M. HEARD, Pres. Amoskeag National Bank, Manchester, N. H.
W. H. TAYLOR, Cashier First National Bank, Somerville, N. J.
ALFRED F. KERR, Cashier American National Bank, Silver City, N. M.
HIRAM R. SMITH, Pres. Bank of Rockville Centre, Rockville Centre, N. Y.
H. W. JACKSON, Cashier Commercial National Bank, Raleigh, N. C.
J. H. TERRETT, Cashier Michigan City Bank, Michigan City, N. D.
W. W. BROWN, Vice-Pres. Merchants' National Bank, Cincinnati, O.
H. M. SPALDING, President People's Bank, North Enid, Okla.
R. L. DURHAM, Vice-President Merchants' National Bank, Portland, Ore.
JAMES A. BRADY, Cashier First National Bank, Harrisburg, Pa.
GEORGE B. WATERHOUSE, Pres. Centerville Nat'l Bank, Centerville, R. I.
JOHN W. SIMPSON, Vice-Pres. Central National Bank, Spartanburg, S. C.
JOHN R. HUGHES, President Potter County Bank, Gettysburg, S. D.
WALTER HOWELL, Cashier First National Bank, Union City, Tenn.
L. L. JESTER, President Jester National Bank, Tyler, Texas.

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VICE-PRESIDENTS—CONTINUED

F. E. McGURRIN, Pres. Salt Lake Security & Tr. Co., Salt Lake City, Utah.
H. O. CARPENTER, President Rutland Savings Bank, Rutland, Vt.
ALLEN CUCULLU, Cashier Lynchburg National Bank, Lynchburg, Va.
W. D. VINCENT, Cashier Old National Bank, Spokane, Wash.
W. W. WOODS, Cashier People's Bank, Keyser, West Va.
E. M. WING, Cashier Batavian National Bank, La Crosse, Wis.
B. F. PERKINS, President Bank of Commerce, Sheridan, Wyo.
ALEXANDER LAIRD, Gen'l Mgr. Canadian Bank of Commerce, Toronto, Can.
W. A. M. VAUGHAN, Assistant Cashier Nat'l Bank de Cuba, Havana, Cuba.
CHARLES M. COOKE, Pres. Bank of Hawaii, Honolulu, Hawaii.
WILLIAM MASON, Vice-Pres. Isle of Pines Bank, Neuva Gerona, Isle of Pines.
JOHN CLAUSEN, Mgr. Foreign Dpt. Mexico City Bkg. Co., Mexico City, Mex.
GUILLERMO KORBER, of Müllenhoff & Korber, San Juan, Porto Rico.

COMMITTEES OF THE ASSOCIATION

CURRENCY COMMISSION

A. B. HEPBURN, Pres. Chase Nat'l Bank, New York City, *Chairman.*
JAMES B. FORGAN, Pres. First Nat'l Bk., Chicago, Ill., *Vice-Chairman.*
MYRON T. HERRICK, Chairman Society for Savings, Cleveland, O.
FESTUS J. WADE, President Mercantile Trust Co., St. Louis, Mo.
JOSEPH T. TALBERT, Vice-Pres. Commercial National Bank, Chicago, Ill.
CHARLES H. HUTTIG, President Third National Bank, St. Louis, Mo.
JOHN PERRIN, President American National Bank, Indianapolis, Ind.
LUTHER DRAKE, President Merchants' National Bank, Omaha, Neb.
SOLOMON WEXLER, Vice-Pres. Whitney-Central Nat'l Bk., New Orleans, La.
ROBERT WARDROP, President People's National Bank, Pittsburg, Pa.
ARTHUR REYNOLDS, President Des Moines National Bank, Des Moines, Ia.
E. F. SWINNEY, President First National Bank, Kansas City, Mo.
JOSEPH A. McCORD, Vice-President Third National Bank, Atlanta, Ga.
W. V. COX, President Second National Bank, Washington, D. C.
JOHN L. HAMILTON, Pres. Hoopeston National Bank, Hoopeston, Ill.
FRED. E. FARNSWORTH, New York, Secretary.

FINANCE COMMITTEE

LEWIS E. PIERSON, Pres. Irving Nat'l Exchange Bk., New York, *Chairman.*
CHARLES E. WARREN, Cashier Lincoln Nat'l Bank, New York City.
N. T. GILBERT, Vice-President Lawton State Bank, Lawton, Okla.
CHARLES B. MILLS, Vice-Pres. People's Trust & Savings Bk., Clinton, Iowa.

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P. C. KAUFFMAN
TREASURER



W. G. FITSWILSON
ASSISTANT SECRETARY



FRED E. FARNSWORTH
GENERAL SECRETARY



THOMAS B. PATON
GENERAL COUNSEL



L. W. GAMMON
MANG'R PROTECTIVE DEP'T

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COMMITTEES OF THE ASSOCIATION—CONTINUED

FINANCE COMMITTEE—CONTINUED

BION H. BARNETT, President Barnett National Bank, Jacksonville, Fla.
FRED G. MOFFAT, Cashier First National Bank, Denver, Colo.
F. J. WOODWORTH, Vice-President First National Bank, Cleveland, O.
WILLIAM GEORGE, President Old Second National Bank, Aurora, Ill.
C. H. MCNIDER, President First National Bank, Mason City, Iowa.
D. MCK. LLOYD, President People's Savings Bank, Pittsburg, Pa.

COMMITTEE ON BILLS OF LADING

CLAY H. HOLLISTER, Cashier Old Nat'l B'k, Grand Rapids, Mich., *Chairman.*
F. O. WETMORE, Vice-President First National Bank, Chicago, Ill.
J. A. LEWIS, Cashier National Bank of Commerce, St. Louis, Mo.
WM. INGLE, Vice-Pres. and Cashier Merchants' Nat'l Bank, Baltimore, Md.

STANDING LAW COMMITTEE

W. J. FIELD, Sec.-Treas. Com. Trust Co., Jersey City, N. J., *Chairman.*
HENRY DIMSE, Vice-President Century Bank, New York City.
P. C. KAUFFMAN, Second Vice-Pres. Fidelity Trust Co., Tacoma, Wash.
JOHN K. OTTLEY, Vice-President Fourth National Bank, Atlanta, Ga.
HENRY B. WILCOX, President First National Bank, Baltimore, Md.
THOMAS B. PATON, Counsel and Secretary, 11 Pine Street, New York City.

FEDERAL LEGISLATIVE COMMITTEE

ARTHUR REYNOLDS, Pres. Des Moines Nat'l Bk., Des Moines, Ia., *Chairman.*
E. F. SWINNEY, President First National Bank, Kansas City, Mo.
JOSEPH A. MCCORD, Vice-President Third National Bank, Atlanta, Ga.
W. V. COX, President Second National Bank, Washington, D. C.
JOHN L. HAMILTON, Pres. Hoopeston National Bank, Hoopeston, Ill.

COMMITTEE ON EXPRESS COMPANIES AND MONEY ORDERS

JOSEPH CHAPMAN, JR., V.-P. Northwestern Nat'l Bk., Minneapolis, Minn., *Chairman.*
FRED. I. KENT, Vice-President Bankers' Trust Co., New York, N. Y.
MILTON E. AILES, Vice-President Riggs Nat'l Bank, Washington, D. C.
THORNTON COOKE, Treasurer Fidelity Trust Company, Kansas City, Mo.
E. D. DURHAM, The Onarga Bank, Onarga, Ill.

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COMMITTEES OF THE ASSOCIATION—CONTINUED

AMERICAN INSTITUTE OF BANKING COMMITTEE

E. D. HULBERT, V.-P. Merchants Loan & Tr. Co., Chicago, Ill., *Chairman.*
J. H. PUELICHER, Cashier Marshall & Ilsley Bank, Milwaukee, Wis.
D. C. WILLS, Cashier Diamond National Bank, Pittsburg, Pa.

SPECIAL PROTECTIVE COMMITTEE

F. H. CURTISS, Cashier First National Bank, Boston, Mass., *Chairman.*
D. S. CULVER, V.-P. National-German American Bank, St. Paul, Minn.
E. K. SMITH, Cashier State National Bank, Texarkana, Ark.

COMMITTEE ON FIDELITY BONDS AND BURGLARY INSURANCE

JOHN L. HAMILTON, Pres. Hoopeston Nat'l Bank, Hoopeston, Ill., *Chairman.*
GEORGE L. RAMSEY, Pres. Union Bank & Trust Co., Helena, Mont.
C. Q. CHANDLER, Pres. Kansas National Bank, Wichita, Kan.
C. E. BATCHELLER, Cashier First National Bank, Fingal, N. D.
F. H. FRIES, Pres. Wachovia Loan & Trust Co., Winston-Salem, N. C.

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CONSTITUTION

OF THE

AMERICAN BANKERS' ASSOCIATION

DECLARATION

In order to promote the general welfare and usefulness of banks and banking institutions, and to secure uniformity of action, together with the practical benefits to be derived from personal acquaintance and from the discussion of subjects of importance to the banking and commercial interests of the country, and especially in order to secure the proper consideration of questions regarding the financial and commercial usages, customs and laws which affect the banking interests of the entire country, and for protection against loss by crime, we submit the following Constitution and By-Laws for The American Bankers' Association:

CONSTITUTION

ARTICLE I

SECTION 1. This Association shall be called "THE AMERICAN BANKERS' ASSOCIATION."

ARTICLE II

SECTION 1. Any National or State Bank, Trust Company, Savings Bank, Private Banker, or Banking Firm may become a member of this Association upon the payment of such annual dues as shall be provided by the By-Laws, and may send one delegate to the annual meetings of the Association; and any member may be expelled from the Association upon a vote of two-thirds of the Executive Council.

SEC. 2. Each delegate shall be an officer or director or trustee of the institution represented, or a member of a banking firm, or a private banker.

SEC. 3. Delegates shall vote in person; and no delegate shall be entitled to more than one vote.

SEC. 4. All votes shall be *viva voce*, unless otherwise ordered, except as hereinafter provided; any delegate may demand a division of the house.

ARTICLE III

SECTION 1. The administration of the affairs of the Association shall be vested in the President, First Vice-President of this Association, and one

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Vice-President for each State which may be represented in this Association (the word State as used in this article including Territory and the District of Columbia), and in an Executive Council, which shall be elected at the annual meeting.

SEC. 2. The Executive Council shall consist of the following:

(a) From States having a State Bankers' Association and having one hundred or more members of the American Bankers' Association in each such State, one member from each State for the first one hundred members of the American Bankers' Association in such States respectively at the close of the preceding fiscal year, August 31, and an additional member of said Council for each additional two hundred members of the American Bankers' Association in such States respectively.

(b) From States having no State Bankers' Association, or those which have less than one hundred members of the American Bankers' Association within their separate borders, one member for the first hundred of the combined membership of all such States and one additional member of said Council for each additional two hundred members. Members of the Council from States described in sub-section (b) must be delegates (as defined in Article II, Sections 1 and 2) from some one of such States and not more than one of such members can be from the same State.

(c) The following shall be members *ex-officio:* The President of the Association: the First Vice-President; ex-Presidents for three years after the expiration of their terms of office as President; the Presidents, First Vice-Presidents, and Chairmen of the Executive Committees of Trust Company, Savings Bank and Clearing House Sections, and the Chairman of the Executive Council of the American Institute of Banking.

To be eligible, a member of the Executive Council must be a delegate as defined in Sections 1 and 2 of Article II. Such member shall become ineligible and a vacancy created (1) by his removal from the State from which elected; (2) when he, or the firm or institution he represents, is no longer a member of the Association; (3) when he, not being a private banker, member or partner in a banking firm which is a member, is no longer connected as officer, director or trustee of an institution which is a member.

No retiring President or Vice-President or retiring member of the Executive Council shall be eligible for re-election to the same position until the next annual convention after the expiration of his term of office.

SEC. 3. Preliminary nominations for members of the Executive Council and Vice-President for each State and selection of the members of the Nominating Committee shall be made as follows:

A. In States having State Bankers' Associations and having one hundred or more members of the A. B. A., in each such State the member or members of the Executive Council to which such State is entitled shall be nominated by a majority vote, which shall be by ballot of the members of the A. B. A. attending the annual conventions of the separate State Bankers'

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Associations. In a similar manner such States shall nominate a Vice-President for the State and appoint a delegate to represent them as a member of the Committee on Nominations at the annual conventions. For such purposes the Vice-President of the A. B. A. in each such State shall call a meeting of the members of this Association at such State conventions and shall preside at such meetings. In his absence any three members attending the convention may call such meeting, and those in attendance shall select their presiding officer. At such meeting the members shall vote in person only from a list certified to by the General Secretary of the Association or the Vice-President from that State. The Secretaries of the respective State Associations shall certify the nominations which have been made as set out herein, to the General Secretary of the A. B. A. on or before the date of its annual meeting. In case of dispute as to who is the rightful nominee or nominees for the Executive Council or Vice-President for the State, nominated at any State Association convention, or where there is other claim affecting the validity of any nomination, it shall be the duty of the Committee on Nominations, provided in Section 4 next following, to decide the dispute or claim, and their decision shall be final. The uncontested members of the Nominating Committee shall similarly decide on any dispute or claim affecting the seat of any member whose claim to membership is contested

B. In the case of States which have no State Bankers' Association or those which have less than one hundred members of the A. B. A. within their respective borders, the Vice-Presidents of the Association for such States attending the convention shall constitute a Nominating Committee and meet apart immediately after the first adjournment of the Convention. At such meetings they shall elect a Chairman and Secretary from among their number and nominate the members of the Council to which the aggregate membership of all such States is entitled. They shall also nominate a Vice-President and select a member of the Nominating Committee for each State so represented. On all questions coming before the meeting, each member shall have as many votes as there were members of the A. B. A. on August 31 preceding, within the borders of the State he represents. In the absence of a Vice-President of any such State the majority of delegates from such States attending the convention may nominate one of their number to serve in place of the absentee. Immediately after nominations are made as herein provided, the Secretary of such Committee shall certify such nominations to the General Secretary of the Association.

SEC. 4. Nominations for President, First Vice-President, Vice-Presidents for each State and for members of the Executive Council shall be made at the annual convention as follows: As soon as practicable after the first adjournment, the General Secretary of the Association shall call a meeting of the members of the Nominating Committee selected in accordance with the provisions of Section three next above. Such Committee shall meet and select its Chairman and Secretary from their number. They shall receive from the General Secretary of the Association the preliminary

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nominations for members of the Executive Council and Vice-Presidents for each State which have been certified to him as aforesaid. They shall nominate a candidate for President and First Vice-President and the candidates for Vice-President for each State and for the Executive Council which have been certified to the General Secretary of the Association. The Committee may make its report at any subsequent session of the convention, but its nominations shall not exclude the name of any person otherwise nominated in the convention; except that if other nominations are made for members of the Executive Council or Vice-Presidents for the States in place of those nominated at the conventions of the respective State Associations, such nominees must be eligible delegates from the same States as those in whose place they are nominated; and if other nominations are made for members of the Executive Council which have been nominated by the Committee of Vice-Presidents, such nominees must be also from the same States as those in whose place they are nominated.

SEC. 5. Nominations and elections of members of the Executive Council shall be for a term of three years, and as nearly as practicable only one-third of the total elective membership shall be elected each year. Where the nominees or membership for any term exceed those for any other term or terms the Nominating Committee shall adjust the terms of nominees, by lot or otherwise, so as to make the membership for each term of one, two or three years equal as nearly as practicable. The election for President, First Vice-President, Vice-Presidents for each State and for members of the Executive Council shall be by ballot, unless otherwise ordered by the convention. Nothing herein contained shall affect the tenure of office of members of the Executive Council elected before the adoption of this amended Constitution. In determining the number of members of the Executive Council to which any State may be entitled, the number of members already on the Council from such State, if any, shall be deducted.

SEC. 6. Each Vice-President, other than the First Vice-President, shall have the supervision of such business of the Association, exclusive of its general business in charge of the Executive Council and other officers, as may pertain to the State or Territory in which he resides, and may call meetings of members therein relative to such business whenever he may deem the same necessary. But no expense shall be incurred in the conduct of such business or in the calling of any such meetings, without the approval of the President, First Vice-President and Chairman of the Executive Council of the Association.

SEC. 7. The Executive Council shall meet immediately upon the adjournment of the annual convention of the Association, and, a quorum being present, elect one of their number Chairman and appoint Committees, a General Secretary, a Treasurer, Assistant Secretaries, a General Counsel and such other employees of the Association as may be deemed proper, and the Council may, at their discretion, discharge the General Secretary, Treasurer, Assistant Secretaries, General Counsel, or other em-

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ployees. The Executive Council may define the powers and duties of such committees as it appoints. The Executive Council shall have the power to fill vacancies that may occur in any of the offices of the Association and in the membership of the Council, provided, however, that vacancies in the membership of the Council shall be filled by the election of a member of the Association from the same State or Section in which such vacancy occurs.

SEC. 8. The Executive Council shall take charge of the general business of the Association, receive communications, arrange for holding the annual convention and other meetings, procure and arrange subjects for discussion in the order in which they may come before the convention, provide for speakers and carry out the resolutions passed. The attendance of twenty members of the Council shall constitute a quorum for the transaction of business.

SEC. 9. Special meetings of the Executive Council may be called by request of ten of its members, giving two weeks' notice to the General Secretary desiring him to call such special meetings.

SEC. 10. The Executive Council shall provide—first, for keeping the records of the proceedings of their meetings, as well as that of the Association's annual or special meetings; second, they shall submit to each annual meeting a report covering their official acts as well as a statement of any new or unfinished business requiring attention; third, they shall make full statements of the financial condition of the Association; and, fourth, submit an estimate of the amount required to carry on the affairs of the Association according to their judgment of the business to be done, recommend means for raising money to carry out such plans as may be resolved upon by the Association and raise and disburse the money therefor.

SEC. 11. The General Secretary shall make and have charge of the records of the Association. These records shall include the correspondence of the Executive Council and that of the Standing Protective Committee. He shall be held responsible for and charged with the safe-keeping of the records of both the Executive Council and the Protective Committee. And it shall be his duty to send promptly to each member of the Association a synopsis of the reports received by him of attempted or accomplished crime against any member of the Association. These records shall be the property of the Association and be held subject at all times to the order of the Executive Council.

SEC. 12. The Treasurer shall receive and account for all moneys belonging to the Association, and collect dues; but shall pay out moneys only upon vouchers countersigned and approved by the General Secretary and by the President or First Vice-President or by the Chairman of the Executive Council.

SEC. 13. All detective and legal expenses and costs incurred by the Protective Committee and other committees not exceeding the appropriations set apart for the use of these committees, respectively, shall be paid by the

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Treasurer only upon vouchers drawn by the chairmen of the various committees, duly countersigned as provided for in Article III, Section 12, of this Constitution.

SEC. 14. The General Secretary, Treasurer and Assistant Secretary shall each give to the American Bankers' Association a bond in amount and form satisfactory to the Executive Council.

ARTICLE IV

SECTION 1. The President, the First Vice-President, and the Chairman of the Executive Council shall appoint a Standing Protective Committee of three persons, whose names shall not be made public. The said Committee shall control all actions looking to the detection, prosecution and punishment of persons attempting to cause or causing loss, by crime, to any member of the Association.

SEC. 2. The said Committee, when called upon for aid by any member of the Association through the General Secretary, shall forthwith take such steps as it shall deem proper to arrest and prosecute the party charged with the crime. Provided, however, that no expense or liability shall be incurred beyond the amount of funds in the treasury especially appropriated for that purpose.

SEC. 3. Said Committee or a member of the American Bankers' Association is prohibited from compromising or compounding with parties charged with crime, or with their agents or attorneys, a case once committed to the Association, which results in the apprehension of the criminal.

SEC. 4. All members of the Association, when called upon by the General Secretary in behalf of the Protective Committee for information or aid, shall promptly respond by giving all assistance in their power; and all members shall, at all times, notify the General Secretary, who shall promptly notify the Committee, of any attempted or accomplished crime reported to him as likely to affect other members of the Association.

ARTICLE V

SECTION 1. Annual Conventions of the Association shall be held at such times and places as shall be determined by the Executive Council. Special meetings may be called by the Council, if, in their opinion, circumstances require them, giving two weeks' notice of the time and place of meeting, together with the subject matter of business to come before such special meeting. The Executive Council shall meet to arrange the order of business on the day preceding any general meeting of the Association. By consent or request of a majority of the Executive Council, any meeting of the Association may be postponed. Reasonable notice shall be given by the General Secretary to the members of such postponement.

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ARTICLE VI

SECTION 1. The expenses of the Executive Council of the Association, in carrying out the business to be done by it, shall be provided for by the annual dues of the members of the Association; provided, however, that the Executive Council shall have no authority to incur or contract on behalf of this Association any liability whatever beyond the amount of the annual dues and moneys especially collected. No expenses shall be incurred except for purposes designated in this Constitution.

ARTICLE VII

SECTION 1. Resolutions or subjects for discussion (excepting those referring to points of order or matters of courtesy) must be filed with the General Secretary at least fifteen days before the annual convention and submitted to the Executive Council at its regular meeting preceding the convention, but any person desiring to submit any resolution or business in open convention may do so upon a two-thirds vote of the delegates present, or such resolution or business shall be referred to the Executive Council to report upon immediately; provided that this shall not apply to any proposed amendment of the Constitution.

ARTICLE VIII

SECTION 1. Any member failing to pay within three months the membership dues shall be considered as having withdrawn from the Association, but may be reinstated upon application to the General Secretary, and paying all dues in arrears, with the consent of the President or Chairman of the Executive Council.

ARTICLE IX

SECTION 1. Sections of the Association are hereby established, as follows:

(a) A Trust Company Section, whose scope shall embrace all matters of interest to trust companies.

(b) A Savings Bank Section, whose scope shall embrace all matters relating to institutions receiving savings deposits.

(c) A Clearing House Section, whose scope shall embrace all matters relating especially to work which may be of interest and advantage to members of this Association which properly come within the scope of clearing houses.

The above Sections shall meet annually in connection with the meeting of this Association, and their program and proceedings may be published from time to time together with the proceedings of the Association.

(d) An American Institute of Banking Section, whose scope shall embrace all matters relating especially to the work as outlined by the Educational Committee of this Association and embodied in the Constitution

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and By-Laws of said Institute. Said Section shall meet at such time and place as shall be designated by the Executive Council of said Section.

All Trust Company and Savings Bank members of the Association who desire may enroll themselves as members of their respective Sections. The Sections shall make reports to the Association, and affairs relating to their membership may be referred to them.

Notice shall be given to the Executive Council of the Association of any proposed amendment of the Constitution or By-Laws of any Section created by this Constitution. The Sections shall be under the supervision of the Executive Council, who may make such provision for them as to such Council may deem wise.

ARTICLE X

SECTION 1. This Constitution may be amended at any annual meeting by a vote of two-thirds of the members present, notice of the proposed amendment having been submitted to the General Secretary at least thirty days before the annual meeting, and the General Secretary shall forward to every member of the Association a copy of such proposed amendment, at the same time the other notices are sent out, and shall submit it to the Executive Council, that they may arrange to bring it before the Convention under the regular order of business.

Any amendment to the Constitution regularly submitted as above may be itself amended on the occasion of the annual Convention by a vote of two-thirds of the members present.

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BY-LAWS

OF THE

AMERICAN BANKERS' ASSOCIATION

FIRST. The annual dues to the Association shall become due and payable in advance September 1st of each year, which date shall be the commencement of the fiscal year of the Association.

SECOND. The annual dues of the members of this Association, including annual subscription to its monthly JOURNAL, shall be $10.00 for Banks and Trust Companies having an aggregate capital and surplus of less than $100,000, private bankers, and banking firms; $20.00 for Banks and Trust Companies having an aggregate capital and surplus of $100,000 and less than $250,000; $25.00 for Banks and Trust Companies having an aggregate capital and surplus of $250,000 and less than $500,000; $30.00 for Banks and Trust Companies having a capital and surplus of $500,000 and less than $750,000; $40.00 for Banks and Trust Companies having a capital and surplus of $750,000 and below $1,000,000; $50.00 for Banks and Trust Companies having a capital and surplus of $1,000,000 and below $5,000,000; $75.00 for Banks and Trust Companies having a capital and surplus of $5,000,000 and over.

Each member of the Association having a branch or branches, without separate capital specifically set aside therefor, and desiring to have such branch or branches become members of this Association, must pay annual dues in addition to $10.00 for each such branch. In case any branch has a separate capital, dues must be paid for such branch according to capital the same as if it were an independent member.

Dues for savings banks without capital are based on surplus or reserve fund.

The annual dues of members who do not subscribe to the JOURNAL shall in each case be one dollar less than the amounts above specified.

THIRD. The official publication of the Association shall be issued monthly under the direction of the General Secretary and the General Counsel and shall be called the JOURNAL OF THE AMERICAN BANKERS' ASSOCIATION. Subscription price for such publication shall be one dollar a year. Out of the annual dues of each member who subscribes therefor, provided in By-Law Second, there shall be set aside the sum of one dollar in payment of each such member's annual subscription which shall be actually used for the purpose of said publication.

FOURTH. These By-Laws may be amended by the Executive Council by a two-thirds vote of the members present at any meeting thereof.

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THE AMERICAN BANKERS' ASSOCIATION

THIRTY-FIFTH ANNUAL CONVENTION

CHICAGO, ILLINOIS

FIRST DAY'S PROCEEDINGS

Tuesday, September 14, 1909.

The Convention was called to order by the President, Mr. George M. Reynolds, President of the Continental National Bank, Chicago, Ill.

PRESIDENT REYNOLDS: The Thirty-fifth Annual Convention of the American Bankers' Association will be opened with prayer by the Rev. Joseph A. Milburn, D.D., Pastor of Plymouth Congregational Church, of this city.

PRAYER

BY REV. JOSEPH A. MILBURN, D.D.

Our Father, we come to Thee with thanksgiving and with love, and we ask Thee to bestow the spirit of enlightenment in large measure upon these Thy servants assembled here to-day that they may be wise in their deliberations.

We beseech Thee to accept our thanks and our love for all Thy goodness unto us; for the privilege of life, for the joy of living in this very vital and interesting period, this day of deep horizon, of imperial dream and of mighty performance.

We thank Thee for the patrimony that is ours because we are the heirs of God and joint heirs with Jesus Christ; the patrimony that no man may limit by his greed or diminish by his avarice; the patrimony of the large vast world outside, so rich, so opulent in life.

We beseech Thee, our Father and our God, to lift us above all petty and minor interests into this large consciousness and this larger life that we should bear towards the larger world.

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We thank Thee for the inheritance that comes to us as citizens of this great and wonderful country. We thank Thee for our vast territory, for our great physical magnitude, for our broad and sweeping landscapes, and for our wealth, and for our efficient men; and we thank Thee for all Thy wonderful gifts to us as a nation and as a people.

And now we come to ask Thee to defend us from the very fullness of our privileges and from the baseness of our possessions. We ask Thee to safeguard this people against a menace of prosperity, against the arrogance of power, against the pomp and the vulgarity of riches, against all the evils that are borne of its strength, against the lust of matter, against the vice of greed and against the sordidness of the heart.

We beseech Thee to defend us from the vagaries of dreamers, from intemperance in high places, from excessive zeal on the part of reformers; from the vagaries of public opinion and from the recklessness of the public conscience. Deliver us, O Lord, and make us a people of sane vision and endow us with the fine instinct of precaution.

We beseech Thee to build up in this nation a great body of men in the industrial and the commercial world who shall be men of truth and men of honor, who shall give precedence to the good rather than to power, and to integrity rather than to emolument.

We beseech Thee to touch the great splendid energies of this nation, and especially the industrial part of this nation, with light and with loveliness.

And may this nation and this people grow from strength to strength and from beauty to beauty and from grace to grace and from virtue to virtue, through Jesus Christ, Our Saviour and our Lord, Amen.

PRESIDENT REYNOLDS: Ladies and Gentlemen, I take great pleasure in introducing the Hon. Charles S. Deneen, Governor of Illinois, who will extend to the Association a welcome on behalf of the State of Illinois. (Applause.)

ADDRESS OF WELCOME

BY GOVERNOR CHARLES S. DENEEN

Mr. President and Gentlemen of the American Bankers' Association:

I am pleased to welcome to Illinois this gathering of representatives of the banking interests of the country. The custom which has been rapidly growing among business men of late years, of gathering to discuss subjects which are of special interest to them in the conduct of their business, is of the greatest benefit both to the businesses concerned and to the community at large. In these discussions of business affairs in their larger aspects, the

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truth is sure to come to the surface that the greatest requisite of business prosperity in any special line is the general welfare of the community.

Especially is this the case in a business of such magnitude, and one which bears such intimate relation to all other lines of business, as that of banking. It has become a maxim that the best register of business conditions in a community is the volume of business transacted by its banks; it is an equally well recognized business truth that there is no class of men upon whose unflagging attention to their business, and to the maintenance of its credit and stability, the general industrial welfare so much depends.

The important relation which banking bears to other lines of industry has also been recognized in the law which has, to a large extent, clothed that business with a public interest and regulated and safeguarded its administration in ways which are designed at once to protect the public and the well-conducted banks of the country against unscrupulous practices of those who seek to take advantage of the general confidence in banking institutions to carry on unsound or nefarious practices at the public expense.

No business requires more skill or experience in its conduct than that of banking; and there is none in which the successful exercise of skill and sound judgment over a period of years creates such a valuable asset in the confidence of the business community. This is, in fact, the great asset of the banker. Hence the almost mercurial change which the slightest breath of suspicion as to the stability of a banking institution creates in the community.

This increased sensitiveness is characteristic of modern business conditions. Its most obvious feature as contrasted with the old-fashioned methods of business is the greater interdependence of industries in the modern system. Everywhere the tendency is to establish closer relations between different branches of business so that the prosperity or adversity of one branch becomes the concern of all.

As I have said, this is especially true of your business, which is more sensitive perhaps than any other to the failing of prosperous conditions which obtain in other industries.

The old transition from barter to purchase by money, is now being replaced by the still more refined transition from cash to credit transactions; and in the transition, the gain in economy is accompanied by this increased sensitiveness which makes more than ever important the widest knowledge of business conditions and the most scrupulous honesty of administration. These alone can beget and maintain the necessary condition of business upon a credit basis—implicit confidence.

To secure this, it is necessary not only that you join to prevent, as far as possible, the recurrence of those disastrous failures which it is impossible always to avoid in the administration of any single institution, by forming associations for the mutual protection of their members; but it is also necessary that the best means should be adopted to weed out from so

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honorable a calling as that of banking all who have entered it for nefarious purposes.

The latter object can only be attained through the perfecting of the laws in relation to banking, and it is gratifying to note that in the effort of the State and National governments to throw around banking an unusual share of legal protection, both for their own and the public safety, the bankers themselves have taken the initiative.

Doubtless among the purposes for which your convention has assembled will be the consideration of methods and means for still further adding to security in the administration of the banking business; and whatever you accomplish in this direction will be of the highest benefit to the business community.

As representatives of the great monied interests of the country, your deliberations will be of special interest to the business men of this metropolis, one of the financial and commercial centers of the country and of the world. This great city, through the wide range of its business transactions, is affected by financial and business conditions in all parts of the world. Our citizens will, therefore, follow with eagerness the accounts of your proceedings as reported in the daily press reports, and will await with the keenest interest whatever conclusions you may reach as to the future of the banking business.

But I am not here to discuss banking affairs. I am here to bid you welcome in behalf of the State and the city, which I do most cordially. Our boulevards and our parks, our palaces of art and our marts, our palatial banks and stores, and our hospitable homes are yours. We bid you welcome to all of these, and we bid you thrice welcome to come again. (Applause.)

PRESIDENT REYNOLDS: We will next be favored with an address of welcome by Mr. Joseph T. Talbert, President of the Chicago Clearing House Association and also Vice-President of the Commercial National Bank of Chicago. (Applause.)

ADDRESS OF WELCOME

BY MR. JOSEPH T. TALBERT

Mr. President and Members of the American Bankers' Association:

It is a pleasure and a privilege to be called upon to extend in behalf of the banks and bankers of Chicago an official welcome to the members of the American Bankers' Association on the occasion of this, their third convention in our city. Occupying as you do a position unique in American finance and representing as you do not only the small and remote

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banks, but also the great and strong among our financial institutions, this privilege becomes an honor.

It is easy to say that you are welcome and that we are glad to have you with us: but we intend to try not only to make you feel at home but to give evidence of the fact that you are genuinely welcome. In carrying out this purpose we have not sought to make a display of entertainment, nor to prepare a tedious program, consuming every moment of time, through which each visitor must be forced, whether or no; but there has been left opportunity for all to visit their friends and correspondents or to go sightseeing and to the places of amusement for which cards are supplied, or to do anything else which individual fancy prompts. We have thought that true hospitality lies in making a guest feel first all of that he is welcome, and then, after providing the things necessary for his comfort and physical well-being, to place him at ease by allowing reasonable freedom to indulge personal inclinations. It is hoped that this will sufficiently account for all gaps or omissions there may appear to be in the official program. If there be any among you who has not found suitable and comfortable quarters, every effort will be made to procure them and to make them satisfactory on application to any person you see wearing a Reception Committee badge, or at the Information Bureau at headquarters. It is our earnest wish that every guest be made to enjoy the visit here and no effort on our part shall be spared to accomplish that end.

We are particularly glad to entertain our visitors from the East, for we want them to know more about this young Queen of Western Cities. We wish to show them the things which have made her a Queen, and which in time shall enthrone her as the "Empress of Them All." We are delighted to have with us our guests from the South and Southwest, for we wish to become acquainted with them, to have them know that we are neighborly and friendly disposed, and that we are not half so bad as we have been painted. We intend to show them that here is the near and natural market for their raw products, and here the place for the purchase of merchandise and for the establishment of new banking connections. It is unnecessary to say that we welcome our friends and neighbors from the West and Northwest and all the way from the Pacific Coast, for they know us—indeed they are a part of us. They know that Chicago is great, industrially and financially, and they also know that it is due to the fact that they themselves are great, and growing in greatness, and that the strength and prosperity of this city is but a reflection of their own happy condition. Therefore, I am upon safe ground when I extend to visitors from every section a thrice cordial welcome.

I might make a lengthy speech reviewing the growth in importance and power of your Association, numerically and financially, since first you met in Chicago, twenty-four years ago, and again in 1893; and in contrasting the modest beginnings of those days with your present membership of over ten thousand, including banks whose aggregate resources are over

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fourteen billion dollars. I might call attention to the growth in population, wealth and banking power of Chicago, which has been no less remarkable. Within fifteen years the deposits of the associated banks of this city have increased nearly five fold, growing from $172,000,000 to about $750,000,000. This is an impressive, almost a startling, fact. Much that is interesting and significant might be said about it, but I fear it would be an encroachment upon your time and upon that of the distinguished speakers who are to follow. Chicago will continue to grow, not only in mere numbers of individuals who dwell here, but in business importance and in financial power. This is inevitable because of its geographical position in the heart of this great empire; because of the unequalled network of railways, the veins and arteries of trade, which flow inward and outward; and more than all, because its famous hinterland is rich and productive and populous. In this respect no city in the world has ever been more advantageously situated. These things make Chicago the City of Destiny, the splendor and glory of whose future it is vain to prophesy.

I might also with pardonable pride call attention to the excellent example which Chicago in recent years has been giving to other cities and to the world in improved methods for the examination and regulation of her associated banks—an example which I am glad to say has been followed by a number of progressive cities. It is sufficient to say that this great industrial and distributing center is justly proud of its excellent banks, and feels fortunate as well as safe in the possession of a number of them which rank among the strongest and best managed in this country.

There is just one central thought which I wish to impress upon you, and it is neither about Chicago nor her banks. It is this: The most important work to which this Association can presently devote itself lies in influencing and in shaping state and national legislation along the lines of sound economic laws; I mean those which embody correct principles and which will promote sound banking. We have been sailing for a long time through financial fog, and while in some quarters the sky seems to be clearing, the harbor of popular soundness on financial subjects unhappily is not in sight; nor can we yet discern the shore line of *terra firma* in our monetary system.

Away back in 1885, when this Association first met in Chicago, the chief subject of discussion was the then overshadowing cloud—the Silver Question. Such men as Lyman Gage, W. L. Trenholm, George Hague of Montreal, Edward S. Lacey, then Comptroller of the Currency, and others, argued for the immediate repeal of the Bland Act of 1878, and against the enforced coinage of Standard Silver Dollars. They pointed out the inevitable truth that failure on the part of Congress to repeal that Act would end in a panic. The wisdom and sound judgment of these men, all of whom were experienced in finance and whose opinions were entitled to respectful consideration, went for naught; but eight years later the panic came, during which we passed through one of the most distressing periods in our financial history. In a few months, more than 150 national banks

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and no less than 500 state, savings and private banks closed their doors. The loss to the business interests of the country was incalculable, for the depression following the panic was great and prolonged. Then came the repeal of that obnoxious statute, and three years later, when the question of the free and unlimited coinage of silver was submitted to the people as the leading political issue, that delusion was definitely and finally settled. It required twenty years to educate the people to a proper understanding of it, while the patriots who fought the silver heresy and sought to place our monetary system soundly upon a gold basis were branded as criminals and conspirators.

It would be difficult to find now an intelligent banker or business man who would contend that the question was not wisely and properly determined. Although the revival of business and the years of great prosperity which followed the repeal of the Bland Act killed, embalmed and buried the free silver question forever as a political issue, we should not lose sight of the fact that it stood for months, if not for years, a hideous nightmare, the very sight and fear of which paralyzed business industry and almost destroyed the confidence of the world in us. We should remember, too, that although the issue finally was settled rightly, it was done by a margin perilously narrow, and entirely too small upon which to stake again any great issue involving national finance and with it national honor. It is, indeed, doubtful whether our national honor would have been saved had we not been blessed at that critical moment with a President possessed of that splendid courage and strength of character which rises equal to such occasions and which is as rare as it is admirable.

Just so it will be necessary to educate the people and probably as much time will be required in which to do it, concerning other menaces and weaknesses in our financial system. But when this has been done and the people fully apprehend the dangers to which they are needlessly exposed and when they realize that the remedy is in their own hands, there can be no question but that their verdict will be equally conclusive. I refer, of course, to our defective currency system; and, I may fairly say, to the alarming tendency towards unsound and dangerous State banking laws. We have reason to hope for good results in the way of popular education from the work of the Monetary Commission of the House and Senate. There is also reason to believe that the Currency Commission have undertaken their work seriously and in good faith, and that they are doing it thoroughly. When their report is made it is expected to embrace broad and comprehensive measures of reform. However, it is not out of place to point out to you and to emphasize the fact that sound and correct, instead of artificial and political, legislation in our finances is imperative, and infinitely more important than the tariff or any other issue that has been before us in recent years. It is discreditable, not to say disgraceful, that we have not a currency system that will meet every legitimate need of business. There are no valid reasons why we have not such a system. After recent experience

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failure to perfect the currency and place it upon a basis as sound as that of any other country in the world would be a national shame. The Currency Commission no doubt will report a wise and safe solution of our problems, but when it comes to framing and enacting laws based upon their recommendation they will need the support, not only of bankers, but of the business interests of the whole country and most of all the influence of the press to stimulate Congress to action.

To those of you who were in the banking business during the panic of 1907 no arguments in favor of reformation are necessary. But there was a feeling among bankers outside the larger cities that the disturbance might have remained local, or at least that its effects would have been nearly imperceptible in the West, had not the Chicago banks, following the example of New York, without warning suspended currency payments and resorted to Clearing House Certificates. Perhaps there are yet a few who think it was unnecessary for us to have done so, but to all who have any such lingering beliefs, I wish to say that there are within my hearing bankers from New York, Chicago, and perhaps from other cities, who know it is a fact, and who will confirm the statement that London (which is the market of last resort to which we can turn in such crises for the purchase of gold) as definitely and finally refused to sell and ship gold to the United States before we ceased currency payments, as New York and Chicago banks were obliged to do afterwards.

Instead of censure, therefore, it is but scant justice to say that the great banks of New York, and in a less degree perhaps our own banks, deserve the highest praise for their prompt action and the greatest measure of admiration for the courage they displayed in thus calmly facing a crisis calculated to test their strength and prove their soundness.

We have learned by experience how to deal with panics and by the use of credit how to mitigate some of the evils which they entail; but we shall not be able to prevent panics until the Government, which itself harmfully meddles in the business of banking, shall permit its chartered banks, always, of course, within proper limitations and under safe regulations, the use of the civilized weapons of financial warfare, and the employment of defenses for protection of individual credit. Without such weapons and defenses we are, and shall remain almost helpless.

The matter of State legislation with respect to banks and the business of banking is of nearly equal importance and should not escape attention. It would seem that much good might be accomplished by systematic cooperation with State Bankers' Associations. It is a singular fact that the delusions which have found expression in the passage of State laws compelling all good, sound and carefully conducted banks to guarantee the mistakes or frauds of bad and recklessly managed ones, do not seem to take root nor to flourish in industrial and financial centers so much as in those sections where less relative use is made of banks; and curiously enough these delusions seem to possess classes who never have been richer

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or more prosperous than they are now. If this suggests anything it is the fact that these are the sections where the greatest amount of educational work must be done. Such laws are the natural outgrowth of the unsound doctrines taught in those sections in the past. It may require ten, twenty, or thirty years to undo this harm but it is not to be doubted in the long run that we shall have a national system which will protect us against disastrous panics and currency famines, nor that we shall have sound and wholesome State banking laws providing abundant regulation (which after all is the best safeguard), and that under these laws there shall flourish a system of banks as safe and as efficiently managed as any in the world. But we cannot hope for so precious a possession without labor, co-operation and patient effort on our part.

Again you are assured that it is a pleasure to extend to each of you a cordial welcome to Chicago, and you are invited to visit our banking institutions, and to become acquainted with our bankers. (Applause.)

THE PRESIDENT: We will now have the pleasure of listening to a response to the addresses of welcome by our friend and comrade, Col. Robert J. Lowry, of Atlanta, Ga.

RESPONSE TO ADDRESSES OF WELCOME

By COLONEL ROBERT J. LOWRY, President Lowry National Bank of Atlanta and Ex-President American Bankers' Association.

Your Excellency, the Governor of the Great Commonwealth of Illinois, to you, Mr. Talbert, the distinguished President of your Association of Clearing House Banks, to His Honor, the President of the American Bankers' Association, Ladies and Gentlemen:

Upon being requested to respond on behalf of the members of the American Bankers' Association to the words of cordial welcome which have been spoken to us this morning from this platform, I was at first somewhat puzzled in an effort to decide why I was named to perform this pleasant duty. After considerable thought, I decided that your committee, with an eye single to the fitness of things, thought that it would be appropriate to have this beautiful welcome on the part of the Chicago of the West accepted on behalf of the Association by a member who hails from the city known as the "Chicago of the South."

I shall be brief, for I am sure that you have a most attractive program before you this morning. I am frank to say, however, that I greatly appreciate the honor of being selected to acknowledge your beautiful courtesies, and to thank you for the royal welcome you have given us. I am sure that I voice the sentiment of this entire body when I say that we appreciate your hearty welcome, your open-handed hospitality, and your

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unstinted generosity. In expressing our thanks, however, for the kind and encouraging words that have been spoken to us by these honorable gentlemen this morning, we hasten to say that this was no less than we did or could expect from Chicago. This is a city renowned for the prodigality of its welcome and entertainment, a city that does nothing by halves, a city that extends the right hand of fellowship and the optimistic word of good cheer and Godspeed to all American citizens, no matter what State in the galaxy of this Union they may call home.

Some of us have had the pleasure of enjoying the hospitality of Chicago before, and we are prepared to say, for we know by past experience, that the best is none too good for the guests of this great city. On behalf of those of us who have enjoyed your splendid entertainment in the past, I say that we are glad to be with you again, and on behalf of those who have not had this pleasure in the past, I know I can safely say they will be glad to come again.

We are not disposed to take unto ourselves any great amount of chesty pride, however, upon receiving your warm welcome, for we know it is for the cause that we represent that we are the recipients of your courtesy. This is a great Association, numbering some 11,000 banks among its membership, and representing assets of many billions of dollars. It has been my privilege and pleasure to watch its phenomenal growth from the small nucleus of a few prominent banks of this country associated together, to the mammoth organization that exists to-day with this enormous membership. It has been an inspiration to me to see it branch out into educational lines, protective lines, and other lines of endeavor for the material uplifting and development of the banking profession throughout the length and breadth of this land. Every bank and banker in this Association feels naturally and justly proud of membership in this organization, not only on account of the high prestige of the Association as such, but on account of the great influence it wields for the benefit of the masses of the people and the whole country. This Association has grown alike in power and beneficence; it has helped to shape wise and beneficent legislation; it has raised its voice against fanaticism and misguided popular clamor, and in time of financial disturbance, has brought order out of chaos, and restored confidence.

Like a great throbbing heart-center, it has sent out through the length and breadth of this broad land a healthful and inspiring influence, which has left its impress not only upon the banking fraternity, but has permeated the channels of business and commercial and professional life, and has injected into the arteries of our daily commerce, safe, sound, and sane principles of commercial honor and honesty. The beneficent influence of this great organization is felt from Maine to California, from the Lakes to the Gulf, and where is the man, the banker, who would not feel a just pride in his membership in an organization which is such a power for good in this great country?

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So I say it is for the cause that we represent, that Chicago extends her hearty hand of welcome. It is her recognition of this great power for good amongst us; it is her spirit of co-operation with all that makes for the uplifting of the people of our country, that she has such a royal welcome extended by these, our distinguished and honored friends.

As individuals, making up this great whole, the most indifferent of our number could hardly fail to be sensible to the gracious hospitality extended, and the pleasant stay we shall have among this cultured and hospitable people. Were it not for the fact that the feeling, which I know exists in the heart of every member of this Association, must be expressed by some one, or else be voiced by all, I would stand mute, and simply look my thanks to the distinguished gentlemen.

We are glad to be here; we are glad to have this meeting of our Association in this great city of the West, full of enthusiasm, wide-awake on all occasions, thoroughly progressive, modern, American! We appreciate the freedom and hospitality of this great city, which has been so freely tendered us, and, on behalf of the grateful membership of this Association, let me thank you most heartily, and say that we know that our visit will be both pleasant and profitable. (Applause.)

ANNUAL ADDRESS OF THE PRESIDENT

MR. GEORGE M. REYNOLDS

Members of the American Bankers' Association and Guests:

Assembled, as we are, at a time when prosperity again smiles on our country and our people are at peace with the world and among themselves, I congratulate you upon the favorable auspices under which the Thirty-fifth Annual Convention of this Association begins its deliberations.

The large attendance at the Convention this year, exceeding by far that in any previous year and reflecting as it does an increased interest by our members, is both gratifying and encouraging.

While the past year has not brought as great activity in business, nor as satisfactory returns on capital invested nor for labor performed as we could have hoped, still, blessings have been showered upon us in increasing measure as time has passed; and where a short time ago there was hesitation in business and doubt, we now find activity and confidence. The financial sky which, during the closing days of 1907, became so filled with clouds of doubt and distrust as to affect our confidence and chill our hopes and which brought such complete paralysis to our business, thus causing a long period of depression and entailing incalculable loss to our people, is rapidly clearing. Hope deferred has given place to hope realized and the fulfillment of our wishes. Activity and progress, guided by courage and conservatism, are again the watchwords of our people.

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Nature, directed by a Divine Providence, has showered upon us her products in such generous measure that our storehouses are filled to overflowing and we still have much to spare to Europe and other countries, the disposition of which will create for the United States a large international credit.

With the tariff question settled, thus removing the chief handicap to a greater revival in business during the past year, and with the latent energies of our people now fully awakened to activity, we will, if our efforts are directed by intelligence and accompanied by frugality on the part of our people, soon come into a full fruition of our hopes, through a speedy return to normal conditions in business.

During the year that has passed since our last convention, this Association has prospered; its business affairs are in excellent condition; there has been a satisfactory growth in its membership; our treasury reflects a strong condition, and the various reports show that the officers, the members of the Executive Council, the different Sections and the various committees have been active and alive to the interests of the Association.

The offices of the Association, in New York, under the control and management of your efficient secretary, Mr. Fred. E. Farnsworth, are a veritable beehive of industry, in which the affairs of the Association are conducted along modern business lines; order and method prevail; and efficiency of service, together with courtesy and affability on the part of all, in their contact with the public, makes a visit to that office a pleasure.

The past year has been our first experience under the increased membership of the Executive Council and the manner of its election, and I am happy to be able to say to you that I believe the change has proven to be a wise one, and great credit is due to those who were instrumental in bringing it about.

The fact that the members of the Council are now elected by the delegates from the various States, at the time and place the conventions of the State associations are held, has brought about a much closer relationship between this Association and the various State Associations, and in addition has eliminated from these meetings much of political activity.

During the year the officers and employees and various Sections and Departments of the Association have been brought together in one building, and all have worked in complete harmony for the common good of the Association.

The main work of the Trust Company and Savings Bank Sections has been along lines of interest to State institutions doing a trust and savings bank business, but bankers, generally, are greatly indebted to the Savings Bank Section for the valiant work it has done in opposition to the establishment in our country of a system of Postal Savings Banks.

The Institute of Banking has made splendid progress during the year, and is doing much to equip young men for future responsibilities in banking.

Inasmuch as under our Constitution the actual business of the Associa-

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tion is transacted and much of its real work is done by the Executive Council and through various committees, the reports which will follow will give you detailed information concerning all matters taken up by the Association; and I urge upon you a careful study of these reports, in order that you have may a full realization of the character and magnitude of the work that has been done.

The growth and usefulness of organizations of this character depend very largely upon the individual members. Measured by this standard, the magnificent audience at this Convention is both a realization of our hopes of the past and an inspiration for the future. No word in the vocabulary means so much as "co-operation" when it is applied in a practical way to every-day business life, and if this Association stands for anything it stands for co-operation among the bankers of the United States.

No matter what the object may be in the formation of an organization of this kind, if it is to survive and be successful its sustenance must come as a result of the benefits that accrue to the individual members through their co-operation—the pooling of interests which makes the cause of the weak and the cause of the strong the common cause of all.

The fact that this Association has continued to show a steady growth, until it now numbers among its members nearly eleven thousand of the principal bankers of the United States, surely justifies the belief that some good is coming to the bankers of this country through these annual meetings. There are still a few bankers who, I regret to say, shrug their shoulders when the name of this Association is mentioned and who say that it does not accomplish anything of real value and that its meetings are nothing more nor less than excuses for junkets.

Can any intelligent man who possesses a knowledge of the science of human nature stand before this splendid audience and look into its faces and then have the temerity to say that the coming together of you, gentlemen, from every section of the country, in social intercourse, for the exchange of ideas and experiences and for the consideration by you, as an organized body, of questions of vital interest to the banking fraternity, is only an excuse for a junket?

That these assertions are made is due to the fact that those uttering them do not know of the great work this Association has done to promote a higher standard of banking and a better conception by the individual banker of his responsibilities and duties. They have not experienced the thrill of the pleasure given by the handshake of the friends meeting annually at these conventions; they are entirely unconscious of the fact that wide-awake bankers of the country wonder at their failure to accept the opportunities this Association has taken to their very doors.

For twenty years I have been a regular attendant at these annual conventions, and I have seen hundreds of men, young and old, who began their experience in banking in small cities and country hamlets, grow in experience, capacity and personality as a result of the associations their attend-

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ance at these meetings has afforded them, until I see them located in all sections of the country, occupying many of the most responsible positions in banking the country affords.

The first convention of this Association I ever attended had a registration of only about three hundred, and I have seen a steady increase in the number, year by year, until to-day the delegates are counted by the thousands instead of by hundreds, and these meetings have grown in interest as the membership of the Association has increased.

The panic of 1907 was probably the most severe one ever experienced in this country, and since we were forced into a period of financial confusion and disaster to business at a time when the physical conditions of our country were apparently in such a healthy condition, it is plain that there existed some great cause for such a sudden upheaval; and since the cause has not as yet been removed, our felicitations upon the return to better conditions should be tempered with conservatism and caution until this has been accomplished.

That we are so rapidly approaching a more satisfactory condition is due not so much to any change in our economic conditions as to the wonderful recuperative powers given us by the richness and fertility of the soil of our country.

I believe you will agree with me that much of the cause for our last panic is properly chargeable to our currency system, since under it the banks of the country were unable to expand their notes rapidly enough or to the extent necessary to meet the requirements of the situation.

The fact that we had to go into the world's marts and buy gold in such large quantities for immediate delivery, in order to secure the means by which we could restore confidence and assist our industries, depleted the reserves of the banks of the principal countries of Europe to such an extent that confidence was shaken abroad and their business was seriously affected.

The business of the United States has become so international in its character that anything which affects us either favorably or otherwise has a like effect abroad. This interdependence between the principal countries of the world has, in a measure, retarded our return to more active conditions in business, for we cannot hope for normal conditions here until a larger measure of business prosperity is enjoyed by Europe.

The United States being the greatest producing country in the world, we are ambitious to extend as far as possible the sale of our products to other countries, thus securing a large share of the world's trade and increasing our international business: But how can we hope to do this so long as we do not have a system of currency which will command international respect and international confidence?

I do not claim there is nothing of good in our present financial system, for until our volume of business increased to a point where it was so entirely out of proportion to the increase in our circulating medium it served

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its purpose fairly well, and, considering its good features and with a view of disturbing existing conditions as little as possible, it should, for the present at least, be continued, with such additions as would be calculated to meet our needs.

While there has been much agitation of the currency question for many years, it is only within the past eighteen months that the Government has taken any action in the premises.

The result of the initial effort by Congress to provide us with laws under which we would have the means, through our currency system, to protect the business interests of the country was the passage of what is known as the "Emergency Circulation" or the "Aldrich-Vreeland bill." This was not intended to be more than a makeshift, which it was hoped would meet our needs in an emergency, pending consideration by Congress of the whole subject, and is not, therefore, given serious consideration in any discussion of the subject at this time.

The appointment by Congress of the National Monetary Commission was the first step taken by the Government with a view of enacting such legislation as would provide for us an adequate system of currency.

The National Monetary Commission comprises eighteen members, nine of whom were selected from the Senate and nine from the House; it includes some of the ablest and most experienced members of both houses and of the two great political parties, thus forming a body of very capable and strong men. They are charged with the duty of studying the whole question and the formulating of a plan to be embodied in a bill to be presented to Congress for its consideration and possible enactment into a law.

The Commission, as a body and individually, are making a most exhaustive study of the whole subject and are accumulating for their use information and statistics of every character which can seem to have any bearing on the subject. The Executive Committee of this Commission, consisting of nine of its members, went abroad during the summer of 1908 for the purpose of making a careful study of the systems of currency in operation in England, France and Germany. In addition to securing such information as could be obtained through personal interviews with the managers of the principal banks of Europe, the Commission arranged to have written, by the foremost students of political economy in the various countries, a history of the finances of those countries for one hundred years. They also arranged to have prepared for their use, by experts in that line, statistics on all subjects which could have any bearing on the currency question of those countries.

The report which the Commission will make to Congress will be a complete financial history of the principal countries of the world, for the past one hundred years. It will form a text-book upon currency and will be given general distribution among our people.

In view of the magnitude of the work the Commission is doing, its report when rendered will certainly be worthy of our most careful consideration;

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and, knowing as I do the earnest desire of the members of the Commission to frame a bill which will, if enacted into a law, meet our real needs for a currency system, I hope you will all receive the report with open minds and give it the most careful consideration. In the meantime, we should be in a receptive mood, and by open-minded discussion acquire a better understanding of the subject.

As the result of a study of the financial systems of the various countries of the world and the knowledge gained from actual experience in business of some of the changes necessary in order that we may secure a system of currency that will meet all the requirements of our rapidly growing business and which will at the same time command the confidence and respect of the entire business world, I am convinced that we should have established in this country a Central bank, with power of note issue, to be operated under governmental supervision or control.

In the brief time I have at my disposal I can only touch upon some of the salient points of such an institution, but since this is a live subject at this time, I am going to presume on your good nature and your interest in the subject to at least suggest some of the principles which should have careful consideration in connection with forthcoming financial legislation.

The people of the United States, while keenly alive to every question involving a national problem, are slow to cast aside well-known practices to adopt entirely new theories which contemplate radical or revolutionary methods. Therefore, I would recommend for your serious consideration only that which would, for the present at least, insure the continuation of our present national banking system, with slight modifications, to which I will refer later, and with such additions to it as will be necessary to correct the evils in the system or cover the omissions from it.

In considering this question it is necessary for us to first ascertain wherein our present system fails to furnish us what we need, and to suggest a remedy for such imperfections.

Under existing conditions the requirements on National banks for reserves are such that in times of need the banks are forced to contract their credits, instead of expanding to meet the requirements of business, thus reducing, rather than increasing their credit-giving power. Again, under our present system there is not sufficient flexibility in our bank notes to enable banks to meet the reasonable demands of business on them during times of emergency.

With about six hundred and fifty million dollars of our circulating medium consisting of National bank notes secured by United States 2 per cent. bonds, carried by the banks at a highly inflated value, the only flexibility shown has been a material expansion of our bank notes during the past few months, when we have had a plethora of money and interest rates have been abnormally low; and since our banks could not have followed any other course without suffering great loss through the sale of

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their United States bonds, it proves that our system is wholly unscientific and in times of stress impractical.

The rapid decline in the market value of United States 2 per cent. bonds owned by National banks and pledged to secure their circulating notes is a subject that is engaging the attention of the bankers of the country, now that the Secretary of the Treasury has been empowered to sell a large issue of three per cent. bonds. If the new threes were to be issued at this time and could be used as security for circulation of National banks without an increase in the tax on notes secured by them, two per cent. bonds would undoubtedly sell below par; in which event the banks of the country would suffer still further financial loss and our bank notes be discredited.

I think bankers need not be fearful of this result, for our worthy Secretary of the Treasury is keenly alive to the necessity of maintaining a parity for the two per cent. bonds, and since he has the right under the law to issue one-year three per cent. certificates to the extent of two hundred million dollars, I am sure we can depend upon him not to put out any of the three per cent. bonds, the issue of which has just been authorized, until after the next meeting of Congress, when, I feel confident, the tax on circulating notes secured by three per cent. bonds will be increased sufficiently to insure a parity for the two per cent. bonds that are pledged by our banks as security for their circulating notes.

Thus the process of having the banks support United States bonds at a price much above their intrinsic value is to be reversed and the fictitious value of the large amount of outstanding twos is to be maintained by a discrimination against bonds bearing a higher rate, which I think you will agree is far from scientific or satisfactory.

To my mind, our foremost requirements are to have established an institution which could in time of need furnish credit in proportion to the reasonable needs of business and which would by law be given the power, under proper restriction, to issue its notes to be used as a circulating medium.

A Central bank, organized under a charter which would give it these powers and operated under an intelligent management, would go a long way toward solving our financial problems.

First, it must be a Central bank in fact as well as in name and its powers and functions should be restricted to the needs of business; its plan of organization and operation should be such that it would automatically support the needs of and be the servant and not the master of business. Its capital should be large enough to command respect and confidence—say not less than ONE HUNDRED MILLION dollars. Whether the capital stock should be subscribed for by the National banks of the country or sold to the public under a guarantee of a small dividend by the Government, with the right of the Government to share in the profits above the amount of that dividend, is only a matter of detail. Personally, I believe the latter plan would be the better, as it would do away very largely with the

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feeling that such an institution would be run for the especial benefit and profit of the banks of the country. This plan would make it a People's rather than a Bankers' bank, and would popularize it and greatly assist in solving the political problem, which seems to be quite as difficult or even more difficult of solution than is the economic problem.

While such bank should be the fiscal agent of the Government and have all government funds deposited with it, the bank should not be given the power to support the public credit, as that should be done by the Government itself and by the people in an individual capacity. It would not be wise to give the Government supervision or control over a Central bank and at the same time allow the bank to be used by those who direct its policy, in maintaining the public credit.

The bank, in addition to government funds, should receive as deposits the funds of National banks in the three central-reserve cities, acting as reserve depository for banks in these cities, just as they act as reserve depositories for the banks in regular reserve cities. This would not affect the relations now existing between the banks in the country, either as to reserves or deposits.

A Central bank, in its operation, should not, at the beginning at least, interfere with the functions of the National banks of the country, and the only effect of the adoption of the plan I suggest would be to take away from the National banks all of the funds of the Government now deposited with them.

The charter under which the bank would be organized should provide that the bank would have branches in each of the cities where there is now a sub-treasury and in such other cities as would be necessary to give an adequate service to the whole country; and since the bank would be the fiscal agent of the Government this would do away with all sub-treasuries.

Up to this point the whole plan seems to be very simple, but we are now brought to a consideration of the most important principles involved in the whole question, viz: From whom shall the bank accept discounts; what shall be the character of the paper eligible for discount; and how shall it account to the public for the proceeds of discounts when the requirement for credit by the business interests of the country is exceptionally large and its coin reserves are not sufficient to cover the same. These are subjects upon which many of our leading financial authorities, as well as many of our statesmen, differ in opinion, for upon the settlement of these questions depends the success or failure of the whole enterprise, as it embodies the determining of what is the best kind of a credit, as well as what is the most available security for the note issue of the bank.

I feel sure we all agree that a short-time credit created in the actual conduct of business which represents a real transaction between two or more solvent concerns and which bears a solvent endorsement in addition is the credit which is most desirable, as it is the credit which will be first redeemed,

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since a completion of the transaction through which it was created automatically retires the obligation.

I would, then, restrict the discounts of the Central bank to short-time credits of this character; those which would run, say, not to exceed ninety days; I would make the bank a bank of discount for the National banks of the country; and if it should be necessary to do so to enable it to employ its funds, I would allow the bank to accept discounts from the public, but it should not receive deposits from the public. Whether or not the right of discount should be extended to State banks also is only a matter of detail and is not important from the standpoint of a discussion of the plan of a Central bank.

If the bank has a large credit-creating power and is able to discount for the public and the banks of the country large amounts of paper during crop-moving seasons and in times of emergencies—and it must have this power and be able to do this if it meets our requirements—the proceeds of these loans would be required in some form of money which could be used as a circulating medium. The only possible way to provide for this would be to give the bank the right to issue its own notes. "Very well," you say, "but how shall these notes be secured?" This is the rock upon which the craft of many a financial student has been wrecked, and it has provoked the most heated discussions among political economists and practical business men.

The security for a bank note, first all of, should possess the qualities of safety and availability. The safest form of security would be gold coin, but since it would not be available in quantities sufficient to enable the bank to carry a coin reserve equal to its outstanding notes, we must find some other way by which we can require that these notes will be secured and at the same time give us a safe and elastic form of currency which will expand or contract automatically as the requirement for discounts increases or decreases.

Permit me to say in this connection I believe the notes of the bank should be secured in part by a coin or metal reserve, but if we secure the relief we need, a considerable percentage of the notes thus secured must be secured in some other way. What shall we require this security to be? It should be a security which, in the natural course of business, will first be redeemed and through its redemption or payment bring into the treasury of the bank actual money.

What character of securities have we in this country that is most available for this purpose? Is it bonds which do not mature for years to come and which, in the nature of things, even then will be renewed? Is it mortgages on real estate running for a shorter period, but still having a maturity some years in the future? No, it is neither bonds nor real estate mortgages.

If it is wise to restrict the character of the paper which will be eligible for discount at the bank to that which will be first paid—to a commercial

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credit or to paper representing an actual transaction in business between solvent concerns—why should we not make paper of that character, with a certain required percentage of coin reserve, the basis of security for its bank notes? Its use for this purpose would insure an elasticity in the note as a circulating medium, and the notes which would be issued by the bank in times of stress would automatically contract and be retired from circulation when the transaction creating the credit had been completed and the credit paid.

This is the method employed by the Imperial Bank of Germany and the Bank of France. In the case of the former, a metallic reserve of 33⅓ per cent. in required. Under this its average reserve in metal to its outstanding notes is around 75 per cent., and during the panic of 1907 its reserve of metal against its notes did not go below 41 per cent.

The Bank of France, while not required to carry any definite percentage of coin reserve against its outstanding notes, is given the right to issue its notes to the extent allowed in its charter, so long as it maintains a coin payment of its notes as they are presented. In practice, the Bank of France, like the Imperial Bank of Germany, carries a very large metal reserve.

I would provide for the supervision of this bank along lines somewhat similar to those governing the Imperial Bank of Germany, or the Reichsbank, by the appointment of a general governmental supervising or overseeing board, the members of which should be appointed jointly by the President of the United States, the Secretary of the Treasury and the Comptroller of the Currency. I would require that the appointment so made be approved or confirmed by the Senate, and I would so arrange their terms of office that the majority of this board should not go out of office during any period of eight consecutive years—thus providing against a change in the policy in the management of such a bank, even though we should have a "freak" administration for two consecutive terms.

I would have another board selected by the stockholders, the members of which would confer with the officers and this supervising board, but in order that the management of the bank might be entirely removed from politics, and to prevent the possibility of any syndicate gaining control of the bank, I would have the supervising board, after they had conferred with the board representing the stockholders, vested with full power to appoint the directors and president of the bank to their respective positions for long periods of time, or for life, subject, of course, to removal for incapability or malfeasance in office.

Many believe that a provision in its charter which would provide that the Secretary of the Treasury and the Comptroller of the Currency be members of its board of directors would give the Government sufficient supervision over a Central bank.

This is only a matter of detail—important it is true, but still a matter

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of detail, since its charter could be such as to keep the bank free from political influence or intrigue.

The restriction regarding paper eligible for discount should be so severe that no paper representing a speculative transaction would be admissible.

When the United States bond-secured, national-bank-note circulation is retired, the Central bank should have the exclusive right of note issue, but that would come about largely through a process of evolution which would not disturb business conditions.

The establishment of a bank along these lines, with the details properly worked out and fully described in its charter would, with some slight modifications in our present National Bank law, give us the desired relief.

In 1907 we had in the United States One Billion Seven Hundred and Eighty Million dollars of gold coin, of which amount One Billion One Hundred Million dollars was held in the Treasury, yet we turned to Europe for assistance, with the result that the Bank of England alone furnished us directly and indirectly about One Hundred Million dollars of gold.

When you consider that the average amount of gold carried by the Bank of England during 1907 was only about Two Hundred Million dollars, or one-ninth of the amount in this country, or one-fifth of the amount carried in the vaults of our Treasury, it will furnish food for reflection. At that time, our Treasury held over One Hundred Million dollars more gold than was held by the Bank of England, the Bank of France and the Reichsbank of Germany combined, and we had in this country just about double the amount of gold carried by all of these banks; still, we were forced to turn to them for help, simply because we were not able, under our existing currency laws, to use the facilities that we possessed.

There should be a change in our present laws governing National banks, giving them greater powers to compete with State banks and thus encourage a growth in the number of banks in the National system under federal control.

National banks should be allowed to act as trustees and they should be given the right under a specific declaration of law to accept savings deposits, but the savings deposits thus received should be segregated from their general deposits. Furthermore than this, the law should define definitely the character of investments the banks should carry against savings deposits, which investments should be segregated from the general assets of the bank, and in case of a failure of the bank the savings depositors should have a first lien upon the specific securities held in the savings department and in addition be general creditors. The published statements should show just the amount of savings deposited and securities held against same, and the savings deposits held by National banks should carry the same requirements as to reserve and be subject to the same notice of withdrawal that is now required under the various State and Savings-bank laws.

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If this were done and the laws in the various States were so changed as to require a State Bank or Trust Company to segregate their savings deposits and securities in the same manner, with the same restrictions, it would go far toward answering any arguments advanced in favor of the establishment in this country of a system of Postal Savings Banks.

Whether or not we get proper financial legislation depends very largely upon you, gentlemen, and those like you who are members of other organizations throughout the country which represent the various lines of business.

All great national problems are settled by the people, and the enactment of laws at Washington, by Congress, is only a reflection of public sentiment. In matters of legislation we usually get what the people want, for our representatives in Congress desire to follow the wishes of their constituents when they can ascertain what they are; and if you want to exert that influence on legislation which it is your duty to your citizenship to exert, let your activities at home be such that your influence will be felt, and see to it that your representatives in Congress know the sentiments of yourself and your friends on all matters of impending legislation. Public sentiment is a force as resistless as the tides, and no man or set of men nor any political party can withstand its force when it is directed against them.

If you oppose the establishment by this Government of Postal Savings Banks, a Parcels Post and such other fallacies—and I take it that you do oppose all these schemes which tend so much toward paternalism—and if you would discharge your duty to yourself, to your community and to your country, you will do what you can to exercise in your respective communities an influence on public sentiment on the currency question which will be reflected in the votes of your representatives in Congress when laws are enacted giving to us a system of currency which will make the United States dominant in the business affairs of the world as she is now the leader in all that goes to promote human comfort and human happiness. (Applause.)

THE PRESIDENT: The next order of business will be the Report of Col. Fred E. Farnsworth, Secretary of the Association.

ANNUAL REPORT OF THE SECRETARY

NEW YORK, September 1, 1909.

To the American Bankers' Association:

This report marks the close of my second year's administration of the affairs of the American Bankers' Association, and it is with much pride that I submit same covering in a general way the year's business. This report, with all others which will be presented to this convention, will show

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the Association in a most prosperous condition, and the past year the most successful in its history in growth, activity and results, and in distinction and in the satisfaction of a large membership. It is not necessary at this time to enlarge on the work of the Sections and Committees, nor to occupy your time by going into details, for you will have full reports from these adjuncts of our Association.

Executive Council

The report of Chairman Watts deals generally with what has been accomplished by the Council. As to the method of selecting its members, I believe this change was a wise one. While it was feared that the new Council might be too large in numbers to dispatch business expeditiously, the May meeting was a disclaimer of this belief. The business was so arranged and carried out that there never was a more successful meeting in any particular even when the Council was small in numbers. By allowing each State to select their own members of the Council, additional interest has been created in the Association and its work. Representative men of the various states are now chosen and harmony prevails.

Sections

The Sections have been active along the various lines laid out by them and for which they were established. The Trust Company Section has compiled for its members some valuable publications. The Savings Bank Section, through a special committee, has shown great activity and done very efficient work in its crusade against Postal Savings Banks, and by a special effort materially increased our membership. The Clearing House Section has perhaps done the most effective work in its history and has in operation features which will rapidly develop to the advantage of the Clearing Houses of the country. The American Institute of Banking Section which represents the Institute, has now 11,015 members and fifty-one chapters. The work which is being done by the Institute and its Chapters is of incalculable benefit to the bank clerks of the country, and incidentally will extend its influence and power and training to the banker of the future.

Currency Commission

The appointment of the Monetary Commission of Congress over a year ago caused the suspension of all banking and currency legislation, hence the operations of the Currency Commission for the time being have ceased. While not a member of the Currency Commission, yet representing it as secretary, it would seem wise to me that we should continue this Commis-

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sion as a part of our machinery. When the Monetary Commission shall finally report out a bill, it may then become necessary for our Currency Commission to act. I have great faith, however, in the outcome of the work which is being done by this body and believe that there will come from their deliberations and investigations a new banking and currency bill which will be satisfactory to the financial and commercial interests of the nation.

Standing Protective Committee

The year just closed, as in the past, emphasizes the importance of the work of the Standing Protective Committee, and without question there is no other one feature of the American Bankers' Association which so strongly appeals to the banks of the country. It became apparent to your Secretary during the past winter, with the increased work in these offices, that the protective feature was not and could not receive the close attention which it should have. It was also obvious in so great a work as this and of such peculiar nature that it would be much more effective were we to have a department presided over by a manager experienced in this class of work. My suggestion to our Standing Protective Committee in this regard appealed to them, and it was recommended to the Executive Council at our spring meeting. That these matters might have the fullest investigation, and a move of this importance receive proper consideration, a special committee was appointed and authority given to the executive officers of the Association to establish a Protective Department. The Special Committee, after its deliberations, decided in favor of the proposition, and on August 2d the new department was created, and there was placed at the head of it Mr. L. W. Gammon, who held a most responsible position in the United States Secret Service, and who was very highly recommended for the place. That this was a wise move is already apparent, and Mr. Gammon's sixteen years in the Secret Service will insure much more effective results in this department in the future, and without doubt, realize a saving to the Association, and give more prompt and satisfactory service. The Association has a most excellent Protective Committee who are earnest and painstaking in their duties, and have been willing to sacrifice their time when occasion required. The Association is to be congratulated in this respect.

Committees

The Association now has six active standing committees. At the Briarcliff meeting of the Executive Council, four of our committees were either discharged because their duties had been performed, or their work was merged with that of other standing committees. Time and space prevent my taking up the work which has been accomplished by these committees during the past year. The work has been extensive and great results have

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been achieved which are appreciated by the membership, and will be of great benefit to the Association in the future. The standing committees referred to are as follows:

Finance Committee,
Committee on Bills of Lading,
Standing Law Committee,
Federal Legislative Committee,
Committee on Express Companies and Money Orders,
Institute of Banking Committee.

State Associations

We now have in the union forty-six State Associations. During the past year there have been organized three Associations, namely, Nevada, Utah and Vermont. There are three States without Associations—New Hampshire, Rhode Island and Delaware. I have come to look upon these State bodies as the strong bulwark of the banking interests of the country. We are working together, and this has never been more evident than during the year just closed. As far as possible I have felt it my duty to attend the State Association conventions, and as a representative of the American Bankers' Association I have been very warmly received by the State bodies, and I am sure that these visits have been advantageous to this Association as well as the State Associations. Since our last annual convention I have attended the conventions of Illinois, Alabama, Minnesota and New Jersey; the Tri-state convention of Oregon, Washington and Idaho; the joint meeting at New Orleans of the States of Alabama, Texas, Mississippi and Louisiana; the organization of the Vermont State Association; the Annual Dinner of the Massachusetts State Association, and Groups No. 6 and No. 8 New York City, and Group No. 1 of Buffalo; the Annual Banquet of New York Chapter American Institute of Banking, and the Seventh Annual Convention of the American Institute of Banking at Seattle.

As Secretary of the Organization of Secretaries of State Bankers' Association, of which I was one of the founders, I have been brought very closely into contact with the Secretary of every State Association, and in them I have found the firmest friends of our own great organization.

Legal Department

Although the Legal Department may have been considered problematical by some, the wisdom of this action was never questioned by the Secretary, for many of the State Associations had such departments which were successful.

General Counsel Paton's long experience as editor of the "Banking Law

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Journal" and as a student of banking law, and as attorney for our various committees, had ably fitted him for the position. Mr. Paton has been strongly supported by the Legislative Committees of the various States and much has been accomplished in new laws drafted by him and passed by many of the States. Our membership has to quite an extent also taken advantage of the privilege of obtaining opinions on questions of banking law which have been given publicity through the "Journal."

The Journal

The "Journal" completed its first year on July 1st. The general office has every evidence from our large membership, by correspondence and otherwise, that the publication meets with great favor and that it is supplying a long-felt need. We are now able to communicate with our entire membership monthly and keep them closely in touch with what is transpiring in Association affairs.

Association Offices

Since my last report of one year ago, all of the adjuncts of the Association have been brought together under one roof and occupy our general suite of offices. With the increase of departments and work, it became necessary to enlarge the office room and additional space was secured to provide for the Savings Bank Section, the Protective Department and the "Journal." All are now comfortably located, convenient for doing business, thereby saving certain expenses that had to be met when the Sections were separately located in office buildings outside. There has been a marked increase in visitors to Association headquarters in New York City, and the wisdom of furnishing accommodations and conveniences for visiting bankers and for committee meetings is apparent, as well as much appreciated.

Correction of Membership Records

With so large a membership and constant changes in banking institutions from various causes, we would earnestly request our members to notify the General Offices of all changes that may occur by mergers, liquidations, failures, etc., or change in National or State banks, from one system to another.

Routine Work

During the fiscal year just ended, 450,000 circular letters, special letters, and codes, have been issued from the Secretary's Office.

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Membership by States

[As of August 31, 1909.]

Alabama	133	New Jersey	244
Alaska	14	New Mexico	43
Arizona	40	New York	865
Arkansas	132	North Carolina	127
California	406	North Dakota	190
Colorado	172	Ohio	451
Connecticut	151	Oklahoma	234
Delaware	31	Oregon	121
District of Columbia	32	Pennsylvania	796
Florida	107	Rhode Island	51
Georgia	280	South Carolina	110
Idaho	106	South Dakota	166
Illinois	738	Tennessee	117
Indiana	332	Texas	279
Iowa	385	Utah	41
Kansas	366	Vermont	59
Kentucky	140	Virginia	176
Louisiana	143	Washington	206
Maine	84	West Virginia	133
Maryland	151	Wisconsin	306
Massachusetts	235	Wyoming	52
Michigan	341	Canada	11
Minnesota	338	Cuba	6
Mississippi	133	Hawaii	8
Missouri	361	Isle of Pines	1
Montana	130	Porto Rico	1
Nebraska	314	Mexico	17
Nevada	31		
New Hampshire	45	Total	10,682

Membership of States and Territories, Having Less than 100 Members

[As of August 31, 1909.]

Alaska	14	Vermont	59
Arizona	40	Wyoming	52
Delaware	31	Canada	11
District of Columbia	32	Cuba	6
Maine	84	Hawaii	8
Nevada	31	Isle of Pines	1
New Hampshire	45	Porto Rico	1
New Mexico	43	Mexico	17
Rhode Island	51		
Utah	41	Total	567

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Membership

Aug. 31, 1908	9,803
Erased from the rolls, through failure, liquidation, consolidation and withdrawal	760
Sept. 1, 1908, Membership	9,043
Aug. 31, 1909, Members joined during year, including regained	1,639
Aug. 31, 1909, Total membership	10,682
A net increase for the fiscal year of	879
The net loss for the year in Failures, Consolidations, etc	192
The net loss for the year in Delinquents	182
Making the actual gain in new banks	1,253

The delinquent loss is the smallest in the history of the Association in proportion to the membership—less than 2 per cent.

The aggregate Capital, Surplus and Deposits of our membership amounts to almost $14,000,000,000.

The membership and resources of the Association have increased as follows:

	Paid Membership	Annual Dues
September 1, 1875	1,600	$11,606.00
September 1, 1885	1,395	10,940.00
September 1, 1895	1,570	12,975.00
August 31, 1905	7,677	127,750.00
August 31, 1906	8,383	137,600.00
August 31, 1907	9,251	150,795.00
August 31, 1908	9,803	162,507.00
August 31, 1909	10,682 Estimated	170,000.00
Interest on Bonds and Corporate Stock	4,650.00	
Interest on Bank Balance (estimated)	1,280.00	
		5,930.00
Making the total income		$175,930.00

Membership by Years

		Lost by Failures, Mergers, and Delinquents, etc.	Gross Gain	Net Gain
1899	3,915	211	741	530
1900	4,500	234	819	585
1901	5,504	200	1,313	1,113
1902	6,354	186	1,159	973
1903	7,065	313	1,139	826
1904	7,563	500	1,120	620
1905	7,677	1,038	1,152	114
1906	8,383	337	1,043	706
1907	9,251	434	1,302	868
1908	9,803	691	1,243	552
1909	10,682	760	1,639	879

The loss shown in 1909 was reduced by regained members to 374.

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Division of Banks in Association

State or Territory	Nat'l	State	Priv.	Tr. Co's.	Sav. Bks.	Total
Alabama	41	65	2	20	5	133
Alaska	2	9	2	1	0	14
Arizona	12	16	0	11	1	40
Arkansas	25	85	2	18	2	132
California	131	201	1	31	42	406
Colorado	92	52	9	11	8	172
Connecticut	70	9	6	23	43	151
Delaware	18	1	2	8	2	31
District of Columbia	11	2	6	5	8	32
Florida	43	53	3	6	2	107
Georgia	64	185	8	13	10	280
Idaho	41	55	1	8	1	106
Illinois	277	193	202	50	16	738
Indiana	147	114	41	29	1	332
Iowa	138	84	52	13	98	385
Kansas	137	222	1	3	3	366
Kentucky	64	55	1	18	2	140
Louisiana	31	93	1	16	2	143
Maine	45	1	1	22	15	84
Maryland	72	19	22	15	23	151
Massachusetts	124	4	13	34	60	235
Michigan	83	103	46	6	103	341
Minnesota	148	174	6	3	7	338
Mississippi	25	89	0	16	3	133
Missouri	78	218	18	22	25	361
Montana	43	62	16	7	2	130
Nebraska	123	183	3	4	1	314
Nevada	11	16	1	3	0	31
New Hampshire	34	1	0	3	7	45
New Jersey	145	19	1	63	16	244
New Mexico	26	10	1	3	3	43
New York	330	192	182	89	72	865
North Carolina	48	58	1	16	4	127
North Dakota	77	111	0	2	0	190
Ohio	197	81	60	40	73	451
Oklahoma	117	108	0	8	1	234
Oregon	50	46	11	11	3	121
Pennsylvania	483	64	64	150	35	796
Rhode Island	17	2	5	21	6	51
South Carolina	17	76	1	5	11	110
South Dakota	60	93	3	4	6	166
Tennessee	44	38	2	29	4	117
Texas	184	44	25	26	0	279
Utah	18	13	4	3	3	41
Vermont	33	1	0	14	11	59
Virginia	69	72	15	12	8	176
Washington	60	115	8	19	4	206
West Virginia	59	57	2	10	5	133
Wisconsin	110	174	1	10	11	306
Wyoming	27	20	1	4	0	52
Canada	0	11	0	0	0	11
Cuba	1	0	3	2	0	6
Hawaii	3	2	2	1	0	8
Isle of Pines (W. I.)	0	1	0	0	0	1
Porto Rico	0	0	1	0	0	1
Mexico	0	16	1	0	0	17
	4,305	3,788	860	961	768	10,682

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Appreciation

It would not be possible to carry on so vast an organization as ours successfully and make the progress that has been made if your Secretary did not have the hearty support of the executive officers, committees and members, and I desire to express my sincere thanks for the uniform courtesy and able assistance I have received from President Reynolds, Vice-President Pierson and Chairman Watts. These gentlemen have been ever ready to respond to every call upon them which was in the interest of the Association, and Treasurer Kauffman has been a live, energetic and enthusiastic official, co operating with the general offices at all times in furthering its welfare. I want to emphasize particularly the work of the Executive Council, the Vice-Presidents of the various States and the Secretaries of the State Associations. The magnificent showing which has been made in the increase in membership has been largely due to the efforts of these officials, and to them I express my sincere thanks. The additional work in the Association brought about by new features and departments made it necessary to enlarge to a certain extent the office force. To them and to Assistant Secretary Fitzwilson is due credit for expeditious work and they have all willingly contributed to the success of the administration by faithful services.

Prospective

It is an established fact that the Association to-day is more widely and better known than at any other time in its history; that through its various ramifications it is securing results. It is my firm belief that it will continue to grow in prosperity and achievements. It will be necessary, however, to be ever active and alert to devise new plans for increasing its usefulness from time to time, and to me one of the most important steps in the near future will be the publication of a bankers' directory to embody only members of the Association, eliminating all extraneous matter, having the publication in compact and convenient form; this I believe would be appreciated by our membership.

All of which is respectfully submitted.

Fred. E. Farnsworth,
Secretary.

The President: By reference to the program of which you all have copies you will observe that a specific time has been set for the delivery of stated addresses. The next regular order according to the program would be the Report of the Treasurer. With a view, however, of conforming to the arrangement of which I have spoken so that you may all know when you can hear

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certain speakers, we will pass the balance of the program for the time being.

We have with us to-day, ladies and gentlemen, a man who perhaps more than any other man in this country has directed the legislation that has been enacted at Washington. He is a man who, regardless of the changing tides of public opinion, has gone forward discharging his duty as he has been given the light to see it, apparently indifferent to criticism and certainly impervious to public opinion and personal persuasion. It is a great pleasure to me to be able to introduce to you to-day for an informal address the Hon. Joseph G. Cannon, Speaker of the House of Representatives, Washington. (Applause.)

ADDRESS OF HON. JOSEPH G. CANNON

Speaker of the House of Representatives

Mr. President and Gentlemen of the American Bankers' Association:

I really was not aware that I was to attempt to make any remarks here until yesterday. The Association was kind enough to invite me, but as the weather was warm and as I had been occupied for some months, it seemed to me that I could not and I did not take the time to put in black and white, as I should have done if I should hope to be upon a par with your honored President and with others who will address you. But I see your Committee have put on the program that there are to be impromptu remarks from me, and that is just what you will find it to be. So, as I take your time, if I entertain you I shall be fully satisfied; I am quite sure that I will not instruct you.

This is a bankers' convention, and a wonderfully important one to all the people as well as to your organization. You are just one spoke in the immense wheel that we have in this country, all the spokes making the country from the material standpoint.

We have a banking system. It is a little bit like Topsy—it growed (laughter) and I recollect when it began to grow. It grew in the commencement because it was necessary that it should grow. I am a little older than most of you gentlemen that compose this convention. I recollect the days of the Red Dog and the Blue Puppy Bank Bill. If you got one of them you would take the fastest horse to go and unload it on a creditor before it became worthless (laughter). It was in this condition that after Lincoln was inaugurated the great civil strife came, and before the great war the National Bank Act passed under the leadership of that eminent Indiana banker, who many years ago crossed over—McCullough.

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It was pretty well—and I am not going to discuss its provisions; I think the Comptroller of the Currency, if he be here, will bear out the remark that in all these years, numbering almost one-half of a century, everywhere within the boundary of the United States, and after the close of the Civil War and resumption everywhere around this globe, the National Bank Currency was and is as good as gold, and there never has been one poor mill lost for want of redemption. Aye, more. I think without having verified the results, I will venture, and I know the Comptroller of the Currency will contradict me if I am wrong, in the statement that in that almost fifty years, with the immense deposits all over the country in those banks, the loss to the depositors has not been one hundredth part of one poor mill to the dollar. (Applause.)

This system grew. The people are familiar with it. It is not perfect, but in my judgment it can be perfected. There is something of legislation required for its administration, but with our almost one hundred millions of people—a sovereign people, each man walking under his own hat rim—and if he does not, he ought to (laughter and applause), it is difficult to enact proper legislation. A government of the people, like all other forms of government, at times moves slowly; at times it makes mistakes. The people whom you select from time to time to represent you in the national Congress, and one-third of the Senate to be chosen every two years, six years being the tenure, and the whole 392 representatives, a majority of whom are chosen every two years—of course, it is halting; but there are some good points about this, for hasty legislation, ill-advised legislation, is harmful. It is a maxim among lawyers that no legislation is good legislation. In many respects that is true. Coming up from 90,000,000 of people are all kinds of demands for legislation. If a man has lost all other power to affect public opinion and cannot call attention otherwise to himself, he comes around with a currency scheme and cries aloud and spares not, and sends to the members of Congress this scheme and that scheme and the other scheme, and each one, in his opinion, is absolutely perfect (laughter and applause). Benny Bernstein, of New York City—perhaps you never heard of him, but I get, I think, on an average six or seven letters a week from Benny with all kinds of schemes for the benefit of the currency and the uplift of the race—Benny is only an example. You can see at once that legislation touching great vital questions moves slowly to enactment, because it comes from selfish standpoints, each Representative and Senator saying to himself: "I wonder what my district is going to think about it, and I have got to go and face them in a short time." (Laughter.) You find there are men and men in Congress just as well as there are men and men who are bankers and merchants and farmers. Once in a while you will find a man who has the courage of his convictions; yes, twice in a while you will find such a man. I want to be fair to the body of which I am a member. In both the House and the Senate I think the majority have the courage of their convictions; but once in a

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while—hardly twice in a while—somebody breaks in. (Laughter.) I know there is nothing so good on this earth as a sound spinal column, and most of the citizenship in the United States has the courage when a duty is to be performed of being willing to perform it and walking in the light of their best judgment and taking the consequences—taking their stand, and if it comes their way according to their judgment and their light, they have done well. Such men have spinal columns. But I have found that there is a constituent here and there in our various States who, once in a great while, gets into Congress, that God, when he created him, ran short of material for spinal columns and put in an angle worm in its place. (Laughter and applause.) However, I won't abuse them; they are not to blame for it. As I said a moment ago, when a man cries aloud and spares not, having solved the whole question of money and currency, and knows it all—ugh! you might just as well quote that famous couplet as to such people: "Abandon hope all ye who enter here."

Now, so much of system as we have got has weaknesses. It came to my mind as vividly in 1907 as it ever came before. After all, do you know there is a great deal in kindergarten instruction? A child never knows that a stove is hot until it puts its finger on it. You may preach to it and talk to it, but it doesn't know the stove is hot until its finger touches it. Then the lesson remains with it throughout life. That is what I call kindergarten instruction. So we have to run up against legislation, you know, and get hurt by it and see wherein the fault lies. That is just what they are doing all over this country to-day, and you have a most useful purpose to accomplish, and if you can assist in forming public sentiment and bettering the status, you will have done a great work. It was a disease. It was not that the currency was not good. It was not that the banks were not solvent; they were never more solvent in this or any other country. It was not that the country was poor. Why, bless my soul, we have more of capital in the United States than any other nation on earth. It has leaped from sixteen thousand millions of dollars in 1860 to one hundred and twenty thousand millions of dollars to-day—substantially one-third of the capital of the whole civilized world. No, that was not the trouble. The trouble was in the extraordinary good times and with the extraordinary growth in the development of the resources and population of the country, that the money piled up from ten, fifteen or twenty thousand little banks scattered all over the country, making an enormous aggregate in the great commercial banking centers. Well, there was something about this man going wrong, and something about some other man going wrong, and then the bulls and the bears are ever present, and the bears proceeded to get their inning, and so forth. Oh, you recollect all about it. The result was that there was no one, a banker, that called upon his depositary for money because he thought he was going to lose it, but he was afraid that the disease would spread and that shortly his depositors would come in and say: "Pay" through fear and panic. Therefore, with one accord, you said:

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"We will get our money out of the great commercial banks and the great centers"; and, as you all jumped at once, no bank on earth that ever existed or ever will exist could pay every depositor that it had. That was the trouble.

Now, then, has anything been done? Can anything be done that will prevent a second edition of that panic? That is the question. And if it has not been done, what is the best thing to do? And if we can find it out, let us enact it, and then, in my judgment, without quarrelling with anybody, with such proper administrative legislation—a Savings Department for National Banks, if you choose—in my judgment, the best banking system in the world for us will be evolved. (Applause.) It does not necessarily follow that the English Banking system or the German Banking system is better than ours. They have evoluted. It is better for them, because they keep it. But did you ever think that if you could get one of these great big magnificent megaphones, figuratively speaking, and get in the very center of England or in the very center of Germany or of France and speak in an ordinary tone into the mouthpiece, and have the megaphone half a mile in diameter, you could make yourself heard from the center to the circumference of these magnificent countries. (Laughter and applause.) Here we stretch three thousand—aye, three thousand five hundred miles from the Atlantic to the Golden Gate, and from the forty-ninth parallel down to the southern boundary, and we just begin to develop! The next century, the swing of the twentieth century, will see the ninety millions of people of 1909 grow to two hundred millions or two hundred and fifty millions in 2010, and we will double the population again when we are fully developed. So it does not follow that a system that is suited to us would be the exact system that they have.

Now, what did we do? In Congress, all the currency experts—I didn't say cranks (laughter)—all the currency experts rushed in to Congress and it was to be his "doxy" which was orthodoxy or else he would not play. (Laughter.) And what did we do? We enacted a law, the chief weakness of which, in my opinion, is that it only lasts six years; but then, that could be cured by just taking the limitation off. I hope and I pray that we will never have any kindergarten instruction under it, if it ceases to operate six years from its enactment, and I believe we will never have that experience, which would justify that currency amendment that we passed. Because when I see the merchant filling up his shelves; when I see the restored confidence now that the revenue bill has passed—not perfect, but a substantial revenue producer along the protective lines that you, Senator Teller, in your younger days and in your mature manhood, voted for, and which was one of the strongest pillars that helped to develop legislation (applause)—when I pass along the railways and can hardly sleep, if I am trying to sleep on a railway car, as I hear the corn pop as it grows, a great crop; when I see the great labor centers, we have been fairly busy in agriculture in our country, and the people busily employed,

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and that there is inquiry everywhere for more men; that the great railway systems need strengthening with new iron and new ties, and men are being called for; the railway shops are being filled—as I see all this, I realize that after five weary months of consultation and compromise, it is worth while. Somebody said, "Why, we ought never to compromise." Great Heavens! If it takes under our form of government a majority of 392 men to legislate at all, coming as we do from all districts, and it being a representative government, will you inform me how legislation is ever going to be enacted unless conflicting opinions and interests are compromised? The compromise was made, and it was made substantially—not principally—along the lines of the policy of protection that has dominated this country substantially from its enactment, under the leadership of Morrill at the breaking out of the war, to the present time. And everybody is glad, except the kicker. (Laughter.) And we will not tinker with it, in my judgment, for the next decade. Do you know it costs at least five hundred million dollars in cessation of production, waiting for fear that they won't get the cost of production, and the consumer, who is a producer as well, waiting to see what Congress is going to do? It is not perfect. It will never be.

Now, I say—and I forget just where I was. That is one of the privileges of age and one of its weaknesses. You get a thing in your mind and the first thing you know something pops in and you get off on a byway and you have got to go back. I was at the point of revenue legislation. What did we enact? We enacted that that class of securities which would take money from the United States treasury and deposit it in the banks, other than government bonds—that class of securities, without taking the time to describe them—when deposited with the Secretary of the Treasury, he and the Comptroller agree that the currency should be issued just like every other bank note. Not marked "Emergency Currency," but just the same as every other bank note that is to be issued in the future. And we provided that it should be printed by the hundreds of millions and deposited in the vaults, ready to be issued, if the time ever came that it was necessary to issue it. And it has been printed and it is there in the vaults. How are you going to get it? you may ask. You are going to get it, if you need it, by depositing that class of securities, and if your debtor in the great commercial center is called upon to pay, he will furnish the securities. There is not a banker here, you know, but what has had some experience of that, when there was necessarily a default in the payment of the currency. Why, out of one hundred thousand dollars, and that multiplied by a million, it was worked out rapidly, even if we had to creep along, as we did. Do you know what I hope? That, if 1907 is ever duplicated, with the knowledge that twenty or twenty-five thousand bankers will have, who fear a run by their depositors, that the great central or commercial bank can get the currency and assist them in getting the currency with these securities, there will be no need of a scare. You were not scared because you

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thought any of these banks were insolvent; you just wanted to protect yourselves if you had a run upon your bank—you fifteen or twenty thousand bankers. My belief is that if that law had been upon the statute books, there never would have been in 1907 suspensions temporarily by resorting to Clearing House Certificates. (Applause.) There is the law. You want to think about it and you want to keep on thinking about other remedies. Discuss it. Do you know one part of that law provided that a Currency Commission should be appointed consisting of members of the House and of the Senate? I had the honor to appoint that Currency Commission, and it was done without fear or favor, and I do not believe that any man exercising power in the appointment of a Commission could have chosen better than I chose, because I tried to get real courageous men who possessed patience and industry. The Senate Commission was equally good, and those men are at work now. You ought to co-operate with them. A man said to me "Good gracious! This panic! Will that Commission report by the first of November so its report can be printed before Congress meets, and then before the first of January we can get the legislation enacted?" I said, "I don't know. I cannot see into the future, but I know one thing—that if it does, it will prove its unworthiness, because, touching this great subject, it takes time and investigation and inquiry. It not only requires consultation among bankers, but it requires consultation with journalists, and with people in every walk of industry. It takes time to do it. If it was to report on the first of November, without further discussion, the people not having had an opportunity to fully consider it, nothing except the power of God could make this session of Congress that is to assemble on the first day of December next to pass it." It takes time, gentlemen, you see, to do those things. It was in good faith upon our part; it was in good faith upon your part, and you are acting accordingly.

Now that is all I want to say about that. Oh, if this was a political meeting (laughter) I could talk about it longer, but I will not. My time is pretty nearly up, and I will keep my watch before me and not detain you longer than the hour for luncheon.

There is much of misinformation in this world, and we all get it (laughter) and it is our fault. Do you know what the Yankee made his razors for? He made them to sell; that is what everybody labors for. Self-interest is at the foundation of all civilization; each unit hustling, and the aggregation of units make the civilization. Now, I said it—we all get much of misinformation. The seventh great manufacturing establishment in the United States is the Publishers' establishment. The output is tremendous. Why, they have an army of bright smart men to write the articles; two or three armies who help to make the material out of which comes the paper every morning and evening. Well, they cannot print it for nothing, and they furnish it to you for less than the cost of the blank paper. How? They get a great circulation. They magnify the circulation a little bit and that perhaps is all right. Perhaps if they magnify it, the advertising

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customer will believe it, and the advertiser comes in and they pay expenses and make great profits. The goodwill of a successful great paper or publishing house cannot be built much short, as a general rule, of a generation. Now, they have experts, the correspondent, the man that sends the despatch, the Associated Press, and the United Press, and they get it on the hop, skip and jump, all over the world, and in it comes and it must be utilized at once; and then they have one or more "Headliners;" it seems to me that is the most important individual in a great newspaper establishment, because one-half of the people read the headlines and there stop and, as I said once before, and I want to repeat it now, one-half of the headlines, if you will read the despatch that is headlined, tells a different story from what the despatch does, but it catches the eye. (Laughter.) Well, now, it is all proper. You cannot abolish them, and there is no use to swear at them. I know. I take it good-naturedly. It wouldn't do any good, because I might talk for a million of years and I could not in all that time get as many hearers as two or three of these great journals get once or twice a day; so I have just got to go along, as we all have, and if they are wrong in their views the people gradually find it out. If the newspapers of this country and the magazines of this country, the good, the bad, the indifferent, the red flag newspapers, the uplift magazines, and so on—that is, "Uplift," because they confess it that they are uplift (laughter)—they do not have to prove it; they just confess it, you know—(laughter)—for six months, with one accord, would write down any public policy, any piece of legislation, any individual in public life, even if he spread over a state, or over the whole country, they could temporarily damn him by a complete loss of confidence upon the part of the great citizenship of this country. What is the remedy? Grin and bear it; and if you help to do things and if you put legislation upon the statute books that was the best you could get, when you come to the kindergarten, when you come to try it and under it you prosper, and you realize that they have been mistaken—some of them—and that others have lied (laughter) then the public servant goes along harmless. But you cannot change it. I do not know but what, upon the whole, we better take it just as it is, because, with responsibility, don't you see, for our actions, we must have freedom of the press and we must have freedom of action for each citizen, and the press and the citizen has complete liberty up to the point of interfering with some other individual's liberty, because one man's liberty ends where another man's liberty begins, and all under law. (Applause.) There has been a good deal of talk—I don't think it is true of you bankers—and yet a good deal of talk about Czarism. (Applause.) What is it? Reed founded the alleged Czarism. What was his Czarism? In substance, just that much (snapping fingers) in print. In substance, that no member of the House of Representatives could be present for mischief and at the same time absent for business; and he counted them for a quorum, and he was denounced in every platform of the opposition party with great fierceness. They

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carried the country; they carried it upon that cry, and they yelled that it was a billion dollar Congress. We have a two-billion dollar Congress now since 1890. "A Billion Dollar Congress!" We had just about the first of November passed the McKinley law. Business had not had time to adjust itself to it, and with all these things we lost out. Lo and behold Reed Czarism! Within less than eight months after our efforts, the enemy came into power and they met and elected Mr. Crisp of Georgia, Speaker, and adopted identically the same rules; and they have been adopted from that time to this time, substantially the same as they have been since 1890. "Czarism." Oh, upon what meat does the Czar seize or feed that he hath grown so great! (Laughter and applause.) What is it? I spoke of some men that had angle worms for back-bones. I didn't speak of others that hunt for "Good enough Morgan for that race." There are some of those in the country and in politics—good enough Morgans for that race. You older men will understand the meaning of the term "Good enough Morgan."

Let me tell you something. Ever since Thomas Reed, under his leadership, the majority following him, made that reform in the rules—and it took a majority—why, Reed would have been as powerless as a bird without wings if he had not had a majority right back of him. They would have appealed from him, and we would come up and sustain him by our votes. That is the way it was done. The popular idea is that Reed was a great, big, powerful fellow, and that when he spoke everybody trembled and submitted. It was not quite that way. He was powerful when he had a majority with him. From that day to this there has never been a legislative day but what inside of three hours a majority, if there was a majority for it, could have taken up any bill upon the calendar. Well, now, why didn't they? Because a majority either did not want to, or wanted to do something else more; and you know, when this man and that man, and the other man got jacked up by his constituents, he said it was "that damned Czar Speaker" would not let him do it. (Laughter and applause.)

I will not be Speaker a great while, but I am not going to resign and as long as a majority wants to make me Speaker, if I am a member of the House, I will be Speaker. (Applause and laughter.) But in the course of events somebody else will soon be there, and whatever party may be in power, they will retain the so-called Reed rules, and still the sun will come up and the sun will go down, and the uplift magazine that is either ignorant or false, and the cowardly member in whatever State he may be that misrepresents his vocation will disappear, because "you cannot fool all of the people all of the time," said Lincoln, and he was right. (Applause.)

I promise to quit time enough for your luncheon. There come, trooping in with the great increase in population, many important questions. One is—Shall we run this country in debt, three, four or five thousand million of dollars to do things that somebody here and somebody there wants done? Why, they get together a great convention, and they have commissions appointed for this, that and the other—all worthy objects, and they get to-

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gether and one set of people, nearly all of them employed or seeking employment, and want from the United States Treasury money to make good roads everywhere in this great republic. Now, it costs, as they say they would like to have them made, about ten thousand dollars a mile to make them. We have only got sixty thousand miles of roads in Illinois. I don't know how many you have in Iowa and so on, and the proposition is to issue a thousand millions of bonds. Your credit and mine is to make roads all over the great republic, instead of leaving it to the people in the respective States to make them as they need them, and administer it all from Washington. Not that alone, but swamp lands to be drained under private ownership, and there is another five hundred millions. Great conventions these! We drained our swamp lands in Illinois, outlets and all, at an expense of about fifteen dollars an acre, and on an average every acre is worth one hundred and fifty to two hundred dollars. It has doubled its capacity. As the population increases, if the land is worth draining the localities will find a way to drain it, and administer it right in that township and that county, don't you see. Then again, waterways. We have got the great coast; we have got the great oceans. We did go in debt or had the power to go in debt—we have not gone in debt much yet for it—for the Panama Canal, but we have the power to issue bonds for that great, worthy enterprise. They come and say, "Well, we want to spend a thousand millions of dollars in improving the internal waterways." Well, within a hundred years—within fifty we may. When we get two hundred or three hundred or five hundred million people, we will, but we will improve those waterways in a sensible way. That which needs doing, do first; and I want to notify you now that I do not believe the Congress of the United States will ever bond futurity to the extent of two thousand, three thousand or five thousand million dollars at the behest of these agitators for such purposes. I know I will never vote for it. (Applause.) Well, I am not abusing anybody. We have got to increase expenditures. Why, it costs us more to live and to educate the fourteen million of children in the common schools than it costs the balance of the civilized world. We pay for education in the United States of the incoming sovereigns, and they feed in, as we old fellows feed out and cross over—we pay one-half of all that is paid in the civilized world for education. That is absolutely necessary, because unless the sovereign who is ruler is intelligent as well as patriotic, the government will be wrecked. (Applause.) Expenses will increase. Yes. Why, we could not stand it at all to live as we lived on the Wabash and on the Ohio a generation ago. By invention, by investigation, by the use of capital, by the skilling of labor, not measured by dollars, but measured by muscle effort—to-day, by that measure, the necessities and luxuries of life are one-half cheaper than they were sixty years ago, when quinine was worth four dollars an ounce and they gave it in 20-grain doses, and when you could catch malaria in a night. (Laughter.) And now good-bye.

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I trust that the luncheon will be good, the appetite keen, and that the stomach will get away with all you eat, because, after all, I am inclined to think, Mr. President, it is a mistake about this (indicating the head) being the seat of understanding. I am inclined to think it is in the stomach. (Prolonged applause.)

COL. J. J. SULLIVAN, of Cleveland, Ohio: I move that the thanks of this convention be tendered to Speaker Cannon for the able and truly eloquent address just delivered.

The motion was seconded from various parts of the auditorium.

THE PRESIDENT: All in favor of the motion—although, it occurs to the Chair it is quite unnecessary to put the question—will signify it by rising.

Unanimously carried.

MR. CANNON: Gentlemen, I thank you.

THE PRESIDENT: I want to call the attention of the convention, before it adjourns, to the addresses scheduled for the afternoon, and to say that those addresses will be delivered promptly at the times specified on the program.

We will now stand adjourned until 2 o'clock.

Recess until 2 P. M.

AFTERNOON SESSION

THE PRESIDENT: The next order of business is the annual report of the Treasurer.

TREASURER'S REPORT

Mr. P. C. Kauffman, of Tacoma, Washington:

Mr. President and Gentlemen:

You will find my Financial Report, as Treasurer of the Association printed on page eleven of a pamphlet, which has been distributed throughout the hall.

I will not read it in full, but simply call your attention to some of the principal facts contained therein. The cash balance on hand September 1, 1908, was $1,923.20. The total receipts of the Association for the current

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year were $174,475.73. Owing to the wonderful activity of the Association and expense of operation, the total expenses during the year were $174,-291.07, leaving a cash balance September 1, 1909, of $2,107.86. On August 20, 1909, the Secretary forwarded to the Treasurer for collection 10,051 drafts on account of the current membership dues, amounting to $164,035. These drafts were at once sent out for collection, but owing to the fact that the Convention this year is held so early, a much smaller percentage than usual has been collected up to the present date. However, the Treasurer hopes by the end of the month, or certainly by the middle of October, to have the collections completed.

For investment the Association holds the following stocks and bonds, which are deposited with the Bankers' Trust Company of New York, as per instruction of the Executive Council. Interest on these securities is regularly collected by the Trust Company and forwarded to the Treasurer, and by him credited to the Association account. The securities are as follows:

$10,000 Government 4 per cent. Bonds of 1925.
$30,000 Atchison, Topeka & Santa Fé 4 per cent. Bonds of 1925.
$50,000 Chicago, Burlington & Quincy, Ill. Div., 4 per cent. Bonds.
$30,000 New York City Registered Corporate Stock, 3½ per cent., due 1940.

The furniture and fixtures belonging to the Association in the main office of New York by inventory are worth about $7,500, but they are not carried as an asset, as they were charged off at the time of the purchase.

It should be remembered that in addition to the balance shown on the Treasurer's report, the Secretary sent to the Treasurer for collection September 1, 1909, 10,051 drafts on account of membership dues, unpaid for the fiscal year ending August 31, 1910, amounting to $164,035.

While I will not read the Treasurer's report in full, I sincerely trust every member of this Association, certainly every one present at this convention, will analyze this report carefully, as it is only by a thorough perusal of the reports of the Secretary and Treasurer that you will be enabled to gain a clear insight into the active workings of this great organization.

I wish to take advantage of this occasion to express my personal appreciation of the splendid manner in which the accounts of the Treasurer are kept in the home office of the Association under the management of Secretary Farnsworth. Most of you are aware of the fact that all this labor has been taken off the shoulders of the Treasurer, who is simply the disbursing officer. After the appropriations have been made by the Executive Council, the accounts against each of the various organizations of the Association and the several committees to which appropriations have been made are kept by the Secretary in the New York office, and the vouchers as drawn and countersigned come through to the Treasurer for payment in due

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course. The active work of the Association being conducted from the New York office, it is, of course, necessary that the accounts of the several organizations and committees be kept there. At the close of each month an account is stated by the Secretary as against the Treasurer, five copies of which are made and forwarded to the Treasurer for reconciliation, one copy of which, with the reconciliation sheet, is sent to the President of the Association, one to the Vice-President, one to the Chairman of the Executive Council, the fourth to the Secretary at the New York office, and the fifth retained by the Treasurer in his own office. In this way the accounts are so thoroughly systematized that it is possible for any one of the members of the Association to go into the Secretary's office and in a moment find the exact balance in the hands of the Treasurer, the amount expended by any committee, and the purpose for which the expenditure was made. At the close of each year the accounts of the Association are carefully examined and audited by the Audit Company of New York, all the vouchers in the Treasurer's hands being forwarded for examination. I cannot see how it is possible to in any way improve upon the method in which the accounts of the Association are kept.

Respectfully submitted,

P. C. KAUFFMAN,
Treasurer.

TREASURER'S FINANCIAL REPORT

FOR FISCAL YEAR ENDING AUGUST 31, 1909.

RECEIPTS.		DISBURSEMENTS.	
Sept. 1, 1908.		Sept. 1, 1908.	
Cash balance	$1,923.20	Petty Cash	$80.00
Interest on bank balances	1,281.29	Salaries	22,871.19
Interest on stock and bonds	4,650.00	Postage, Stationery and Printing	4,645.00
Account sundry small items	17.00	Rent, Gen. Offices. $4,300.00	
Extra guests, Denver convention	790.00	Paid for Sections, Legal Department, Journal, and Protective Department .. 2,841.66	7,141.66
Dues 8 regained members of 1907-1908	95.00	Publishing and distributing Annual Proceedings	10,938.08
Dues 1 old member of 1907-1908	20.00	American Institute of Banking Section	7,604.50
Dues 378 regained members of 1908-1909	4,990.00	Trust Company Section	11,389.73
Dues 795 new members of 1908-1909	7,933.75	Savings Bank Section	9,438.47
Dues 8484 old members of 1908-1909	142,340.00	Clearing House Section	1,408.52
Dues 132 old members of 1909-1910	2,065.00	Legal Department	6,037.49
Dues 460 new members of 1909-1910	5,630.00	Committee on Bills of Lading	1,402.82
Dues 6 regained members of 1909-1910	70.00	Committee on Uniform Laws	79.45
Account Clearing House Section, postage	31.86	Federal Legislative Committee	608.55
Account soliciting new members	12.35	Currency Commission	1,604.06
Carried forward	$171,849.45	Carried forward	$85,249.52

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TREASURER'S FINANCIAL REPORT—CONTINUED

RECEIPTS.	
Sept. 1, 1908. Brought forward	$171,849.45
Account Trust Company Section, sale of books and envelopes, etc	594.55
Office fund	1,000.00
Journal, profit	2,920.78
Account Standing Protective Committee	49.55
	$176,414.33
Sept. 1, 1909. Cash Balance	$2,107.86

DISBURSEMENTS.	
Sept. 1, 1908. Brought forward	$85,249.52
Standing Protective Committee	44,336.07
Committee on Express Companies and Money Orders	4,565.68
Standing Law Committee	1,256.07
Voucher-Check Committee	1,551.84
Committee on Revision of the Constitution	192.50
Special Committee on Travelers' Checks	163.48
Cipher Code, Balance from 1907–1908	2,388.40
Journal	9,084.47
Office Fund, now balanced.	1,000.00
Extra office help	409.60
Telephone and Telegrams.	419.91
Auditors, for 1907–1908	150.00
Insurance	65.00
Balance Treas. Crane Account collecting dues 1907–1908	152.16
Premium National Surety Co. on Officers' Bonds	73.75
Furniture and Fixtures. Furnishing offices, including Sections and Legal Department	2,850.19
Convention expenses, Denver, including $5,000 to entertaining city	8,481.19
F. G. Moffat, chairman, account extra guests, Denver convention	770.00
Traveling expenses	1,061.41
Executive Council, Vice-Presidents and State Secretaries securing New members	604.55
Refund account dues, 1907–1908, overpaid	5.00
Refund account dues, 1908–1909, overpaid	156.25
Refund account dues, 1909–1910, overpaid	10.00
Executive Council meeting, 1909	7,508.29
Signs, membership	230.00
Gold badges for President and 40 members of Executive Council	261.17
Sundry items, office supplies, etc	1,309.97
Balance August 31, 1909	2,107.86
	$176,414.33

On motion the report was accepted and ordered published in the Proceedings.

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FINANCIAL STATEMENTS

CREDIT BALANCES AS REPORTED SEPTEMBER 1, 1909, CHARGED OFF AS PER RESOLUTION OF THE EXECUTIVE COUNCIL

AMERICAN INSTITUTE OF BANKING

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$7,500.00	
May 5, 1909, " "	1,500.00	
		$9,000.00

DISBURSEMENTS.

Expense, Bulletin	$6,430.25	
Executive Council traveling expenses to Seattle	1,174.25	7,604.50
September 1, 1909, Credit Balance		$1,395.59

CURRENCY COMMISSION

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$7,500.00

DISBURSEMENTS.

Special Committee 1907–1908	$1,493.08	
Stenographic	6.00	
Traveling Expenses	104.98	1,604.06
Credit Balance, September 1, 1909		$5,895.49

TRUST COMPANY SECTION

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$7,500.00	
May 5, 1909, " "	4,000.00	
		$11,500.00
4 Copies Trust Co. Proceedings		2.00
24 Copies Proceedings 1896–1903		72.00
95 " Proceedings 1904–1908 (less exchange, 60c.)		284.40
57 " Trust Company Laws		198.50
Stamped envelopes, returned		15.40
Account meeting of Executive Council, overpaid		7.25
Sale of one bookcase		15.00
Carried forward		$12,094.55

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TRUST COMPANY SECTION—CONTINUED

Brought forward		$12,094.55
DISBURSEMENTS.		
Salaries	$4,015.23	
Postage	238.64	
Postage account Proceedings	84.00	
Printing and Stationery	201.10	
Petty Cash	105.00	
Sundry Expense	46.97	
15 Gold Badges	97.50	
Rent	110.00	
Expenses Denver Convention	477.15	
H. P. McIntosh, account Postage, Telegrams, Express Charges, Telephone, Herrick, and Salary and Expense of Stenographer	350.28	
Committee on Trust Company Forms	86.15	
Trust Company Forms	15.00	
Loving Cup to Col. J. R. Branch	90.00	
Express on Proceedings and Trust Company Laws	218.10	
Insurance	19.22	
Proceedings of 1908	759.36	
2,000 Copies Trust Company Laws and Legal Service in Preparing Same	2,379.58	
1,000 Copies Proceedings 1904–1908	1,355.55	
Expense of Executive Committee Meeting at Briarcliff, N. Y.	740.90	11,389.73
September 1, 1909, Credit Balance		$704.82

SAVINGS BANK SECTION

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.		
Appropriation, Expense Committee on:		
Oct. 1, 1908, By Appropriation	$4,500.00	
Jan. 26, 1909, " "	500.00	
May 5, 1909, " "	5,100.00	
		$10,100.00
DISBURSEMENTS.		
Printing, Stationery and Supplies	$277.45	
Postage	673.00	
Stenography and Typewriting	832.00	
Rent	337.50	
Convention Expenses	280.95	
Allowance of Secretary	1,575.00	
Book of Proceedings	980.30	
Sundries	75.70	
Expense, Executive Committee	602.66	
" Committee on Postal Savings Banks	3,253.73	
" " " Auditing	55.95	
" " " Savings Bank Laws	364.64	
" " " Membership	88.85	
" " " Vice-Presidents	40.74	9,438.47
Credit Balance, September 1, 1909		$661.53

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CLEARING HOUSE SECTION

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$2,500.00

DISBURSEMENTS.

Special Work	$75.00	
Buttons	10.00	
Stationery and Printing	274.87	
Stenographer	24.00	
Traveling Expenses	948.90	
Postage	51.86	
Sundries	23.89	1,408.52
Credit Balance, September 1, 1909		$1,091.48

COMMITTEE ON BILLS OF LADING

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$1,250.00	
May 5, 1909, " "	500.00	
		$1,750.00

DISBURSEMENTS.

Stationery and Printing	$217.90	
Telegrams and Express	18.50	
Traveling Expenses	321.60	
Professional Services	771.31	
Postage	17.66	
Typewriting and Stenographer	55.85	1,402.82
Credit Balance, September 1, 1909		$347.18

COMMITTEE ON EXPRESS COMPANIES AND MONEY ORDERS

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$14,000.00

DISBURSEMENTS.

Professional Services (Legal)	$2,500.00	
Traveling Expenses	1,991.37	
Sundries	6.16	
Printing and Stationery	18.15	
Stenographer	50.00	4,565.68
Credit Balance, September 1, 1909		$9,434.32

Note: Bills submitted not yet paid will close this credit balance.

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STANDING LAW COMMITTEE

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$750.00	
Oct. 1, 1908, " Special Appropriation	2,000.00	
		$2,750.00

DISBURSEMENTS.

Stationery and Printing	$134.75	
Traveling Expenses	116.45	
Special Professional Services (Legal)	1,000.00	
Postage and Express	4.87	1,256.07
Credit Balance, September 1, 1909		$1,493.93

COMMITTEE ON UNIFORM LAWS

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$600.00

DISBURSEMENTS.

Stenographic Work	$20.00	
Postage	5.00	
Express Charges	.75	
Geo. F. Orde, Expenses at Meeting of Executive Council at Briarcliff	53.70	79.45
Credit Balance, September 1, 1909		$520.55

FEDERAL LEGISLATIVE COMMITTEE

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$1,500.00

DISBURSEMENTS.

Traveling Expenses	$580.55	
Stationery and Printing	28.00	608.55
Credit Balance, September 1, 1909		$891.45

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COMMITTEE ON VOUCHER-CHECKS

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$1,000.00	
May 5, 1909, By Resolution of Executive Council	551.84	
		$1,551.84

DISBURSEMENTS.

Printing and Stationery	$682.54	
Traveling Expenses	304.15	
Sundries	44.65	
Postage	520.50	
		$1,551.84

COMMITTEE ON REVISION OF THE CONSTITUTION

New York, September 1, 1909.

From September 1, 1908, to August 31, 1909.

RECEIPTS.

May 5, 1909, By Resolution of Executive Council	$192.50

DISBURSEMENTS.

Traveling Expenses	$192.50

STANDING PROTECTIVE COMMITTEE

From September 1, 1908, to August 31, 1909.

RECEIPTS.

Oct. 1, 1908, By Appropriation	$25,000.00	
May 5, 1909, " "	20,000.00	
Received from Union State Bank, San Francisco Cal.	37.50	
" " Salisbury Sav. Bank, Salisbury, Mo..	12.05	
		$45,049.55

DISBURSEMENTS.

Pinkerton's National Detective Agency, service per Contract for one-half fee due, due November 1, 1908, 8,998 members at $1.50	$13,497.00	
Same due May 1, 1909, 10,010 members at $1.50	15,015.00	
Account of special cases	15,824.07	44,336.07
Credit Balance, September 1, 1909		$713.48

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SPECIAL COMMITTEE ON TRAVELERS' CHEQUES

New York, September 1, 1909.

DISBURSEMENTS.

Expenses Attending Meeting at Saratoga, July 15 and 16, 1909.....$163.48

THE PRESIDENT: The next order of business is the report of the Auditing Committee.

REPORT OF AUDITING COMMITTEE

MR. E. J. BUCK, of Mobile, Ala.:

Mr. President and Members of the American Bankers' Association:

On behalf of the Auditing Committee appointed by the Finance Committee of the Executive Council, I beg to report that the Committee has been furnished with a certified report of the examination of the books and accounts of the Association made by the Audit Company of New York. We find that the condition as reported is, briefly, as follows:

ASSETS

Investment Securities (Book Value)	$117,093.75
Cash in Bank	2,107.86
Total Assets	$119,201.61

LIABILITIES AND SURPLUS

Membership Dues, 1909–1910 prepaid	$7,775.00
Surplus	111,426.61
Total Liabilities and Surplus	$119,201.61

The Audit Company append to the above the following certificate:

"We certify that the foregoing Balance Sheet correctly sets forth the financial position of the Association as of August 31, 1909, and that the income from Membership Dues, Interest and all other sources, together with the disbursement of such income, has been accounted for by us."

This is signed by the Audit Company of New York under date of September 8, 1909.

We were also furnished with a certificate from the Bankers' Trust Company of New York, stating that they held for account of the American Bankers' Association $50,000 Chicago, Burlington & Quincy, Illinois Division 4s of 1949.

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$10,000 U. S. Government Registered 4s of 1925.

$30,000 Atchison, Topeka & Santa Fé General Mortgage 4s of 1995.

$30,000 New York City 3½ per cent. Corporate Stock of 1940.

$20,000 National Surety Company Bond in behalf of Percival C. Kauffman.

$2,500 Ætna Indemnity Company Bond in behalf of William G. Fitzwilson.

$10,000 National Surety Company Bond in behalf of Fred. E. Farnsworth.

We were also furnished with a valuation of the securities held by the Bankers' Trust Company at the present time on the Stock Exchange. The total of the present valuation is $119,725 which is carried on the books as $117,093.75, which means that the assets in bonds of the Association are really worth $2,631.25 more than they are carried on the books of the Association.

We respectfully submit this as our report.

THE PRESIDENT: Gentlemen, you have heard the report of the Auditing Committee. What is the pleasure of the convention in regard to it?

On motion, the report was accepted and placed on file.

THE PRESIDENT: The next order of business will be the Annual Report of the Executive Council, by Mr. F. O. Watts, its Chairman.

REPORT OF EXECUTIVE COUNCIL

F. O. WATTS, Chairman, President First National Bank, Nashville, Tenn.

To the American Bankers' Association:

Through the "Journal of the American Bankers' Association" the members have been so well informed from month to month of the work of the Executive Council and the Special Committee and officers under its control, that but for the long established custom of having a written report for each Convention, and my constant purpose to fall in with all good customs and precedents, I would have no further report.

To say something of the Association and its work not already brought to your attention through the JOURNAL is a difficult task. The Executive Council, as at present constituted, is the largest and most representative in the history of the Association. At your Convention in Denver last

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year you made radical changes in the method of selecting members of the Council, State vice-presidents and members of the Nominating Committee—putting such responsibility on the members of this Association when assembled at the Conventions of the various States. This departure has worked so well that even those opposing it in the early stages of the movement would, not, I dare say, return to the old method.

It may be recalled that at and prior to the Convention at Atlantic City there were marked dissensions, and what might be called the rank and file of the membership became so restive under what they considered unequal representation, that a spirit of resentment was surely abroad. It is most pleasing to report that under the new plan of having every State select its own representatives, the feeling formerly existing has entirely subsided, and the year just ended has been marked as one in which harmony prevailed in every department of the Association. In addition to the satisfaction as to a proper representation—the new order of things resulted in bringing this Association into closer touch with the various State Associations, increasing interest at the State Conventions, and in materially increasing the membership of this Association. This added impetus, taken with the untiring and effective work of the Secretary and his assistants, and the assistance of the Executive Council and the State vice-presidents, has resulted in an increase of this Association to 10,700 members.

Following custom, the Executive Council held two meetings since its last report to you—one just after the adjournment of the Denver Convention, and the second at Briarcliff, N. Y., during May. The details of these meetings were published in the May and October numbers of the JOURNAL and will not be recounted in this report. Though doubled in size, there surely could never have been any meetings more businesslike and harmonious, and the attendance at the May meeting was sixty-six out of a total membership of seventy-one. This is quite remarkable considering that the members came from all parts of the country, from California to Connecticut and from the State of Washington to Florida.

While no new work was planned during the year, close attention and increased activity were given to the various special lines of work as well as to the regular and most valuable work, such as that especially looked after by the Protective Committee, the Trust Company Section, the Savings Bank Section, the Clearing House Section, the American Institute of Bank Clerks, the Secretary, the General Counsel and the Treasurer. The detailed reports of all of such work will be very thoroughly presented to you during this Convention by those in whose immediate charge it was placed.

Practically all of the special work undertaken by the Committees for this Association in the past has been well done and of real value, and while the record stands so, it seems a most opportune time to call attention to the disposition of most of similar bodies to constantly increase the

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number of Special Committees—out of proportion to the importance of the work and without due consideration of the cost to be incurred. The record of your present Council is most excellent on this point, as only two Special Committees were created and the Council unanimously approved a ruling that the term of all Committees created by it should end at the first meeting of the body thereafter, unless appointed for some other specific time or continued by affirmative action.

The Association and its Sections have been especially active in opposing those after-panic proposals, "the Bank Guarantee of Deposits" and the "Postal Savings Banks." Equally wrong in principle, the latter seems more formidable because of the power and influence of its advocates and because the defects of the guarantee scheme are more glaring, and therefore more effectively placed before the public. The Currency Commission has not been as active during the last year as during the previous one. This apparent inactivity should not be misunderstood. The interest of the Association as a whole and that of the Currency Commission has not been abated one whit, nor can it be denied that the best thought among bankers has been crystallizing more and more upon the true principles of currency reform as set out in the report of our Commission. The principles they enunciated are not altered or affected by the growing sentiment among the best bankers favorable to a Central Bank. After the appointment of the Special Currency Commission by Congress, a committee of the highest type and apparently seeking after the plan most suitable to our conditions and necessities, the officers and committees of this Association considered their duty lay in rendering to the Congressional Commission every possible assistance, and in awaiting the result of the latter's most thorough and non-partisan investigation.

Before concluding, I take this opportunity to publicly express my appreciation of the official and personal association during the year with the President, First Vice-President, Secretary, Treasurer, General Counsel and the entire membership of the Executive Council. Surely no men ever worked more harmoniously to the common end of building up our profession in America.

MR. BRADFORD RHODES, of Mamaroneck, N. Y.: I move that the report of the Executive Council be accepted and approved and published in the proceedings of this convention. It is a most excellent report.

The motion was seconded and carried.

THE PRESIDENT: The next order of business will be the Report of the Committee on Express Companies and Money Orders.

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REPORT OF COMMITTEE ON EXPRESS COMPANIES AND MONEY ORDERS

MR. JOSEPH CHAPMAN, JR., of Minneapolis, Minn., Chairman:

Mr. President and Members of the American Bankers' Association:

Your Committee has three important subjects upon which to report, and will take them up separately in the following order:

EXPRESS COMPANIES, MONEY ORDERS AND TRAVELERS' CHEQUES

1st. The case of the American Bankers' Association vs. the Express Companies has had two hearings, the first before Commissioner Clark, in New York City, at which evidence was placed before the commissioner by witnesses from various States, showing the nature of the banking business done by the Express Companies and exposing the vast power these companies have over the Exchange Market, due to their branch banking system, as represented by their agencies and their ability to ship currency for themselves at practically no cost. It was shown that they were able to ship currency in or out of towns and cities against the currents of Exchange, thus forcing bankers to make shipments of currency that would otherwise be unnecessary.

Admitting, for the sake of argument, that the Express Companies do not abuse the unusual powers that they have, due to the fact that they are bankers and common carriers, it was shown that they are a constant menace to legitimate bankers as long as they carry on the two lines of business, as they are in position to change the tides of currency shipments whenever they desire to do so. It was also shown that the ordinary demands of their business actually caused this discrimination against other bankers and in favor of themselves as bankers; yet their actual transactions of this kind are not a circumstance to what could happen should unscrupulous men obtain control of the companies, as their banking business is subject to no State or national supervision and they can run with unknown reserves.

The banking business of the Express Companies has grown under the protest of bankers during the whole course of its development, and while no criticism has been made of the honesty of purpose or ability of the officers or employes of the companies, yet exception is taken to the principle which allows branch banking to be done by institutions not properly organized as bankers, and particularly when such institutions are the recognized common carriers in our land, upon whom regularly organized bankers are obliged to depend for shipments of currency.

The second hearing was held before the Interstate Commerce Commission

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as a whole, November 11, 1908. No testimony was taken at this hearing, the attorneys for both sides taking up the time allowed in the presentation of arguments upon the two main points involved. The decision of the Commission on these two points was handed down January 5, 1909.

The first point (that of jurisdiction) was decided in favor of the American Bankers' Association, and the Commission stated in the opinion rendered by Commissioner Clark, that there could be no doubt as to the jurisdiction of the Interstate Commerce Commission in the case. To quote from our attorney on this point, "One vital thing that the opinion of Commissioner Clark decides is that the Interstate Commerce Commission has jurisdiction to entertain the complaint. This point was vigorously contested and has been put at rest in our favor."

The second point, which was a request for the production of the books of the Express Companies on the part of the Association, was denied. Further hearing of the case was set for April 26th, but has been postponed until fall.

2nd. MONEY ORDERS. The Money Order system started by the Association some years since, which has been handled by the American Surety Company for the Association, was started successfully and developed quite rapidly, until some 890 banks were using the Money Orders. It has been found necessary, however. to make certain changes in the system in order to have it perfect, as the element of exchange worked somewhat against the plan as it was originally drawn up.

The Committee and the Surety Company have been working to bring about the changes thought necessary, and while they have had considerable success in eliminating certain undesirable features, your Committee has not as yet been fully successful in securing the co-operation of certain clearing house cities which is necessary to the full and complete success of the plan. When this co-operation is secured, the Surety Company intends to push the matter with even greater vigor.

3rd. TRAVELERS' CHEQUES. The Travelers' Cheque plan of the Association is now thoroughly established, and as it is a new system and has been in operation only since the middle of last April, we will present it in some detail.

Travelers' Cheques, in order to give the service for which they are intended, must be distinctive pieces of paper that will impress themselves readily upon the minds of those who are apt to be called upon to cash them. They must also have proper credit and standing back of them, and must be available as exchange without cost in every part of the world.

The system of the Association has been planned to meet these requirements and the experience of the last few months, during which time thousands upon thousands of the cheques have been cashed by tourists, both in this country and abroad, has proved that the system as established meets the requirements fully.

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First we will consider the cheque itself: The form was decided upon by the Committee, after consultation with European bankers, artists, experts of the American Bank Note Company, and attorneys. The design which was finally selected seemed to cover all the requirements of safety, individuality, availability and legality.

The cheques are engraved from steel plates, on paper specially manufactured for them, and have upon the back a multi-colored lathe work which it is practically impossible to counterfeit. While this makes a very expensive cheque, and consequently puts quite a tax upon the system, yet it has already proved its worth. It lends dignity to the undertaking of the American Bankers' Association and gives bankers issuing the cheques a piece of paper that they need not be ashamed to sell to their customers. Appearance carries weight with those called upon to cash cheques, and this one is acceptable to all concerned. The American Bank Note Company informs us that it is more difficult to counterfeit than a government bill, and as the cheques are only issued in small denominations, any one having the ability to make even inferior counterfeits could better place his time and energy in some other direction, as it would be impossible to realize any large sum from counterfeit cheques without traveling about from place to place, obtaining small amounts, such as an ordinary tourist would require. This would take time, during which the first cheques cashed would make their appearance and the forger could be easily traced.

The relentless activity of the Protective Committee of the American Bankers' Association in its pursuit of criminals is a feature that serves to protect bankers and others who cash the cheques, as well as the public who carry them, and is a safety feature possessed by no other Travelers' Cheque issued.

Cheques are issued in denominations of $10, $20, $50 and $100, the different denominations tinted respectively blue, green, straw and orange. Upon the face of the cheques, in addition to the denomination in dollars, appears the foreign equivalents in the moneys of the principal European countries.

As there are over twenty thousand independent banks in the United States, it was necessary to have some central institution supply the cheques to banks and arrange for their protection throughout the world.

The Travelers' Cheques are in the form of drafts drawn by issuing banks upon the Bankers' Trust Company, of New York, who have entered into a contract with the American Bankers' Association to handle the business. The acceptance of the Trust Company appears upon the face of the cheque, which makes it two-name bankers' paper, a form most acceptable to foreign bankers. The acceptance also serves as a means of placing one signature upon the cheque that can be made known throughout the world. This eliminates the necessity of bankers, hotel keepers and others who may be called upon to cash the cheques, being familiar with either the signature or standing of the issuing bank, which, on account of the large number of

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banking institutions in the United States, would not only be impracticable, but impossible.

The word "Cashier" has been engraved upon all of the cheques, again for the sake of uniformity. This official title was selected as it is the one more generally used. Where other officers sign, it makes it possible to use the smallest abbreviation of their official title. The great majority of bankers prefer to sign the Association cheques themselves, although some institutions have filed signatures with the American Bank Note Company to have them placed upon the cheques at the same time they are printed, as is done in the case of National Bank Notes.

As the acceptance of the Trust Company appears upon all American Bankers' Association Travelers' Cheques, each bank desiring to issue them must make satisfactory arrangements with the Trust Company for its protection before it can obtain them.

A charge of $10 a thousand is made for the cheques. This does not nearly cover the cost, and the charge is not made for that purpose. If the cheques could be obtained without cost, many banks having no demand for them might order their name printed upon large numbers of the cheques and thus put a heavy and useless tax upon the system. This would tend to delay shipments to banks requiring cheques and prevent their orders being filled promptly. All other supplies, such as Lists of Correspondents, Covers for Cheques, Instructions to Purchasers and Advertising Signs are furnished without cost.

While it has been the custom in the past for institutions issuing Travelers' Cheques to require a remittance of half the profit from bankers selling them when the cheques were sold for use in the United States, and while the contract with the Trust Company originally authorized them to require such a remittance, yet as banks throughout the United States generally agreed to cash the Travelers' Cheques of the American Bankers' Association at par, the Trust Company voluntarily waived its right to any of the commission. This additional profit in itself more than offsets the small charge made for the cheques, and while our opposition has also waived this commission, they did so because of this action by the Trust Company, and banks which sell Express Company Money Orders are obtaining the benefit of the work of the Association.

Banks generally order their name printed upon from 500 to 1,000 Travelers' Cheques, although some institutions, whose demand is small, have had as few as 250 cheques printed at a time.

The American Bank Note Company holds in its vaults at all times cheques ready for the names of issuing banks. As banks sell the cheques they hold in sufficient quantities to make it advisable, the Trust Company ships further cheques from the supply it holds. As its supply of printed cheques for any one bank runs low, it notifies the bank in order that it may have further cheques printed from the stock held by the Bank Note Company. This system is working very smoothly and serves many valu-

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able purposes. In the first place, banks selling the cheques are not required to hold in their own vaults, at their own risk, any larger amount of cheques than they actually require. Second, the total amount that the Trust Company has outstanding is reduced to a minimum and the chances of delay while new cheques are being printed and a consequent loss of business in the meantime, are almost eliminated, as three different institutions are keeping track of the matter—the bank selling the cheques, the Trust Company, receiving the remittances for the cheques, and the Bank Note Company, printing the cheques.

The Trust Company has been making daily shipments from the cheques held by it to replace cheques sold by issuing banks. As the demand upon the part of each bank develops, the number of cheques it holds in its own vaults can be easily regulated to meet it. When placing orders to have additional cheques printed, adjustments of the proportion of each denomination can be easily made to conform to the demand.

Banks do not remit for the face value of the cheques until they are actually sold, and in some cases where issuing banks have clients of high standing who make it a habit to carry larger amounts of cheques than they expect to have use for, in order to be prepared for emergencies, they are sold against guaranty.

The application blanks the customers fill out when purchasing cheques are printed in copying ink, in order that banks may keep a clear record of all transactions without unnecessary bookkeeping. Banks using the carbon system take two application blanks for each order. The system is, therefore, very simple for banks to handle and requires no expert knowledge of Foreign Exchange or complicated bookkeeping in order to supply their customers with the best possible service.

Although the system was only started the middle of last April, over thirteen hundred banks, including the majority of those in reserve cities, are to-day selling American Bankers' Association Travelers' Cheques. This is as large a number as could possibly have been supplied with the cheques since the time of their issue, as the American Bank Note Company has not been able to keep pace with the orders, and to-day, with the height of the traveling season past, they are about a week behind in deliveries.

The Trust Company originally made arrangements at some ten thousand points outside of the United States for the encashment of these cheques, and has since added to this number daily, and is continually obtaining the co-operation of new banks in all parts of the world.

In addition to such arrangements, circulars of instructions, together with a reduced fac-simile of the cheques have been forwarded to hotels throughout the world. Realizing that some of these papers have been lost in the mails, or possibly destroyed without consideration, special letters have been written and duplicate papers forwarded to several thousands of the principal hotels.

A representative of the Trust Company is in Europe, making the rounds

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of all the principal hotels and shops for the purpose of explaining the system. In Paris he covered sixty-two hotels and over three hundred shops, and in London a much larger number. Holland and Belgium have just recently been covered, and with entire success. Wherever necessary, this means is being taken to see that the system is thoroughly understood.

In other parts of the world different methods have been pursued. For instance, in Switzerland the Schweizerische Kredit Anstalt, Zurich, sent their own representative to all the hotels and cafés in the country, as well as to many of the principal shops. A report of the entire success of this work was sent recently to banks issuing the cheques.

The railroads of the United States are generally sending out notices to their agents to accept Association cheques in payment of tickets, etc.

Newspaper articles were published in the newspapers and in the languages of the principal countries of the world, explaining the system and advising hotel proprietors of the entire safety with which they could cash American Bankers' Association Travelers' Cheques.

Special arrangements have been made at many principal points where an unusually large number of tourists congregate. For instance, a special representative was sent to Seattle and arrangements were made with the Exposition authorities of the Alaska-Yukon-Pacific Exposition and the concessionaires, as well as with the banks and hotels in the city, to protect tourists carrying American Bankers' Association Travelers' Cheques. Similar efforts for the comfort of travelers carrying them were made in Salt Lake City before the meeting of the G. A. R., and have recently been made in New York City in preparation for the Hudson-Fulton Celebration. Very few banks in the past in New York City have ever cashed any travelers' paper, but we are assured, since our representative made the rounds of the New York banks, that travelers will meet with every courtesy in all of them.

All of the principal hotel companies in New York have been seen and have stated that they have been cashing Association cheques during the whole season and will continue to do so.

It might be well to mention here that Savings Banks and Trust Companies in many cities, particularly in the East, are not allowed to do an Exchange business. A list of such States is being prepared by the Counsel for the Association and they will be mentioned in the "Instructions to Purchasers" as soon as the list is ready.

Without going into further detail as to the various means of publicity that have been used in order to make the cheques current everywhere, we will say that nothing that could be done has been left undone, and that every new necessity that arises is and will be taken care of as fast as it develops.

In order to aid banks issuing the cheques, very extensive advertising has been undertaken by the Trust Company, and judging from the net sales

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of the cheques to date, the advertising campaign has been carried on along right lines.

It is no more than fitting that we call attention to the recent action of the Bankers' Trust Company in increasing its Capital and Surplus to a total of nine million dollars ($9,000,000), as this was done largely out of courtesy to the Association and to show that the Company has undertaken this large proposition for the banks of the United States in good faith, and intends to carry it out in a broad way in the interest of the Association. It is important that our bankers understand that the money remitted to the Trust Company in payment of orders sold is held by the Trust Company as trust funds.

While Congress, the Currency Commission of the American Bankers' Association, and the Monetary Commission have been working to devise a plan by which our country may be served with a more adequate currency system, your Committee on Money Orders and Express Companies believe that they have solved the problem for a large part of our population who travel, by providing them with a most safe, elastic and popular form of emergency currency.

That the public appreciates this service is shown by the fact that during the first four months the system has been in operation, over $2,000,000.00 of these Orders have been in actual circulation. At this rate it will mean that before it has been in operation one year, at least $6,000,000.00 worth of these Orders will have been put in circulation by the traveling public.

Individual banks in the United States to-day are in position to issue to their customers Travelers' Cheques, over their own names, good in any part of the world, that will give as good or better service than they would be able to if they were huge branch banks. The co-operation on the part of bankers throughout the United States is most gratifying, and the quick results obtained by the Association in this matter proves the value and power of concerted action on the part of our banking institutions, when exerted along right lines, and shows the possibilities of our development as individual institutions. By co-opeartion we can accomplish things which would otherwise be impossible without a branch banking system.

Respectfully submitted,

JOSEPH CHAPMAN, JR., *Chairman*,
M. E. AILES,
THORNTON COOKE,
E. D. DURHAM,
FRED I. KENT,
} *Committee.*

MR. E. E. CRABTREE, of Jacksonville, Ill.: I move that the report be received and the committee continued.

MR. E. D. DURHAM, of Onarga, Ill.: If the gentleman would

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accept the suggestion, the committee prefer the word "adopted" to that of "received."

MR. CRABTREE: I will follow the suggestion and make my motion read that the report be adopted and the committee continued.

The motion was seconded.

THE PRESIDENT: All in favor of the motion to adopt the report and continue the committee will signify it by saying aye; opposed, no.

Carried.

THE PRESIDENT: Next in order is the Report of the Committee on Bills of Lading, which will be presented by the Chairman, Mr. Lewis E. Pierson, of New York.

MR. PIERSON: Mr. President and Gentlemen of the Convention: Your committee is glad to report the following important results since the last convention.

REPORT OF COMMITTEE ON BILLS OF LADING

Including:

APPENDIX A. Fourth tentative draft of an act to make uniform the law of Bills of Lading. Approved and recommended for enactment in the respective States by the Conference of Commissioners on Uniform State Laws, Detroit, Michigan, August 23, 1909.

APPENDIX B. Draft of an act relating to Bills of Lading, prepared for State enactment in pursuance of resolution adopted at Denver, Colorado, September 28, 1908, by joint conference of State Bill of Lading Committees and Committee on Bills of Lading of A. B. A., and enacted in year 1909 in Michigan, Minnesota, Washington and Wyoming.

APPENDIX C. A bill relating to Bills of Lading prepared for Congressional enactment and made the subject of four hearings before a sub-committee of the House Committee on Interstate and Foreign Commerce during the winter of 1908–1909.

APPENDIX D. State statutes covering (1) False Bills of Lading; (2) Unmarked Duplicates; (3) delivery without surrender of bill; in force January 1, 1909.

APPENDIX E. Foreign laws governing the negotiability of Bills of Lading and especially the carriers' liability on a bill of lading when no goods were received and the carriers' liability on an Order bill of lading not taken up by the carrier on delivery of the goods and, subsequently, endorsed to a *bona fide* holder for value.

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Four important results are to be reported since our last report:

1st. The Commissioners on Uniform State Laws, after four years of careful consideration, have completed their draft of the Uniform Bill of Lading Act for State adoption, and have recommended same for enactment into law by the legislatures of the various States.

2nd. The Canadian railroads have all adopted the Uniform Bill of Lading recommended by our Interstate Commerce Commission, including form, colors and with but slight and unimportant changes in its provisions.

3rd. Four States have enacted into law the bill of lading measure drafted by General Counsel on behalf of our Committee, under instructions of the various Banking Association Bill of Lading Committees last September.

4th. The carriers in Official Classification Territory have authorized all agents who issue "order" bills of lading to place the official stamp of their agency on such bills; and further have issued a ruling that "all straight and order bills of lading should be made out in ink, indelible pencil or should be typewritten and all 'order' bills of lading should have the number of packages shown in words as well as in numerals."

In addition, important progress has been made to secure Congressional legislation on bills of lading which will cover interstate shipments.

Since our last convention, and in accordance with its instructions, specimens of the new Uniform Bill of Lading recommended by the Interstate Commerce Commission, were distributed through the several Bill of Lading Committees of State Bankers' Associations to bankers throughout the country.

At this time we are glad to report that practically every railroad is using the new Uniform Bill of Lading, on the forms and in the colors recommended by the Interstate Commerce Commission, the yellow form for Order bills and the white form for Straight Bills of Lading, and your Committee recommends that bankers loaning on bills of lading make sure that the form they receive is the "Order" or yellow form.

It is with some regret that we notice a few railroads are nullifying some of the provisions of the Uniform Bill of Lading agreed upon, by stamping new conditions on the face. Bankers should carefully scrutinize and reject any such bills. A few Southern railroads, also, have been led to issue a form similar in appearance, but with a number of vital provisions differing from those recommended by the Interstate Commerce Commission.

This is a situation foreseen and contended by our Committee in the proceedings before the Commission—a contention combatted but afterwards conceded to be correct—namely, that that body had no power to prescribe, but could only recommend provisions or conditions to be contained in a bill of lading; and this situation can only be fully remedied when uniform conditions and provisions have been enacted into law as forming part of the terms of every bill of lading, with the prohibition of the insertion in the

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bill of inconsistent or derogatory provisions. In the meantime the best corrective is the creation of a universal sentiment favoring the recommended Uniform bill and the discountenancing of modifications or substitutes, through united action of the banking and shipping public in refusing to accept other than the recommended form.

Turning from the matter of form to the subject of State and National legislation covering bills of lading, we have now, for the first time, in the bill just perfected by the Commissioners on Uniform State Laws, a full and complete draft of law which provides full negotiability for Order Bills, regulates the manner of their transfer and negotiation, defines the obligation and rights of the carrier, including the essential feature of liability upon bills although issued without receipt of the goods, provides the printing of the words "order of" on Order bills of lading, and, in brief, regulates fully all matters connected with the issue, transfer and redemption of these documents, containing all the points urged by our counsel, Mr. Thomas B. Paton, who has regularly attended the sessions, covering the security necessary to bankers and merchants, as far as the law can give such security. We append to our report the full text of this measure (Appendix "A"), and our Committee will use its best efforts to promote its enactment in the respective States.

In view of the postponement last year by the Commissioners on Uniform State Laws, of action on the pending draft of uniform law, and the urgent requests for immediate action from various sections of the country, and in pursuance of resolutions adopted at the Conference of State Bill of Lading Committees at Denver last September, General Counsel of the Association, under the supervision of our Committee, drafted a Bill of Lading Act for introduction in the legislatures of those States where the laws were grossly deficient, and where some legislatures convened in 1909 and not again until two or more years later. This draft provided all the requirements as to form recommended by the Interstate Commerce Commission, which it is practicable to make permanent by legislation, and as its main feature covered the liability of carriers to *bona fide* holders upon bills issued without receiving the goods, upon unmarked duplicates, and for delivery of the goods without taking up the bill. Copies of this draft were promptly sent to the Bill of Lading and Legislative Committees of the State Associations, and introduced in the legislatures of ten States:

Illinois	Pennsylvania	Minnesota
Michigan	Iowa	Washington
South Carolina	North Carolina	Oklahoma
	Wyoming	

and we are glad to report that the Act was passed in four States:

Washington Wyoming Minnesota Michigan

and also passed one House in Iowa, North Carolina and Oklahoma.

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We attach a copy of this law as part of our report (Appendix "B").

This result is due not only to the efforts of the Bill of Lading and Legislative Committees and bankers of those States, but to the strong support given the measure by the mercantile interests.

At a meeting of your Committee held prior to the opening of the short session of Congress last December, the provisions of the Maynard bill, introduced into Congress at its previous session, were carefully considered, and a new measure drawn restricted in provision to the same vital points necessary to the security of bankers and merchants, which were covered by the draft of law designed for State enactment, it being the judgment of your Committee that there was a fair chance of securing a favorable report and the enactment by Congress of the new measure. A copy of this draft is appended to our report (Appendix "C"). In advocacy of this measure your Committee last winter appeared with counsel at four hearings before the Sub-Committee of the House Committee on Interstate and Foreign Commerce, urging with many mercantile organizations the adoption before that Committee of the new measure.

These hearings were largely attended by the representatives of all interests, including the carriers; full discussions were had and the merits of the proposed measure urged and opposed from different viewpoints.

The Sub-Committee was composed of Congressmen Stevens of Minnesota, Lovering of Massachusetts and Russell of Texas, who gave the matter close attention, showing an intense interest and gratifying fairness in examining witnesses at their several hearings on the bill.

As a result of these hearings and those of a previous session, we believe the proposed Congressional legislation now successfully meets all fair objections, and when urged at the next session, your Committee feels confident of final success.

At the suggestion of a number of important Boards of Trade, our approval was granted to the form of resolutions which have recently been passed by the various Boards of Trade and Exchanges throughout the country, which provide that hereafter no drafts be paid by their members when the bill of lading attached shall have been issued by the carriers without the following safeguards:

1. Every bill of lading must, in addition to the signature, bear also the official stamp of the authorized issuing agent, such stamp giving date of his signature.

2. All the writing on said bill of lading must be in ink or indelible pencil, and the quantity receipted for must be written in full in addition to the numerals.

With the belief that the universal adoption by the carriers of these safeguards will reduce disputes, claims and fraud, your Executive Council at its Spring meeting adopted resolutions endorsing this action of our mercantile friends, and recommended in the JOURNAL that members of the Asso-

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ciation only handle bill of lading drafts where the bill of lading attached conformed to these requirements. As already stated at the beginning of our report, the Carriers in Official Classification Territory have adopted these requirements, and it is expected that railroads in other sections of the country will do likewise.

At the request of Congressman Stevens, of Minnesota, Chairman of the Sub-Committee of the House Committee on Interstate and Foreign Commerce, counsel prepared a digest of State laws on bills of lading, covering civil liability of carriers and criminal liability of their agents for issuing false bills and delivery of goods without surrender of documents; also a digest of the bill of lading laws of foreign countries, including England, Belgium, Denmark and Russia, France, Germany, Holland, Italy, Mexico and Spain, all of which is made a part of this report. (Appendices "D" and "E," respectively.)

The vast and intricate nature of the subject and the fact that four separate interests are affected, has rendered progress necessarily slow, yet comparison of the situation to-day, with what it was three years ago, when your Committee was created, shows a most satisfying degree of progress.

Our goal is now in sight, and we feel that with active assistance of our fellow bankers and interested trade organizations, it will not be long before the National and State legislation, so carefully prepared, will be enacted into law.

Your Committee is grateful for the valuable assistance of many bankers throughout the country, and has been glad to heartily co-operate with the hard working committee of merchants, appointed at the Atlantic City Bill of Lading Conference, two years ago, particularly Mr. George W. Neville, Mr. L. Mandelbaum, of the New York Cotton Exchange, and Messrs. C. F. Droste and H. Dunkak, of the New York Mercantile Exchange, Mr. Theodore F. Whitmarsh, Vice-President, and Mr. William C. Breed, Counsel of the National Wholesale Grocers' Association, and Mr. Albert M. Read, President of the National Board of Trade.

We also wish to express our appreciation of the valuable assistance rendered by the General Counsel of the Association, Mr. Thomas B. Paton, and of Professor Samuel Williston, of Harvard University, who have been acting as Counsel to your Committee.

LEWIS E. PIERSON, *Chairman;*
FRANK O. WETMORE,
WILLIAM LIVINGSTONE,
WILLIAM INGLE,
J. A. LEWIS.

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APPENDIX A

FOURTH TENTATIVE DRAFT OF AN ACT TO MAKE UNIFORM THE LAW OF BILLS OF LADING

Prepared by Professor Samuel Williston, Harvard Law School, Cambridge, Mass.

Reported to Conference of Commissioners on Uniform State Laws by its Committee on Commercial Law, viz.: Francis B. James, Cincinnati, Ohio, Chairman; Charles F. Libby, Portland, Me.; Walter George Smith, Philadelphia, Pa.; Talcott H. Russell, New Haven, Conn.; W. O. Hart, New Orleans, La.; Charles Thaddeus Terry, New York, N. Y.; George Whitelock, Baltimore, Md

Approved and recommended for enactment by the Commissioners on Uniform State Laws in Annual Conference at Detroit, Mich., August 23, 1909.

Be it enacted. etc., as follows:

PART I

THE ISSUE OF BILLS OF LADING

SECTION 1.—[Bills governed by this act.] Bills of Lading issued by any common carrier shall be governed by this Act.

SECTION 2.—[Form of bills. Essential terms.] Every bill must embody within its written or printed terms—

(a) The date of its issue,

(b) The name of the person from whom the goods have been received,

(c) The place where the goods have been received,

(d) The place to which the goods are to be transported,

(e) A statement whether the goods received will be delivered to a specified person, or to the order of a specified person,

(f) A description of the goods or of the packages containing them which may, however, be in such general terms as are referred to in Section 23, and,

(g) The signature of the carrier.

A negotiable bill shall have the words "order of" printed thereon immediately before the name of the person upon whose order the goods received are deliverable.

A carrier shall be liable to any person injured thereby for all damage caused by the omisson from a negotiable bill of any of the provisions required in this section.

SECTION 3.—[Form of bills. What terms may be inserted.] A carrier

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may insert in a bill, issued by him, any other terms and conditions, provided that such terms and conditions shall not—

(a) Be contrary to law or public policy,

(b) In any wise impair his obligation or the obligation of any connecting carrier to exercise at least that degree of care in the transportation and safe-keeping of the goods entrusted to him which a reasonably careful man would exercise in regard to similar goods of his own.

SECTION 4.—[Definition of non-negotiable or straight bill.] A bill in which it is stated that the goods are destined or consigned to a specified person, is a non-negotiable or straight bill.

SECTION 5.—[Definition of negotiable or order bill.] A bill in which it is stated that the goods are destined or consigned to the order of any person named in such bill, is a negotiable or order bill.

Any provision in such a bill that it is non-negotiable shall not affect its negotiability within the meaning of this act.

SECTION 6.—[Negotiable bills must not be issued in sets.] Negotiable bills issued in this State for the transportation of goods to any place in the United States on the Continent of North America, except Alaska, shall not be issued in parts or sets. If so issued, the carrier issuing them shall be liable for failure to deliver the goods described therein to any one who purchases a part for value in good faith, even though the purchase be after the delivery of the goods by the carrier to a holder of one of the other parts.

SECTION 7.—[Duplicate negotiable bills must be so marked.] When more than one negotiable bill is issued in this State for the same goods to be transported to any place in the United States on the continent of North America, except Alaska, for the same goods, the word "duplicate" or some other word or words indicating that the document is not an original bill shall be placed plainly upon the face of every such bill, except the one first issued. A carrier shall be liable for the damage caused by his failure so to do to any one who has purchased the bill for value in good faith as an original, even though the purchase be after the delivery of the goods by the carrier to the holder of the original bill.

SECTION 8.—[Failure to mark "not negotiable."] A non-negotiable bill shall have plainly placed upon its face by the carrier issuing it "non-negotiable" or "not negotiable."

This section shall not apply, however, to memoranda or acknowledgments of an informal character.

SECTION 9.—[Insertion of name of person to be notified.] The insertion in a negotiable bill of the name of a person to be notified of the arrival of the goods shall not limit the negotiability of the bill, or constitute notice to a purchaser thereof of any rights of equities of such person in the goods.

SECTION 10.—[Acceptance of bill indicates assent to its terms.] Except

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as otherwise provided in this act, where a consignor receives a bill and makes no objection to its terms or conditions at the time he receives it, neither the consignor nor any person who accepts delivery of the goods nor any person who seeks to enforce any provision of the bill shall be allowed to deny that he is bound by such terms and conditions, so far as they are not contrary to law or public policy.

PART II

OBLIGATIONS AND RIGHTS OF CARRIERS UPON THEIR BILLS OF LADING

SECTION 11.—[Obligation of carrier to deliver.] A carrier, in the absence of some lawful excuse, is bound to deliver the goods upon a demand made either by the consignee named in the bill for the goods, or if the bill is negotiable, by the holder thereof, if such demand is accompanied by—

(a) An offer in good faith to satisfy the carrier's lien upon the goods,

(b) An offer in good faith to surrender the bill properly indorsed which was issued by the carrier for the goods, if the bill is negotiable, and

(c) A readiness and willingness to sign, when the goods are delivered, an acknowledgment that they have been delivered, if such signature is requested by the carrier.

In case the carrier refuses or fails to deliver the goods in compliance with a demand by the holder or owner so accompanied, the burden shall be upon the carrier to establish the existence of a lawful excuse for such refusal.

SECTION 12.—[Justification of carrier in delivering.] A carrier is justified in delivering the goods, subject to the provisions of the three following sections, to one who is

(a) A person lawfully entitled to the possession of the goods, or

(b) The consignee named in a non-negotiable bill for the goods, or

(c) A person in possession of a negotiable bill for the goods by the terms of which the goods are deliverable to his order, or which has been indorsed to him or in blank by the consignee or by the mediate or immediate indorsee of the consignee.

SECTION 13.—[Carrier's liability for misdelivery.] Where a carrier delivers the goods to one who is not lawfully entitled to the possession of them, the carrier shall be liable to all having a right of property or possession in the goods if he delivered the goods otherwise than as authorized by subdivisions (b) and (c) of the preceding section; and, though he delivered the goods as authorized by either of said subdivisions, he shall be so liable if prior to such delivery he—

(a) Had been requested, by or on behalf of a person lawfully entitled to a right of property or possession in the goods, not to make such delivery, or

(b) Had information that the delivery about to be made was to a person not lawfully entitled to the possession of the goods.

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A request or information to be effective within the meaning of this section must be given to an officer or agent of the carrier, the actual or apparent scope of whose duties includes action upon such a request or information, and must be given in sufficient season to enable the officer or agent to whom it is given, acting with reasonable diligence, to stop delivery of the goods.

SECTION 14.—[Negotiable bills must be cancelled when goods delivered.] Except as provided in Section 27, and except when compelled by legal process, if a carrier delivers goods for which a negotiable bill had been issued, the negotiation of which would transfer the right to the possession of the goods, and fails to take up and cancel the bill, such carrier shall be liable, to any one who for value and in good faith purchases such bill, for failure to deliver the goods to him, whether such purchaser acquired title to the bill before or after the delivery of the goods by the carrier, and notwithstanding delivery was made to the person entitled thereto.

SECTION 15.—[Negotiable bills must be cancelled or marked when parts of goods delivered.] Except as provided in Section 27, and except when compelled by legal process, if a carrier delivers part of the goods for which a negotiable bill had been issued and fails either—

(a) To take up and cancel the bill, or

(b) To place plainly upon it a statement that a portion of the goods has been delivered, with a description which may be in general terms, either of the goods or packages that have been so delivered or of the goods or packages which still remain in the carrier's possession, he shall be liable, to any one who for value and in good faith purchases the bill, for failure to deliver all the goods specified in the bill, whether such purchaser acquired title to the bill before or after the delivery of any portion of the goods by the carrier, and notwithstanding such delivery was made to the person entitled thereto.

SECTION 16.—[Altered bills.] Any alteration, addition or erasure in a bill after its issue without authority from the carrier issuing the same either in writing or noted on the bill shall be void, whatever be the nature and purpose of the change, and the bill shall be enforceable according to its original tenor.

SECTION 17.—[Lost or destroyed bills.] Where a negotiable bill has been lost or destroyed, a court of competent jurisdiction may order the delivery of the goods upon satisfactory proof of such loss or destruction and upon the giving of a bond with sufficient surety to be approved by the court to protect the carrier or any person injured by such delivery from any liability or loss, incurred by reason of the original bill remaining outstanding. The court may also in its discretion order the payment of the carrier's reasonable costs and counsel fees.

The delivery of the goods under an order of the court as provided in this

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section, shall not relieve the carrier from liability to a person to whom the negotiable bill has been or shall be negotiated for value without notice of the proceedings or of the delivery of the goods.

SECTION 18.—[Effect of duplicate bills.] A bill upon the face of which the word "duplicate," or some other word or words indicating that the document is not an original bill, is plainly placed shall impose upon the carrier issuing the same the liability of one who represents and warrants that such bill is an accurate copy of an original bill properly issued, but no other liability.

SECTION 19.—[Carrier can not set up title in himself.] No title or right to the possession of the goods, on the part of the carrier, asserted by him for his own benefit, shall excuse the carrier from liability for refusing to deliver the goods according to the terms of the bill, unless such title or right is derived directly or indirectly from a transfer made by the consignor or consignee after the shipment or from the carrier's lien.

SECTION 20.—[Interpleader of adverse claimants.] If more than one person claims the title or possession of the goods, the carrier may require all known claimants to interplead, either as a defence to an action brought against him for non-delivery of the goods, or as an original suit, whichever is appropriate.

SECTION 21.—[Carrier has reasonable time to determine validity of claims.] If some one other than the consignee or holder of the bill of lading has a claim to the title or possession of the goods, and the carrier has information of such claim, the carrier shall be excused from liability for refusing to deliver the goods either to the consignee or holder of the bill of lading or to the adverse claimant, until the carrier has had a reasonable time to ascertain the validity of the adverse claim or to bring legal proceedings to compel all claimants to interplead.

SECTION 22.—[Adverse title is no defence, except as above provided.] Except as provided in the two preceding sections and in Section 12, no right or title of a third person unless enforced by legal process shall be a defence to an action brought by the consignee or person claiming under him against the carrier for failure to deliver the goods on demand.

SECTION 23.—[Liability for non-receipt or misdescription.] If a bill of lading has been issued by a carrier or on his behalf by an agent or employee the scope of whose real or apparent authority includes the issuing of bills of lading, the carrier shall be liable to

(a) The consigneee named in a non-negotiable bill, or
(b) The holder of a negotiable bill,

Who has given value in good faith relying upon the description therein of the goods, for damages caused by the non-receipt by the carrier of all or

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part of the goods or their failure to correspond with the description thereof in the bill at the time of its issue.

If, however, the goods are described in the bill merely by a statement of marks or labels upon them or upon packages containing them, or by a statement that the goods are said to be goods of a certain kind or quantity or in a certain condition, or it is stated in the bill that packages containing the goods are said to contain goods of a certain kind or quantity, or in a certain condition, or that the contents or condition of the contents of packages are unknown, or words of like purport are contained in the bill, such statements, if true, shall not make liable the carrier issuing the bill, although the goods are not of the kind or quantity or in the condition which the marks or labels upon them indicate, or of the kind of quantity or in the condition they were said to be by the consignor. The carrier may, also, by inserting in the bill the words "shipper's load and count," or other words of like purport indicate that the goods were loaded by the shipper and the description of them made by him; and if such statement was true, the carrier shall not be liable for damages caused by the improper loading or by the non-receipt by the carrier or by the misdescription of the goods described in the bill.

SECTION 24.—[Attachment or levy upon goods for which a negotiable bill has been issued.] If goods are delivered to a carrier by the owner or by a person whose act in conveying the title to them to a purchaser for value in good faith would bind the owner and a negotiable bill is issued for them, they can not thereafter, while in the possession of the carrier, be attached by garnishment or otherwise, or be levied upon under an execution, unless the bill be first surrendered to the carrier or its negotiation enjoined. The carrier shall in no such case be compelled to deliver the actual possession of the goods until the bill is surrendered to him or impounded by the court.

SECTION 25.—[Creditors' remedies to reach negotiable bills.] A creditor whose debtor is the owner of a negotiable bill shall be entitled to such aid from courts of appropriate jurisdiction by injunction and otherwise in attaching such bill, or in satisfying the claim by means thereof, as is allowed at law or in equity, in regard to property which can not readily be attached or levied upon by ordinary legal process.

SECTION 26.—[Negotiable bill must state charges for which lien is claimed.] If a negotiable bill is issued, the carrier shall have no lien on the goods therein mentioned except for charges on such goods for freight, storage, demurrage and terminal charges, and expenses necessary for the preservation of the goods, or incident to their transportation, subsequent to the date of the bill, unless the bill expressly enumerates other charges for which a lien is claimed. In such case there shall also be a lien for the charges enumerated so far as they are allowed by law and the contract between the consignor and the carrier.

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SECTION 27.—[Effect of sale.] After goods have been lawfully sold to satisfy a carrier's lien, or because they have not been claimed, or because they are perishable or hazardous, the carrier shall not thereafter be liable for failure to deliver the goods to the consignee or owner of the goods, or to a holder of the bill given for the goods when they were shipped, even if such bill be negotiable.

PART III

NEGOTIATION AND TRANSFER OF BILLS

SECTION 28.—[Negotiation of negotiable bills by delivery.] A negotiable bill may be negotiated by delivery where, by the terms of the bill, the carrier undertakes to deliver the goods to the order of a specified person, and such person or a subsequent indorsee of the bill has indorsed it in blank.

SECTION 29.—[Negotiation of negotiable bills by indorsement.] A negotiable bill may be negotiated by the indorsement of the person to whose order the goods are deliverable by the tenor of the bill. Such indorsement may be in blank or to a specified person. If indorsed to a specified person, it may be negotiated again by the indorsement of such person in blank or to another specified person. Subsequent negotiation may be made in like manner.

SECTION 30.—[Transfer of bills.] A bill may be transferred by the holder by delivery, accompanied with an agreement, express or implied, to transfer the title to the bill or to the goods represented thereby.

A non-negotiable bill can not be negotiated, and the indorsement of such a bill gives the transferee no additional right.

SECTION 31.—[Who may negotiate a bill.] A negotiable bill may be negotiated by any person in possession of the same, however such possession may have been acquired, if, by the terms of the bill, the carrier undertakes to deliver the goods to the order of such person, or if at the time of negotiation the bill is in such form that it may be negotiated by delivery.

SECTION 32.—[Rights of person to whom a bill has been negotiated.] A person to whom a negotiable bill has been duly negotiated acquires thereby—

(a) Such title to the goods as the person negotiating the bill to him had or had ability to convey to a purchaser in good faith for value, and also such title to the goods as the consignee and consignor had or had power to convey to a purchaser in good faith for value, and

(b) The direct obligation of the carrier to hold possession of the goods for him according to the terms of the bill as fully as if the carrier had contracted directly with him.

SECTION 33.—[Rights of person to whom a bill has been transferred.] A person to whom a bill has been transferred but not negotiated acquires

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thereby as against the transferor, the title to the goods, subject to the terms of any agreement with the transferor. If the bill is non-negotiable, such person also acquires the right to notify the carrier of the transfer to him of such bill, and thereby to become the direct obligee of whatever obligations the carrier owed to the transferor of the bill immediately before the notification.

Prior to the notification of the carrier by the transferor or transferee of a non-negotiable bill, the title of the transferee to the goods and the right to acquire the obligation of the carrier may be defeated by garnishment or by attachment or execution upon the goods by a creditor of the transferor, or by a notification to the carrier by the transferor or a subsequent purchaser from the transferor of a subsequent sale of the goods by the transferor.

A carrier has not received notification within the meaning of this section unless an officer or agent of the carrier, the actual or apparent scope of whose duties includes action upon such a notification, has been notified; and no notification shall be effective until the officer or agent to whom it is given has had time with the exercise of reasonable diligence to communicate with the agent or agents having actual possession or control of the goods.

SECTION 34.—[Transfer of negotiable bill without indorsement.] Where a negotiable bill is transferred for value by delivery, and the indorsement of the transferor is essential for negotiation, the transferee acquires a right against the transferor to compel him to indorse the bill, unless a contrary intention appears. The negotiation shall take effect as of the time when the indorsement is actually made. This obligation may be specifically enforced.

SECTION 35.—[Warranties on sale of bill.] A person who negotiates or transfers for value a bill by indorsement or delivery, including one who assigns for value a claim secured by a bill, unless a contrary intention appears, warrants—

(a) That the bill is genuine,

(b) That he has a legal right to transfer it,

(c) That he has knowledge of no fact which would impair the validity or worth of the bill, and

(d) That he has a right to transfer the title to the goods, and that the goods are merchantable or fit for a particular purpose whenever such warranties would have been implied, if the contract of the parties had been to transfer without a bill the goods represented thereby.

In the case of an assignment of a claim secured by a bill, the liability of the assignor shall not exceed the amount of the claim.

SECTION 36.—[Indorser not a guarantor.] The indorsement of a bill shall not make the indorser liable for any failure on the part of the carrier or previous indorsers of the bill to fulfill their respective obligations.

SECTION 37.—[No warranty implied from accepting payment of a debt.]

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A mortgagee or pledgee, or other holder for security of a bill who in good faith demands or receives payment of the debt for which such bill is security, whether from a party to a draft drawn for such debt or from any other person, shall not be deemed, by so doing, to represent or to warrant the genuineness of such bill or the quantity or quality of the goods therein described.

SECTION 38.—[When negotiation not impaired by accident, fraud, mistake, duress or conversion.] The validity of the negotiation of a bill is not impaired by the fact that such negotiation was a breach of duty on the part of the person making the negotiation, or by the fact that the owner of the bill was deprived of the possession of the same by accident, fraud, mistake, duress or conversion, if the person to whom the bill was negotiated or a person to whom the bill was subsequently negotiated, paid value therefor, in good faith, without notice of the breach of duty, or accident, fraud, mistake, duress or conversion.

SECTION 39.—[Subsequent negotiation.] Where a person having sold, mortgaged, or pledged goods which are in a carrier's possession and for which a negotiable bill has been issued, or having sold, mortgaged, or pledged the negotiable bill representing such goods, continues in possession of the negotiable bill, the subsequent negotiation thereof by that person under any sale, pledge, or other disposition thereof to any person receiving the same in good faith, for value and without notice of the previous sale, shall have the same effect as if the first purchaser of the goods or bill had expressly authorized the subsequent negotiation.

SECTION 40.—[Form of the bill as indicating rights of buyer and seller.] Where goods are shipped by the consignor in accordance with a contract or order for their purchase, the form in which the bill is taken by the consignor shall indicate the transfer or retention of the property or right to the possession of goods as follows:

(a) Where by the bill the goods are deliverable to the buyer or to his agent, or to the order of the buyer or of his agent, the consignor thereby transfers the property in the goods to the buyer.

(b) Where by the bill the goods are deliverable to the seller or to his agent, or to the order of the seller or of his agent, the seller thereby reserves the property in the goods. But if, except for the form of the bill, the property would have passed to the buyer on shipment of the goods, the seller's property in the goods shall be deemed to be only for the purpose of securing performance by the buyer of his obligations under the contract.

(c) Where by the bill the goods are deliverable to the order of the buyer or of his agent, but possession of the bill is retained by the seller or his agent, the seller thereby reserves a right to the possession of the goods, as against the buyer.

(d) Where the seller draws on the buyer for the price and transmits the

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draft and bill together to the buyer to secure acceptance or payment of the draft, the buyer is bound to return the bill if he does not honor the draft, and if he wrongfully retains the bill he acquires no added right thereby. If, however, the bill provides that the goods are deliverable to the buyer, or to the order of the buyer, or is endorsed in blank, or to the buyer by the consignee named therein, one who purchases in good faith, for value, the bill or goods from the buyer, shall obtain the title to the goods, although the draft has not been honored, if such purchaser has received delivery of the bill indorsed by the consignee named therein, or of the goods, without notice of the facts making the transfer wrongful.

SECTION 41.—[Demand, presentation or sight draft must be paid, but draft on more than three days' time merely accepted before buyer is entitled to the accompanying bill.] Where the seller of goods draws on the buyer for the price of the goods and transmits the draft and a bill of lading for the goods either directly to the buyer or through a bank or other agency unless a different intention on the part of the seller appears, the buyer and all other parties interested shall be justified in assuming:

(a) If the draft is by its terms or legal effect payable on demand or presentation or at sight, or not more than three days thereafter (whether such three days be termed days of grace or not) that the seller intended to require payment of the draft before the buyer should be entitled to receive or retain the bill.

(b) If the draft is by its terms payable on time, extending beyond three days after demand, presentation or sight (whether such three days be termed days of grace or not) that the seller intended to require acceptance, but not payment of the draft before the buyer should be entitled to receive or retain the bill.

The provisions of this section are applicable whether by the terms of the bill the goods are consigned to the seller, or to his order, or to the buyer or to his order, or to a third person or to his order.

SECTION 42.—[Negotiation defeats vendor's lien.] Where a negotiable bill has been issued for goods, no seller's lien or right of stoppage in transitu shall defeat the rights of any purchaser for value in good faith to whom such bill has been negotiated, whether such negotiation be prior or subsequent to the notification to the carrier who issued such bill of the seller's claim to a lien or right of stoppage in transitu. Nor shall the carrier be obliged to deliver or justified in delivering the goods to an unpaid seller unless such bill is first surrendered for cancellation.

SECTION 43.—[When rights and remedies under mortgages and liens are not limited.] Nothing in this Act shall limit the rights and remedies of a mortgagee or lienholder whose mortgage or lien on goods prior to the time of their delivery to the carrier would be valid, apart from this Act, as against one who for value and in good faith purchases from the owner the goods which are subject to the mortgage or lien and obtains possession of them.

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PART IV

CRIMINAL OFFENCES

SECTION 44.—[Issue of bill for goods not received.] Any officer, agent, or servant of a carrier, who with intent to defraud issues or aids in issuing a bill knowing that all or any part of goods for which such bill is issued have not been received by such carrier, or an agent of such carrier or a connecting carrier, or are not under the carrier's control at the time of issuing such bill, shall be guilty of a crime, and upon conviction shall be punished for each offence by imprisonment not exceeding five years, or by a fine not exceeding five thousand dollars, or by both.

SECTION 45.—[Issue of bill containing false statement.] Any officer, agent, or servant of a carrier, who with intent to defraud issues or aids in fraudulently issuing a bill for goods knowing that it contains any false statement, except as provided in Section 43, shall be guilty of a crime, and upon conviction shall be punished for each offence by imprisonment not exceeding one year, or by a fine not exceeding one thousand dollars, or by both.

SECTION 46.—[Issue of duplicate bills not so marked.] Any officer, agent, or servant of a carrier, who with intent to defraud issues or aids in issuing a duplicate or additional negotiable bill for goods without complying with the provisions of Section 7, knowing that a former negotiable bill for the same goods or any part of them is outstanding and uncancelled, shall be guilty of a crime, and upon conviction shall be punished for each offence by imprisonment not exceeding five years, or by a fine not exceeding five thousand dollars, or by both.

SECTION 47.—[Negotiation of bill for mortgaged goods.] Any person who ships goods to which he has not title, or upon which there is a lien or mortgage, and who takes for such goods a negotiable bill which he afterwards negotiates for value with intent to deceive and without disclosing his want of title or the existence of the lien or mortgage, shall be guilty of a crime, and upon conviction shall be punished for each offence by imprisonment not exceeding one year, or by a fine not exceeding one thousand dollars, or by both.

SECTION 48.—[Negotation of bill when goods are not in carrier's possession.] Any person who with intent to defraud negotiates or transfers for value a bill of lading knowing that any or all of the goods which by the terms of such bill appear to have been received for transportation by the carrier which issued the bill, are not in the possession of such carrier, or of a connecting carrier, without disclosing this fact, shall be guilty of a crime, and upon conviction shall be punished for each offence by imprisonment

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not exceeding five years, or by a fine not exceeding five thousand dollars, or by both.

SECTION 49.—[Inducing carriers to issue bill when goods have not been received.] Any person who with intent to defraud secures the issue by a carrier of a bill of lading knowing that at the time of such issue, any or all of the goods described in such bill as received for transportation have not been received by such carrier, or are not under its control, by inducing an officer, agent, or servant of such carrier falsely to believe that such goods have been received by such carrier, or are under its control, shall be guilty of a crime, and upon conviction shall be punished for each offence by imprisonment not exceeding five years, or by a fine not exceeding five thousand dollars, or by both.

SECTION 50.—Any person who, with intent to defraud, issues or aids in issuing a non-negotiable bill, without the words "non-negotiable" or "not negotiable" plainly placed on the face thereof, shall be guilty of a crime, and upon conviction shall be punished for each offence by imprisonment not exceeding five years or by a fine not exceeding five thousand dollars, or by both.

PART V

INTERPRETATION

SECTION 51.—[Rule for cases not provided for by this act.] In any case not provided for in this Act, the rules of law and equity including the law merchant, and in particular the rules relating to the law of principal and agent and the law of executor, administrator and trustee, and to the effect of fraud, misrepresentation, duress or coercion, mistake, bankruptcy, or other invalidating cause, shall govern.

SECTION 52.—[Interpretation shall give effect to purpose of uniformity.] This Act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those States which enact it.

SECTION 53.—[Definitions.] (1) In this Act, unless the context or subject matter otherwise requires—

"Action" includes counter claim, set-off, and suit in equity.

"Bill" means bill of lading.

"Consignee" means the person named in the bill as the person to whom delivery of the goods is to be made.

"Consignor" means the person named in the bill as the person from whom the goods have been received for shipment.

"Goods" means merchandise or chattels in course of transportation, or which have been or are about to be transported.

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"Holder" of a bill means a person who has both actual possession of such bill and a right of property therein.

"Order" means an order by indorsement on the bill.

"Owner" does not include mortgage or pledgee.

"Person" includes a corporation or partnership or two or more persons having a joint or common interest.

To "purchase" includes to take as mortgagee and to take as pledgee.

"Purchaser" includes mortgagee and pledgee.

"Value" is any consideration sufficient to support a simple contract. An antecedent or pre-existing obligation, whether for money or not, constitutes value where a bill is taken either in satisfaction thereof or as security therefor.

(2) A thing is done "in good faith," within the meaning of this Act, when it is in fact done honestly, whether it be done negligently or not.

SECTION 54.—[Act does not apply to existing bills.] The provisions of this Act do not apply to bills made and delivered prior to the taking effect thereof.

SECTION 55.—[Inconsistent legislation repealed.] All Acts or parts of Acts inconsistent with this Act are hereby repealed.

SECTION 56.—Time when the Act takes effect.] This Act shall take effect on the———— day of ————, one thousand nine hundred and ————.

SECTION 57.—[Name of Act.] This Act may be cited as the Uniform Bills of Lading Act.

APPENDIX B

DRAFT OF AN ACT RELATING TO BILLS OF LADING

Prepared by Thomas B. Paton, General Counsel American Bankers' Association, in pursuance of resolution adopted at Denver, Colo., September 28, 1908, by a joint conference of Committees on Bills of Lading of twenty-eight State Bankers' Associations with the Committee on Bills of Lading of the American Bankers' Association.

Enacted in the year 1909 in the States of Michigan, Minnesota, Washington and Wyoming.

Be it enacted, etc.

SECTION 1.—[Order bill of lading defined.] That whenever any common carrier, railroad or transportation company (hereinafter termed carrier) shall issue a bill of lading for the transportation of property from one place to another within this State, or between places one of which is

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within this State, which bill shall be, or purport to be, drawn to the order of the shipper or other specified person, or which shall contain any statement or representation that the property described therein is, or may be deliverable upon the order of any person therein mentioned, such bill shall be known as an "Order Bill of Lading" and shall conform to the following requirements:

(a) In connection with the name of the person to whose order the property is deliverable, the words "Order of" shall prominently appear in print on the face of the bill, thus: "Consigned to Order of ————."

(b) The bill shall be printed on yellow paper, 8½ inches wide by 11 inches long.

(c) It shall contain on its face the following provision: "The surrender of this Original Order Bill of Lading properly indorsed shall be required before delivery of the property."

(d) It shall not contain the words "Not Negotiable" or words of similar import. If such words are placed on an Order Bill of Lading, they shall be void and of no effect.

(e) Nothing herein shall be construed to prohibit the insertion in an Order Bill of Lading of other terms or conditions not inconsistent with the provisions of this act; but it shall be unlawful to insert in such bill any terms or conditions contrary to, or inconsistent with, such provisions.

SECTION 2.—[Straight bill of lading defined.] Whenever a bill of lading is issued by a carrier for the transportation of property from one place to another within this State, or between places one of which is within this State, in which the property described therein is stated to be consigned or deliverable to a specified person, without any statement or representation that such property is consigned or deliverable to the order of any person, such bill shall be known as a "Straight Bill of Lading" and shall contain the following requirements:

(a) The bill shall be printed on white paper 8½ inches wide by 11 inches long.

(b) The bill shall have prominently stamped upon its face the words "Not negotiable."

(c) Nothing herein shall be construed to prohibit the insertion in a Straight Bill of Lading of other terms or conditions not inconsistent with the provisions of this act; but it shall be unlawful to insert in such bill any terms or conditions contrary to, or inconsistent with, such provisions.

SECTION 3.—[Penalty for violating requirements.] Every carrier, or officer, agent or servant of a carrier, who shall knowingly violate any of the requirements stated in subdivisions (a), (b), (c), (d), or (e) of Section 1 and in subdivisions (a), (b), or (c) of Section 2 shall be guilty of a misdemeanor and punishable by fine of not more than one thousand dollars or imprisonment not more than one year, or both.

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SECTION 4.—[Issue of false bill or unmarked duplicate unlawful.] It shall be unlawful for any carrier, or for any officer, agent or servant of a carrier, to issue an order bill of lading or a straight bill of lading, as defined by this act, until the whole of the property as described therein shall have been actually received and is at the time under the actual control of such carrier, to be transported; or to issue a second or duplicate order bill of lading or straight bill of lading for the same property, in whole or in part, for which a former bill of lading has been issued and remains outstanding and uncancelled, without prominently marking across the face of the same the word "Duplicate."

SECTION 5.—[Penalty and civil liability for violation.] Every carrier, or officer, agent or servant of a carrier, who knowingly violates the provisions of Section 4 of this act and every person who negotiates or transfers for value a bill of lading known by him to have been issued in violation of said Section 4 shall be guilty of a misdemeanor and upon conviction shall be punished by fine not exceeding five thousand dollars or imprisonment not exceeding five years, or both.

And every carrier who himself, or by his officer, agent or servant authorized to issue bills of lading, issues a false or duplicate bill of lading in violation of the provisions of Section 4 of this act, shall be estopped, as against all and every person or persons injured thereby who shall acquire any such false or duplicate bill of lading in good faith and for value, to deny the receipt of the property as described therein, or to assert that a former bill of lading has been issued and remains outstanding and uncancelled for the same property, as the case may be; and such issuing carrier shall be liable to any and every such person for all damages, immediate or consequential, which he or they may have sustained because of reliance upon such bill, whether the person or persons guilty of issuing or negotiating such bill shall have been convicted under this section or not.

SECTION 6.—[Penalty upon shipper without title.] Every person who receives from a carrier and fraudulently negotiates for value an order or straight bill of lading representing property to which he had no, or an encumbered, title, at the time of the negotiation of such bill, shall be guilty of a misdemeanor and upon conviction shall be punished by fine not exceeding five thousand dollars or imprisonment not exceeding five years, or both.

SECTION 7.—[Surrender of order bill.] It shall be unlawful for any carrier, or officer, agent or servant of a carrier, to deliver the property described in an order bill of lading without requiring surrender and making cancellation of such bill, or in case of partial delivery, indorsing thereon a statement of the property delivered; provided, that in lieu of such delivery, it shall be lawful for the carrier, or his officer, agent or servant in his behalf, to take from the person to whom such property is delivered a

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good, sufficient and valid bond in a sum double the value of the property, conditioned that such person shall, within a reasonable time thereafter, deliver to the carrier the original order bill of lading issued for said property or shall pay the value of said property to the carrier upon demand; and upon the execution and delivery of said bond as aforesaid, it shall be lawful for the carrier, or his officer, agent or servant, to deliver the goods to the person claiming title thereto, without requiring the immediate surrender of said order bill of lading. Every carrier, or officer, agent or servant of a carrier, who knowingly violates the provisions of this section shall be guilty of a misdemeanor and upon conviction shall be punished by fine not exceeding five thousand dollars or imprisonment not exceeding five years, or both.

And every carrier who by himself, or by officer, agent or servant authorized to deliver goods upon surrender of an order bill of lading, violates the provisions of this section, shall be estopped as against all and every person or persons injured thereby who shall acquire in good faith and for value any such order bill of lading, from asserting that the property as described therein, has been delivered; and such delivering carrier shall be liable to any and every such person for all damages, immediate or consequential, which he or they may have sustained because of reliance upon such bill, whether the person or persons violating this section have been convicted of such violation or not.

Provided, that the provisions of this section shall not apply where the property is replevied or removed from the possession of the carrier by operation of law; or has been lawfully sold to satisfy the carrier's lien; or in cases of sale or disposition of perishable, hazardous or unclaimed goods in accordance with law or the terms of the bill of lading.

SECTION 8.—[Alteration.] Any material alteration, addition or erasure in or to an order bill of lading or a straight bill of lading, fraudulent or otherwise, shall be without effect and in the hands of a *bona fide* holder for value, not a party to the alteration thereof, such bill shall be valid and may be enforced according to its original tenor. Provided, however, that an alteration, addition or erasure in or to any such bill of lading with signature thereto indorsed thereon, by the issuing carrier, or his officer, agent or servant in his behalf, and with the consent of the holder thereof, shall be valid and effective.

NOTE.—The following changes were made in the above draft by the legislatures of the respective States:

Michigan. Added at the end of Sub-section (c) of Section 2: "Nothing herein contained shall be construed to prohibit express companies from using the customary receipts employed by them in the ordinary transaction of their business."

Addition of a new section at the end of act: "Section 9. All acts

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or parts of acts inconsistent with the provisions hereof are hereby repealed."

Minnesota. Added at the end of Sub-section (e) of Section 1: "And it shall be unlawful for any carrier to insert in such bill any term or condition limiting the liability of such carrier for actual loss."

Added at the end of Section 6: "Provided, however, that it shall be a full and complete defense to any prosecution under this act that any person, corporation or copartnership accused has complied with the requirements of any law of the United States hereafter enacted by the Congress of the United States relating to uniform bills of lading."

Added at the end of act: "Section 9. All acts or parts of acts inconsistent herewith are hereby repealed. Section 10. This act shall take effect and be in force from and after April 1, 1910."

Washington. Sub-section (b) of Section 2, reframed to read (insertions italicized): "(b) The bill shall have prominently *printed or* stamped upon its face the words 'Not Negotiable' *and the carrier may deliver the goods under a straight bill of lading to the consignee without requiring the surrender of the bill of lading.*"

Section 3 eliminated and Sections 4 to 8, inclusive, changed to 3 to 7, inclusive.

Omitted from the last paragraph of Section 5 (number 4 in act) the words "immediate or consequential" and the concluding words: "Whether the person or persons guilty of issuing or negotiating such bill shall have been convicted under this Section or not."

Omitted from first paragraph of Section 7 (number 6 in act) the concluding portion of such paragraph relating to the taking of a bond, beginning: "Provided that in lieu of such delivery, it shall be lawful for the carrier," etc.

Omitted from second paragraph of same Section the closing words: "Whether the person or persons violating this Section have been convicted of such violation or not."

Wyoming. Omitted from Sub-section (b) of Section 1 the word "wide."

Insertion in the proviso of the first paragraph of Section 7 after the words "or shall pay the value of said property to the carrier upon demand" of the following: "In case of the wrongful delivery of such goods to such person."

Addition of Section 9. "This act shall take effect and be in force from and after its passage." (Approved February 27, 1909.)

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APPENDIX C

A BILL RELATING TO BILLS OF LADING

Prepared by Thomas B. Paton, General Counsel American Bankers' Association, for Congressional enactment; and made the subject of four hearings before a sub-committee (Representatives Stevens of Minnesota, Lovering of Massachusetts and Russell of Texas) of the House Committee on Interstate and Foreign Commerce, during the winter of 1908-9.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.—[Order bill of lading defined.] That whenever any common carrier, railroad or transportation company (hereinafter termed "carrier") shall issue a bill of lading for the transportation of property from a point in one State to a point in another State (the word "States" to include Territory and the District of Columbia), or from a point in the United States to any foreign country, which bill shall be, or purport to be, drawn to the order of the shipper or other specified person, or which shall contain any statement or representation that the property described therein is, or may be deliverable upon the order of any person therein mentioned, such bill shall be known as an "Order Bill of Lading" and shall conform to the following requirements:

(a) In connection with the name of the person to whose order the property is deliverable, the words "Order of" shall prominently appear in print on the face of the bill, thus: "Consigned to Order of————"

(b) The bill shall be printed on yellow paper, 8½ inches wide by 11 inches long.

(c) It shall contain on its face the following provision: "The surrender of this original order bill of lading properly indorsed shall be required before delivery of the property."

(d) It shall not contain the words "Not Negotiable" or words of similar import. If such words are placed on an order bill of lading, they shall be void and of no effect.

(e) Nothing herein shall be construed to prohibit the insertion in an order bill of lading of other terms or conditions not inconsistent with the provisions of this act.

SECTION 2.—[Straight bill of lading defined.] That whenever a bill of lading is issued by a carrier for the transportation of property from a point in one State to a point in another or from a point in the United States to any foreign country, in which the property described therein is stated to be consigned or deliverable to a specified person, without any statement or

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representation that such property is consigned or deliverable to the order of any person, such bill shall be known as a "straight bill of lading" and shall contain the following requirements:

(a) The bill shall be printed on white paper 8½ inches wide by 11 inches long.

(b) The bill shall have prominently stamped upon its face the words "Not Negotiable."

(c) Nothing herein shall be construed to prohibit the insertion in a straight bill of lading of other terms or conditions not inconsistent with the provisions of this act.

SECTION 3.—That every carrier, or officer, agent or servant of a carrier, who shall knowingly violate any of the requirements stated in subdivisions (a) (b) (c) or (d) of Section 1 and in subdivisions (a) or (b) of Section 2 shall be guilty of a misdemeanor and punishable by fine of not more than one thousand dollars or imprisonment not more than one year, or both.

SECTION 4.—That it shall be unlawful for any carrier, or for any officer, agent or servant of a carrier, to issue an order bill of lading or a straight bill of lading, as defined by this act, until the whole of the property as described therein shall have been actually received and is at the time under the actual control of such carrier, to be transported; or to issue a second or duplicate order bill of lading or straight bill of lading for the same property, in whole or in part, for which a former bill of lading has been issued and remains outstanding and uncancelled, without prominently marking across the face of the same the word "Duplicate."

SECTION 5.—That every carrier, or officer, agent or servant of a carrier, who knowingly violates the provisions of Section 4 of this act, and every person who receives from a carrier or officer, agent or servant of a carrier, and who negotiates or transfers for value a bill of lading known by him to have been issued in violation of said Section 4 shall be guilty of a misdemeanor and upon conviction shall be punished by fine not exceeding five thousand dollars or imprisonment not exceeding five years, or both.

And every carrier who himself, or by his officer, agent or servant authorized to issue bills of lading, issues a false or duplicate bill of lading in violation of the provisions of Section 4, shall be estopped, as against all and every person or persons insured thereby who shall acquire any such false or duplicate bill of lading in good faith and for value, to deny the receipt of the property as described therein, or to assert that a former bill of lading had been issued and remains outstanding and uncancelled for the same property, as the case may be; and such issuing carrier shall be liable to any and every such person for all damages, immediate or consequential, which he or they may have sustained because of reliance upon such bill, whether the person or persons guilty of issuing or negotiating such bill shall have been convicted under this section or not.

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SECTION 6.—That it shall be unlawful for any carrier, or officer, agent or servant of a carrier, to deliver the property described in an order bill of lading without requiring surrender and making cancellation of such bill, or in case of partial delivery, indorsing thereon a statement of the property delivered; provided, that in lieu of such delivery, it shall be lawful for the carrier, or his officer, agent or servant in his behalf, to take from the person to whom such property is delivered a good, sufficient and valid bond in a sum double the value of the property, conditioned that such person shall, within a reasonable time thereafter, deliver to the carrier the original order bill of lading issued for said property or shall pay the value of said property to the carrier upon demand; and upon the execution and delivery of said bond as aforesaid, it shall be lawful for the carrier, or his officer, agent or servant, to deliver the goods to the person claiming title thereto, without requiring the immediate surrender of said order bill of lading. Every carrier, or officer, agent or servant of a carrier, who knowingly violates the provisions of this section shall be guilty of a misdemeanor and upon conviction shall be punished by fine not exceeding five thousand dollars or imprisonment not exceeding five years, or both.

And every carrier who by himself, or by officer, agent or servant authorized to deliver goods upon surrender of an order bill of lading, violates the provisions of this section, shall be estopped as against all and every person or persons injured thereby, who shall acquire in good faith and for value any such order bill of lading, from asserting that the property as described therein, has been delivered; and such delivering carrier shall be liable to any and every such person for all damages, immediate or consequential, which he or they may have sustained because of reliance upon such bill, whether the person or persons violating this section have been convicted of such violation or not.

Provided, that the provisions of this section shall not apply where the property is replevied or removed from the possession of the carrier by operation of law; or has been lawfully sold to satisfy the carrier's lien; or in case of sale or disposition of perishable, hazardous or unclaimed goods in accordance with law or the terms of the bill of lading.

SECTION 7.—That any material alteration, addition or erasure in or to an order bill of lading or a straight bill of lading, fraudulent or otherwise, shall be without effect and in the hands of a *bona fide* holder for value, not a party to the alteration thereof, such bill shall be valid and may be enforced according to its original tenor. Provided, however, that an alteration, addition or erasure in or to any such bill of lading with signature thereto indorsed thereon, by the issuing carrier, or his officer, agent or servant in his behalf, and with the consent of the holder thereof, shall be valid and effective.

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APPENDIX D

(In force January 1, 1909)

STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
ALABAMA	Not exceeding $1,000, not more than 5 years.	Carrier liable to any person injured thereby for all damages, immediate or consequential, resulting therefrom.	Same.	Same.	Same. Property taken from carrier under legal process excepted. Bills marked "Not Negotiable" exempted.	Same.
ARIZONA	Not exceeding 5 years, $1,000, or both.		Not exceeding 5 years, $1,000, or both. Excepts property taken by process of law.			
ARKANSAS	Not exceeding 5 years, $5,000, or both. Not applicable to bills marked "Not Negotiable."	Persons aggrieved have action at law against person or corporation issuing bill to recover damages. Not applicable to bills marked "Not Negotiable."	Same.	Same.	Same. Surrender not required where property replevied or removed by operation of law. Carrier may take valid bond in place of surrender.	Same.
CALIFORNIA	Not exceeding 5 years, $5,000, or both.		Not exceeding 5 years, $1,000, or both.			

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STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL—CONTINUED.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
COLORADO						
CONNECTICUT						
DELAWARE						
DISTRICT OF COLUMBIA						
FLORIDA	Issue of false vessel bill to defraud insurer punishable by fine or imprisonment.					
GEORGIA						
IDAHO						
ILLINOIS						
INDIANA						
IOWA	False vessel bill to defraud insurer punishable by fine or imprisonment.					
KANSAS						

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STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL—CONTINUED.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
KENTUCKY						
LOUISIANA	Not exceeding $5,000, or 5 years, or both.	Persons aggrieved have action at law for damage sustained.	Same.	Same.	Same. B/L stamped "Not Negotiable" exempted. Does not apply to property replevied or removed by operation of law.	Same.
MAINE	False vessel bill to defraud insurer punishable not more than 10 years or not exceeding $5,000.					
MARYLAND	$1,000 to $5,000.	B/L conclusive evidence in hands *bona fide* holder for value without notice that goods actually received, notwithstanding fact otherwise and agent had no authority to issue except for goods actually received.	$1,000 to $5,000 against corporation; $100 to $5,000 against individual; 1 to 3 years.		$1,000 to $5,000 against corporation; $100 to $5,000 against individual; 1 to 3 years.	Unsurrendered "Order" bill continues as outstanding obligation to same extent as if goods not delivered and carrier liable for delivery of goods to any person or subsequent holder for value without notice.

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STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL—CONTINUED.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
MASSACHUSETTS	False vessel bill to defraud insurer: state's prison not more than 10 years; jail not more than 2 years; fine not more than $5,000.					
MICHIGAN	Not exceeding $2,000, 3 years, or both. False vessel bill to defraud insurer: state's prison not more than 5 years; county jail not more than 1 year, or not exceeding $5,000.					
MINNESOTA	Not exceeding 1 year, $1,000, or both.		Not exceeding 1 year, $1,000, or both.			

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STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL—CONTINUED.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
MISSISSIPPI		Every B/L conclusive evidence in hands of *bona fide* holder for value as against person or corporation issuing same that property received.				
MISSOURI	Not exceeding $5,000, 5 years, or both. Bills marked "Not Negotiable" exempted.	Persons aggrieved have action at law against person or corporation violating act for all damages, immediate or consequential, sustained. Bills marked "Not Negotiable" exempted.	Same.	Same.	Same. Not applicable to property replevied or removed by operation of law.	Same.
MONTANA	Not exceeding 5 years, $1,000, or both.		Not exceeding 5 years, $1,000, or both.			
NEBRASKA	Not exceeding 4 nor less than 1 year.					

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STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL—CONTINUED.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
NEVADA						
NEW HAMPSHIRE						
NEW JERSEY						
NEW MEXICO						
NEW YORK	Not exceeding 1 year, $1,000, or both.		Not exceeding 1 year, $1,000, or both.		Not exceeding 1 year, $1,000, or both. Does not apply to bills marked "Not Negotiable," or when property demanded by virtue of legal process.	
NO. CAROLINA						
NO. DAKOTA	1 to 5 years, not exceeding $1,000, or both.		1 to 5 years, not exceeding $1,000, or both.		1 to 5 years, not exceeding $1,000, or both. Not applicable to bills marked "Not Negotiable," or when property demanded by virtue of process of law.	

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STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL—CONTINUED.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
OHIO	1 to 4 years.					
OKLAHOMA	Not exceeding 5 years, or $1,000, or both.		Not exceeding 5 years, or $1,000, or both.		Not exceeding 5 years, or $1,000, or both. Not applicable to bills marked "Not Negotiable," or where property demanded by virtue of process of law.	
OREGON	False vessel bill to defraud insurer. 6 months to 3 years.					
PENNSYLVANIA	Not exceeding $1,000, or 5 years, or both. Bills marked "Not Negotiable," exempted.	Persons aggrieved have action at law against persons violating to recover all damages sustained. Bills marked "Not Negotiable," exempted.	Same.	Same.	Same.	Same.
RHODE ISLAND						
SO. CAROLINA						

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STATE STATUTES COVERING (1) FALSE BILLS OF LADING, (2) UNMARKED DUPLICATES, (3) DELIVERY WITHOUT SURRENDER OF BILL—CONTINUED.

BLANKS INDICATE NO PROVISION.

STATE (Or Territory, Etc.)	FALSE BILLS		UNMARKED DUPLICATES		DELIVERY WITHOUT SURRENDER	
	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability	Criminal Penalty	Civil Liability
SO. DAKOTA	1 to 5 years, not exceeding $1,000, or both.		1 to 5 years, not exceeding $1,000, or both.		1 to 5 years, not exceeding $1,000, or both. Not applicable to bills marked "Not Negotiable," or when property demanded by virtue of process of law.	
TENNESSEE						
TEXAS						
UTAH						
VERMONT						
VIRGINIA						
WASHINGTON						
W. VIRGINIA						
WISCONSIN	1 to 3 years, or not exceeding $1,000.		Same.		Same. Property acquired by legal process exempted.	
WYOMING						

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APPENDIX E

FOREIGN LAWS GOVERNING THE NEGOTIABILITY OF BILLS OF LADING AND ESPECIALLY THE CARRIERS' LIABILITY ON A BILL OF LADING WHEN NO GOODS WERE RECEIVED AND THE CARRIERS' LIABILITY ON AN ORDER BILL OF LADING NOT TAKEN UP BY THE CARRIER ON DELIVERY OF THE GOODS AND, SUBSEQUENTLY, ENDORSED TO A BONA FIDE HOLDER FOR VALUE.

Introductory Remarks

An examination of foreign law discloses the fact that bills of lading issued by railroads do not fulfil in Europe the same large function which they fulfil here. This is stated by foreign writers to be due to the fact that the time occupied in transportation by rail is so short; and this last circumstance is obviously due to the small size of European countries. The principles governing bills of lading issued for sea-carriage are, however, well established and provided for to some extent in the Commercial Codes of the various countries. When bills of lading are issued by a railroad, as they are in most countries to some extent, the analogy of bills of lading issued by vessels is observed, just as in the law of England and the United States; the rules governing railroad bills of lading were borrowed from law previously existing as to carriage by water.

It may be said broadly as a summary of foreign law that bills of lading have everywhere at least as great a degree of negotiability as they have in this country. In Germany, whose legislation is entitled to especial consideration because of the commercial importance of the country, and because its codification of law is the most complete, the most modern, the most carefully prepared, and the most scientific in the world, bills of lading are put absolutely on the footing of bills of exchange, with no reserves whatever. That the carrier is liable on a bill of lading issued where no goods have been received, it may safely be asserted is the law nearly, if not quite, universally prevailing outside of English-speaking countries. The liability of a carrier upon a bill of lading endorsed after the goods have been delivered does not seem to have been so specifically considered in foreign countries, and can be inferred only from the degree of negotiability given to bills of lading in a given country, and from a requirement made by the law of some countries that the bill of lading must be surrendered before the goods are delivered.

The statement of German Law appended hereto was prepared by Judge Walter Neitzel, of Germany, who is visiting this country on a year's leave

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of absence from his judicial duties, and recently gave a course of lectures on German Law in the Harvard Law School. His statements are therefore authoritative.

The German Commercial Code has been adopted by Austria and is, therefore, also the law of that country. For a large part of the rest of the civilized world, the Commercial Code of France, passed in the beginning of the last century, has been a controlling influence. It has been copied in Italy, Spain, Belgium, Holland, Mexico, and many of the South American and Central American countries. In some of these countries a good many changes have been made, and in other cases the changes are slight.

ENGLAND

I

General Negotiability of Bills of Lading

The use of bills of lading in England is similar to that in the United States, and the common law of the United States is indeed based on that of England. The general negotiability of such documents has been increased somewhat in England by two statutes—*First*, The Factors' Act of 1889, following and enlarging previous statutes relating to the same subject, and, *Second*, the Bills of Lading Act of 1855. These statutes may be conveniently found in the appendix to Chalmer's Sale of Goods Act.

By the Factors' Act, a mercantile agent entrusted with a document of title (which includes both a bill of lading and warehouse receipt) may give a good title to a purchaser or pledgee for value. Moreover, a seller of goods left in possession of a document of title covering them, may similarly give a good title to a purchaser or pledgee for value, although the seller himself had previously sold the goods. Conversely, if a buyer of goods is entrusted with possession of a document of title, he may give a good title to a purchaser or pledgee for value though the seller expressly reserved title to the goods when he entrusted the document of title to the buyer. The purpose and effect of the second statute referred to may be gathered from the preamble and Sections 1 and 3, which are as follows:

"Whereas, by the custom of merchants a bill of lading of goods being transferable by endorsement, the property in the goods may thereby pass to the endorsee, but nevertheless all rights in respect of the contract contained in the bill of lading continue in the original shipper or owner, and it is expedient that such rights should pass with the property; and whereas it frequently happens that the goods in respect of which bills of lading purport to be signed have not been laden on board, and it is proper that such bills of lading in the hands of a *bona fide* holder for value should not be questioned by the master or other person signing the same on the ground of the goods not having been laden as aforesaid.

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"Sec. 1.—Every consignee of goods named in a bill of lading, and every endorsee of a bill of lading to whom the property in the goods therein mentioned shall pass, upon or by reason of such consignment or endorsement, shall have transferred to and vested in him all rights of suit, and be subject to the same liabilities in respect of such goods as if the contract contained in the bill of lading had been made with himself.

"Sec. 3.—Every bill of lading in the hands of a consignee or endorsee for valuable consideration representing goods to have been shipped on board a vessel, shall be conclusive of such shipment as against the master or other person signing the same, notwithstanding that such goods or some part thereof may not have been so shipped, unless such holder of the bill of lading shall have had actual notice at the time of receiving the same that the goods had not been in fact laden on board; provided, that the master or other person so signing may exonerate himself in respect of such misrepresentation by showing that it was caused without any default on his part, and wholly by the fraud of the shipper, or of the holder, or some person under whom the holder claims."

II

Obligations of Carrier when the Goods Described in the Bill of Lading Are not Received

It was decided in England in the middle of the nineteenth century that the master of a ship who signed a bill of lading for goods which had never been received was not to be regarded as the agent of the owner in so doing, so as to make the latter responsible.

Grant *v.* Norway, 10 C. B. 665. The court said:

> "It is not contended that the captain had any real authority to sign bills of lading, unless the goods had been shipped. Nor can we discover any ground upon which a party taking a bill of lading by indorsement would be justified in assuming that he had any authority to sign such bills, whether the goods were on board or not."

This decision was immediately followed by the enactment of Bills of Lading Act referred to above. It is probable that those who promoted this legislation planned for a somewhat wider effect than the statute has been construed to have. Under the statute as construed, the master or other person signing a bill of lading becomes liable unless the holder of the bill had notice that the goods were never received. No liability is, however, cast upon the carrier.

McLean *v.* Fleming, L. R. 2 H. L. Sc. 128;

George Whitechurch, Lim., *v.* Cavanagh (1902), A. C. 117.

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III

Obligation of Carrier to the Holder of a Spent Bill

The question of the carrier's liability to the purchaser of a spent bill does not seem to have been litigated in England. It is probable that the English courts would hold that a delivery to the consignee named in a bill of lading would not protect the carrier if the bill of lading had previously been purchased for value by a third person. This is uniformly the law of the United States. And it may be that without the aid of statute the English court would hold the carrier liable to a purchaser of an order bill of lading, even though the purchase was made after delivery by the carrier of the goods to the consignee or other person who was at the time of delivery the rightful holder of the bill of lading. This must, however, be considered doubtful.

BELGIUM

I

General Negotiability of Bills of Lading

The Commercial Code provides:

Art. 40. . . . A bill of lading may be made out to order, or to bearer, or to a specified person.

II

Obligation of Carrier When the Goods Described in the Bill of Lading Are Not Received

The Commercial Code provides:

Art. 42. A bill of lading drawn in the form prescribed above is sufficient evidence between all parties concerned in the shipment, and between them and the insurers.

(The translation of F. W. Raikes has been used.)

In commenting on this article, Victor Jacobs, "Le Droit Maritime Belge" (Brussels, 1889), says, p. 249: "When the dispute arises between the captain and the consignor, neither of them, unless there has been fraud, can prove by witnesses or presumptions the error in a bill of lading regularly issued; when the dispute is between third persons or between one of the parties to the bill and a third person, the third persons can attempt to show by any legal evidence the falsity or omissions of the bill of lading. Finally, if the captain was the victim of a fraud committed by the consignor, he cannot be allowed to set it up against a third person, who is a holder of the bill, in order to contest the probative force of a regular bill of lading. The security of maritime commerce demands that this title which circulates

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like that of a bill of exchange, cannot be contested against a third person who has become the holder."

III

Obligation of Carrier to the Holder of a Spent Bill

The Commercial Code, Art. 46, requires that a receipt must be given on delivery of the goods, but does not provide for the surrender of the bill of lading. Jacobs, in the work cited above, says (p. 259): "Ordinarily the holder surrenders his bill of lading. In certain countries (*e. g.*, Germany) the law compels him to do so; but the surrender of the bill does not excuse the giving of a receipt . . . In practice the receipt is written on the back of the bill of lading."

The provisions of the Code of Belgium on these matters, it will be seen, are identical with those of France.

DENMARK AND RUSSIA

The best evidence obtained as to the law of these countries is from the case of Denholm *v.* Halmoe, 25 Scotch Law. Rep. 112, where in an action by ship owners for freight, the defendants, innocent holders of bills of lading issued by the ship's captain without receipt of all the goods, counter-claimed for damages on the grounds stated in the following quotation:

"The pursuers are Danes, and the vessel 'Immanuel' belongs to a Danish port, but the charter-party and bill of lading was entered into at a Russian port with a Russian subject. The Danish law (being the law of the flag), or alternatively, the Russian law (being the *lex loci contractus*), are the laws which regulate the authority of the master to bind his owners and the responsibility of the pursuers under said bill of lading. By said laws a clean bill of lading signed by the master is conclusive evidence that the amount therein mentioned was actually shipped as in a question between the owners and an onerous indorsee. According to said laws the shipowner is responsible to such indorsee for the value of the difference between the cargo as specified in the said bill of lading, whether signed by himself or his servant the shipmaster, and the cargo actually delivered. Under said law it is within the scope of the master's authority to bind his owners for the quantities mentioned in the bill of lading, where the same could have been ascertained by him during the course of shipment, and the owners are estopped as against an onerous indorsee of the bill of lading, who has taken it for a valuable consideration on the faith of the acknowledgment which it contains, from denying the truth of the statements to which the master has given credit by his signature, so far as these statements relate to matters which are or ought to be within his knowledge. The pursuers have therefore no right to recover freight except subject to payment of the sum due to the defenders in respect of the aforesaid short delivery."

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The pursuers by minute admitted the defenders' statement of the law of Denmark, but denied that either the Danish or the Russian law had any bearing on the case.

The court held the law of Great Britain applicable, and the above quotation is made simply for the purpose of indicating the foreign law.

FRANCE

I

General Negotiability of Bills of Lading

The Commercial Code of France provides:

Art. 281. . . . The bill of lading may be to order, or to bearer, or to a specified person.

The carrier becomes bound directly to the bearer of the bill. See Carpentier & Du Saint, vol. 13, p. 326 (Paris, 1895).

II

Obligation of Carrier when the Goods Described in the Bill of Lading Are Not Received

The Commercial Code provides:

Art. 283. "The bill of lading, made out in the prescribed form, is proof between all parties interested in the bill of lading and between them and the insurers."

In regard to the construction of this clause, Lyon, Caen et Renault, in their "Traité de Droit Commercial" (2d ed., Paris, 1894), Vol. V, 708, say:

"Proof to the contrary is not allowed against third persons. Thus it cannot be proved against the insurer of goods that the quantity of goods exceeds that which the bill of lading states. Otherwise bills of lading could not circulate as they do as bases of credit, and insurance, now common enough, on simple presentation of the bill of lading could not be practised. How should the consignee be treated? In regard to the probative force of the bill of lading, should one consider him as a party or as a third person? It is plain enough that he must be treated as a party when he is an agent of the shipper, but, otherwise, he must be considered as a third person as against the captain, and as a party as against everyone else. Consequently the captain cannot prove against the consignee that fewer goods were loaded than the bill of lading indicates, or that he has not loaded any, and the consignee may prove that he loaded more."

It was expressly held that bills of lading signed before receipt of goods created liability in a decision in the Tribunal of Havre, April 4, 1859.

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III

Obligation of Carrier to the Holder of a Spent Bill

Art. 285. The agent or consignee who receives the goods mentioned in the bill of lading is bound to give a receipt for them to the captain, who may demand the same under penalty of all expenses, including even those of delay.

In practice the consignee generally inscribes this receipt in the back of the bill of lading and delivers it to the captain. By the custom of some ports at least, the vessel is not discharged unless the bill of lading is surrendered before delivery of the goods. See Carpentier & Du Saint, vol. 13, p. 329 (Paris, 1895).

GERMANY

I

General Negotiability of Bills of Lading

Bills of lading are to-day used only by carriers, by river boat or ocean steamer. They are called in case of transportation (by railway or) by river boat, "Ladescheine," in case of transportation by ocean steamer, "Konnossemente"; but this is a mere matter of nomenclature and in newer statutes both expressions are used synonymously.

Concerning railways, bills of lading were forbidden in most of the German states before 1874, and although the Commercial Code provides that they may be issued, the railways have in fact made no use of such right.

The legal principles applicable to all kinds of bills of lading (Konnossemente) are the same and may be stated as follows:

1. The shipper, when offering goods for carriage, must make out and sign a statement or invoice of them. By this invoice the relations between shipper and carrier are determined (Com. Code 446, par. 2), and the shipper is liable for its correctness and completeness (Com. Code, §426, par. 2). By the bill of lading the relations between carrier and consignee are determined; the carrier signs the bill of lading (Com. Code, §§446, par. 1, 444).

2. The invoice creates merely evidence as to the contract. The bill of lading determines the obligations of the carrier. Staub., p. 1895, 57 Reichsgericht 65 (1904).

3. The consignee in the bill of lading or his indorsee, if the bill is to order is entitled to receive the goods. The carrier after a bill of lading is issued need not comply with any orders of the shipper concerning the goods, unless at the same time the bill of lading is presented to him. By violation of this provision the carrier becomes responsible to the owner of the bill. (Com. Code, §442.)

4. The carrier is bound to deliver the goods only on contemporaneous

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return of the bill on which the receipt of the goods is signed. (Com. Code, §448.)

5. After the carrier has received the goods, the legitimate holder of the bill acquires the title in the goods, §450.

6. Bills of lading, if made to order, may be indorsed. By the indorsement all rights are transferred to the indorsee in the same way and with the same effect as bills of exchange.

As a result: "The legal relation between the carrier and the consignee (indorsee) are determined by the bill of lading. By it an independent obligation is created with the indorsee, an obligation which does not depend on the contract of carrying and on which the carrier is liable without restrictions." 34 Reichsgericht 79.

II

Obligation of Carrier When the Goods Described in the Bill of Lading Are Not Received

A bill of lading is issued but no goods are received. Is the carrier liable to the *bona fide* indorsee of the bill?

This question is to be answered in the affirmative sense in application of the principles above. Further authorities, 34 Reichsgericht 79 (1894), 46 Reichsgericht 7 (1900), Staub., p. 1898 (citing Oberlandesgericht Hamburg 1903), Schaps-Seerecht, p. 515, and authorities cited.

Suppose the bill was signed by an agent who was authorized to sign a bill of lading only after he received the goods.

Under §431, Com. Code, carriers are liable for any default of their employees as for their own default. But this rule is limited to acts of the employees done in performance of the business of carrying, and does not apply to contracts entered into by employees as agents of the carriers. To such contracts the general principles of the Civil Code or special provisions apply. (Staub. 1868.) Civil Code, §164—A declaration of intention which a person makes *in the name* of a principal within the scope of a delegated authority operates directly both for and against the person represented. If an agent deals with a third person, no exception can be raised against such person, that the agent in a given transaction neglected his duties to the principal. The boundaries of the authority are determined by the question what kind of transactions may be performed on account of a given express or implied authority. I Dernburg Burgerliches Recht. 537, 538.

Here the agent was acting within the scope of representation as he was entitled to represent the carrier in signing bills of lading, and he acted in the name of the carrier; the latter is therefore bound to a third person who is *bonæ fidei*.

The fact that the agent was not allowed to sign bills without receiving the goods, or that he embezzled the goods, merely amounts to a break of the

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obligatory relation on which the power of representation is based, and therefore makes the agent liable to his principal. Thus the agent's representative power is unaffected by such internal relations. Compare 1 Crome Burgerliches Recht. 459.

III

Obligation of Carrier to the Holder of a Spent Bill

The consignee, after he received the goods, indorses the bill of lading to a *bonæ fidei* purchaser (spent or exhausted bill—only one bill was issued, no duplicates).

Same answer as Sub. II. "The legal relation between shipper and consignee is determined by the konnossemente." Com. Code, §651. "Rights and duties arising from the bill of lading are exclusively determined by the contents of the bill of lading; they are 'Scripturrechte' and 'Scripturobligationen' (*i. e.*, specialty obligations), and independent of the contract of carrying." Schaps-Seerecht, p. 514. The fact that a bill (of lading or of exchange) is exhausted does not modify the principles stated above. Sub. 6. No special case presenting the facts was found.

HOLLAND

I

General Negotiability of Bill of Lading

The Commercial Code contains the following provision:

508. A bill of lading may be to order, to bearer, or to a specified person.

II

Obligation of Carrier When the Goods Described in the Bill of Lading Are Not Received

The Commercial Code contains the following provisions:

512. A bill of lading drawn up in the prescribed form is conclusive between all parties concerned in the shipment, and between the shippers and insurers, except that the latter can produce evidence to the contrary.

513. When goods are loaded without being counted, weighed or measured, a commander may endorse the bill of lading "quality, number, weight and measure unknown," or words to the like effect.

514. If a commander can prove that the quantity of goods mentioned in the bill of lading cannot have been put on board, the proof is available against the shipper, but the commander is bound to indemnify the consignee if the latter has paid or given bills to the shipper on the faith of the bill of lading for more than the ship has on board, but the commander may recover over from the shipper.

The translation of F. W. Raikes has been used.

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ITALY

The Commercial Code of Italy follows very closely that of France—Art. 555 of the Italian Code corresponding to Art. 281 of the French Code, Art. 558 of the Italian Code corresponding to Art. 283 of the French Code, and Art. 560 of the Italian Code corresponding to Art. 285 of the French Code.

There is no reason to doubt that the construction given the articles of the French Code would also be applicable to the Italian Code.

MEXICO

I

General Negotiability

The Commercial Code of Mexico (translated by J. P. Taylor) provides:

Art. 783. Bills of lading to bearer destined for the consignee shall be transferable by the actual delivery of the document; and those issued to order (shall be transferable) by endorsement. In both cases the person to whom the bill of lading may be transferred shall acquire all the rights and actions of the transferor or endorser over the merchandise expressed in same.

II

Obligations of Carrier When the Goods Described in the Bill of Lading Are Not Received

The Commercial Code of Mexico provides in regard to this:

Art. 784. The bill of lading, made out in accordance with the provisions of this title, shall obtain credence among all those interested in the cargo and between them and the insurers, excepting, as regards the latter, proof to the contrary.

The meaning of this is that, except as against insurance companies where proof to the contrary is admitted, the bill of lading is conclusive evidence of the matters therein stated.

III

Obligation of Carrier to the Holder of a Spent Bill

The Commercial Code makes no express provision in regard to this case. It contains, however, a provision which seems to justify the inference that the purchaser of a spent bill is protected; namely:

Art. 788. If before making delivery of the cargo a demand is made upon

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the captain for a new bill of lading, on the allegation that the non-presentation of the previous ones arises through their having been lost, or if any other just cause be put forward, he shall be obliged to give same, provided that security be given him to his satisfaction for the value of the cargo; but without varying the consignment, and expressing in same the circumstances provided for in the last paragraph of article 782, when the bills of lading to which the same refers are being dealt with, under the penalty, otherwise, of being liable for said cargo if through his omission it may be improperly delivered.

This requirement of security justifies the inference that a purchaser of a spent bill would either have a remedy against the carrier, leaving the carrier to resort to its remedy on the security, or the purchaser would be subrogated to the carrier's right to the security. The Code also provides:

Art. 793. The cargo being delivered, the bills of lading which the captain has signed shall be returned to him, or at least the one on which the delivery is made, with a receipt for the merchandise comprised in same.

SPAIN

The Commercial Code of Spain is copied from the French Code but with some changes. The Mexican Code, however, is nearly identical with the Spanish upon the matters in question, and reference may be had to the translation of the Mexican Law given on another sheet. Art. 706 of the Spanish Code corresponds to Art. 783 of the Mexican Code. Art. 709 of the Spanish Code is identical with Art. 784 of the Mexican Code. Art. 713 of the Spanish Code is identical with Art. 788 of the Mexican Code. Art. 718 of the Spanish Code is identical with Art. 793 of the Mexican Code.

MR. P. C. KAUFFMAN, of Tacoma, Wash.: I think every member of the Association will recognize the fact that when the Bills of Lading Committee was appointed four years ago they found the law, the practice and the custom relating to bills of lading to be in a condition that might almost be termed chaotic. Such a thing as a uniform bill of lading four years ago seemed almost as elusive as the will-o'-the-wisp. The work of the committee has been wonderful, equaling if not surpassing that of any similar committee ever appointed by the Association. When we consider that of the nine billions of dollars' worth of products of the United States and the twenty-five billions of dollars' worth of manufactured products each year that nearly ninety per cent are handled by the banks by means of drafts to which bills of

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lading are attached, the importance of this question to the banker cannot be overestimated. The losses that the banks have sustained in past years have run into the millions of dollars by reason of the fact that bills of lading under the rules as construed by the courts of many of the States were not even evidence of the fact that they stated. Many States—my own included—at that time made a ruling that a bill of lading was not evidence of the fact that the shipment of the goods had been made and the banker who advanced money upon it, did so at his own risk depending upon the good faith of the agent of the railroad who signed the bill or the shipper through whom it came into his hands. We have in these three or four years through this committee devised a uniform bill of lading that has already been adopted in four States, one of which States is the State of Washington, and we have a uniform bill of lading now ready to be presented to the legislatures of the various States, and we are almost assured that the coming Congress will give us a rule similar to the uniform bill of lading law governing shipments made under Interstate Commerce conditions. I therefore beg leave to offer the following resolution and move its adoption:

Resolved, That the American Bankers' Association expresses its hearty appreciation of the splendid work of the Bills of Lading Committee; heartily congratulating the members thereof upon the signal success that has thus far crowned their labors;

Resolved further, That the report of the committee be accepted and its recommendations adopted by this convention and the committee continued to further prosecute its splendid work.

The resolution was seconded.

THE PRESIDENT: Unless there is opposition, the minutes will show that the resolution is unanimously adopted. The Chair hearing no objection, it is so ordered.

The next order of business will be the report of the Currency Commission, which will be presented by its Vice-Chairman, Mr. James B. Forgan, of Chicago.

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REPORT OF CURRENCY COMMISSION

MR. JAMES B. FORGAN, of Chicago, Illinois:

Mr. Chairman and Gentlemen:

The Currency Commission has but little to report. The appointment by Congress of the National Monetary Commission has for the time being taken the matter out of our hands and we have assumed a position of awaiting developments. We think the Association should continue the Currency Commission to represent it in watching developments and in conferring with and affording such assistance to the National Monetary Commission as may come within its power. The Commission is very hopeful that the National Monetary Commission may suggest a plan that it will be able to endorse. No preconceived notions will be permitted to stand in the way of the adoption and recommendation of any sound plan that the National Monetary Commission may advance.

The attitude of the Currency Commission is one of hoping to see something done that will be effective in correcting what is wrong in our present system, and it will be its sincere endeavor to assist in promoting any sound plan that may be proposed.

The Currency Commission, therefore, reports progress, requesting that it be continued and that an appropriation be made to enable it to carry on its work.

THE PRESIDENT: You have heard the report of the Currency Commission. What is your pleasure?

MR. F. O. WATTS, of Nashville, Tennessee: I move that the report be received, spread upon the Minutes and its recommendations adopted.

The motion was seconded.

THE PRESIDENT: All in favor of the motion will signify it by saying aye; opposed, no.

Carried.

THE PRESIDENT: We are honored to-day by the presence of a gentleman who occupies one of the most important business positions in this country, for he carries in his hands the destinies of nearly 7,000 national banks, representing nearly ten billion dollars of assets. He has kindly consented to come here and address us. I take great pleasure in introducing to you Hon. Lawrence O. Murray, Comptroller of the Currency. (Applause.)

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SOME PROBLEMS OF THE COMPTROLLER'S OFFICE

By Hon. Lawrence O. Murray, Comptroller of the Currency.

Mr. President and Members of the American Bankers' Association:

Every public officer, clothed by law with extended powers and wide discretion, has many difficult problems to meet. Perhaps the hardest one of all to settle, to the satisfaction of a critical public, is the general problem of the internal administration of his own office. This, to a public officer, is the fundamental problem. No matter how high his ideals may be, no matter how devoted he may be to the settlement, in a fair and equitable way, of every particular question, whether legal or commercial, that comes before him, if the machinery of his office is below the necessary standard of efficiency, his administration is doomed to failure.

Bank supervision and bank examinations exist for but one reason—to offer greater security to the creditors of the banks. If examining and supervising are to be done at all, they ought to be as well done as possible under existing laws. If poorly done, the State or the Federal Government, as the case may be, affords only a false and misleading security to the depositors. The public official, whether Federal or State, charged with the duty of enforcing banking laws, who is a party to a form of administration that beguiles the depositor into a sense of security which has no basis in fact, perpetrates a fraud upon the public.

Co-operation with Bankers

There has always been a great deal of criticism of the national bank examiners, and perhaps there always will be. Some of it is just; much of it is very unjust. When I became Comptroller, I determined to find out exactly how the bank examiners did their work, and there seemed no better way than to ask the bankers themselves. A letter was sent to the president of each national bank, asking how the examiners were doing their work; whether or not it was being well done; and whether the examiners took time enough to go into the details of the bank as the law contemplates; and asking them, in a general way, to point out every defect in bank examinations.

About 2,000 bank officers severely criticised the manner in which bank examinations were made, and offered suggestions for improvement. Such a percentage of criticism showed something radically and fundamentally wrong. Some of the remedies suggested were excellent; some were impossible. But one important fact was established beyond any question—there was room for great improvement in the work.

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The careful reading of the letters of criticism put the Comptroller's Office in possession of specific and reliable information as to just how the work was being done. About forty of the examiners were then called to Washington for a conference. At this conference they were told, in language as plain as could be used, that some of them did excellent work, that some of them gave fair service, that some of them were incompetent and their work both a farce and a fraud.

This conference developed clearly the need of closer co-operation between the bank examiners themselves, as well as between the bank examiners and the Comptroller's Office. Examiners had gone on for years, working in the same district, conferring with nobody, each following his own methods of examination, often faulty and crude, and knowing nothing of a borrower's standing and little of the value of securities, except what they had learned in the banks in districts to which they were assigned. An examiner cannot make a reliable estimate of the value of the assets which he finds, unless he has a broader basis of information than he will be able to get by going around and examining only certain banks, and none other. The service was therefore reorganized on a new basis. The country was divided into eleven districts; some one of the very best examiners in the service was named as chairman of each district; and the examiners assigned to each district were required to attend a joint meeting in their district at least twice a year.

These district meetings of examiners are now not only clearing houses for the exchange of information on credits, but the examiners attending discuss many matters of mutual interest, such as better methods for doing their work; the adoption of new forms and blanks; good and bad banking practices; good and bad bankers. They return to their work better equipped for effective service.

At these meetings, each examiner brings to the chairman of his district a report on every bank which he considers in an unsatisfactory condition, and discusses in the meeting the condition of the bank, and why he regards it as unsatisfactory. From all these reports of the individual examiners, the chairman makes up a final report for the Comptroller, and sends a copy of his report to each of the other chairmen for their information and for the information of the examiners in the other districts.

The meetings already held have been most successful. The information submitted in the reports by the chairmen form the basis upon which a credit bureau is now being built up in the Comptroller's Office. A copy of the report of each chairman has been sent to each of the other chairmen, and as the reports are available for the examiners assigned to the different districts, it is now possible for any examiner who is interested in any particular line of credit, or in any securities, to write to the chairman of the district to which he is assigned, and find out what the other ten chairmen know about the particular subject of his inquiry.

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Relations of Bank Examiners to Banks

One of the first things to which I gave attention was the relation of the bank examiners to the banks. I can think of nothing more indefensible or fatal to any sound system of bank examination than to have men examining banks who are themselves stockholders in or borrowers from these banks. An investigation of this matter showed that some of the bank examiners were stockholders, many of them were borrowers; some of them were officers in corporations which borrowed money from the banks which they were themselves examining; others were officers or directors of national banks; and some were officers or directors of State banks.

No one can defend such a situation as that. A national bank examiner ought never to borrow a dollar from any national bank, nor own a share of stock in one. A bank examiner who does his full duty is engaged in business sufficiently important and responsible to require his best and undivided attention to the work at all times.

Every national bank examiner, therefore, who was either a borrower or a stockholder in any national bank, or engaged in any other business than that of examining banks, was required to dispose of all the stock held in national banks; to resign as an officer or director of business corporations; to at once pay any loans which he might have in national banks; to agree in writing that hereafter, while a national bank examiner, he would not borrow, either directly or indirectly, from any national bank; that he would not acquire stock in any national bank, either directly or indirectly; that he would not accept public office of any kind or nature whatsoever, and that he would not become an officer of any corporation.

For forty-five years the Comptroller's Office has been receiving letters from banks which had been criticised, stating that the examiner's report, on which the letter of criticism was based, was unfair; and the reason given was that the examiner making the criticism was a stockholder in or borrower from a rival bank. Since the recent order was issued, no such letter has been received, and none ever will be as long as that order stands.

For the first time, therefore, since the national bank act went into effect, forty-six years ago, there is not an examiner in the service to-day who owes a national bank a dollar; there is not an examiner in the service who owns a share of stock in any one of the seven thousand national banks; there is not an examiner in the service who is an officer or director of any corporation which borrows a dollar from any national bank; there is not an examiner engaged in any business except examining banks; and there is not a man in the service who is not giving his best energy, his best thought and his undivided attention to his work.

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Oath and Bond of Examiner

As the national bank act does not specifically require it, no oath of office has ever been required of the bank examiners. Neither does the law require that the bank examiner shall give a bond for the faithful performance of his duty. But it seemed to me that, as a matter of good administration, the men who actually handle twice a year nearly a billion dollars in cash, and pass on the valuation of nearly ten billion dollars of assets held by the national banks, should not only take an oath of office, but should give a bond to the Comptroller of the Currency, in a substantial sum, for faithful performance of their duty. So every examiner now in the service has taken an oath of office required of all government officials and everyone hereafter appointed will do the same. Every examiner has given a bond to the Comptroller, in the sum of $20,000, for the faithful performance of his duty, so there are to-day outstanding and in force bonds given by the national bank examiners in the penal sum of two millions of dollars.

Bank Promoters

Every Comptroller of the Currency takes a natural pride in seeing the banks grow in number, in strength, and in popularity. I believe in the expansion of the system, but I believe that that expansion should be along normal, safe and conservative lines. I do not believe in the organization of a bank in a community where there is no good reason for its existence. I do not believe in the organization of banks in communities where the business that would naturally come to the bank is insufficient to warrant success; nor do I believe in the organization of any bank in a community where the board of directors will not be composed of men of business ability equal to the best to be found in that community.

If we are to have a great system of banks, sound, well-managed and prosperous, the greatest attention and scrutiny must be exercised before the government issues a charter. In the national system we want banks organized in places where the demand is spontaneous and originates with the people living in the place who feel an actual need of banking facilities. I do not believe in the organization of banks by promoters who go about the country, calling public meetings, and, by methods of advertising characteristic of the circus, endeavor to arouse enthusiasm for the organization of a bank.

In some cases the promoter is satisfied to organize a bank for a fee of five to ten dollars on each share of stock, while in others he is contented with a commission of from three to six per cent. on the capital stock and surplus fund. In other cases he expresses a willingness to organize a bank with the understanding that he is to be elected to office, receive a

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salary, and be given the privilege of having a company in which he is interested, loan the funds of the bank on a commission basis. There is still another type of promoter who makes a business of organizing banks for the sole purpose of having his company supply furniture and fixtures. And in some cases promoters have charged the bank more for organization expenses than its net earnings would amount to in five years, even if it should not lose a dollar in bad debts.

The Comptroller's Office knows every bank promoter now operating and has a special report on file concerning him. It has full information as to the methods used, not only as a general rule, but in each particular bank. It has a fairly good file of the alluring advertisements and the hand-bills which they have spread broadcast in the places where banks have been promoted.

As soon as an application comes to the office for the establishment of a bank, if it bears any of the ear-marks of the application of a promoter, although his name may not appear upon it, a letter is written to every man signing the application, raising these questions: First, did the idea of the organization of the bank originate with the people of the community themselves, and is it the outgrowth of a necessity for banking facilities, or is it the plan of a bank promoter; and, secondly, if the bank is established, will the business which will naturally flow to it be of such volume and character as to reasonably insure success?

The answers to these letters, in a great many instances, are that the organization of a bank was entirely the idea of outsiders who came there for the purpose of organizing, and that they signed the application with very little consideration as to the probable outcome of the venture. In these cases, the promoters are asked to make a deposit of a sufficient amount of money to cover the expenses of a competent examiner from my office to go to the community and make an honest and thorough investigation of the whole situation; and if his report is to the effect that there is no necessity for its reorganization, no field for the bank, no reasonable chance for its success, the application is promptly disapproved.

Clearing House Examiners

I believe in co-operation between the Comptroller and the Superintendent of Banks of the different States; in co-operation between national and State examiners, at least in the examination of allied institutions; in co-operation of the national examiners and the clearing house examiners, and where there are no clearing house examiners, in co-operation of the national examiners and the clearing houses.

At present the ideal examination can best be made by clearing house examiners, owing to the manner in which they are paid and the unlimited time at their command, and I would like to see at least one examiner so

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equipped in each of the large cities of the country. It has been suggested to me that the Comptroller ought to look with disfavor on the clearing house examiner, because the necessity for such an examiner seems to reflect on the work and the efficiency of the national bank examiner. I take exactly the opposite view. I am heartily in favor of clearing house examiners, and I have instructed the national bank examiners, in the cities where there are clearing house examiners, to co-operate with them fully; and the co-operation goes to the extent that the clearing house examiners and the national bank examiners go into the banks at the same time, and make a joint examination.

Clearing Houses and National Bank Examiners

But the great majority of clearing houses have no examiner, and cannot afford to have one, by reason of their limited membership. In all such cases, however, the clearing houses may, if they desire, utilize the results of the work of the national bank examiner. If any clearing house association in the United States, no matter how large or how small, requests me to have the national bank examiner for the district in which it is located co-operate with the clearing house in the interest of better and more conservative banking, I will direct the bank examiner to do so. He should report only really dangerous conditions and tendencies. The only condition required is that the request be signed by all the banks composing the clearing house, or at least that the co-operation be requested by a committee properly authorized to make such a request.

Co-operation between the National and State Examiners

In every State, with possibly the exception of Massachusetts, there are very closely allied institutions, one under the national system and one under the State.

It has been the policy of the Comptroller's Office for several years to make an effort to arrange with the State Superintendents to have the State institutions examined at the same time that examinations are made of the allied national banks, but the effort has been in the main a failure. When the State examiner was ready to examine the State institution, the national bank examiner would not be ready to examine the national bank, or vice versa. During the last year instructions have been issued to the national bank examiners advising them that the joint examinations must be made, if possible, and putting all the inconvenience of it upon them. They are told to arrange in advance positively for certain dates upon which the joint examination can be made; and, if necessary, to delay the examination of the national bank until such time as it may be convenient for the

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State officer to examine the allied State institutions. So that now we have, for the first time, an effective co-operation between the national and the State examiners, in all the allied banks. The examination of these allied institutions at the same time will accomplish nothing unless the examiners have a conference after the examinations have been made, and fully discuss with each other what they find in the banks. That kind of co-operation is correcting bad conditions where any are found to exist.

National Bank Examiners at Large

There are conditions existing to-day, and continually arising in banks in various parts of the United States, with which the regular examiner of the district is wholly unable to cope, either because of insufficient time or because he has not that positive and forceful character and determination necessary to handle that particular situation. It therefore seemed wise to appoint some national bank examiners at large, whose duty it would be to make examinations of banks found to be in an unsatisfactory condition. Five of the best examiners in the service, men of tact, good judgment, and of wide experience, have already been appointed, and they have examined and by direction of the Comptroller have forced the directors to put into satisfactory condition, during the last nine months, many banks which have been severely criticised for years.

The bank examiners at large have another and equally important duty to perform, and they are performing it well. As these national bank examiners at large are going all over the United States and examining banks in different districts, they are requested to report whether or not the regular examiners for the district are doing their work carefully, accurately, and conscientiously, and in the painstaking way required by the Department. They are, therefore, not only examining and improving the conditions found in many banks, but they are reporting what they find out about the work of the other examiners.

Directoral Control

I come now to the question of directoral control, and I approach it with no inclination to controversy.

The director of a bank who poses before the people as the trusted custodian of their funds, and who is using his trusteeship for the purpose solely of personal gain, who is recklessly speculating with the people's money by borrowing unwarranted sums upon insufficient security, is the greatest menace to the safety of the banking system to-day. The elimination of this type of director from the control of banking institutions and the fostering of a keener sense of responsibility among a certain class of bank directors

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of the duties of their high office is being attempted by me through all the means at my command.

No matter how effective a law the Comptroller may have at his disposal; no matter how efficient the bank examinations may be, in the last analysis the internal management of the bank makes for either success or failure. The three forces, good examination, strict enforcement of the law, and directoral control, are absolutely essential; but the most important of all is the directoral control. As every Comptroller takes an oath of office to see that the national banking law is enforced, it seems not only my official duty, but that I am bound morally, to make an effort to bring home to the management of every bank, where it is either careless or inefficient, a due sense of its legal and moral responsibility to its depositors. When the government gives to a body of men a charter which authorizes them to receive other people's money, and at the same time the law fixes upon a government official the duty of supervising these corporations, he is doing no more than the law requires of him when he inquires of the directors how they are performing the duties which they take an oath to perform.

The reasons for my determination to make an effort to stimulate directoral control were two: First, a National Commission is now making a study of the entire banking situation in this country. And as in the present banking law the duties of directors are not specifically set out, it seemed well to ascertain definitely just how the seven thousand banking corporations chartered by the government are internally managed by the board of directors: so that, if, in the new law, it seems wise for Congress to specify in detail what the duties of directors shall be, it will have the statistics as to just how the banks are managed at the present time. And, secondly, I desired to find out just how the banks are managed so that, with no additional legislation at all, bad conditions may be remedied by good, effective administration. And I have found such a remedy. I now know exactly how every bank in the country is managed, and the few badly managed ones will be examined hereafter four times a year, and in the presence of the directors. And in the banks where the management is either careless or not up to a fair standard, the directors will be asked to adopt such rules for the internal management of the bank as will remedy for all time all ground for just criticism, either from the Comptroller or from anybody else.

And I can say to you now that I firmly believe that before the end of this year every single bank will comply with this reasonable request. The result will be that within a few months there will be on file in the Comptroller's Office a letter from the boards of directors of every bank whose internal management is subject to any criticism, agreeing to meet all reasonable requests of the Comptroller's Office; and further agreeing that the internal management of the bank, in the future, will be vigorous, effective, constant, and watchful.

I assumed the active control of the Comptroller's Office just a year ago,

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and during the year an investigation has been made as to the management and condition of every one of the seven thousand national banks. I have gone over the reports of the examiners of every bank, as well as the answers made by the directors to the questions put to them, and I can say to you this morning that for honesty of purpose, for painstaking devotion to the heavy duties and responsibilities placed upon them, for keen business ability and devotion to the interests of the nearly six million depositors, for the wise handling of the assets of the banks, in round numbers nearly ten billions of dollars, the officers and directors of these seven thousand national banks as a whole have no superiors in any corporation in the world. And it is in hearty co-operation and accord with these officers that I desire to work, to correct every condition which we may find that is not up to a reasonable standard.

I have been asked repeatedly what my position is on the question of guaranty of bank deposits.

Gentlemen, I believe in just one kind of guaranty of deposits. I believe in the guaranty which comes from the Comptroller of the Currency doing his duty under the law, from the bank examiners doing their duty and from the executive officers and directors of the bank doing their full duty and in accordance with the oaths of office which they take. That is the only kind of guaranty of deposits in which I believe. That kind is practicable, and it does not cost the banks an extra dollar, nor permit depositors to lose a dollar.

Conclusion

I have briefly touched on some of the problems that confront the Comptroller's Office. In the near future other problems will come up, and an earnest effort will be made to meet them in a fair and business-like way, and if improvement can be made in the management of the Comptroller's Office, I want to be among the first to suggest the improvement, and the first to make it. I am not one of the public officers who believe that the way the government has been doing things for fifty or one hundred years necessarily is the best way. I am looking for a way to make betterments every day, and the moment they can be made, with safety and security, they are made.

I have but one request to make this morning, and that is that in the solution of the problems coming before me you give me, when you feel I am right, your kindly consideration, your encouragement and your support; and when you feel I am wrong, your fair criticism, for fair criticism is as helpful as honest approval. (Applause.)

The President: Recently in company with several gentlemen prominent in business life the subject of individuals and their achievements came up, whereupon one gentleman stated

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that he thought one of the foremost men, if not the foremost man, in that respect in this country is the gentleman whom it is now my pleasure to present to you. This gentleman has a constructive mind, and, through his knowledge of the resources of this country and his belief in the possibilities that would come through utilizing them, has done a wonderful work in the upbuilding of the great Northwest. I refer to Hon. James J. Hill, Chairman of the Board, Great Northern Railroad. Mr. Hill has devoted the major portion of his life to the development of the resources of the Northwest. He built a railroad from St. Paul through to the Pacific Coast over a stretch of desert and barren country. Many people doubted the wisdom of his course, but the result has justified his keen foresight. We are indeed favored in having Mr. Hill as our guest on this occasion. He will address us upon the subject of "National Wealth and the Farm." (Applause.)

NATIONAL WEALTH AND THE FARM

By Hon. James J. Hill, of St. Paul, Chairman of the Board, Great Northern Railroad.

Mr. President and Members of the American Bankers' Association:

The well-being of a country, its political institutions, the direction of its industrial progress and ultimately of popular genius itself depend intimately upon the amount, distribution and employment of its capital in the shape of cash and credit. This is the motive power of the national engine. It always has been so. "Commercialism" has been common and must be common to every time and every race above the barbaric level. Men are always seeking to better their condition. The increase of wealth is an outward and visible sign of an increase in intelligence and power. The use made of that wealth will determine largely the quality of the next national era and the ideals that move the new generation. The bankers of a country, for centuries past, but more completely now than ever before, rank high among the custodians of the nation's future. This gives to the deliberations of a body such as yours a profound and far-reaching significance.

I may, therefore, be excused for departing from precedent if I devote this opportunity to a brief review of one of the larger national needs of the United States, since the wealth and the industry of the whole country are

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represented here, rather than to some topic directly connected with the conduct of the banking business. It will be, I hope, more profitable to leave these matters to the experts among your own number and to consider instead the rapidly changing balance of our industries which leads to disturbance and possible disaster to the nation. If there be any dislocation of the process of wealth-building in sight, the bankers of the United States have more interest in a clear perception of the fact and an effort to forestall misfortune than any other class.

The public is now to some extent awake to the relative value of the different occupations as sources of wealth. The farm is our main reliance. Every other activity depends upon that. The farms of this country are now adding annually over eight billion dollars to the total of our assets; a total which, unlike that of manufacturing and other industries, represents not value conferred by human labor upon some material already existing, but value actually created out of elemental things. This is the annual miracle of the earth; quite as wonderful as if a new planet should appear in space each twelvemonth. It is the mother of every other form of human industry. Our tillable area may be made to support millions of people greatly multiplied after the last bit of mineral has been extracted from the earth, and man's ingenuity in fashioning tools and fabrics has passed its limit. There is no comparison, in volume, in value and in relation to human enterprise and the very continuance of human life between the cultivation of the soil and any other occupation.

So far the majority of people will agree. What they fail to realize practically is the declining status of agriculture in this country. They are misled by the statistics of farm values and products, mounting annually by great leaps, into thinking that this absolute increase implies a relative advance of this industry as compared with others. Exactly the opposite is the case. I refer not merely to the quality and results of our tillage, concerning which something may be said a little later on, but to the setting of the human tide away from the cultivated field and toward the factory gate or the city slum. This is something whose consequences for evil are as certain as if the aggregate deposits in all the banks of this country were decreasing by a fixed percentage every ten years, while their loans were increasing by another percentage just as stable. You would know what catastrophe that assured by and by. It means the same thing, in kind and consequences, when the agricultural population, the producers and depositors in the great national treasury of wealth, is declining year by year, while the city population, which thrives only by drawing drafts upon the land and cannot live a year after these cease to be honored, rises at its expense. Yet not only is such a crisis approaching, but it is being hastened by legislative stimulation in favor of other industries while overlooking this.

In 1790 only about 3.4 per cent. of the American people lived in towns. At the time of the Civil War the percentage had risen to 16. In 1900 more than 31 per cent. of our population was urban. The change is portentous;

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and there is no doubt that the coming census will show it to have proceeded in the last ten years with accelerated speed. In spite of the warnings of economists, the amelioration of farm life, the opening of new and attractive employment on the land through the spread of irrigation and the growth of the fruit industry, the encouragement of public men and the wider dissemination of agricultural education, the percentage of our population who work on the farm constantly declines. If that proceeds too far, it is as if dry-rot had eaten through the timbers supporting some great structure. We should consider now the change accomplished and that impending.

In the earlier history of the country, it is well known that the great majority of its people followed the cultivation of the soil. The census of 1870 was the first to group the population of ten years old and upwards in great divisions according to occupation. The drift away from the land became pronounced in 1880. Since then the process has been continuous and the results cumulative. The percentage engaged in agricultural pursuits of the whole number of persons ten years old and upwards engaged in gainful occupations in this country is as follows by decades:

1870.....47.36	1890.....37.7
1880.....44.3	1900.....35.7

From all the States, East and West alike, comes the complaint that the children will not stay on the farm, and that other labor cannot be enticed there except by high wages for a few weeks in summer. It is quite probable that the new census will show this farm population reduced to 30 per cent. of the whole. We may certainly say that it does not exceed one-third. And, unless this tendency is counteracted, no one can now predict to what inconsiderable fraction it may one day be reduced. Totals of farm products expressed in dollars and those expressed in bushels or pounds tell quite different stories. We maintain the showing because new and fertile land is still being opened, while at the same time older lands are abandoned or deteriorate. The possibility of this disappears with the appropriation of most of our available unoccupied land. The further fact is that we are now and have been for more than a generation, in spite of our boasted progress, in the grip of a revolution that has preceded declining wealth and falling institutions wherever it appeared since history began.

The effect of a constant decrease in the number of those engaged in producing any foodstuff, while the number of consumers steadily grows, is already evident in our markets. We exported last year 68,000,000 bushels of wheat, which was about 30,000,000 bushels more than we had to spare. We drew down our supplies to that extent, and the market responded with the highest prices known for many years. Last May wheat that had been shipped from Kansas City to Chicago and sold there was re-sold and shipped back to Kansas City at an advanced price. In the same month wheat was taken out of storage in New York City, shipped by steamer to

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Galveston and sent by rail to supply the immediate needs of mills in the wheat belt. This season there will be an unusual wheat crop, probably 700,000,000 bushels or upwards. At six and a half bushels per capita for home consumption and seed, this leaves us a surplus of 115,000,000 bushels. We shall probably export 125,000,000 bushels, under the pressure of foreign demand, leaving us nearly as badly off as we were last year.

With our annual increase of over 1.5 per cent. in population from natural causes and immigration that has not been less than three-quarters of a million any year since 1902, there will be from two to two and a half million more mouths to feed every year. Having in view this increase in population, the declining average yield per acre of cultivated land in the United States after it has been farmed for a few years, the rise of per capita consumption, with a higher cost of living and the movement of the working population away from the land, the time is now approaching when we shall not only cease to be a wheat-selling nation, but will find it necessary to import a portion of what we consume.

Last year the value of our total exports classified as foodstuffs, either crude or partly or wholly manufactured, and food animals amounted to $438,000,000. We imported of the same classifications nearly $329,000,000. The idea that we feed the world is being corrected; and unless we can increase the agricultural population and their product, the question of a source of food supply at home will soon supersede the question of a market for our own products abroad. Our foreign trade in the past has rested mainly on our exports of products drawn from the earth directly, or only once removed. Our manufactures for export are to a large extent natural products subjected to a few simple processes. How are we to meet the immense trade balance against us, how prevent financial storms of frequent occurrence and destructive force, how feed the coming millions, if the farmer, who pays most of the bills, has retired to the city or the country town in order that his children may the better enjoy their automobiles and enter into the delights of the social game?

Since the percentage of those at work on the soil declined by about one-fourth in the last thirty years, we have to consider not only the increase of food demand over its domestic supply but also that disturbance of the balance between one form of industry and another upon which prosperity and stability depend. This industrial interdependence appears to be one of those universal laws that prescribe harmony and proportion as essential to health. Just as the soil itself must have a change of crops, as every member of the body must have its appropriate exercise, as a hygienic food ration must include a proper amount of each of the chief chemical constituents to produce physical and mental vigor, so human occupations must be distributed with reference to one another if the big machine is to work without loss of efficiency or collapse. Up to this time other industries than agricultural would have flourished and grown amazingly in the United States without any artificial stimulus, because the large

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percentage of the total population engaged in agriculture furnished an adequate market. This condition is changing rapidly.

If, in a population of 100,000,000 people, which we shall have shortly, 45 per cent. are engaged in agriculture, then 45,000,000 people are calling upon the labor of 55,000,000 for clothing, professional service, commercial help, tools and furniture and all the smaller comforts and luxuries. If, instead, the agricultural percentage is reduced to 30, only 30,000,000 people instead of 45,000,000 people make such demands, while 70,000,000 instead of 55,000,000 compete in supplying them. A stationary or declining product, a soil becoming annually less productive, a revolt against the life of the farm and a consequent rise in wages amounting, since 1895, to 55.6 per cent. for ordinary day labor on the farm without board and 61.3 per cent. with board, compel such a rise of all prices as bears ruinously upon town and country alike. Our real concern is not so much to save the home market from the inroads of the foreigner as to keep it from destruction by an enlarged city life and a neglected country life, a crowded artisan population clamoring for food and a foreign demand for the product of their wages limited to fields where the competition of all the world must be met and overcome.

This problem besets Great Britain to-day. We must not seek voluntarily that calamity which has been forced upon her by physical conditions. The time of her greatness was the era of prosperous agriculture, with other industries proportioned to it duly. Long after that balance was disturbed, she maintained herself because the growth of her colonies was equivalent to added farms in England. At the same time she improved her domestic agricultural methods and doubled her product. Thus she protected and preserved herself until the growing tyranny of her trade unions made much of her production too costly for the markets of the world. Their limitations on output, their embargo upon exceptional skill and industry, their opposition to enterprise and their practical control of legislation have at the same time raised prices and lost markets. From such a dilemma Great Britain has turned to the socialistic hallucination; and even some of her truest friends doubt whether she has vitality and recuperative power enough to save her from permanent decline.

There are few more interesting chapters in history than those detailing the relation between industrial development, the food supply and the growth and decline of political institutions and national greatness. Civilization is mostly the story of the triumph of the human stomach in its struggle for food equal to the work of physical and mental evolution. Events and epochs that puzzled the historians of the past are explained by a study of common human experience. An economic cycle runs through all the affairs of men from the earliest times. There is a period of foundation-laying, in which agriculture is the accepted resource of the state, and national strength is built upon it. Then the demand for an enlarged life stimulates the manufacturing and the commercial interests, and there

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ensues a period of great prosperity, which sees the rise of great fortunes, the relative decline of the food supply, the introduction of luxury, the growth of indolence and a universal increase in prices. Never yet has this enhanced cost of living, when due to agricultural decline and inability to supply national needs, failed to end in national disaster. Professor Ferrero, in his story of "The Greatness and Decline of Rome," after describing the agricultural depression of Italy, the ruin of her peasantry and the distress of all classes that followed, attributes it "simply to the increased cost of living." This, rather than imperial ambition or race decay, is the key by which history unlocks the secrets of the past.

Once the valley of the Euphrates was earth's garden spot. Its greatness passed with the deterioration of its soil. When Greece was at the summit of her power, her ambition was to capture the grain trade by holding sway over the Black Sea and the Bosphorus. Even in good seasons Attica is said to have been obliged to import about 12,000,000 bushels of wheat. Every one of the great nations of antiquity guided its foreign relations and directed its invasions and conquests with a view to obtaining an adequate food supply. That was the value of Egypt to the Roman Empire. That determined her policies in the East. Spain in her greatness scoured the world for the food which her own soil had ceased to yield. With the decline of agriculture every one of these nations lost its leadership and either disappeared or remains a mere name.

The consumers of bread throughout the world increase by probably from four to five millions every year. In our own country we shall require from 13,000,000 to 15,000,000 bushels more annually for seed and home consumption. The domestic supply cannot be maintained by present methods. Not only is the cultivation of the soil being neglected, but it is also notoriously ineffective. Our wheat product per acre from the older lands falls steadily. Our national average is less than half that of England or Germany, both of which have soil inferior to our own. Only by bringing rich new land under cultivation have we prevented the fall from becoming abrupt. Good farms in the Mohawk Valley in New York State forty years ago were worth from $100 to $150 per acre; now many are sold at from $25 to $30. This is not because wheat has become cheap, for it is dear not entirely because of Western competition, but because there is neither good cultivation nor enough cultivators. The younger generation throngs the cities; and the land, rented by its owners to tenants careless of everything but immediate profit, is abused and robbed of its fertility. In New York State 20,000 farms are for sale. The southern central portion shows a progressive loss of population. Professor Tarr, of Cornell University, in an article published during the present year, says: "I have driven much over the country roads of this section, and have been astonished at the evidence of general decline in the farming industry, especially in the hilly sections. Abandoned houses in all stages of decay abound, and in some cases the forest is encroaching on the pasture."

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Schuyler County had 3,815 less population in 1895 than in 1860, Tioga County 2,000 less and Yates 992 less. If anybody imagines that this process of exhaustion and abandonment or transfer to other uses is peculiar to the East, let him look at Iowa, whose average wheat crop in the five years 1883-87 was 29,682,560 bushels, and in the five years 1904-08 was 9,976,488 bushels. In 1908 it was 8,068,000.

All this has come about notwithstanding economic changes favorable to the occupant of the farm. In the introduction to the Census of 1870, relating to the agricultural interest, we read this: "It is sufficient barely to allude to such notorious facts as corn selling in New England at 90 cents and being burned for fuel in Iowa; wheat selling at $1.35 in New York and for 45 cents in Minnesota; beef bringing $7 a hundred on the hoof in the East, while cattle are being slaughtered for their hides in Texas." Such inequalities are unknown to-day. The perfection of our transportation system has made a market accessible to every farmer, and carries his produce at the lowest rates in the world. His life has become more comfortable and desirable. But the increased cost of living bears most hardly upon him, while it entices his children to the centers where they think that the larger income now found necessary may be won more easily. And while the enhanced price of grain may induce him to enlarge his wheat acreage, it does not lead him to more careful tillage.

The situation, then, sums itself up thus: We have almost reached a point where, owing to increased population without increased production per acre, our home food supply will be insufficient for our own needs; within ten years, possibly less, we are likely to become a wheat-importing nation; the percentage of the population engaged in agriculture and the wheat product per acre are both falling; at the same time the cost of living is raised everywhere by this relative scarcity of bread, by artificial increase in the price of all manufactured articles, and by a habit of extravagance which has enlarged the view of both rich and poor of what are to be considered the necessaries of life. These plain facts should disturb and arouse not only the economic student but the men who are most intimately related to the wealth of the nation and most concerned that it shall not suffer loss or decrease.

You deal with wealth in its most condensed and universal form. That wealth is the slow accretion of many centuries. It changes its form and occupation with wonderful facility; but, so slight at all times is the margin between the world's production and its consumption, that its savings have been acquired almost as slowly and painfully as the miser's hoard. Practically only a few months lie between a universal cessation of production and the destruction of the human race by starvation. The marvelous diversity of modern industry and its products blinds us to the bare simplicity of the situation. Those who, like you, are main factors in supplying to industry the means to carry it on, who open up the main and lateral channels through which the fertilizing stream of capital may be turned

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upon the otherwise barren field of labor, should be always mindful of the first great source and storehouse of national wealth, and the most sensitive whenever it is depleted or endangered.

What we must come to—and the signs of the times indicate that we cannot make head in that direction too rapidly—is the smaller farm, with a more intensive agriculture. We support, in round numbers, ninety millions of people on three million square miles of land. We should be able to support 150 per square mile as easily as 30; and then we should have but a fraction of the density of population of Denmark with 167 inhabitants per square mile, Holland with 448, or our own State of Rhode Island with 407 in 1900. But the education of a whole people in right methods of tillage is a stupendous task. It took England nearly fifty years to do this, with powerful agencies at command and with a control over her farmers through leasehold conditions that no one in this country possesses. She has raised her average wheat yield from 12 and 15 to upwards of 30 bushels per acre. If it should take us fifty years, we would by that time probably have doubled our population also, and barely kept pace with our necessities. But we have not yet accomplished the mere preliminaries of such a process.

Not only have we not begun, except in a few cases so rare that they furnish striking illustrations for magazine articles and experiment station bulletins, to mend our farm methods, but the machinery by which the great body of farmers may be reached—as they must be reached if any change worth considering is to be brought about—has not yet been determined upon. While we do considerable for the boys and girls who attend them through our more than three score agricultural colleges, but little impression is made upon the bulk of all the people engaged in farming. Here are some extracts from a letter written recently by an intelligent farmer for publication: "I don't think one-half of one per cent. of the farmers of the State are in touch with the State Agricultural College and Experiment Station. It is practically unknown to the mass of the farmers." That is true everywhere. There were more than ten million people at work on the farms of this country in 1900; and it needs a big school and a big teaching force to take them all in.

That is what we have to do. There are between six and seven million farms in the United States to-day. Their annual product of over $8,000,000,000 could be doubled without adding anything to the labor or money now expended. The average wheat yield of the country is now about 14 bushels per acre in good years. The same land might produce 30 bushels if properly cultivated. The average cotton yield is about four-tenths of a bale per acre, and possibly four times that amount could be raised as easily. The same holds true of the whole list of farm products. The farmer has been discouraged by seeing every other industry preferred to his. A false policy of stimulating these by legislative favors has naturally tended to tempt the intelligent, energetic and ambitious into other occupations.

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While much praise is due to what is now being done, and well done, by the Agricultural Experiment Stations and Colleges, by the Department of Agriculture and by farmers' institutes and other agencies, the job is too big for them. When we set out to educate the children in the public schools, we do not establish one or two large ones in each State and expect them to go there. The farmer is almost as numerous, as much in need of instruction, and is unable to leave home in search of it or to absorb it through literary channels, as the child. The education must be taken to him. If all the graduates of all the Agricultural Colleges were sent out as missionaries to the farm, there would not be enough of them to do the work. But it is the sort of work in which every State should engage without delay.

What has to be taught is not abstruse. While high-grade farming can furnish employment for the best intelligence, instruction in a few simple subjects will enable the ordinary farmer to double his product. He needs to be taught how to prepare a field properly for the seed; how to select and where to get the seed that will yield the best return; how to cultivate each crop; how to combine stock raising with tillage; and how to rotate his crops and preserve unimpaired the richness of his soil. On his own farm, with the material and the object lesson before him, under instruction that comes with public authority and sanction, he will be a pupil apt to learn. It is on a par with the importance of the public school. We have not yet made a beginning; but every other interest and every other item of proposed legislation might well wait until we do.

The returns of Great Britain's Board of Agriculture show that there are less than 15,000,000 acres under the plow to-day as against 18,500,000 acres thirty-five years ago. An investigation of the decline in the agricultural population in France has disclosed two main causes. One is this same rise of prices, which sends the young to the cities because they believe that they can reach independence sooner there than on the farm, where they must labor for years before they can put enough capital together to engage in business for themselves. The other is the temptation to indolence, extravagance and inefficiency offered by the pension system. With support given by the State to civil as well as military servants, and promised to old age unaccompanied by any other claim, men seek the comparative ease and excitement of the town in early years, believing that in age and infirmity some one else will pay for their self-indulgence. But every nation will still learn and progress by bearing manfully the consequences of its own mistakes. They will stand or fall hereafter as heretofore according to their care of the one great resource—the soil; the one indispensable occupation—agriculture; and the maintenance of a proper economic relation and balance between it and all others.

It is not illogical, and I hope it will not prove unhelpful, to make this presentation of our industrial case to the associated bankers of the country and to invite their co-operation. The strength of capital and the mightier

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force of credit hold up your hands. "Credit," said Daniel Webster, "has done more, a thousand times, to enrich nations than all the mines of the world." The banks are creators, distributors and conservators of credit. This power, mightier than armies, is, with certain limits, under their control. They can, subject to the large and general business conditions that govern us all, use this force to encourage or to discourage. You can do as much by the influence and advice to which your calling so often lends weight. I can best express the possibility and value of this by quoting from the last address of President Chapman, of the Minnesota Bankers' Association: "The banker as an individual hardly recognizes the important place he holds in the community. He is the confidant of the widow, the orphan, the business man, the farmer and the professional man. To men engaged in no other occupation do the people look for guidance and advice in business ventures more than the banker. . . . It is to you, gentlemen, largely, that the father of the young man living in the country comes for advice as to what school or college the boy is to attend or what profession he should follow; and it is your duty to be so advised and posted regarding conditions in the cities that you can intelligently advise that father whether it is to the boy's interest to leave a farming community where the chances are that in five or ten years he can own a farm and be worth $10,000 to $50,000 by intelligently farming the land, or whether he should go to the great cities and become the future motorman and street car conductor." Thus I am able to reinforce by the words of one of your own order my opinion that you can do much, both by direct influence and by promoting such an educational campaign as I have outlined, to restore the prestige of the farm and to raise it to that pre-eminence in profit as well as in attractiveness which is its own due and the nation's hope.

The eminent historian to whom I have already referred, scanning the history of more than twenty-five hundred years with the eye of the philosopher, determined to extract from this vast store of facts, according to the modern scientific method, some fixed principle in the affairs of men, announces this as his conclusion: "The only durable conquests, even in ages of barbarism, are conquests made by the plow." If this was true of the rude ages when men lived by the sword, and the tiller of the earth was either a slave or a still more wretched peasant, it is far truer to-day when civilization has built her imposing fabric upon the expected bounty of the earth. We must maintain, protect and extend these conquests by which the race has won its way. It is not, as in the old mythology, Atlas whom we see groaning beneath the weight of the world upon his shoulders, but the homelier and humbler figure of the cultivator of the soil. It is for each of us, in every capacity, public and private, to do what in us lies to enlighten, reinvigorate and sustain this common benefactor of our kind. (Applause.)

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MR. A. J. FRAME, of Waukesha, Wis.: I think it would be unjust if we passed this occasion without presenting our compliments to these two gentlemen who have so ably given us these two addresses—one by Mr. Murray, to which all honest men can say amen, and of which only the evil doer need be in terror; also the eloquent address of our nation builder; and I move you that it be expressed as the sense of this meeting that our thanks be extended to both of these gentlemen:

The motion was seconded in various parts of the hall.

THE PRESIDENT: You have heard the motion, and you will signify your co-operation in it by the usual sign.

Unanimously carried.

THE PRESIDENT: I wish to refer now to page 27 of the program which you have in your hand. You will note that the bankers of Chicago have provided for your entertainment several functions which will take place before the time we meet again in this house on Friday.

The bankers of this city have purchased the entire seating capacity of four of the theaters for this evening, and in the little books which have been given to you at the time you registered you will find tickets for these entertainments. You must bear in mind that these tickets must be exchanged at the information bureau for tickets of admission to the theaters. If you have not already done so, I would suggest that you go to the information bureau on the second floor of the Auditorium Hotel and make such exchange.

On Wednesday afternoon at 2 o'clock, two steamers, the "City of Benton Harbor," and the "City of South Haven," will leave the Graham & Morton docks, at the foot of Wabash Avenue, for an excursion on Lake Michigan, the objective point of which will be Gary, Indiana. At this point the boats will stop for an hour or an hour and a half to give those who may wish to do so an opportunity to get at least a look in at Gary, and the great steel plant of the United States Steel Corporation which is located in that city.

In this connection, I desire to say that since the Trust Com-

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pany Section of this Association will hold its meeting to-morrow, and with a view of preventing any interruption to that meeting through having the delegates to the Trust Company Section on our boat ride, we have provided for their exclusive use on Thursday—which is not shown in this program—a special train which will leave the Lake Shore station at 2 o'clock, and which will convey any of the gentlemen of the Trust Company Section, who may want to go to Gary, to that city, and they will be returned to Chicago in the evening in ample time for the ball. The Council Club dinner, which will be held in the Gold room of the Congress Hotel on Wednesday evening at 8.30 o'clock, is not a function provided by the bankers of the city of Chicago, but it is a function provided by the club itself, which is composed of the exmembers of the Executive Council of this Association, and those who are expected to attend that dinner will have received invitations from the officers of that club.

On Thursday afternoon special trains over the South Side Elevated Railway will leave the old Congress Street station at 1.30 o'clock for the Stock Yards, returning at 4.30 P. M. The plants of the packers and other places of interest in that section of the city will be visited on this trip. You will find in your books tickets which can be exchanged at the information bureau for tickets for this excursion.

On Thursday evening there will be given by the bankers of Chicago in this theater a reception and ball to the visiting delegates and their guests; the reception will begin at 8.30, and the dancing at 9 o'clock. In the little books which have been given you, you will find tickets for this ball. I wish to call your attention to the fact that those tickets admit a single person; therefore, the ladies who are with gentlemen will want to bring the ticket from their books in order to gain admission to the building on that evening.

I take great pleasure in announcing at this time that we have been fortunate in being able to secure President Taft's attendance at the ball for a short time, some time after 11 o'clock.

I hope you ladies and gentlemen, and all of the delegates and guests present, will utilize the tickets which we have provided

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for your entertainment, and I hope that you will all avail yourselves of all these functions, and we trust that you will find them enjoyable. (Applause.)

THE SECRETARY: I have some important announcements to make which will take only a moment.

The Vice-Presidents of the States and Territories of Alaska, Arizona, Delaware, District of Columbia, Maine, Nevada, New Hampshire, New Mexico, Rhode Island, Utah, Vermont, Wyoming, Canada, Cuba, Hawaii, Mexico, Porto Rico, and the Isle of Pines, will meet in club room 2, Auditorium Hotel, on adjournment of the convention to-day, to nominate one member of the Executive Council.

Dr. J. C. Kilgo, was announced to make an address to-morrow afternoon. We received word that he would not be here. However, we have since received a letter that he would be here to fill his place on the program to-morrow afternoon at 2 o'clock.

To those of the Council Club, which is composed of the gray heads and bald heads—ex-members of the Executive Council—I am requested to announce that those who have not made arrangements to attend the Council dinner to-morrow night, must do so by 9 o'clock to-morrow morning at the latest.

The Committee on Transportation, in order to facilitate transportation to and from the Stock Yards, wish to urge upon you that promptness is very desirable, and that you be at the old Congress Street station of the South Side Elevated Railway at 1.30 o'clock P. M. sharp. Those that wish to go, must be there at 1.30 P. M. sharp.

THE PRESIDENT: The next regular order of business is the report of the General Counsel of the Association, Mr. Thomas B. Paton, of New York.

MR. PATON: Mr. President and Members: At this late hour and with such a vanishing audience, I will not attempt to read my report. It is printed and anybody who is interested in the subject of what the General Counsel has done during the year can obtain a copy thereof.

In brief, I might say, that the report contains a detailed ac-

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count of the legislation in which the Association has been interested, which has been enacted in the different States this year. We have been very successful, as no less than twenty-seven different measures have been enacted in different States, covering bills of lading, false statements for credit, forged checks, the payment of moneys in two names and so on.

I will simply ask leave to hand the report in without reading it, and thank you for your attention. (Applause.)

REPORT OF GENERAL COUNSEL

Mr. Thomas B. Paton

During the year since the Denver Convention, the work of General Counsel has been devoted to the promotion of legislation having for its object the greater safety of banking transactions, as well as general uniformity of commercial law, and has also included active and continuous services rendered the various Sections and Committees and the members in general.

Legislative Measures

I am pleased to report that the various legislative measures drafted and recommended on behalf of the Association in the banking interest have met with abundant success during the past year. No less than thirty-seven Association bills have been enacted in different States, and this does not include the Negotiable Instruments Law, which has been enacted in two additional States, and the Uniform Warehouse Receipts Act, which has been passed in eight States this year.

1. The bill to punish the making or use of false statements to obtain credit, drafted by General Counsel, and made broad enough to punish the officer who obtains money or credit for his corporation by means of a false statement, has been passed by the legislatures of Michigan, Minnesota and Montana; also in Tennessee with certain modifications, and in Illinois the principle of the bill was incorporated in an amendment of the existing law. It also passed both Houses of the New Jersey legislature, but was vetoed by the Governor without statement of reasons.

2. The bill drafted by General Counsel relating to bills of lading has also been passed in four States this year. I leave for the Chairman of the Committee on Bills of Lading a statement of the details concerning this measure.

3. The bill drafted to punish the circulation of derogatory statements

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affecting the financial standing of banks has been passed by the legislatures of Michigan and Pennsylvania.

4. The bill precluding a depositor from questioning the payment of a forged or raised check unless he notifies the bank within a specified period after the return to him of the forged or raised check as a voucher has been passed this year in Montana, with a time limit of one year; in Iowa and North Carolina, time limit six months; in Wyoming, time limit three months, and in North Dakota, time limit thirty days.

5. The bill defining and punishing the crime of burglary with explosives has been enacted this year in the three additional States of Idaho, Washington and Wyoming; and bills making it a crime to have burglars' tools in possession have been passed in North and South Dakota and in South Carolina.

6. The bill making it a crime to give, with intent to defraud, a check or draft on a bank without sufficient funds on deposit to meet it has been passed this year in Wyoming; and in South Carolina and Tennessee in modified form.

7. The bill amending the Negotiable Instruments Law, by clearing up all doubt when a time instrument made payable at a bank may be paid, specifying that payment must be made on the day of maturity only, has been passed in Missouri, Montana and New Jersey.

8. The bill authorizing payment of a deposit in trust to the beneficiary upon the death of the Trustee has been passed in Michigan and Montana, and in South Carolina in modified form.

9. The bill authorizing the payment of a deposit standing in two names, upon the death of one, to the survivor, has been enacted in Michigan, Montana, Nebraska and New Hampshire. It also passed both houses of the Wisconsin legislature, but was vetoed by the Governor on the ground that it might afford an opportunity for evasion of the Inheritance Tax Law.

10. The bill qualifying a notary, though a stockholder of a bank, to take acknowledgments and protest paper where the bank is a party, has been enacted in Michigan, Montana, New Jersey and Wyoming.

The promotion to enactment of such a large number of bills has entailed a large technical correspondence, together with the preparation and making of a number of legal arguments, and the result is most gratifying. But in this connection it must be understood that all these Association measures, so-called, while drafted or prepared by General Counsel and put forth with the approval and recommendation of the Standing Law Committee and other Committees of the Association, have not been directly urged in the various States on behalf of the General Association, but have been sent to the State Bankers' Associations merely as suggested measures

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for use of the local Committees, to be taken up and advocated if local needs and conditions required; and it has been chiefly through the efforts of these State Committees that such splendid results have been achieved.

These specific Association measures, it is seen, strike, on the one hand, through the criminal law at the bank burglar, the bank slanderer, the giver of the bad check and the swindling customer who obtains money on a false statement; and, on the other hand, through the civil law, protect the bank by surrounding the payment of deposits in specified instances with certain safeguards, and also by increasing the security and value of instruments of credit which the bank handles.

Aside from the enactment of the Association measures, considerable legislation has been passed during the year in a number of States relating to banks and the banking business. Among other legislation, four States have enacted Guarantee of Deposit laws this year, and Oklahoma has materially amended its original law of 1907, the constitutionality of which is pending before the Supreme Court of the United States. Nebraska has enacted a Guarantee law under which assessments apparently go on indefinitely, but the operation of this law has been enjoined by the Federal Courts pending decision as to its validity. Texas has passed a law providing for a depositors' guarantee fund or, in the alternative, a bond security system. Kansas and South Dakota have also passed laws for the establishment of a depositors' guarantee fund; but in these two States such laws are optional and not compulsory upon the bank. Deposit guarantee laws have been introduced in a number of other States, but have been rejected by their legislatures. I append to this report a summary of guarantee and other legislation relating to banks which has been enacted this year.

Contemporaneous with the growth of the guarantee of deposit theory, it is to be noticed that another principle is making headway in State legislation, namely, the segregation and safeguarding of savings deposits. Massachusetts last year enacted that savings deposits in trust companies must be separately kept and that such deposits and the securities in which invested be appropriated solely to their repayment. This year California enacted a general banking law under which one bank may have separate departments for savings, commercial and trust company business; the cash, securities and property of each department must be kept separate and not mingled with that of any other department, and all moneys and investments of each department are to be held solely for the repayment of the depositors of that department, any overplus to be applied to other liabilities. Texas also excludes savings deposits from the operation of its guarantee law, and provides that the business of savings departments of banks and trust companies be kept separate and distinct, and in case of insolvency savings depositors have an exclusive prior lien upon assets, including cash of the savings department. Also in the trust company law of Wisconsin enacted this year time deposits, not subject to check,

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must be held or invested separate from other funds or property and in case of insolvency are made primarily liable for the payment of such time deposits.

In this connection it may be mentioned that the whole subject of segregation and safeguarding of savings deposits, in all classes of banks, has been taken up and is being given exhaustive investigation and consideration as to its practicability by the Law Committee of the Savings Bank Section, and after the matter has been brought before the other law committees of the Association it is probable that certain conclusions will be reached and recommendations made.

Corporation Tax Amendment

On August 5th Congress enacted a Corporation Tax law as part of the Tariff Bill. By this a special excise tax equivalent to one per cent. upon the entire net income of corporations over $5,000 is imposed, and all incorporated banks, State and national, are subject to this tax. The law provides that the net income shall be ascertained by deducting certain specified expenses, losses and payments from gross income. When this law passed the Senate on July 3d, it contained the following specification of interest payments which could be deducted from gross income:

> "Third. Interest actually paid within the year on its bonded or other indebtedness to an amount of such bonded and other indebtedness not exceeding the paid-up capital stock of such corporation, joint stock company or association, or insurance company, outstanding at the close of the year."

As applied to a bank, the term "other indebtedness" would cover deposits and a reasonable construction of this provision, as passed by the Senate, would have prevented a bank from deducting from gross income all interest paid on an amount of deposits in excess of capital. This would have been a very serious hardship on a large number of banking corporations whose line of interest-bearing deposits are far in excess of their capital. Accordingly, General Counsel immediately prepared a brief showing this defect and this hardship in the law, which was forwarded to the President of the Association, approved by him and immediately sent on to the proper committee at Washington. As a result I am pleased to report that in the law as finally passed, this defect was corrected so that banks are allowed to deduct from gross income all interest paid on deposits during the year. This correction was made by an addition to the clause I have quoted of the following language:

> "and in the case of a bank, banking association or trust company, all interest actually paid by it within the year on deposits."

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Work in General

In the progress of his work, General Counsel has accumulated the Banking Laws of all the States, together with the latest amendments; also the current decisions affecting banks and banking transactions which have been arranged and classified, the whole constituting a bureau of legal information for ready reference.

During the year, 127 legal opinions have been prepared for various members of the Association on questions of banking law arising in their business, and in addition a large and constant correspondence has been conducted conveying information on various legal and banking subjects and in relation to the work of Committees and Sections.

Considerable time has been given in the way of legal editorship of the Journal of the Association and of the Bulletin of the American Institute of Banking, and constant service has been rendered the Institute in the legal branch of their educational work, including the delivery of thirteen lectures on subjects of banking and commercial law.

In the matter of bank burglary insurance, six companies have been led to insert in their policies clauses which insure the bank in event of "night hold-ups," a kind of loss which has not heretofore been covered. This is the result of agitating the subject in the Journal.

A considerable number of legislative committee hearings upon measures of interest to the Association have been attended, as well as all the sessions of the Conference of Commissioners on Uniform State Laws, at which have been perfected uniform laws on the subjects of Warehouse Receipts, Bills of Lading and Transfer of Title to Stock Certificates.

In connection with the work of the Committee on Bills of Lading, the Standing Law Committee, the Savings Bank Law Committee, the Committee on Trust Company Laws, the Voucher Check Committee and other Committees of the Association, many meetings have been attended and legal briefs and other documents prepared, the details of which need not be given.

In conclusion, General Counsel desires to express his appreciation of the hearty co-operation which has been given him by the general officers and members of Committees of the Association, as well as by the Secretaries and Legislative Committeemen of the State Bankers' Associations.

SUMMARY OF STATE LEGISLATION DURING 1909 AFFECTING BANKS

Alabama

The Alabama legislature convened July 27, 1909. A number of bills were introduced in behalf of the Bankers' Association, one of which is for

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re-enactment of the negotiable instrument law which was defectively passed at the last session of the legislature.

Several other bills, purely of a local nature, were introduced, relating more particularly to the examination of banks and the preparation of statements. These measures were still pending at the date of preparation of this statement.

ARIZONA

Section 138 of the Revised Statutes, relating to reserve, was amended by Chapter 90 of the laws of 1909, so that instead of the required reserve of at least fifteen per cent. of deposits being kept "on hand," it is provided that two-fifths must be cash on hand and three-fifths on deposit with other banks approved by the Comptroller.

ARKANSAS

A general Banking Law, providing a State Banking Department, and containing provisions for the organization of banks and regulation of the banking business, was introduced in the legislature, but failed to pass.

No measures materially affecting the banking business were enacted this year.

CALIFORNIA

A new Banking Law, which was prepared under the supervision of a committee appointed by the California Bankers' Association, and a commission appointed by the Governor, was enacted this year. Under it banks are divided into three classes, viz.:

(a) Saving Banks.
(b) Commercial Banks.
(c) Trust Companies.

Corporations may be formed to conduct any one or all of such classes of business.

Separate provisions governing each class are made. Where the corporation conducts more than one kind of business it must keep the books, investments and transactions of each class separate, and in the event of insolvency the depositors of each class are preferred as to the cash and investments belonging to that class.

Sections 26 and 27, which provide this separation and segregating, read as follows:

> "Sec. 26. Every bank having different departments shall keep separate books of account for each department of its business, and shall be governed as to all deposits, reserves, investments and transactions relating to each department by the provisions in this act specifically provided for the respective kind of business.

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"It shall keep all investments relating to the savings department entirely separate and apart from the investments of its other department or departments.

"Every bank shall conduct the business of all its departments in one building, or in adjoining building, and shall keep entirely separate and apart in each department the cash, securities and property belonging to such department, and shall not mingle the cash, securities and property of one department with that of another.

"Sec. 27. All money belonging to each department, whether cash on hand or with other banks, and the investments made, shall be held solely for the repayment of the depositors in said department, until all depositors in such department shall have been paid, and the overplus then remaining shall be applied to the other liabilities of such bank."

The Uniform Warehouse Receipts Act was passed this year.

Colorado

A guarantee deposit law, along the lines of the Oklahoma law, was introduced but failed to pass.

The Trust Company Law was amended with reference to the amount of capital stock required in cities of first and second class.

Connecticut

The legislature of Connecticut passed certain laws affecting banks, of local interest only, relating to certain items of loan and investment by savings banks, fixing the maximum salaries of Savings Bank Presidents, and increasing the salaries of the Bank Commissioners.

Delaware

The Delaware legislature passed a law requiring all State Banks and Trust Companies to keep a reserve fund, which, in the case of banks in the City of Wilmington, must be 15 per cent., and as to all banks outside of the city 10 per cent.

Five per cent. of this reserve fund must consist of cash in bank; the remainder of deposits in reserve banks.

Florida

The legislature of Florida passed an act authorizing the employment of an additional Bank Examiner, and also an act defining due diligence in the collection of checks, drafts, etc. The last stated act provides.

"That when a check, draft, note or other negotiable instrument is deposited in a bank for credit, or for collection, it shall be considered

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due diligence on the part of the bank in the collection of any check, draft, note or other negotiable instrument so deposited, to forward en route the same without delay in the usual commercial way in use according to the regular course of business of banks, and that the maker, endorser, guarantor or surety of any check, draft, note or other negotiable instrument, so deposited, shall be liable to the bank until actual final payment is received by it, except in case of want of due diligence on its part, as aforesaid."

(Similar due diligence laws now exist in Vermont, Kentucky and South Dakota.)

GEORGIA

No legislation materially affecting banks was enacted at the present session. A bill for the guarantee of deposits was introduced but failed to pass.

IDAHO

The legislature enacted the Association measure to define and punish the crime of burglary with explosives with a penalty of from ten to twenty-five years.

A further law adds Decoration Day and Labor Day to the holidays now observed.

ILLINOIS

By Act approved June 8, 1909, the legislature adopted the principle of the Association measure to punish the making of false statements for credit, by amending Section 97 of the Criminal Code, so as to extend the crime and punishment to an officer who obtains credit for his corporation, or a member who obtains credit for his firm. Section 97, as amended, is given below; new matter in italics, words eliminated in brackets:

"Sec. 97. Whoever by any false representation in writing of (his own) *the* respectability, wealth (or) mercantile correspondence or connections, *or assets or liabilities of himself, or of any firm of which he is a member, or whoever, being an officer of a corporation, by any false representation in writing, known by him to be false and signed by him, of the respectability, wealth, mercantile correspondence or connections, or the assets or liabilities, or any or all of them, of such corporation,* obtains credit *for himself, for such firm or for such corporation,* and thereby defrauds any person of money, goods, chattels or any valuable thing, or whoever procures another to make a false report in writing, signed by the person making the same, of (his) *the* honesty, wealth, mercantile correspondence or connections, *or assets or liabilities of himself, or of any firm of which he is a member, or whoever, being an officer of a corporation, procures another to make a false report in writing, known by him to*

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be false, signed by the person making the same, of the honesty, wealth, mercantile correspondence or connections, or assets or liabilities of such corporation, and thus obtains credit *for himself, for such firm or for such corporation,* and thereby defrauds any person of any money, goods, chattels or other valuable thing, shall be sentenced to return the money or property so fraudulently obtained, if it can be done, and shall be fined not exceeding $2,000 and confined in the county jail not exceeding one year."

A law was passed making the 12th of October, or Columbus Day, a legal holiday in each year.

INDIANA

The State Depository Law enacted two years ago makes it obligatory on all treasurers of public funds to keep them in designated depositories, who have qualified under the various Finance Boards.

The original law required that the bank should furnish either surety bonds, or personal, for the full amount for which they qualified. It was amended this year so as to allow the depository to furnish surety company bonds for 50 per cent. of the award, or if personal bond is given, 60 per cent.

The reason for this amendment is that it rarely happens that a depository secures an average deposit of more than 50 per cent. of the amount it qualifies for.

Another amendment to the Depository Law provides for the filing of Municipal, Street and Sewer bonds as security for public deposits.

A bank guarantee bill and an inheritance tax bill were before the legislature, but did not pass.

IOWA

The Iowa legislature enacted the forged check measure recommended by the American Bankers' Association, through its Standing Law Committee, with a six months' limitation as follows:

> "No bank shall be liable to a depositor for the payment by it of a forged or raised check unless within six months after the return to the depositor of the voucher of such payment, such depositor shall notify the bank that the check so paid is forged or raised."

Sec. 1857 of the Code, providing for dissolution of savings banks, was amended by including State banks.

Sec. 1875 of the Code, relating to the appointment of Bank Examiners and their fees, etc., was amended.

KANSAS

The legislature of Kansas enacted a "Bank Depositors' Guarantee Law." This law is not a compulsory measure, but banks which are qualified (banks

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having surplus 10 per cent. of capital and new banks with like surplus after doing business one year) are "authorized and empowered to participate in the assessments and benefits and to be governed by the regulations of the Bank Depositors' Guarantee Fund."

Certificates are issued by the Bank Commissioner to the guaranteed banks.

There must be a bond deposit (or cash in lieu thereof) with the State Treasurer of $500 for every $100,000, or fraction, of average deposits eligible to guarantee before a bank can receive a certificate, and in addition, an annual assessment in January, beginning 1910, of one-twentieth of one per cent. of average daily deposits until the guarantee fund (exclusive of the cash in lieu of bond deposit) approximates $500,000. In the event of depletion, additional assessments will be levied of not more than five assessments of one-twentieth of one per cent. in any one year.

After the first annual assessment of 1910, banks seeking to participate to be assessed an amount approximately equal to their proportionate share of money then in the Depositors' Guarantee Fund; this not required from banks consolidated or reorganized from banks previously complying. Upon payment of such assessment, together with the deposit of bonds or money, as above provided, such banks entitled to certificate. The State Treasurer holds the fund in State depository banks (as provided by law governing other State banks) subject to the order of the Bank Commissioner. In case of failure, Commissioner takes charge of bank, issues to depositors, upon proof of claim, 6 per cent. certificates upon which dividends paid and interest (except in case of deposit at contract rate, certificate at that rate). After assets are realized upon, including double liability of stockholders, funds so collected are paid to depositors. Balances due on guaranteed deposits (if any) are certified to the Bank Commissioner, who checks on the State Treasurer payable out of the Depositors' Guarantee Fund. If the fund is insufficient, after five additional assessments in one year are made, the depositors are paid pro rata and the remainder when the next assessment is available. When dividends are paid to depositors out of the Depositors' Guarantee Fund, claims of depositors revert to the Depositors' Guarantee Fund until the fund is fully reimbursed with interest at 3 per cent.

If an assessment is unpaid thirty days after receipt of notice a 50 per cent. penalty is added and sufficient of the defaulting bank's bonds are sold by the Bank Commissioner to pay the assessment. Any balance from the proceeds of sale remains to credit of bank in Depositors' Guarantee Fund. Such balance, with remainder of bonds (or cash deposited in lieu) is forfeited to fund if bank does not remit in sixty days after default full assessment and penalty and restore bonds, etc. If bank does not comply, it is examined; if insolvent, taken in charge; if solvent, certificate as guaranteed bank is cancelled.

Deposits which are guaranteed are deposits not bearing interest; time

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certificates payable not less than six months nor more than one year, with interest not more than 3 per cent., on which interest ceases at maturity; and savings accounts not subject to check, not exceeding $100 to one person, bearing interest not over 3 per cent., upon which bank has reserved right to require notice of withdrawal. Deposits which are primarily rediscounts or money borrowed and all deposits otherwise secured are not guaranteed.

Deposits are limited to ten times paid capital and surplus.

The Banking Law of the State was also amended in several particulars. A bank director to be eligible must be the holder of at least $500 of the stock; a uniform time, each January, April, July and October, is fixed for the holding of Board meetings; the requirements as to cash reserve are modified, making it one-quarter instead of one-half of the legal reserve which must be held in cash.

The Uniform Warehouse Receipts Act was passed this year.

Maine

The following bills were this year passed by the Maine legislature relating to banks:

House No. 71. Investment of deposits of savings banks.

House No. 81. Changing official designation of head of Banking Department and more clearly defining his powers in relation to expenses and to the employment of clerks.

House No. 160. Providing for joint examinations of State and National banking institutions occupying the same rooms at least once a year, at times and under conditions to be agreed on by the two departments.

House No. 262. Giving savings banks power to loan, maintain and let safe-deposit boxes and vaults.

Senate No. 83. Relating to taxation of loan and building associations.

Senate No. 152. Exempting state and municipal bonds from taxation.

House No. 692. Amending the law relating to investments of savings banks.

Massachusetts

Bills have been enacted into law as follows:

Chapter 342, Acts of 1909, for taxing deposits in savings departments of trust companies. Last year trust companies were compelled to segregate savings deposits and to invest them under the savings bank law, but were given the privilege of doing it in instalments during the next five years. This new law provides for taxation of these deposits under the law applying to savings banks, and also that the tax shall be applied in instalments during the period allowed for changing investments.

Chapter 419, Acts of 1909, amends the savings bank law in a number

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of particulars, *i. e.*, prevents the use of "bank," "banking," or "trust company," in connection with "company," in title of organizations not incorporated under the bank and trust company laws; provides fees for issuance of certificates of incorporation; regulates stolen passbooks and leaves the method of issuing duplicates optional with the banks; makes certain further restrictions with regard to bond investments; excludes from the limitation of one-third of the deposits and income, personal loans on collateral authorized for investment by savings banks; provides the routine for delivery of accountant's report of a borrowing corporation; enlarges the opportunities for investment in bonds or notes of railroad companies maturing within one year; provides that a loan secured by mortgages as collateral must not be more than 60 per cent. of the value of the property mortgaged, instead of requiring that each mortgage assigned as collateral shall not be more than 60 per cent. of such value; further defines jurisdiction of Board of Bank Incorporation and of Bank Commission; exempts deposits by Credit Unions from restriction of amount of the deposit in a savings bank.

MICHIGAN

The legislature of Michigan enacted the following measures recommended by the American Bankers' Association:

1. An Act to punish the making or use of false statements to obtain credit.

2. An Act to punish the making, circulating or transmitting of statements, rumors or suggestions derogatory to the financial condition or standing of a bank.

3. An Act in relation to the payment of deposits of money in banks and trust companies in the names of more than one person, and relating to the payment of trust deposits.

4. An Act concerning notaries public who are stockholders, directors or employees of banks or other corporations.

5. An Act defining Bills of Lading, prescribing as to the form, issue and surrender thereof, with penalties, etc.

Certain amendments to the banking laws were also enacted relating to meeting of directors, separation of commercial and savings banks, repairment of impaired capital, reorganization of banks, salaries of department officers, and appointment of receivers.

The Uniform Warehouse Receipts Act was passed this year.

MINNESOTA

The legislature of Minnesota enacted the following measures recommended by the American Bankers' Association:

Chapter 414. An Act relating to Bills of Lading.

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Chapter 431. An Act to punish the use or making of false statements to obtain credit.

Other laws relating to banking were enacted as follows:

Chapter 103. Amending Section 1 of Chapter 111, Laws of 1907, defining "bank," "savings bank," and limiting the right to use the same as a business name.

Chapter 124. Amending the law relating to the bonds of county depositaries.

Chapter 157. Amending the law making it a felony to make or have in possession burglars' tools.

Chapter 178. Prohibiting the use of the words "Savings," "Trust" or "Safe Deposit" except by authorized corporations; but allowing State Banks to establish and maintain a savings department, to solicit and receive deposits in said savings department, and advertising same as such.

Chapter 179. An Act providing for and regulating proceedings against and liquidation of delinquent financial corporations and bankers.

Chapter 201. An Act to create and establish a Department of Banking, and to provide for a Superintendent of Banks and the appointment of examiners; defining the powers and duties of such Superintendent of Banks and Examiners, and fixing their compensation; and to provide for a system of examination, audit and control of State Banks, Savings Banks, Building and Loan Associations, and other financial corporations.

Chapter 362. An Act relating to the securing of public moneys by State, County and City depositories.

Chapter 436. Fixing five months as a reasonable time within which to present for payment promissory notes payable on demand.

Missouri

The legislature of Missouri passed the following act recommended by the American Bankers' Association:

Amending Section 87 of the Negotiable Instruments Law by the addition of the words italicized:

Sec. 87. Where the instrument is made payable at a bank it is equivalent to an order to the bank to pay the same for the account of the principal debtor thereon. *But where the instrument is made payable at a fixed or determinable future time, the order to the bank to pay is limited to the day of maturity only.*"

An Act to regulate the payment by banks, banking institutions and trust companies of deposits made in trust upon the death of the trustees, and to make payment to a trustee upon his signature, conforming to the words of deposit."

Also the following measures:

Amending Sections 3, 9, 12, 18, 40, 60, 64, 76, 82, 84, 87, 99, 112, 124, 125, 130, 173 and 191 of the Negotiable Instruments Law.

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This law is to correct various clerical and other errors in the Negotiable Instruments Act adopted in 1905, and it includes Section 87, which was amended as above.

An Act to repeal Sections 461 and 462 of Chapter 5 of the Revised Statutes of Missouri for the year 1899, relating to public holidays, and to enact in lieu thereof a new section designating certain days as public holidays.

MONTANA

The legislature of Montana passed the following acts recommended by the American Bankers' Association:

An Act to punish the making of false statements to obtain credit.

An Act to amend the Negotiable Instruments Law in relation to the time when an instrument may be paid by a bank.

An Act concerning notaries public who are stockholders, directors, officers or employees of banks or other corporations.

An Act relating to the payment of deposits in two names.

An Act concerning the payment of deposits in bank in trust.

An Act fixing the liability of a bank to a depositor for the payment of forged or raised checks. (One year limit.)

Lincoln's Birthday, February 12th, and Columbus Day, October 12th, are made legal holidays in every year.

A State Depository Law was enacted, and a further law, requiring banks in Montana, before declaring any dividend, to set aside 10 per cent. as a surplus fund, until such fund shall equal 20 per cent. of capital.

NEBRASKA

The legislature of Nebraska amended the Banking Law by providing a guarantee fund for protection of depositors in banks. The Act took effect July 2, 1909. The fund is to be accumulated by assessments on average daily deposits (averaged in six-month periods), as follows:

(1) One-quarter of one per cent. sixty days after taking effect of Act.
(2) One-quarter of one per cent. January 1, 1910.
(3) One-quarter of one per cent. July 1, 1910.
(4) One-quarter of one per cent. January 1, 1911.
(5) And every July 1st and January 1st thereafter one-twentieth of one per cent. of average daily deposits.

There seems to be no maximum limit to the fund, but assessments are provided to go on indefinitely. Special provisions are made in case of new banks. When assessments are levied the amount is set apart in each bank, payable to the State Banking Board on demand. Prior to July 1, 1910, if the fund is depleted or reduced to less than one-half of one per cent., or subsequent to July 1, 1910, to less than one per cent., the deficiency to be

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made good by the levy of special assessments, not exceeding one per cent. of average daily deposits in any one year.

In case of failure, preference in payment is given to (1) federal, state, county and municipal taxes: (2) claims of depositors and holders of exchange. The above are a first lien on assets, including stockholders' liability, and are to be paid out of immediate available cash. If insufficient to pay depositors, the State Banking Board will draw against the Depositors' Guarantee Fund, prorated among the solvent banks according to the respective amounts held, and transmit to receiver to pay depositors. The State Banking Board for the use of the Depositors' Guarantee Fund is subrogated to the claims of creditors to the extent of the amount paid. The amount collected by the receiver is deposited by the State Banking Board in solvent banks, subject to the provisions of the Depositors' Guarantee Fund, the several deposits to be proportioned to the assessments levied against each of said banks. Private banking is prohibited. A graded capitalization of banks is provided, minimum $10,000; $15,000 from 100 to 500 population; $20,000 from 500 to 1,000; $25,000 from 1,000 to 2,000; $35,000 from 2,000 to 5,000; $50,000 from 5,000 to 25,000; $100,000 from 25,000 to 100,000; $200,000 for 100,000 or over. The amount of deposits is not limited, but interest on deposits is limited to 4 per cent. There is also a graded savings bank capital with a minimum of $15,000; $35,000 from 50,000 to 100,000; and $75,000 for 100,000 or more.

The legislature also passed the law recommended by the Standing Law Committee of the American Bankers' Association, relating to the payment of deposits in the names of two or more persons.

Two new laws were passed affecting depository bonds in case of county and State deposits. Under these the bank may use certain securities in place of buying a surety bond.

The Uniform Warehouse Receipts Act was passed this year.

NEVADA

The legislature of Nevada, by Act approved March 24, 1909, passed:

> "An Act to define and regulate the business of banking, creating a State Banking Board and defining its powers and duties, and providing for a bank examiner and the examination and supervision of banking corporations; and for the appointment of receivers in certain cases; fixing penalties for the violation thereof; and other matters relating thereto."

While the above measure was pending it contained provisions for a guarantee fund for the protection of depositors. This feature was voted down and the law as passed omitted the guarantee fund provisions. This was done near the end of the session, and the guarantee feature was eliminated by going through the bill and supposedly striking out every section rela-

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ting to it. This elimination, however, was not completely made, and Sections 46, 48, 52 and 57 of the law as passed contain provisions based on the existence of the depositors' guarantee fund, while the law itself does not provide such a fund. As the law stands, references made to the guarantee fund in those sections are meaningless.

New Hampshire

By Act approved April 8, 1909, the legislature of New Hampshire enacted the Uniform Negotiable Instruments Law, to take effect on the first of January, 1910.

Also the measure recommended by the Standing Law Committee of the American Bankers' Association, authorizing the payment by savings banks of deposits made in two names.

Certain amendments were made to the laws relating to investments of savings banks, and limiting the dividends to be paid by savings banks prior to the accumulation of a guarantee fund of 5 per cent. of deposits.

New Jersey

The legislature of New Jersey passed the following laws recommended by the Standing Law Committee of the American Bankers' Association:

Amending Section 85 of Negotiable Instruments Act, by inserting the words "or becoming payable" after "falling due."

Amending Section 87 of Negotiable Instruments Act by adding:

> "But where the instrument is made payable at a fixed or determinable future time, the order to the bank to pay is limited to the day on which the instrument is payable."

An Act concerning the administering of oaths and protesting of negotiable instruments by notaries public who are stockholders, directors, officers or employees of banks or other corporations.

An Act amending the holiday law.

The bill to punish the making or use of false statements to obtain credit, passed both Houses, but was vetoed by the Governor.

A bill seeking to impose a collateral inheritance tax on the estates or residents and non-residents, and making banks liable for the amount of tax, with interest, and a fine of $1,000 in case such tax was not paid, was defeated.

New Mexico

The legislature of New Mexico passed a law amending the former banking law as to making of semi-monthly statements and reports to the Bank Examiner, and providing for the appointment of a Deputy Bank Examiner. The law also provides for the payment of the Examiner in making examina-

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tions of banks; for the taking over of insolvent banks and closing them, and for the liquidation thereof by the Examiner.

The Uniform Warehouse Receipts Act was passed this year.

New York

No measures materially affecting banks were enacted by the New York legislature this year.

The "Consolidated Laws of the State of New York," being the sixth compilation of the general statute law of the State, prepared under legislative authority, were enacted.

North Carolina

The legislature of North Carolina passed the following laws recommended by the Standing Law Committee of the American Bankers' Association:

An Act authorizing payment of deposits in trust. The act is limited to deposits in trust for any person who is a minor of the age of fifteen years and upward, and further limited to deposits not in excess of Fifty Dollars.

An Act fixing the liability of a bank to its depositor for payment of forged or raised checks. The time limit is fixed at six months.

A further law passed amends the Negotiable Instruments Law by striking out the Saturday half-holiday provision, so that there shall be no difference between Saturday and any other business day, as far as negotiable instruments are concerned.

A further law provides for the punishment of any person who utters or publishes any forged, false or counterfeit bill, money order or security, or who negotiates same.

A further law amends the Association measure, passed in 1907, to punish the giving of checks or drafts without funds, by adding:

> "The giving of the aforesaid worthless check, draft or order shall be prima facie evidence of intent to cheat and defraud."

The object of the amendment is to protect any one that may undertake to prosecute a person who has given a worthless check and afterwards pleads ignorance.

North Dakota

The legislature of North Dakota passed the Act recommended by the Standing Law Committee of the American Bankers' Association, concerning forged or raised checks, with a time limit of thirty days. It provides:

> "That any bank shall be liable to a depositor for the payment by it of a forged or raised check, unless within thirty days after the return to the depositor of the voucher of such payment, such depositor shall notify the bank that the check so paid is forged or raised."

A further Act makes it a criminal offense to be found in possession of burglars' tools.

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OKLAHOMA

The Negotiable Instruments Law was passed by the legislature of Oklahoma.

Important amendments were made to the Depositors' Guarantee Law. The Guarantee Law of 1907 provided for a fund to be maintained equal to 1 per cent. of average daily deposits, less deposits of State funds properly secured. The amended law provides a guarantee fund of 5 per cent. of average daily deposits of banks and trust companies during the bank's continuance in business, one-fifth to be assessed during the first year and one-twentieth each year thereafter until the 5 per cent. is made up; assessments heretofore paid to be credited as payments on the 5 per cent. Emergency assessments may be levied to restore impairment of fund, not to exceed 2 per cent. yearly. If the fund and emergency assessments are insufficient to pay depositors of all failed banks, the State Banking Board will issue 6 per cent. interest-bearing certificates of indebtedness, consecutively numbered, payable upon call of the State Banking Board, the same as State warrants.

Emergency assessments to be levied yearly until all certificates and interest is paid. Assets of a failed bank are to be first applied to (1) expenses of liquidation; (2) repayment to guarantee fund of all money paid out to depositors of failed bank; (3) refunding of emergency assessments. The depositors of a failed bank are to be paid in full out of the cash of bank immediately available and from the guarantee fund and emergency assessments when required. Seventy-five per cent. of the guarantee fund is to be invested in State warrants, or in such other securities as State funds are invested. Banks and trust companies who have complied with the law are eligible to act as State depositories. In case of new banks, 3 per cent. of capital must be paid to guarantee fund when they open for business, to constitute a credit fund subject to adjustment on basis of deposits at end of year. This is not required of new banks formed by reorganization or consolidation. The State has a first lien on the assets and on all liabilities of stockholders, officers and other persons for the benefit of the guarantee fund. Certificates are issued to guaranteed banks and trust companies that the law has been complied with, and safety to depositors is guaranteed by the Depositors' Guarantee Fund. A bank may advertise that its deposits are guaranteed by the Depositors' Guarantee Fund, but it is a misdemeanor to advertise they are guaranteed by the State of Oklahoma.

The amended law took effect June, 11, 1909, and new assessments begin one year thereafter. The deposits of a bank are limited to 10 per cent. of paid-up capital and surplus, deposits of other banks not included. A graded capitalization is provided, with a minimum of $10,000, fully paid up, for places of 500 or less; $15,000 from 500 to 1,500; $25,000 from 1,500 to 6,000; $50,000 from 6,000 to 20,000; and $100,000 over 20,000. Banks may pay interest, but the State Banking Board has power to fix the maximum.

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Oregon

A Depositors' Guarantee bill was introduced in the Oregon legislature, but did not pass.

Pennsylvania

The following legislation was enacted by the Pennsylvania legislature;

An Act restricting the use of the word "Trust" as part of a corporate name; forbidding advertising or doing business as a Trust Company except by corporations under the supervision of the Banking Department, and providing the penalty, etc.

Approved April 22, 1909.

An Act to amend an Act entitled "An Act Relating to Negotiable Instruments."

This Act was passed to overcome a decision of the Pennsylvania Supreme Court and provides that "the mere retention of such bill (check of domestic bill) by the drawee, unless its return has been demanded, will not amount to an acceptance, and, provided further that the provisions of this Act shall not apply to checks."

This bill entirely eliminates checks from the operation of Section 137 of the Negotiable Instrument Law, passed May 16, 1901.

An Act further defining embezzlement by officers, employers or agents of banks. Approved April 23, 1909.

An Act recommended by the American Bankers' Association, making it a misdemeanor for any person to make, utter, circulate or transmit false or derogatory statements affecting the solvency or financial standing of any bank, banking house, banking company, trust company, surety company, guarantee company, title insurance company or other financial institution in this Commonwealth, and providing penalties for violation of this Act.

Approved April 23, 1909.

The Uniform Warehouse Receipts Act was passed this year.

South Carolina

The South Carolina legislature passed the following laws:

An Act declaring it a misdemeanor to utter a check, draft or money order without sufficient funds to meet the same, and providing punishment therefor. The Act contains a proviso:

> "That if such person shall deposit with the drawee of such paper within thirty days thereafter funds sufficient to meet the same, with all costs and interest which may have accrued, the prosecution under this Act shall be discontinued."

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A further Act to provide punishment for a person who makes or has in his possession burglars' implements under circumstances evidencing an attempt to commit a crime.

South Dakota

The legislature of South Dakota passed an Act authorizing the formation of a State Association of Incorporated Banks, and to permit the voluntary creation and maintenance of a bank deposit insurance fund and the insurance of the deposits of such banks, and providing for the supervision and regulation of such insurance by the Board of Commissioners, the maintenance of such fund and the payment of losses therefrom. The State Association of Banks provided for is to be created whenever not less than one hundred existing State banks, with aggregate capital of not less than one million dollars, shall send specified statistics, together with membership fees and premiums for one year, to the State Treasurer. This bill is purely a voluntary measure and is not expected to become operative in the State.

A bill was passed relating to burglary implements and materials, and makng it prima facie evidence if any burglary tools are found in the possession of anyone that their intent is to violate the law. The law fixes a penalty not exceeding five years or one thousand dollars fine.

A new General Banking Law was enacted (Chapter 222). entitled, "An Act to revise the laws authorizing the business of banking, providing for the organization and control of banks and to establish a banking department for the supervision of such business."

Tennessee

The legislature of Tennessee passed the Act to punish the making or use of false statements to obtain credit, with certain amendments.

A further Act was passed making it unlawful to utter a check where the drawer has not had an account or credit with the drawee for a period of sixty days from the date of drawing; also to make it unlawful for any person to utter a check knowing that there are not funds to meet the same and that the same will not be honored. Penalties are provided.

A further Act was passed to authorize the County Court in each county, when in quarterly session assembled, to adopt a resolution to contract with a bank or banks to pay interest on daily balances of the county funds; to create a County Finance Committee, and define its duties and powers; and to define the duties of the County Trustee.

A further Act provides for the organization of bank corporations, and that holders of stock in same shall be liable to its depositors, in addition to their stock, individually in an amount equal to the par value of their stock.

The Uniform Warehouse Receipts Act was passed this year.

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Texas

The State of Texas enacted a law providing for a Depositors' Guarantee Fund; also providing a Depositors' Bond Security System. Under this law banks must protect their depositors by complying either with the provisions of the Depositors' Guarantee Fund or Depositors' Bond Security System before January 1, 1910, and the option must be exercised on or before October 1, 1909, by the holders of the majority stock. The limit of the Depositors' Guarantee Fund is fixed at $2,000,000. It is accumulated by the payment on January 1, 1910, of 1 per cent. of the daily average deposits for the preceding year, ending November 1, 1909, not including public funds otherwise secured. The assessment must be paid to the State Banking Board; annually thereafter one-quarter of one per cent. of average daily deposits, for the year ending November 1st, must be paid; payments stop when the fund reaches $2,000,000; provision is made to restore the fund in case of depletion, but emergency assessments cannot exceed 2 per cent. in any one year; 25 per cent. of assessments must be paid and kept in cash, to be deposited by the State Banking Board with the State Treasurer as bailee, and 75 per cent, by credit of the amount to the State Banking Board as a demand deposit subject to check. Newly organized banks pay 3 per cent. of capital and surplus, subject to adjustment on basis of deposits at end of the first year; this is not required of reorganizations or consolidations. Upon failure, claims of guaranteed depositors must be proved within forty-five days; otherwise only share to extent of assets in hands of Commissioner equitably applicable thereto. In declaring dividends, guarantee fund entitled to such portions of amounts due and payable to guaranteed depositors as have been paid out of fund with 6 per cent. interest; the Commissioners distribute the dividends among the State banks. Depositors are to be paid in full out of immediately available cash; remainder out of guarantee fund; but interest-bearing deposits and deposits otherwise secured are not insured under Act and only share pro rata. The State in behalf of the guarantee fund has a first lien on assets.

Banks electing the Depositors' Bond Security System must on January 1, 1910, and annually thereafter, file with the Commissioner of Insurance and Banking, for and on behalf of lawful depositors, an approved bond, policy of insurance or other guarantee of indemnity in an amount equal to the capital stock. Such bond, etc., secures depositors who are such at the time it is filed and approved, and for twelve months thereafter. Detailed requisites as to bond are provided. Whenever deposits exceed six times capital and surplus there must be additional bond security equaling amount of excess.

On and after January 1, 1910, all banks must hold a certificate of authority stating either that "the non-interest bearing and unsecured deposits of this bank are protected by the State Bank Guaranty Fund" or that

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"All deposits of this bank are protected by security bond under the law of the State of Texas."

If the average daily deposits for the year ending November 1, 1909, or any subsequent year, of banks

With capital of $10,000 are more than five times capital and surplus,
With capital of $10,000 to $20,000 are more than six times capital and surplus,
With capital of $20,000 to $40,000 are more than seven times capital and surplus,
With capital of $40,000 to $75,000 are more than eight times capital and surplus,
With capital of $75,000 to $100,000 are more than nine times capital and surplus,
With capital of $100,000 or more are more than ten times capital and surplus,

the capital must be increased 25 per cent. in sixty days. Where one bank purchases the assets of another, it must before the purchase have capital enough to be in ratio to the increase.

The law contains, in addition to the above features, special provisions regulating the operation of savings deposit departments in banks or trust companies. The business must be kept separate and distinct; savings deposits and funds and securities in which the same are invested must be segregated from and not mingled with other moneys and funds; not more than 85 per cent. is to be invested in specified securities and not otherwise; provision is made for sixty days' notice of withdrawal; in case of insolvency savings depositors shall have an exclusive prior lien upon assets, including cash, of savings department; after payment in full the remainder goes to the general creditors. The Directors may provide a rate of interest for savings depositors, and if the earnings of the savings department are insufficient the deficiency is to be paid out of general funds. At dividend periods the bank may transfer to its general funds the accumulated earnings of the savings department after payment of expenses and interest due. In computing average annual deposits to determine whether increase of capital is necessary, or to determine the amount payable to the guarantee fund, savings deposits are not included.

Washington

The legislature of Washington passed the following Association measures:

The Bill of Lading Law, omitting the provision for the taking of a bond by the carrier in the event of delivery of the property described in an Order Bill of Lading without requiring surrender of the same.

The law making "burglary with explosives" a separate offense.

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A further act was passed designed to protect banks and relieve them from annoyance in cases of garnishments before justices of the peace.

Three laws were passed which authorize the State Treasurer and County or Municipal Treasurers to accept as security for public deposits certain bonds, warrants and other securities, specifically enumerated, in lieu of a surety bond.

The general Banking Law was amended in certain particulars—authorizing the appointment of an additional Deputy Examiner; providing that the amount of capital of banks organized prior to the State Bank bill, should be paid up in full in five monthly installments; providing that no bank can open a branch in another place without first setting aside specially the amount of capital required for opening a new bank in that city.

A Guarantee of Deposits bill was introduced but did not pass.

West Viriginia

The only measure affecting banks passed by the legislature of West Virginia was one which slightly corrects the taxation of banks in the State.

Wisconsin

The legislature of Wisconsin enacted a new trust company law, with certain notable features. Trust Companies are prohibited from receiving deposits subject to check and dealing in bank exchange, but may receive time deposits and issue notes, certificates, etc., therefor, payable not earlier than thirty days from date of deposit. Provision is made that time deposits must be kept separate, and the funds and investments made therefrom primarily applied to payment of such deposits in the event of insolvency. On this point the law provides:

> "All such deposits so received shall at all times be held or invested separate from other funds or property held by the corporation, and in case of insolvency or liquidation all such funds and investments made therefrom shall be primarily liable and used for the payment of such deposits."

Further, separate books must be kept for trust accounts and trust funds and property must be kept separate so as to be readily identifiable. On this point the law provides:

> "Every such corporation shall keep its trust accounts in books separate from its own general books of account. All funds and property held by it in a trust capacity shall, at all times, be kept separate from the funds and property of the corporation, and all deposits by it of such funds in any banking institution shall be deposited as trust funds to its credit as trustee, and not otherwise. Every security

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in which trust funds or property are invested shall, at once, upon the receipt thereof, be transferred to it as trustee, executor, administrator, guardian, receiver, assignee or other trustee as the case may be for each particular trust fund by name and immediately entered in the proper books as belonging to the particular trust whose funds have been invested therein. Any change in such investment shall be fully specified in and under the account of the particular trust to which it belongs, so that all trust funds and property shall be readily identified at any time by any person."

A further law was passed expressly forbidding banks to "establish and maintain branch offices or branch banks," but this provision does not apply to branch banks now in existence.

A bill relating to the payment of deposits in two names was passed by both Houses, but was vetoed by the Governor, as in his opinion it would have left open an opportunity for the evasion of the inheritance tax law.

The Uniform Warehouse Receipts Act was passed this year.

Wyoming

The legislature of Wyoming passed the following Association measures:

Chapter 114. An Act defining the crime of burglary with explosives and providing punishment. (Penalty not more than twenty years.)

Chapter 115. An Act fixing the liability of a bank to depositor for payment of forged or raised checks. (Three months limitation.)

Chapter 131. An Act relating to Bills of Lading.

Chapter 142. An Act concerning Notaries Public who are stock-holders, directors, officers or employees of banks or other corporations.

Chapter 143. An Act to punish the giving of checks or drafts on any bank of depository by any person not entitled to give the same.

A further Act was passed (Chapter 162) prohibiting false or exaggerated statements or publications concerning corporations intended to give an apparent value to shares, bonds or property greater than they possess.

A further Act (Chapter 194) amended the law regulating the safekeeping and deposit of public money.

THE PRESIDENT: The next order of business is the report of the American Institute of Banking Committee. Mr. J. H. Puelicher, of Milwaukee, is the Chairman. I understand that Mr. Puelicher was called away on account of the death, I think, of his grandmother, and that he has left his report with some one, to be read—

THE SECRETARY: He has.

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THE PRESIDENT: Will you read it?

THE SECRETARY: I think, Mr. President, perhaps if I just make a short announcement and briefly refer to some of the headlines, and then have the report published, it will be better. The American Institute of Banking is a very important adjunct of the American Bankers' Association. Those of us who are working with it know how much good it is doing.

The Secretary then read some of the headings of said report.

THE PRESIDENT: You have heard the report as read, gentlemen. What will you do with it?

MR. J. M. ELLIOTT, of Los Angeles, Cal.: I move that it be received, approved, adopted and filed.

Motion seconded, and carried.

REPORT OF THE AMERICAN INSTITUTE OF BANKING COMMITTEE

FOR FISCAL YEAR BEGINNING SEPT. 1, 1908, AND ENDING AUG. 31, 1909

To the American Bankers' Association:

Since becoming a section of the American Bankers Association a year ago, the membership of the American Institute of Banking has increased from 8,833 to 11,015 included in 51 city chapters and the Correspondence Chapter. With the development of American Banking greater efficiency is required in all bank employes from the President to the Messenger. To make such officers and employes in the quantity demanded there is only one way, and that is to make them make themselves. This can only be done by utilizing the power of the united effort in some such manner as the institute provides. The Institute is an organization of Chapters under the general Government of Chapter Representatives. This form of administration begets some politics and frivolous fellowship, but in the main develops initiative, self-reliance and serious and systematic study. The wisdom as well as the justice of placing responsibility for Institute government upon Institute members seems to have been demonstrated.

The increasing interest in systematic study is the most gratifying development of the past year. At the Seattle convention the following declaration of Institute objects and methods was adopted:

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EDUCATIONAL STANDARD.—The paramount object of the Institute is to fix and maintain a recognized standard of education in "Banking and Finance," and "Commercial and Banking Law," by means of official examinations and the issuance of certificates. Such certificates are issued in the name of the "American Bankers' Association," "American Institute of Banking Section," and signed by officers of the American Bankers' Association and the American Institute of Banking, in accordance with arrangements made by the Executive Council of the Association at its spring meeting.

EXAMINATIONS FOR CERTIFICATES.—Examinations for certificates are termed final examinations, and are conducted under such regulations as the Institute may determine. Credit is given severally for final examinations successfully undergone, but certificates are issued only to students who have passed final examinations in both "Banking and Finance" and "Commercial and Banking Law." Graduation at approved schools of banking and finance will be accepted as equivalents of Institute final examinations in that subject. Graduation at approved schools of law or membership at the bar will be accepted as equivalents of the Institute final examinations in "Commercial and Banking Law."

PREPARATORY WORK.—To be eligible for final examination in either of the subjects of "Banking and Finance" or "Commercial and Banking Law," any student must have done at least fifty hours of class or correspondence study in that subject under one or more approved instructors and have passed a satisfactory preliminary examination conducted either by the Institute or by some duly qualified examiner to whom authority has been officially delegated. Credit will be given severally for preliminary examinations successfully undergone, but no certificates will be issued in connection with preliminary examinations.

Full returns have not yet been received of examinations conducted during the past year, but so far as reported 57 students have thus far completed the study courses and passed the required examinations in accordance with the system provided. The indications are that this number will be materially increased next year.

The educational work of the Institute in large city Chapters and through correspondence instruction as conducted by the Correspondence Chapter, is satisfactory, but the problem of small city chapters has not yet been solved. To meet conditions in small cities where schools of finance and law are not available, the Institute has prepared courses of lectures in "Banking and Finance," and "Commercial and Banking Law." Such lectures are typewritten and are intended to be read in chapters by some Chapter member appointed for that purpose. In connection with each lecture are quizzes to be conducted by the instructor in charge, who will have a key to the quizzes for his personal use. The lectures thus provided are not intended to supersede Chapter work conducted by profes-

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sional instructors, but may be used to supplement such work wherever desirable.

While knowledge obtained through books and lectures is of primary importance, and is the only kind of knowledge that can be inventoried, the development of personality through association in Institute Chapters and conventions is equally important. In the making of progressive bankers a combination of knowledge and personality is commanded. That the Institute makes such bankers is evidenced by numerous appointments of Institute men to official positions in banks, and the Banking Departments of leading states and the national government. The substantial benefits of the Institute, however, are not so much in the official recognition of its members, gratifying as such recognition is, but in the general benefit of the rank and file of bank employes.

Following is a statement of Institute receipts and expenditures for the fiscal year ending August 31, 1909, in which statement are included expenditures in connection with both the Providence convention, held in 1908, and the Seattle convention held in 1909.

Receipts

Balance Sept. 1, 1908, from former Institute organization	$ 1,696.07
Balance Sept. 1, 1908, from associated chapters	388.22
Fellowship dues ($166) incidentals ($10)	176.00
Bulletin subscriptions less exchange	10,438.19
American Bankers Association	7,604.50
	$20,302.98

Expenditures

Salaries of Educational Director and assistants	$ 5,345.00
Bulletin and stationery	6,575.50
Postage ($421.15) incidentals ($237.53)	658.68
Editorial contributions and press clippings	95.00
Traveling expenses of Educational Director	985.00
Addressograph Stencils	357.79
Bonds of Treasurer and Educational Director	60.00
Work on text-book	200.00
Commercial and Banking Law lectures	255.00
Prize Essay Contest	350.00
Stenographic report of Seattle convention	98.15
Executive Council expenses for Providence and Seattle	1,652.40
Correspondence and traveling expenses of officers and committees	855.60
	$17,488.12
Balance on hand August 31, 1909	2,814.86
	$20,302.98

It will be seen from the foregoing statement that notwithstanding the fact that the expenses of two conventions are included in the fiscal year,

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the Institute under the policy of self-government has made a creditable financial showing. The educational work of the Institute is done at less than cost, and it is the opinion of your Committee that it is both just and expedient that the financial deficiency, if kept within proper bounds, should be met by the American Bankers' Association rather than by bank employes. The Association has provided the Institute with commodious office facilities, effecting a saving to the Institute in rent of some six hundred dollars a year. The economy and convenience of this arrangement are appreciated. A still deeper feeling of appreciation, however, is felt for the cordial co-operation of Secretary Fred E. Farnsworth and his assistants. The value of their work for the Institute cannot be expressed in dollars and cents nor fully expressed in words. In view of the fact that the Association now provides the Institute with a suitable office, an appropriation of only $9,000 will be necessary for the coming year. The broadening character of Institute educational work as exemplified in the study courses in "Banking and Finance" and "Commercial and Banking Law," implies expenditures substantially equivalent to the increase in Institute receipts, but your Committee believes that such expenditures are a profitable investment not only for the Institute but for the American Bankers' Association.

Respectfully submitted,

J. H. PUELICHER, *Chairman*
E. D. HULBERT,
JOHN F. THOMPSON.

THE PRESIDENT: Next is the report of the Standing Protective Committee. Mr. Farnsworth, the Secretary, will read that report.

THE SECRETARY: If it is agreeable, I shall only refer briefly also to this report. As a matter of record it should be presented. It has been presented to the Executive Council of the American Bankers' Association, by them approved and is now referred to the convention.

REPORT OF STANDING PROTECTIVE COMMITTEE

New York, September 1, 1909.

To the Executive Council of the American Bankers' Association:

GENTLEMEN:—The detailed Financial Report of the Standing Protective Committee for the fiscal year ending August 31, 1909, is as follows:

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RECEIPTS

Oct. 1, 1908, By Appropriation Executive Council..	$25,000.00	
May 5, 1909, " " " " ..	20,000.00	
Received from Union State Bank, San Francisco, Cal.	37.50	
" " Salisbury Sav. Bank, Salisbury, Mo...	12.05	
		$45,049.55

DISBURSEMENTS

Pinkerton National Detective Agency, service for contract for one-half fee due November 1, 1908, 8,998 Members at $1.50.....	$13,497.00	
Same due May 1, 1909, 10,010 Members at $1.50	15,015.00	
Account of special cases.....	15,824.07	
		$44,336.07

Credit Balance, August 31, 1909, charged off per resolution of Executive Council.....$713.48.

The following data will show you the result of the Committee's work during the year just ended:

RECORD OF CRIMINALS ARRESTED, CONVICTED, SENTENCED, AWAITING TRIAL, BANK BURGLARIES, ETC.

Arrested prior to September 1, 1908, 25; arrested since September 1, 1908, 129; convicted, 91; sentences, 277 years and 9 months; indeterminate terms, 21; suspended sentences, 9; escaped, 3; released, 18; died or killed, 1; awaiting trial, 42.

During the last year there were 89 attacks against non-members on account of successful and unsuccessful burglaries, as against 18 members. Loss to non-members was $137,809.27, against $21,578.01 by members, making a difference of $116,231.26.

Hold-up robberies upon non-members were 8, with a loss of $2,625, against an attack on 7 members, with a loss of $15,042.15, making a difference of $12,417.15.

The total of imprisonment for criminals that have been convicted for the fiscal year 1908-09, amount to 277 years and 9 months. This does not include 21 indeterminate terms.

During the year there was only one robbery on a member by a professional sneak thief, and his arrest was caused, and he is now held awaiting trial.

The Protective Committee has expended $44,286.52 for the protection of 10,682 members, which amount is $5,763.98 in excess of the expenditures by the Committee last year. Consideration should be taken in connection with this increase of expense of the fact that there has been an increase of 879 in the membership, and therefore, allowance should be made for the increased expense on account of the additional disbursement covering the retaining fee of $3.00 per member paid the Pinkertons; and further, the Protective Committee while endeavoring to confine its operations against

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professional criminals has, when in its judgment a case warranted it, endeavored to apprehend and cause the arrest of amateurs whose records classify them as dangerous criminals, and therefore, part of this increased expense for the carrying on of the work of the Protective Committee, is due in a large measure to this new feature. In addition, the Committee has had several important cases, which have necessitated a considerable expenditure of money, among them being an investigation covering a long period in connection with the note kiting fraud, which has been so much in evidence, and which was called to our attention by various members. Heretofore the work of previous Committees has been confined entirely to professional criminals.

Again we report that it sometimes happens that members are dissatisfied because the detective agents are not authorized to do special work on cases which do not come within the rules of your Committee. The Committee regrets this very much, but believes that you will appreciate the fact that they are compelled to have rules to govern their work. They give careful consideration to every case submitted and decide each case on its merits.

The number of criminals arrested, convicted, etc., for operations on banks from December, 1894 (at the time of the first appointment of the Standing Protective Committee) to September, 1909, is as follows:

Arrested			951
Convicted		813	
Escaped	17		
Recaptured	5		
	—	12	
Released		84	
Awaiting Trial		42	
		—	951

Your attention is also called to the burglaries and attempted burglaries on banks since the inauguration of the protective feature, viz:

Non-members	1,062	Lost	$1,468,879.47
Members	194	"	147,065.23
Difference	868	"	$1,321,814.24

The expenses of the Committee and the practical results of their work since 1901 are as follows:

Fiscal Year ending	Paid members	Cost per member	Total expenses	Special arrests	General arrests	Total arrests	Total convictions
1901	5,392	$5.56	$29,973.20	59	51	110	99
1902	6,204	5.28	32,781.11	78	60	138	125
1903	6,943	5.93	41,145.61	59	86	145	122
1904	7,563	4.53	34,282.44	78	48	126	82
1905	7,677	4.06	31,203.61	51	116	167	85
1906	8,383	3.71	31,057.76	70	109	179	115
1907	9,251	3.98	36,847.40	48	49	97	75
1908	9,803	3.93	38,522.54	57	77	134	74
1909	10,682	4.14	44,286.52	85	77	162	107

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The rules under which the Protective Committee work are as follows:

1. Upon receipt of notification by the Protective Committee, Hanover Bank Building, New York, N. Y., of an attempted or successful perpetration of fraud upon a member of the Association, either by forgery, check-raising, robbery, or safe-breaking, which appears to be the work of professional criminals, accompanied by a full account of the offense, and, if possible, a description of the operators, the Committee will, if the case come within the category of those of which the Association can take cognizance, at once undertake the apprehension of the criminals by means of detectives and such other means as they may consider warranted. A case once committed to the Association, which results in the apprehension of the criminals, cannot be taken out of its hands, nor the offense condoned or compromised.

2. The Association cannot take cognizance of petty larcenies or thefts by employees.

The Protective Committee can spend no money, undertake no detective work, employ no lawyers and pay no fees of any kind in cases of local swindles, or frauds or confidence tricks. The vigilance, alertness and energy of the officers of the banks must be relied upon in such cases.

3. The Association cannot be held responsible for any expense incurred for protective work which has not been previously authorized by the Protective Committee.

4. The Committee cannot undertake action on any case unless immediate notice of crime has been given to the Secretary or such notice sent to the nearest Pinkerton office.

5. The Committee will not take cognizance of cases where other than members are defrauded. If customers of members cash checks for unidentified strangers, and same turn out to be forged or raised, they must pursue the criminal through the police, sheriff, or other county authorities or some detective agency at their own expense.

As a result of the work of the Protective Committee increasing to such an extent, and in view of the fact that it was impossible for the Secretary's Office to give the required attention to this work, the advisability of the employment of an experienced man in criminal work to give his undivided time to the work of your Committee, was considered (the authority to employ such a person having been granted) and resulted in the appointment, on August 2, 1909, of a representative of the Government Secret Service, who had been for years in its employment. The Committee believe this action will achieve beneficial results.

Your Committee have examined, reported and acted on over 20,000 letters and reports in connection with their work during the fiscal year 1908–09.

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We are pleased to report that there have been fewer crimes in proportion perpetrated against members than for any previous year. We refer you to the report of the Pinkerton National Detective Agency for additional details.

Respectfully submitted,
STANDING PROTECTIVE COMMITTEE.

There have also been distributed throughout the theater copies of the report made by the Pinkerton Agency, the agents of the Association, which is a very full report and shows the work that they have done for the Protective Committee during the past year.

ANNUAL REPORT OF PINKERTON'S NATIONAL DETECTIVE AGENCY TO AMERICAN BANKERS' ASSOCIATION, 1909

PINKERTON'S OFFICES

NEW YORK, 57 Broadway ..... { SAM'L B. DIEHL, Gen'l Supt. / GEORGE S. DOUGHERTY, Supt.
BOSTON, 30 Court Street.....—GEORGE E. LEITH, Gen'l Supt.
MONTREAL, Merchants' Bank Building..—J. W. MCNAMARA, Supt.
BUFFALO, Fidelity Building.....—R. L. W. MARTIN, Supt.
PHILADELPHIA, 112-116 N. Broad St... { H. W. BEARCE, Gen'l Supt. / J. J. GOODWIN, Supt.
BALTIMORE, Continental Building.....—J. R. SAVILLE, Supt.
PITTSBURGH, Machesney Building.....—F. P. DIMAIO, Supt.
CHICAGO, 201 Fifth Avenue..... { J. H. SCHUMACHER, Gen'l Supt. / I. STEIFEL, Supt.
CINCINNATI, Mercantile Library Bldg...—C. C. CLARK, Supt.
CLEVELAND, Hippodrome Building.....—S. L. STILES, Supt.
ST. PAUL, Manhattan Building.....—O. O. RINDAL, Supt.
KANSAS CITY, Scarritt Building.....—W. B. LAUGHLIN, Supt.
ST. LOUIS, Wainwright Building.....—ASHER ROSSETTER, Gen'l Supt.
NEW ORLEANS, Hibernia Bank Bldg...—A. S. COWARDIN, Supt.
DENVER, Opera House Block.....—E. E. PRETTYMAN, Supt.
PORTLAND, Ore., Marquam Block.....—H. E. VON GROENEWALD, Supt.
SEATTLE, Alaska Building.....—P. K. AHERN, Gen'l Supt.
SPOKANE, Paulsen Building.....—S. C. THIELE, Supt.
LOS ANGELES, Wilcox Building.....—C. V. HATTER, Supt.
SAN FRANCISCO, Flood Building.....—W. H. FIELD, Supt.

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NEW YORK, September 1, 1909.

The Protective Committee, American Bankers' Association, New York.

In presenting this our Fifteenth Annual Report, we call attention to the following table of statistics of arrests, prosecutions and results for crimes on banks:

Professional criminals arrested, convicted, etc., December, 1894, to September, 1909.

	Arrested.	Convicted.	Years.	Months.	Indeterminate Terms.	Died or Ex.	Life.	Escaped.	Recaptured.	Released.	Awaiting Trial.
Forgers	631	537	1327	4	122	1	0	9	3	59	29
Burglars	272	244	1600	11	30	8	3	5	2	20	5
Sneak Thieves	16	11	56	9	0	0	0	2	0	2	1
Hold-up Robbers	24	18	60	0	7	1	0	1	0	2	3
Robbers	8	3	23	0	0	0	0	0	0	1	4
Totals	951	813	3068	0	159	10	3	17	5	84	42

This Agency does not claim that they personally caused the arrest of all those enumerated, but the arrest of the majority was through the Agency's work, and in all cases against members, we materially assisted towards convictions. It will be noted that of 951 arrests, but 17 escaped and 84 were released.

That bank criminals do respect the membership sign is, we consider, wonderfully verified by the following figures of burglaries on banks:

BURGLARIES ON BANKS, INCLUDING ATTEMPTS, 1895 TO 1909, INCLUSIVE.

1062 banks, non-members, lost	$1,468,879.47
194 banks, members, lost	147,065.23
Difference, 868 banks	$1,321,814.24

A reference to our map a part of this report will show of 107 attacks by burglars upon banks during the past year, 79 were west of the Mississippi, of which but 8 were upon your members, and they lost $13,633.99, as against a loss by non-members of $97,239.94.

. . . . . .

For the year past that burglars secured from 89 non-members $137,-809.27 and from but 18 members only $21,500.01 clearly demonstrates, we believe, that "yegg" safe burglars, notwithstanding the fact that because of general business depression they considerably increased and were unusually active in avoiding your members, fully understanding the danger of molesting them.

Referring to our tables of burglaries:

Not a single member was attacked in the Middle Western States, where

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22 non-members were robbed of over $20,000.00; there were also no attacks upon your members in the Western and Pacific Coast States, while seven depredations were committed upon non-members.

The attacks in the Eastern, Middle and Southern States were committed by one band whose identity we have determined, but were unable to secure the evidence to convict.

The heaviest losses to members were in the Northwestern States, but the convictions secured by us in this section we believe will have a wholesome effect.

There was also considerable activity in the Southwestern States, but, as will be noted from our detailed report, but four members were robbed, a total of $5,000 secured, as against the loss of $51,000.00 from 22 non-members

. . . . . .

During the burglary season, through confidential sources we learned of seven contemplated attacks upon members, of which the members were duly notified, preventing what might have been serious loss and possibly sacrifice of life.

From year to year we have suggested efforts to have the various states enact the following law and which has already been adopted in Colorado, Kansas, Maryland, Missouri, Nebraska and Ohio:

> "BURGLARY WITH EXPLOSIVES:—A person who, with intent to commit burglary, breaks and enters, in the night time, a building, and commits a burglary by the use of nitro-glycerine, dynamite, gunpowder or any other high explosives, is guilty of burglary with explosives.
>
> "BURGLARY WITH EXPLOSIVES—HOW PUNISHED:—Burglary with explosives is punishable by imprisonment in the State Prison for not less than twenty-five years and not more than forty years."

We again urge your hearty co-operation with State Bankers' Associations, Burglary Insurance Companies, the Jewelers' Security Alliance and ourselves in the enactment of this law, which, we believe, will do much toward suppressing the operations of bank-safe burglars.

The most important robbery of a member was of the First National Bank, Monrovia, California, on December 14, 1908, when $29,560.00 was stolen. An investigation was begun by us for your Association and concluded for the bank.

Our examination of the premises showed that the vault and safe door had been tampered with, but not with explosives.

We eventually determined that the time lock had been set so that an expert could open the safe at any time.

Our further investigation developed that C. S. Martin, a safe expert, had been to the bank a week previous to the robbery, examined the vault and safe, at which time he set the time lock so that the vault could be

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opened without registering. Then he arranged with A. G. Beatty, E. W. Sundin, G. Yohns and a man named Hatfield, to rob the bank while as an alibi he was absent from Monrovia. Two separate attempts were made to commit this robbery, both of which failed, but on the night of December 14th, Beatty, Sundin and Hatfield used an automobile, to go from Los Angeles to Monrovia, and with which, through using very high pressure, they caused a loud noise outside of the bank that prevented Hatfield's prying open a window being heard. This proved to be an excellent subterfuge and made the commission of the robbery possible.

On March 10, 1909, after tracing Beatty to Dayton, O., we caused his arrest and subsequently his return to Los Angeles; secured from him a confession of the crime, implicating Martin, Yohns, Sundin and Hatfield, all of whom, with the exception of Hatfield, were arrested at Los Angeles on March 29, 1909.

Beatty and Sundin pleaded guilty to the robbery; Martin stood trial and was convicted.

The following sentences were imposed:

A. G. Beatty,	July 26, 1909,	8	years,	San Quentin, Cal.
C. S. Martin,	" 27, "	10	"	Folsom, Cal.
E. W. Sundin,	" 28, "	5	"	San Quentin, Cal.

July 21, G. Yohns was released from custody, there being insufficient evidence to convict.

As is shown in our detailed report, the most active operations by forgers was the thefts of letters, containing checks, from hall letter-boxes of business concerns, some of which, with forged endorsements, were passed on the banks upon which they were drawn, while others, with the amount and the name of the payee erased, and the name "Bearer" and larger amounts inserted, were subsequently deposited by the forgers in banks, in which, with currency and a casual introduction, they had opened temporary accounts. In other instances these checks were used as models from which to counterfeit and forge checks for larger amounts, and then deposited in banks by confederates opening temporary accounts. In every instance these forgeries were so cleverly and skilfully executed, that they were not discovered until the depositors' accounts of the banks whose names were forged, were checked up.

These criminals have been particularly active in New York City, Boston, San Francisco, Los Angeles, Portland, Ore., Spokane, St. Louis and other large cities, but they are increasing more in New York City than elsewhere, where during the last year not less than fifteen hall letter-box thieves and forgers were arrested and convicted.

We have, as is shown, been actively co-operating with police and post-office authorities in the arrest and prosecution of these criminals, whose operations are most dangerous, and while our efforts for your Association have had a deterrent effect, we consider that every effort should be made to totally suppress them.

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There have been the usual number of confidence operations with bogus and forged checks throughout the country by individual operators; in these cases we have caused the arrest and conviction of a number, but the total suppression of these crimes upon your members is, we believe, an impossibility.

The most noteworthy arrest for forgery during the year was that of M. Dwight Fortner, at Paris, France, on May 19, 1909. Fortner disappeared from St. Louis, Mo., on February 11, 1909, after defrauding a member out of $11,000.00 with a forged check. March 5th we were called into the matter by the bank and on March 13th by your Association, and thereafter we traced Fortner from St. Louis to New Orleans, thence by a steamer to Panama, and from there to Paris, France. Our location of Fortner was a revelation of the French police system. Our representative had been in Paris but three days when, through the systematic methods of the Paris Detective Bureau, Fortner was located under an assumed name in an unpretentious boarding-house, and his arrest and identification through his photograph and handwriting quickly followed. He has since been extradited to this country and now awaits trial in St. Louis.

The following hold-up robberies were committed upon your members during the year:

California, 1; Oregon, 2; South Dakota, 1; Washington, 3.

Loss to members	$27,627.15
Amount recovered	12,585.00
Actual loss	$15,042.15

The California robbery was committed by two boys, who were arrested and confessed to the theft.

The Oregon robberies were committed by local characters and an ex-convict. $2,000.00 of the stolen money was recovered.

In the South Dakota robbery, there is no description or identification of the thief obtainable.

The Washington robberies were committed by local characters.

The majority of the hold-up robberies of to-day are committed by the accidental criminal, or local amateur, who in many instances commit their crimes through pure desperation.

During the year we published in the quarterly bulletins, 48 photographs and descriptions of professional criminals and 141 general informations concerning the operations of forgers and swindlers operating throughout the United States.

Over 950 cases submitted to us by your Protective Committee were carefully investigated in person, or by correspondence, by our offices throughout the United States and Canada, and reports, conclusions and recommendations submitted.

Our detailed report of the operations of burglars, forgers, and hold-up robbers follows:

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BURGLARIES

EASTERN AND MIDDLE STATES

Maine	.....	.....	.....	..	.....	.....	.....
New Hampshire	July 16	Ashland	Ashland Savings Bank	..	.....	Non-M.	$464.13
Vermont	.....	.....	.....	..	.....	.....	.....
Massachusetts	Dec. 2	Pepperill	First National Bank	..	.....	Non-M.	15,000.00
Rhode Island	July 12	Ashaway	Ashaway National Bank	..	.....	Non-M.	Att
	Aug. 13	Hope Valley	First National Bank	M	$372.00	.....	.....
Connecticut	.....	.....	.....	..	.....	.....	.....
New York	June 22	Locke	Citizens' Bank	..	.....	Non-M.	2,720.00
New Jersey	Feb. 21	Califon	Califon National Bank	M	Att	.....	.....
Pennsylvania	Nov. 10	Yardley	Yardley National Bank	M	Att	.....	.....
	Mar. 21	Exchange	Farmers' National Bank	..	.....	Non-M.	Att
	Apr. 20	Quarryville	Farmers' National Bank	M	Att	.....	.....
Delaware	.....	.....	.....	..	.....	.....	.....
Maryland	.....	.....	.....	..	.....	.....	.....
District of Columbia	.....	.....	.....	..	.....	.....	.....
			Totals	4	$372.00	5	$18,184.13

Our investigation of the three attempted burglaries on members (Feb. 21, 1909, Califon National Bank, Califon, N. J.; November 10, 1908, Yardley National Bank, Yardley, Pa.; and April 20, 1909, Farmers' National Bank, Quarryville, Pa.), resulted in our determining, through confidential sources, that they were committed by one band of burglars against whom the evidence to convict was not obtainable.

In the Califon, N. J., case, one of the burglars concerned in these attacks, James Reade, alias "Waltham Jimmy," a notorious "yegg" burglar, was arrested by the New York City Police and ourselves, March 13, 1909, but sufficient evidence to extradite him to New Jersey for trial was not to be had, hence his release.

In our investigation of the First National Bank, Hope Valley, R. I., burglary, August 13, 1909, loss, $450.00, we have been unable as yet to obtain the slightest clue.

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SOUTHERN STATES

Alabama	.....	.....	.....	..	.....	.....	.....
Virginia	Sept. 22	Crozet	Bank of Crozet	..	.....	Non-M.	$800.00
	Apr. 19	Suffolk	Bank of Suffolk	M	$1,478.54	.....	.....
North Carolina	Sept. 21	Spencer	Wachovia Loan & Trust Co.	M	Att	.....	.....
South Carolina	.....	.....	.....	..	.....	.....	.....
Georgia	Nov. 24	Buchanan	Buchanan Banking Co	M	Att	.....	.....
Florida	.....	.....	.....	..	.....	.....	.....
Mississippi	.....	.....	.....	..	.....	.....	.....
Tennessee	.....	.....	.....	..	.....	.....	.....
Kentucky	.....	.....	.....	..	.....	.....	.....
West Virginia	.....	.....	.....	..	.....	.....	.....
Louisiana	.....	.....	.....	..	.....	.....	.....
Arkansas	Mar. 19	Bald Knob	Bank of Bald Knob	..	.....	Non-M.	Att
			Totals	3	$1,478.54	2	$800.00

In the Virginia burglary of a member (April, 19, 1909, Bank of Suffolk, Suffolk, loss, $1,478.54), burglars tunnelled under buildings adjacent to the bank.

June 5, 1909, at Portsmouth, Va., the police arrested George A. Wilkins, alias "Dynamite Wilkins," in whose possession was found a plan of the tunnel and some burglars' tools.

For your Association we assisted the police towards perfecting evidence and endeavoring to determine the identity of those associated with Wilkins. Wilkins now awaits trial.

In the North Carolina burglary (Sept. 21, 1908, Wachovia Loan & Trust Co., Spencer) the local police arrested George Murphy who, in February, 1909, was convicted of conspiracy and sentenced to one year in the State Penitentiary at Raleigh, N. C.

We determined through confidential sources, that the burglars who committed the three attempts upon members in the Eastern and Middle States, are the same ones who attempted to burglarize the Georgia member (Nov. 24, 1908, Buchanan Banking Co., Buchanan), but the evidence to convict them in this case was also unobtainable. We are, however, keeping in close touch with their operations in hopes that they may be apprehended for some other crime, at which time we will, by furnishing their records and information obtained by us concerning them, materially assist in their trial and conviction.

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MIDDLE WESTERN STATES

Ohio	.....	.....	.....	..	.....	.....	.....
Indiana	Nov. 24	Clarkshill	Farmers' Bank	..	.....	Non-M.	$8.75
Illinois	Oct. 20	Hurst	Hurst Banking Co	..	.....	Non-M.	3,373.57
	Dec. 1	Port Byron	Port Byron State Bank	..	.....	Non-M.	6,000.00
	Mar. 31	Rockford	Hutchins & Co	..	.....	Non-M.	Att
	Mar. 18	Birds	Birds Bank	..	.....	Non-M.	1,162.98
	Mar. 26	Watson	Abraham & Co	..	.....	Non-M.	860.00
	Apr. 15	Woodlawn	Bank of Woodlawn	..	.....	Non-M.	1,961.00
	Apr. 16	Panama	Bank of Panama	..	.....	Non-M.	880.18
	Apr. 23	Bath	Farmers' & Merchants' Bank	..	.....	Non-M.	Att
	Apr. 24	Arrowsmith	McClive & Jacobs	..	.....	Non-M.	2,106.72
Michigan	Apr. 16	Harrisville	Alcona State Savings Bank	..	.....	Non-M.	4,922.00
Missouri	Sept. 22	Wheeling	Farmers' & Merchants' Bank	..	.....	Non-M.	Att
	Sept. 30	St. Joseph	Farmers' & Traders' Bank	..	.....	Non-M.	Att
	Nov. 22	Sweet Springs	Bank of Sweet Springs	..	.....	Non-M.	4,093.74
	Nov. 28	Rocky Comfort	Citizens' Bank	..	.....	Non-M.	3,200.00
	Dec. 18	Farley	Farley State Bank	..	.....	Non-M.	Att
	Dec. 25	Tebbetts	Bank of Tebbetts	..	.....	Non-M.	Att
	Feb. 21	Bogard	Farmers' Bank	..	.....	Non-M.	Att
	Mar. 16	Bland	Bland Commercial Bank	..	.....	Non-M.	Att
	Mar. 23	Hemple	Bank of Hemple	..	.....	Non-M.	Att
	Mar. 24	Leasburg	Bank of Leasburg	..	.....	Non-M.	Att
	Apr. 16	Lees Summit	Farmers' Bank	..	.....	Non-M.	Att
			Totals	.	.....	22	$28,568.94

There were no successful or unsuccessful burglaries upon members of your Association in the Middle Western States, but we aided the authorities in furnishing identifications and records of conviction in cases of the following burglars:

Identified an unknown man who was killed at Greenwich, Ohio, December 16, 1908, as William H. Quinn, a notorious bank burglar, who escaped from the Joliet, Illinois, prison where he was serving a term for the burglary of the First National Bank (Member), Abingdon, Ill., January 1, 1903, at which time $5,049 was stolen, the bulk of which we recovered.

Quinn with three others was acting suspiciously in Greenwich, Ohio, and in a pistol fight was killed by the Town Marshal.

November 24, 1908, burglars robbed the Farmers' Bank (Non-Member), Clarkshill, Indiana, securing only $8.75. The local authorities arrested Edw. Morgan and Fred Kinney. The latter we identified as Oliver Cromwell and the former as "Illinois Eddie," both professional "yegg" burglars, with previous records of conviction.

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January 12, 1909, Kinney was sentenced to from ten to twenty years in the Michigan City, Indiana, Penitentiary and two days later Morgan was sentenced to from one to fourteen years in the same institution. Joseph Nipper, the third burglar suspected with Kinney and Morgan, was also arrested, but later released because there was lack of evidence to convict.

NORTHWESTERN STATES

Wisconsin	Sept. 29	Ladysmith	State Bank of Ladysmith	M	$2,733.89	.....	.....
	Oct. 3	Warrens	Geo. Warren Co. Bank	M	1,787.59	.....	.....
	Oct. 19	Lake Nebagamon	Bank of Lake Nebagamon	M	1,494.00	.....	.....
	Nov. 25	Holcombe	State Bank of Holcombe	..	.....	Non-M.	$310.00
Minnesota	Sept. 5	Biwabik	First National Bank	M	Att	.....	.....
	Sept. 29	Hills	First National Bank	..	.....	Non-M.	Att
	Oct. 3	Pequot	Bank of Pequot	..	.....	Non-M.	125.00
	Oct. 6	Danube	Danube State Bank	..	.....	Non-M.	2,246.81
	Nov. 18	Okabena	First State Bank	..	.....	Non-M.	Att
	Apr. 23	Ostrander	Ostrander State Bank	..	.....	Non-M.	Att
	Aug. 18	Karlstadt	State Bank of Karlstadt	..	.....	Non-M.	1,538.70
	Aug. 19	St. Paul	Twin City State Bank	..	.....	Non-M.	40.00
North Dakota	Sept. 24	Ludden	First State Bank	..	.....	Non-M.	Att
	Sept. 30	Cogswell	Sargent Co. State Bank	..	.....	Non-M.	Att
	May 21	Englevale	First State Bank	..	.....	Non-M.	3,568.24
South Dakota	Sept. 24	Colton	Colton Savings Bank	..	.....	Non-M.	227.00
	Oct. 22	Virgil	Virgil State Bank	..	.....	Non-M.	1,375.42
	Oct. 29	Kidder	Kidder State Bank	..	.....	Non-M.	Att
	Mar. 21	Holmquist	State Bank of Holmquist	..	.....	Non-M.	750.00
	July 22	Tulare	State Bank of Tulare	..	.....	Non-M.	1,792.00
	Aug. 12	Crandall	State Bank of Crandall	..	.....	Non-M.	1,000.00
Iowa	Dec. 31	Melvin	First National Bank	..	.....	Non-M.	Att
	Jan. 20	Dawson	Bank of Dawson	..	.....	Non-M.	Att
	Mar. 20	Imogene	First National Bank	..	.....	Non-M.	4,879.48
	Apr. 13	Thor	Thor Savings Bank	M	Att	.....	.....
	Apr. 20	Badger	Badger Savings Bank	..	.....	Non-M.	.....

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NORTHWESTERN STATES—CONTINUED

Nebraska.....	Sept. 23	Goehner.....	State Bank of Goehner.....	..	.....	Non-M.	$290.00
	Sept. 23	Germantown....	Germantown State Bank.....	..	.....	Non-M.	Att
	Oct. 2	Deweese.....	State Bank of Deweese.....	..	.....	Non-M.	2,567.46
	Oct. 20	Heartwell.....	State Bank of Heartwell.....	..	.....	Non-M.	3,458.00
	Oct. 29	Manley.....	State Bank of Manley.....	..	.....	Non-M.	Att
	Nov. 25	Page.....	Page State Bank.....	..	.....	Non-M.	4,000.00
	Dec. 18	Keene.....	Farmers' & Merchants' Bank..	..	.....	Non-M.	2,900.00
	Dec. 18	Gibbon.....	Commercial Bank.....	M	$2,500.00	.....	.....
	Dec. 19	Ceresco.....	State Bank of Ceresco.....	..	.....	Non-M.	2,067.33
	Jan. 19	Hadar.....	Farmers' State Bank	..	.....	Non-M.	1,934.00
	Mar. 12	Kramer.....	Kramer State Bank.....	..	.....	Non-M.	1,684.84
	May 19	Cairo.....	Cairo State Bank.....	M	6,130.00	.....	.....
			Totals.....	7	$14,645.48	31	$38,426.28

October 3, 1908, burglars secured $2,181.59 from the George Warren Co. Bank (Member), Warrens, Wisconsin.

October 7, 1908, at Stevens Point, Wisconsin, the police arrested James Clark, who we identified as an ex-convict named Joseph Miller, alias "Ohio Joe." When Miller learned we had secured sufficient evidence to convict him and had also supplied his record to the authorities, he pleaded guilty and was sentenced to fifteen years in the State Prison at Waupun, one day in each of the ten years to be solitary confinement. When arrested Miller had $394.00 in his possession, which he later admitted was stolen from the bank and which was returned to them.

October 13, 1908, the Rhinelander, Wisconsin, police arrested James Clermont and James Radley, believing they were concerned in the Ladysmith, Wisconsin, attack upon a member, but our investigation showed that they were implicated with Miller, and one other in the Warren attack, and as the evidence secured to convict them for this was conclusive, we arranged to have them held for trial, but on June 2, 1909, they escaped from the Monroe County Jail.

We had also determined that the fourth man was James McCarey, and upon the escape of Radley and Clermont issued a circular asking for their arrest. This resulted in the arrest of McCarey on June 28, 1909, at Wausaukee, Wis., and of James Clermont on July 10, 1909, at Eland Junction, Wis.

August 12, 1909, both Clermont and McCarey pleaded guilty and were sentenced to eight years each in the Waupun, Wis., Penitentiary.

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We acted jointly in this case for your Association, the National Surety Company and the Maryland Casualty Company.

December 1, 1908, as a result of our investigation, and co-operating with the Minneapolis, Minn., police, we raided the rendezvous of a gang of "yegg" burglars, arresting nine men, three of whom, W. E. Howard, alias "Chi. Billy," Mike Birmingham, alias Joe Mason, and Thomas Burns, alias George Meyer, we caused to be extradited to Wisconsin, for the burglary of the State Bank of Holcombe (Non-Member), Holcombe, who lost $310.00 on Nov. 25, 1908. April 17, 1909, all three were convicted and sentenced to ten years each in the Waupun, Wis., Penitentiary.

From our investigations of the burglaries upon the Lake Nebagamon, Wis., and the Biwabik, Minn., we believe they were committed by this band.

It is a fact that after their arrest for the Wisconsin crime there were no other burglaries upon either members or non-members in Wisconsin and three in Minnesota, all non-members.

In the Holcombe and Lake Nebagamon burglaries we acted for the National Surety Company.

April 13, 1909, burglars attempted to rob the Thor Savings Bank (Member), Thor, Iowa. It is our belief that Abner Hicks and George Lytle, later arrested for the burglary of the Badger Savings Bank (Non-Member), Badger, Iowa, and now held for trial for that crime at Fort Dodge, Iowa, committed this burglary.

March, 20 1909, burglars secured $4,879.48 from the First National Bank (Non-Member), Imogene, Iowa. Immediately after the burglary, a posse was formed and one A. J. Walla was arrested.

We identified A. J. Walla as "Omaha Slim," who was concerned in the State Bank of Holcombe burglary, and if possible will have him extradited to Wisconsin for that crime after he has served his ten year sentence, which he received on March 27 for the Imogene burglary.

For your Association we carefully investigated two burglaries of Nebraska members (Dec. 18, 1908, Commercial Bank, Gibbon, and May 19, 1909, Cairo State Bank, Cairo), Loss $8,630.00, but in both cases we were unable to obtain clues or identifications, but we believe through confidential sources, we will positively determine the identity of the burglars who robbed your Cairo member, but the prospects of conviction, even if arrested, are meagre.

The National Surety Company co-operated with your Association in the investigation of the Cairo case.

October 2, 1908, burglars secured $2,567.48 from the State Bank of Deweese (Non-Member), Deweese, Neb.

October 8, the police of St. Joseph, Mo., arrested H. F. Brown and Wm. Hall, whose photographs were subsequently identified as of parties having been seen in the vicinity of Deweese prior to the burglary.

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During the January, 1909, term of Court, both were found guilty and sentenced to ten years in the State Penitentiary.

Acting for the National Surety Company we aided the authorities in preparing the case against these men.

Acting for the National Surety Company we caused the arrest of James Martin at Sioux City, Iowa, on February 12, 1909, for being implicated with James Riley and Harry Joyce in the burglary of the Farmers' State Bank (Non-Member), Hadar, Nebraska, January 18, 1909, Loss, $1,933.85. Riley was subsequently released but Martin and Joyce were held for extradition, which they are still fighting.

For the United States Surety Company, upon the arrest on September 28, 1908, of Ralph Holmes, by the police of Minneapolis, we identified him for the burglary of the People's State Bank (Non-Member), Monterey, Minn., April, 28 1908, loss $1,500.00, and arranged for his transfer to Monterey, and assisted the prosecution in his conviction,

October 1, 1908, Holmes was sentenced to five years in the Stillwater, Minn., Penitentiary.

SOUTHWESTERN STATES

Kansas.....	Nov. 25	Towanda.....	Towanda State Bank.....	..	.....	Non-M.	$2,283.00
	Dec. 1	Olpe.....	Olpe State Bank.....	..	.....	Non-M.	2,264.65
	Dec. 9	Maize.....	Maize State Bank.....	..	.....	Non-M.	Att
	Dec. 24	Milan.....	Milan State Bank.....	..	.....	Non-M.	Att
	Jan. 23	New Albany....	New Albany State Bank.....	..	.....	Non-M.	2,384.96
	Mar. 13	Galena.....	Minors State Bank.....	..	.....	Non-M.	Att
	Apr. 15	Welda.....	Welda State Bank.....	..	.....	Non-M.	2,991.81
	Apr. 19	Havana.....	Havana State Bank.....	..	.....	Non-M.	2,022.38
	May 17	Shawnee.....	Shawnee State Savings Bank..	..	.....	Non-M.	1,282.09
	May 22	Princeton.....	People's State Bank	..	.....	Non-M.	2,661.51
Oklahoma.....	Oct. 24	Canute.....	First State Bank.....	..	.....	Non-M.	474.30
	Dec. 1	Crowder.....	Crowder State Bank.....	M	$3,797.64	.....	.....
	Dec. 30	Wellston.....	Bank of Wellston.....	..	.....	Non-M.	5,000.00
	Jan. 18	Carrier.....	First National Bank.....	..	.....	Non-M.	2,938.99
	Jan. 23	Pontotoc.....	Bank of Pontotoc.....	M	Att	.....	.....
	Feb. 15	Oktaha...	First State Bank.....	M	1,206.35	.....	.....
	Feb. 23	Peckham.....	Peckham State Bank.....	..	.....	Non-M.	2,000.00
	Mar. 20	Coldwater.....	Bank of Coldwater.....	..	.....	Non-M.	1,451.15
	Apr. 16	Lucien.....	Bank of Lucien.....	..	.....	Non-M.	955.0
New Mexico.....	.....	.....	.....	..	.....	.....	.....

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SOUTHWESTERN STATES—CONTINUED

				M	Att		Att
Texas	Nov. 28	Beaumont	First National Bank	..		Non-M.	$9,500.00
	Jan. 26	Rice	Rice Banking Co	..		Non-M.	4,000.00
	Jan. 28	Carlton	Carlton State Bank	..		Non-M.	3,500.00
	Feb. 19	Kilgore	Kilgore State Bank	..		Non-M.	2,043.35
	Apr. 30	Buffalo	Buffalo State Bank	..			
	May 14	Frankston	First National Bank	..			
			Totals	4	$5,003.99	22	$51,664.92

In the two successful and one attempted burglaries in Oklahoma (Dec. 1, 1908, Crowder State Bank, Crowder, loss, $3,797.64; Jan. 23, 1909, Bank of Pontotoc, Pontotoc, and Feb. 15, 1909, First State Bank Oktaha, loss $1,206.35), we thoroughly investigated without obtaining the slightest clue as to the identity of the burglars concerned, but through confidential sources we have been informed as to the identity of these burglars, who we are in hopes of locating and prosecuting for these crimes.

For the attempt on the Texas member (Nov. 28, First National Bank, Beaumont), William Bretschneider was arrested by the police while in the act of committing the burglary and was, on December 15, 1908, convicted and sentenced to two years in the Huntsville, Texas, State Prison.

WESTERN AND PACIFIC COAST STATES

Wyoming				..			
Montana				..			
Idaho				..		Non-M.	Att
Washington	Dec. 27	Issaquah	Bank of Issaquah	..		Non-M.	Att
	Feb. 13	Washoughal	Clarke County Bank	..		Non-M.	Att
	Mar. 1	Paha	Bank of R. L. Parker & Co	..		Non-M.	Att
	Mar. 9	Cunningham	Inland Bank of Cunningham	..		Non-M.	Att
	Apr. 26	Elberton	A. R. Mets & Co	..			
Oregon	Nov. 18	Platteville	First National Bank	..		Non-M.	$15.00
Colorado				..			
Arizona				..			
Utah				..		Non-M.	150.00
Nevada	Jan. 12	Burbank	Burbank State Bank	..		7	$165.00
California			Totals	..			

From the above it will be noted that not one member was attacked in the Western and Pacific Coast States.

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RECAPITULATION:	Members.	Loss.	Non-members.	Loss.
EASTERN AND MIDDLE STATES	4	$372.00	5	$18,184.13
SOUTHERN STATES	3	1,478.54	2	800.00
MIDDLE WESTERN STATES	0	.....	22	28,568.94
NORTHWESTERN STATES	7	14,645.48	31	38,426.28
SOUTHWESTERN STATES	4	5,003.99	22	51,664.92
WESTERN AND PACIFIC COAST STATES	0	.....	7	165.00
	18	$21,500.01	89	$137,809.27

TABLE SHOWING HOLD-UP ROBBERIES UPON MEMBERS AND NON-MEMBERS, AMERICAN BANKERS' ASSOCIATION, AND AMOUNTS STOLEN FROM SEPTEMBER 1, 1908, TO AUGUST 31, 1909

	Attacks upon members.	Attacks upon non-members.	Loss by members.	Loss by non-members.
Arkansas	0	1	.....	$800.00
California	1	0	$40.00	.....
Colorado	0	1	.....	Att
Iowa	0	1	.....	1,500.00
Minnesota	0	2	.....	325.00
Missouri	0	1	.....	Att
Oregon	2	1	12,957.15	Att
South Dakota	1	0	180.00	.....
Washington	3	0	1,865.00	.....
Wisconsin	0	1	.....	Att
Totals	7	8	$15,042.15	$2,625.00

HOLD-UP ROBBERIES ON MEMBERS

California...	Aug. 13	Santa Clara...	Santa Clara Valley Bank.....	$40.00
Oregon.....	Dec. 7	Portland.....	East Side Bank.....	12,707.15
	Jan. 16	Klamath Falls	Klamath County Bank.....	250.00
South Dakota	Nov. 25	Blunt.....	Hughes County Bank.....	180.00
Washington..	Dec. 6	Ellensburg....	Washington National Bank....	Attempt
	Apr. 17	Seattle.....	American Sav. Bank & Trust Co.	Attempt
	July 6	Everett.....	Bank of Commerce.....	1,865.00
				$15,042.15

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HOLD-UP ROBBERIES ON NON-MEMBERS

1908.		
Sept. 20.	J. J. Harris & Co., Dolores, Col	Att
1909.		
Apr. 13.	Stayton State Bank, Stayton, Ore	Att
May 28.	German-American State Bank, Merrill, Wis	Recovered
Aug. 5.	First State Bank, White Bear, Minn	Recovered
Aug. 12.	Farmers' Bank, Clarkton, Mo	Attempt
Aug. 13.	Merchants' National Bank, Vandervert, Ark	$800.00
Aug. 26.	State Bank of Wayzata, Wayzata, Minn	325.00
Aug. 31.	Mills County German Bank, Mineola, Iowa	1,500.00
		$2,625.00

August 13, 1909, two robbers entered the Santa Clara Valley Bank, (Member), Santa Clara, Cal., held up the officials and secured $7,245.00. Immediately after the robbery the Sheriff was notified, and he started in pursuit in an automobile. The robbers had also used an automobile and this was found by the Sheriff about one mile from Santa Clara; after a short search the Sheriff found and arrested both robbers, recovered all of the money with the exception of $40.00 and returned them to Santa Clara, where they now await trial.

The robbers, both young men, gave their names as Frank Ellis Smith and Leon Nevins.

December 7, 1908, about 5.45 P. M., three men entered the East Side Bank (Member), Portland, Oregon, held up the president and his son, and secured $15,107.15.

Investigation by us acting for your Association and the Empire State Surety Company resulted in our learning that one Claude Wells, was one of the robbers, and on February 24, 1909, at Tacoma, Washington, aided by the Sheriff we caused his arrest and return to Portland.

March 25, 1909, Wells pleaded guilty to the above charge and was immediately sentenced to an indeterminate term of from one to seven years in the Oregon State Penitentiary.

Through the arrest of Wells $2,400.00 of the stolen money was recovered by us.

January 16, 1909, at about 11.45 A. M., two masked men entered the Klamath County Bank (Member), Klamath Falls, Oregon, held up the cashier and a depositor and secured $3,230.00.

Immediately after the robbers left the bank, the cashier, with others, gave chase, a posse was formed, and one of the robbers named Riley Priever, was captured in a barn nearby. He confessed that his associate was one John Hall, who was located at the Klamath House, and all the money excepting $250.00 was recovered.

January 19, 1909, both Priever and Hall pleaded guilty, and on January 30, Priever was sentenced to five and Hall to ten years in State Prison.

OTHER ROBBERIES INVESTIGATED BY US AND RESULTS OF TRIALS OF CRIMINALS ARRESTED PREVIOUS TO SEPTEMBER 1, 1908, REFERRED TO IN LAST REPORT

On December 15, 1906, seven burglars robbed the Bank of E. D. Mather (Member), Shortsville, N. Y., obtaining therefrom over six thousand dollars ($6,451.59).

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We caused the arrest, prior to September 1, 1907, and conviction of six members of this band, who received an aggregate sentence of 61 years.

J. B. Anderson, alias "Erie Billy," the last member of this band was located by us in the Western Penitentiary, Allegheny, Pennsylvania; we arrested him as he was leaving the prison, and on November 18, 1908, he was convicted of being concerned in this burglary and sentenced to ten years in the Auburn, New York, Prison.

It is a notable fact that since these convictions, there has been no attacks upon your members in New York State.

April 24, 1908, hold-up robbers secured $2,287.46 from the Ballard County Bank, (Member), Bandana, Ky.

For your Association we investigated this robbery and co-operating with the police arrested John Bulger, Ernest Elmendorph, Samuel Evitts and William Husbands at Paducah, Kentucky, all of whom were held for trial.

April 20, 1909, at Wickliffe, Ky., John Bulger was convicted and sentenced to two years in the Eddyville, Kentucky, State Prison.

August 12, 1909, Ernest Elmendorph and Samuel Evitts were released from custody, the Judge deciding there was insufficient evidence upon which to convict them; the same day the case of William Husbands, who is out on $1,500.00 bail was postponed indefinitely.

September 8, 1908, W. J. Hobart and Harry Willis were acquitted of the charge of being concerned in the attempted burglary of the Salisbury Savings Bank (Member), Salisbury, Mo., on Dec. 4, 1907.

August 11, 1909, the National Bank of Commerce (Member), Kansas City, Mo., missed a package containing $2,750.00; $750 in cash and the remainder in checks.

Investigation by us developed that this package was probably stolen by two negroes, and co-operating with the Kansas City police, we determined that they were Percy Williams and D. R. Miller, While investigating our representative learned of a sneak robbery at Guthrie, Oklahoma, and proceeded to that City, where he developed the robbery to have been committed by the same negroes and that they were probably then in Boley, Oklahoma.

August 26, 1909, Williams was arrested at Boley, Okla., and returned to Guthrie, where he was identified as the sneak in that case. Witnesses went from Kansas City to Guthrie, where the bank tellers could not identify Williams, but a man who was in the bank and saw the negroes positively identified Williams as one he had seen there at the time of the robbery, and also observed him in the Fidelity Trust Co. a short time prior. He is held for trial.

Late in the evening of August 16, 1909, two suspicious characters were seen loitering around the Kiefer State Bank, (Member) Kiefer, Oklahoma. The attention of the cashier, R. P. Wedding, was called to these parties and with City Marshal Swineford, he approached them to inquire their business. A fight ensued during which the Marshal was shot and instantly killed and Cashier Wedding was mortally wounded, dying the next morning.

Believing this was an attempted burglary your Association authorized us to investigate, with the result that we determined that the parties who murdered the Cashier and the Marshal were W. D. Dixon, alias "Catfish" and J. R. Austin, alias J. Smith, gamblers and "bad" men, well known about Sapula, Oklahoma, where they were arrested and are now being held. These men were positively identified by eye-witnesses to the killing and warrants charging them with murder have been lodged against them.

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December 15, 1908, the First National Bank (Member), Monrovia, California, was robbed of $29,560.00.

Acting for your Association and the bank, we determined that one A. G. Beatty, a safe expert, was concerned in this robbery, and on March 10, 1909, at Dayton, Ohio, caused his arrest.

On his return to Los Angeles, Beatty made a full confession implicating C. S. Martin, G. Yohns and E. W. Sundin, all of whom, with the assistance of the police we arrested, March 29th, at Los Angeles.

Beatty and Sundin pleaded guilty and were remanded for sentence.

Martin stood trial and on July 16th, was convicted and also remanded for sentence.

July 21st, G. Yohns was released from custody, there being insufficient evidence upon which to convict.

The sentences of those convicted follows:

July 26, 1909, A. G. Beatty, 8 years, San Quentin, Cal., Prison.

July 27, 1909, C. S. Martin, 10 years, Folsom, Cal., Prison.

July, 28, 1909, E. W. Sundin, 5 years, San Quentin, Cal., Prison.

December 23, 1908, H. B. Elliott, teller of the First National Bank (Member), Eufaula, Oklahoma, after having confessed to the bank officials and one of our representatives, was arrested for the robbery of the above bank on December 14, 1908. All of the stolen money was recovered and he now awaits trial.

May 28, 1909, Stephen Moore, cashier of the People's Bank (Non-Member), Benbow City, Ill., reported he had been held up while in the bank alone and robbed of $2,950.00.

For the Maryland Casualty Company, we investigated this robbery co-operating with the authorities caused the arrest of Moore, John A. Guhman and I. H. N. Barckers, who were connected with Moore in conducting the bank, for arranging a bogus hold-up robbery. Moore confessed that the bank was in such a deplorable condition financially that they decided the only way to save the bank was to have a bogus hold-up. All three await the action of the Grand Jury.

FORGERIES

The Hall Letter-Box Forgeries

Note.—Under the above heading, this report contains interesting information relating to the operations of the Ford Band of Hall Letter-Box Thieves and Forgers in New York City, who abstracted checks from letters stolen from hall letter-boxes of business houses; and forging alterations, confederates obtaining currency thereon from the banks drawn on.

In addition, the report covers information by States relating to forgeries perpetrated on various banking institutions. Owing to the size of the Proceedings of this year's convention, it was necessary to omit this information, but if members are interested, a full copy of the Pinkerton's report to the Protective Committee will be furnished them upon request, it being printed in pamphlet form.

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CRIMINALS CONVICTED, SENTENCED OR AWAITING TRIAL, FOR CRIMES ON BANKS, SEPTEMBER 1, 1908, TO SEPTEMBER 1, 1909

		Convicted.	Years.	Months.	Indeterminate terms.	Escaped.	Suspended sentences.	Released.	Died or killed.	Awaiting trial.
G. Ames	Forgery	1	..	2	..	..	..	..	..	..
A. Apotecar	"	1	5	..	..	..	..	..	..	..
C. Archer	"	1	2	..	..	..	..	..	..	..
Mrs. L. Baker	"	..	..	..	..	..	..	..	..	1
J. Barbera	"	..	..	..	..	..	..	..	..	1
R. V. Barbera	"	..	..	..	..	..	..	..	..	1
J. Bauer	"	..	..	..	..	..	..	..	..	1
E. Benton	"	1	1	..	..	..	..	..	..	..
A. Blaha	"	1	3	..	..	..	..	..	..	..
W. E. Boland	"	..	..	..	..	..	..	1	..	..
F. Bredo	"	..	..	..	..	..	..	1	..	..
H. I. Bremner	"	1	1	..	..	..	..	..	..	..
B. Brenner	"	..	..	..	..	..	..	1	..	..
C. Brenton	"	1	..	2	..	..	..	..	..	..
J. J. Brewer	"	1	4	..	..	..	..	..	..	..
S. Bruner	"	..	..	..	..	..	..	..	..	1
J. F. Capels	"	..	..	..	..	..	..	..	..	1
E. G. Cefrey	"	..	..	..	..	..	..	..	..	1
I. B. Chittenden	"	1	..	..	..	..	1	..	..	..
J. Connolly	"	1	3	..	..	..	..	..	..	..
T. Connolly	"	1	..	..	1	..	..	..	..	..
A. C. Cook	"	..	..	..	..	..	..	..	..	1
E. Cullen	"	1	..	..	..	..	1	..	..	..
E. C. Dano	"	1	..	..	1	..	..	..	..	..
J. Davis	"	..	..	..	..	..	..	..	..	1
J. Devine	"	1	..	..	1	..	..	..	..	..
J. Dicketsin	"	1	..	..	1	..	..	..	..	..
J. V. Dufly	"	1	..	..	..	..	1	..	..	..
F. During	"	1	7	..	..	..	..	..	..	..
Mrs. E. Duskin	"	..	..	..	..	..	..	..	..	1
W. H. Fitzgerald	"	1	5	..	..	..	..	..	..	..
J. Ford	"	1	6	..	..	..	..	..	..	..
M. D. Fortner	"	..	..	..	..	..	..	..	..	1
S. J. Fox	"	1	1	..	..	..	..	..	..	..
J. Freeman	"	..	..	..	..	..	..	1	..	..
A. Gates	"	1	..	..	1	..	..	..	..	..
B. Gatewood	"	1	..	3	..	..	..	..	..	..
J. J. Gaughan	"	1	..	..	1	..	..	..	..	..
W. H. Geiger	"	1	5	..	..	..	..	..	..	..
G. C. Goelitz	"	1	1	..	..	..	..	..	..	..
G. C. Goodale	"	..	..	..	..	..	..	..	..	1
J. D. Gregg	"	1	..	..	1	..	..	..	..	..

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CRIMINALS CONVICTED, SENTENCED OR AWAITING TRIAL, FOR CRIMES ON BANKS, SEPTEMBER 1, 1908, TO SEPTEMBER 1, 1909—CONTINUED

		Convicted.	Years.	Months.	Indeterminate terms.	Escaped.	Suspended sentence.	Released.	Died or killed.	Awaiting trial.
J. Gross	Forgery.	1	..	..	..	..	1	..	..	..
J. C. Harrington	"	1	2	..	..	..	..	..	..	..
C. H. Haywood	"	1	3	..	..	..	..	..	..	..
J. Hermann	"	1	1	..	..	..	..	..	..	..
T. M. Hill	"	1	..	..	..	..	1	..	..	..
E. J. Hoffman	"	..	..	..	..	..	..	1	..	..
H. Hoffman	"	..	..	..	..	..	..	1	..	..
F. J. Howard	"	1	..	..	1	..	..	..	..	..
W. R. Hughes	"	..	..	..	..	..	..	..	..	1
C. W. Kahle	"	1	3	..	..	..	..	..	..	..
J. Keller	"	1	..	..	..	..	1	..	..	..
B. J. Kinkdade	"	1	..	6	..	..	..	..	..	..
F. Kowalsky	"	1	1	..	..	..	..	..	..	..
J. R. Kuhn	"	..	..	..	..	..	..	..	..	1
S. Kurzitski	"	1	..	..	1	..	..	..	..	..
A. Labore	"	1	..	..	1	..	..	..	..	..
M. Lalau	"	..	..	..	..	..	..	1	..	..
A. Larkin	"	1	4	..	..	..	..	..	..	..
J. H. Larkin	"	1	5	..	..	1	..	..	..	..
B. Lawson	"	..	..	..	..	1	..	..	..	..
H. L. Logan	"	1	..	..	1	..	..	..	..	..
J. D. McCain	"	1	..	..	1	..	..	..	..	..
H. McCray	"	1	2	..	..	..	..	..	..	..
A. D. McLure	"	1	..	..	1	..	..	..	..	..
L. A. Marks	"	..	..	..	..	..	..	..	..	1
B. F. Mills	"	1	13	..	..	..	..	..	..	..
W. J. Newman	"	1	..	3	..	..	..	..	..	..
H. V. Noel	"	1	5	..	..	..	..	..	..	..
H. Osman	"	1	..	..	1	..	..	..	..	..
E. Perkins	"	..	..	..	..	..	..	..	..	1
E. Parker	"	1	..	..	..	..	1	..	..	..
H. G. Paxton	"	1	1	2	..	..	..	..	..	..
E. H. Perrington	"	1	5	..	..	..	..	..	..	..
E. Phelan	"	..	..	..	..	..	..	1	..	..
F. J. Pishion	"	1	2	..	..	..	..	..	..	..
G. Ponticelli	"	..	..	..	..	..	..	..	..	1
A. M. Potter	"	..	..	..	..	..	..	..	..	1
H. R. Prosser	"	..	..	..	..	..	..	..	..	1
C. Raab	"	1	2	6	..	..	..	..	..	..
B. Reichman	"	1	..	..	1	..	..	..	..	..
G. J. Relger	"	1	3	..	..	..	..	..	..	..
A. F. Rickey	"	..	..	..	..	..	..	..	..	1
D. F. Roche	"	1	5	..	..	..	..	..	..	..
R. O. Secour	"	..	..	..	..	..	..	..	..	1
Mrs. L. Setze	"	..	..	..	..	..	..	..	..	1

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CRIMINALS CONVICTED, SENTENCED OR AWAITING TRIAL, FOR CRIMES ON BANKS, SEPTEMBER 1, 1908, TO SEPTEMBER 1, 1909—CONTINUED

		Convicted.	Years.	Months.	Indeterminate terms.	Escaped.	Suspended sentences.	Released.	Died or killed.	Awaiting trial.
E. Schmidt	Forgery.	1	10	..	..	..	..	..	..	..
C. H. Sheftall	"	1	1	6	..	..	..	..	..	..
T. Slattery	"	1	..	..	..	..	1	..	..	..
H. Slyman	"	1	5	..	..	..	..	..	..	..
V. B. Snow	"	..	..	..	..	..	..	..	..	1
G. A. Stewart	"	1	..	..	1	..	..	..	..	..
A. J. Stonerod	"	1	1	3	..	..	..	..	..	..
L. Strayer	"	..	..	..	..	..	..	..	..	1
J. Sugden	"	1	3	..	..	..	..	..	..	..
M. Sulskey	"	..	..	..	..	..	..	..	..	1
W. Taylor	"	1	3	..	..	..	..	..	..	..
S. P. Thompson	"	1	..	..	1	..	..	..	..	..
D. Vogan	"	1	..	..	..	..	1	..	..	..
P. Vogel	"	..	..	..	..	..	..	..	..	1
J. Wagner	"	..	..	..	..	..	..	..	..	1
G. E. Weiler	"	..	..	..	..	..	..	1	..	..
S. Weis	"	1	..	..	1	..	..	..	..	..
F. Whitten	"	1	1	..	..	..	..	..	..	..
O. Wirsen	"	..	..	..	..	..	..	..	..	1
H. O. Wood	"	..	..	..	..	..	..	1	..	..
T. H. Woodman	"	..	..	..	..	..	..	..	..	1
G. A. Zbrosky	"	1	1	..	..	..	..	..	..	..
J. B. Andrews	Burglary	1	10	..	..	..	..	..	..	..
J. R. Austin	"	..	..	..	..	..	..	..	..	1
M. Birmingham	"	1	10	..	..	..	..	..	..	..
W. Bretschneider	"	1	2	..	..	..	..	..	..	..
H. F. Brown	"	1	10	..	..	..	..	..	..	..
T. Burns	"	1	10	..	..	..	..	..	..	..
J. Clark	"	1	15	..	..	..	..	..	..	..
J. Clermont	"	1	8	..	..	..	..	..	..	..
W. Hall	"	1	10	..	..	..	..	..	..	..
W. J. Hobart	"	..	..	..	..	..	..	1	..	..
R. Holmes	"	1	5	..	..	..	..	..	..	..
H. Joyce	"	..	..	..	..	..	..	..	..	1
F. Kinney	"	1	..	..	1	..	..	..	..	..
J. McCarey	"	1	8	..	..	..	..	..	..	..
J. Martman	"	..	..	..	..	..	..	..	..	1
E. Morgan	"	1	..	..	1	..	..	..	..	..
G. Murphy	"	1	1	..	..	..	..	..	..	..
J. Nipper	"	..	..	..	..	..	..	1	..	..
W. H. Quinn	"	..	..	..	..	..	..	..	1	..
J. Radley	"	..	..	..	..	1	..	..	..	..
J. Reade	"	..	..	..	..	..	..	1	..	..
J. Riley	"	..	..	..	..	..	..	1	..	..
W. Rogers	"	1	10	..	..	..	..	..	..	..

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CRIMINALS CONVICTED, SENTENCED OR AWAITING TRIAL, FOR CRIMES ON BANKS, SEPTEMBER 1, 1908, TO SEPTEMBER 1, 1909—CONTINUED

		Convicted.	Years.	Months.	Indeterminate terms.	Escaped.	Suspended sentences.	Released.	Died or killed.	Awaiting trial.
J. Smith	Burglary	..	..	..	..	..	..	..	..	1
A. J. Walla	"	1	10	..	..	..	..	..	..	..
G. A. Wilkins	"	..	..	..	..	..	..	..	..	1
H. Willis	"	..	..	..	..	..	..	1	..	..
J. Bulger	Hold-up Robbery	1	2	..	..	..	..	..	..	..
E. Elmendorph	Hold-up Robbery	..	..	..	..	..	..	1	..	..
S. Evitts	Hold-up Robbery	..	..	..	..	..	..	1	..	..
J. Hall	Hold-up Robbery	1	10	..	..	..	..	..	..	..
W. Husbands	Hold-up Robbery	..	..	..	..	..	..	..	..	1
L. Nevins	Hold-up Robbery	..	..	..	..	..	..	..	..	1
R. Priever	Hold-up Robbery	1	5	..	..	..	..	..	..	..
F. E. Smith	Hold-up Robbery	..	..	..	..	..	..	..	..	1
C. Wells	Hold-up Robbery	1	..	..	1	..	..	..	..	..
I. H. N. Barckers	Robbery	..	..	..	..	..	..	..	..	1
A. G. Beatty	"	1	8	..	..	..	..	..	..	..
H. B. Elliott	"	..	..	..	..	..	..	..	..	1
J. A. Guhman	"	..	..	..	..	..	..	..	..	1
C. S. Martin	"	1	10	..	..	..	..	..	..	..
S. Moore	"	..	..	..	..	..	..	..	..	1
E. W. Sundin	"	1	5	..	..	..	..	..	..	..
G. Yohns	"	..	..	..	..	..	..	1	..	..
P. Williams	Sneak Thief	..	..	..	..	..	..	..	..	1
Total	.....	91	277	9	21	3	9	18	1	42

RECAPITULATION:

	Arrested prior Sept. 1, 1908.	Arrested since Sept. 1, 1908.	Convicted.	Years.	Months.	Indeterminate terms.	Suspended sentences.	Escaped.	Released.	Died or killed.	Awaiting trial.
Forgers	19	90	69	128	9	18	9	2	10	0	29
Burglars	2	25	15	109	0	2	0	1	5	1	5
Hold-up Robbers	4	5	4	17	0	1	0	0	2	0	3
Robbers	0	8	3	23	0	0	0	0	1	0	4
Sneak Thieves	0	1	0	0	0	0	0	0	0	0	1
Totals	25	129	91	277	9	21	9	3	18	1	42

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Burglaries on Banks, Members, American Bankers' Association

1908.		
Sept. 29.	State Bank of Ladysmith, Ladysmith, Wis	$2,733.89
Oct. 3.	George Warren Co. Bank, Warren, Wis	1,787.59
19.	Bank of Lake Nebagamon, Lake Nebagamon, Wis.	1,494.00
Dec. 1.	Crowder State Bank, Crowder, Okla	3,797.64
18.	Commercial Bank, Gibbon, Neb	2,500.00
1909.		
Feb. 15.	First State Bank, Oktaha, Okla	1,206.35
Apr. 19.	Bank of Suffolk, Suffolk, Va	1,478.54
May 19.	Cairo State Bank, Cairo, Neb	6,130.00
Aug. 13.	First National Bank, Hope Valley, R. I	372.00
		$21,500.01

Burglaries on Banks, Non-Members, American Bankers' Association

1908.		
Sept. 22.	Bank of Crozet, Crozet, Va	$800.00
23.	State Bank of Goehner, Goehner, Neb	290.00
24.	Colton Savings Bank, Colton, S. D	227.00
Oct. 2.	State Bank of Deweese, Deweese, Neb	2,567.46
3.	Bank of Pequot, Pequot, Minn	125.00
6.	Danube State Bank, Danube, Minn	2,246.81
20.	Hurst Banking Co., Hurst, Ill	3,373.57
22.	Virgil State Bank, Virgil, S. D	1,375.42
23.	State Bank of Heartwell, Heartwell, Neb	3,458.00
24.	First State Bank, Canute, Okla	874.30
Nov. 18.	First National Bank, Platteville, Col	15.00
22.	Bank of Sweet Springs, Sweet Springs, Mo	4,993.74
24.	Farmers' Bank, Clarkshill, Ind	8.75
25.	Towanda State Bank, Towanda, Kas	2,283.00
25.	Page State Bank, Page, Neb	4,000.00
25.	State Bank of Holcombe, Holcombe, Wis	310.00
28.	Citizens' Bank, Rocky Comfort, Mo	3,200.00
Dec. 1.	Port Byron State Bank, Port Byron, Ill	6,000.00
1.	Olpe State Bank, Olpe, Kas	2,264.62
2.	First National Bank, Pepperill, Mass	15,000.00
18.	Farmers' & Merchants' Bank, Keene, Neb	2,900.00
19.	State Bank of Ceresco, Ceresco, Neb	2,067.33
30.	Bank of Wellston, Wellston, Okla	5,000.00
1909.		
Jan. 12.	Burbank State Bank, Burbank, Cal	150.00
18.	First State Bank, Carrier, Okla	2,938.99
19.	Farmers' State Bank, Hadar, Neb	1,934.00
23.	New Albany State Bank, New Albany, Kas	2,384.96
28.	Cartlon State Bank, Carlton, Texas	9,500.00
Feb. 19.	Kilgore State Bank, Kilgore, Texas	4,000.00
23.	Peckham State Bank, Peckham, Okla	2,000.00
Mar. 12.	Kramer State Bank, Kramer, Neb	1,684.84
18.	Birds Bank, Birds, Ill	1,162.98
20.	Bank of Coldwater, Coldwater, Okla	1,451.15
20.	First National Bank, Imogene, Iowa	4,879.48
Mar. 21.	State Bank of Holmquist, Holmquist, S. D	750.00
26.	Abraham & Co., Watson, Ill	860.00
Apr. 15.	Bank of Woodlawn, Woodlawn, Ill	1,961.00

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BURGLARIES ON BANKS, NON-MEMBERS, AMERICAN BANKERS' ASSOCIATION—CONTINUED

1909.			
Apr.	15.	Welda State Bank, Welda, Kas	$2,991.81
		Bank of Panama, Panama, Ill	880.18
	16.	Alcona State Savings Bank, Harrisville, Mich	4,922.00
	16.	Bank of Lucien, Lucien, Okla	955.00
	19.	Havana State Bank, Havana, Kas	2,022.38
	20.	Badger Savings Bank, Badger, Iowa	1,672.00
	24.	McClive & Jacobs, Arrowsmith, Ill	2,106.72
	30.	Buffalo State Bank, Buffalo, Texas	3,500.00
May	14.	First National Bank, Frankston, Texas	2,043.35
	17.	Shawnee State Savings Bank, Shawnee, Kas	1,282.09
	21.	First State Bank, Englevale, N. D	3,568.24
	22.	People's State Bank, Princeton, Kas	2,661.51
June	22.	Citizens' Bank, Locke, N. Y	2,720.00
July	16.	Ashland Savings Bank, Ashland, N. H	464.13
July	22.	State Bank of Tulare, Tulare, S. D	1,792.00
Aug.	12.	State Bank of Crandall, Crandall, S. D	1,000.00
	18.	State Bank of Karlstadt, Karlstadt, Minn	1,538.70
	19.	Twin City State Bank, St. Paul, Minn	40.00
			$137,809.27

ATTEMPTED BURGLARIES ON BANKS, MEMBERS, AMERICAN BANKERS' ASSOCIATION

1908.		
Sept.	5.	First National Bank, Biwabik, Minn.
	21.	Wachovia Loan & Trust Co., Spencer, N. C.
Nov.	10.	Yardley National Bank, Yardley, Pa.
	24.	Buchanan Banking Co., Buchanan, Ga.
	28.	First National Bank, Beaumont, Texas.
1909.		
Jan.	23.	Bank of Pontotoc, Pontotoc, Okla.
Feb.	21.	Califon National Bank, Califon, N. J.
Apr.	13.	Thor Savings Bank, Thor, Iowa.
	20.	Farmers' National Bank, Quarryville, Pa.

ATTEMPTED BURGLARIES ON BANKS, NON-MEMBERS, AMERICAN BANKERS' ASSOCIATION

1908.		
Sept.	22.	Farmers' & Merchants' Bank, Wheeling, Mo.
	23.	Germantown State Bank, Germantown, Neb.
	24.	First State Bank, Ludden, N. D.
	29.	First National Bank, Hills, Minn.
	30.	Farmers' & Traders' Bank, St. Joseph, Mo.
	30.	Sargent Co. State Bank, Cogswell, N. D.
Oct.	29.	Kidder State Bank, Kidder, S. D.
	29.	State Bank of Manley, Manley, Neb.
Nov.	18.	First State Bank, Okabena, Minn.
Dec.	6.	Maize State Bank, Maize, Kas.
	18.	Farley State Bank, Farley, Mo.
	24.	Milan State Bank, Milan, Kas.
	25.	Bank of Tebbetts, Tebbetts, Mo.
	27.	Bank of Issaquah, Issaquah, Wash.
	31.	First National Bank, Melvin, Iowa.

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ATTEMPTED BURGLARIES ON BANKS, NON-MEMBERS, AMERICAN BANKERS' ASSOCIATION—CONTINUED

1909.

Jan. 20. Bank of Dawson, Dawson, Iowa.
26. Rice Banking Co., Rice, Texas.
Feb. 13. Clarke County Bank, Washougal, Wash.
21. Farmers' Bank, Bogard, Mo.
Mar. 1. Bank of R. L. Parker, Paha, Wash.
9. Inland Bank of Cunningham, Cunningham, Wash.
13. Minors State Bank, Galena, Kas.
13. Hutchins & Co., Rockford, Ill.
Mar. 16. Bland Commercial Bank, Bland, Mo.
19. Bank of Bald Knob, Bald Knob, Ark.
21. Farmers' National Bank, Exchange, Pa.
23. Bank of Hemple, Hemple, Mo.
24. Bank of Leasburg, Leasburg, Mo.
Apr. 16. Farmers' Bank, Lees Summit, Mo.
23. Ostrander State Bank, Ostrander, Minn.
23. Farmers' & Merchants' Bank, Bath, Ills.
26. A. R. Metz & Co., Elberton, Wash.
July 12. Ashway National Bank, Ashway, R. I.

We again beg to thank your Protective Committee, Secretary, and individual members for their earnest support and hearty co-operation.

Yours truly,
Pinkerton's National Detective Agency,
by WILLIAM A. PINKERTON,
ALLAN PINKERTON.

THE PRESIDENT: You have heard the report, gentlemen; what will be its disposition?

W. C. POLLOCK, of Bluefield, W. Va.: I move that the report be received, adopted and filed.

Motion seconded and carried.

THE PRESIDENT: That concludes our program for the day, with the exception of the practical banking questions, discussions on which are limited to thirty minutes for each topic, open to delegates under the five minute rule. On account of the lateness of the hour, and on account of the scantiness of the attendance at this moment, unless there is some objection, we will omit this for to-day, since we have the same thing appearing again on Friday. If there is no objection, we will omit this discussion and stand adjourned until Friday morning at 10 o'clock, to meet in this same place. I hope we will assemble promptly.

Adjourned to Friday, September 17, at 10 A. M.

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SECOND DAY'S PROCEEDINGS

Friday, September 17, 1909.

THE PRESIDENT: The Convention will be in order. We will rise while Rev. William P. Merrill, D.D., of the Sixth Presbyterian Church, of this city, invokes the Divine blessing upon our proceedings.

PRAYER

BY REV. WILLIAM P. MERRILL, D.D.

O God! Our Eternal Father! As we begin the tasks and the opportunities of this day, may we bow before Thee asking that we may be conscious in every moment of Thy presence with us. It is hard for us, children of this busy age whose exacting demands with the many conflicting interests that claim every moment and every thought, to make Thy presence real as men did in past days.

We pray Thee that Thou wilt help us to realize the great truth that we need the presence of God and the reality of Thy presence as no men ever needed it in the past. For that clearness of judgment, for that strength of purpose, for that indomitable moral courage, for that subordination of small things to large things, for that keenness of vision, without which we cannot win thorough success in any line in this modern life, we need Thee O God! We pray Thee, therefore, that we may realize Thy presence with us to-day and all days.

We ask Thy blessing upon our country, upon its President and all who are associated with him in government, that they may guide the people in ways that make for righteousness and peace and joy. We ask Thy blessing upon all who are in positions of responsibility in our educational life. Grant that we may feel that the truest and greatest wealth we have is the wealth of manhood and womanhood in Thy children.

We ask Thy blessing upon the leaders of our industrial and business life, the men of large responsibilities, the men who are here to-day. O God, we pray Thee that the institutions from which they come and in which they have power and influence may be not only institutions that succeed in creating and preserving wealth and in fostering the material comfort of the people of this land, but may they be institutions that are training schools for all the young men and women who are in them, in the ways of strict honor and in subordination of outside things to the inner things of character.

Grant, we pray Thee, that through the blessing of Thy spirit the time

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may soon come when every man and woman shall feel that his or her task is a part of the great work of God and of human brotherhood and when all of us shall know that the one thing on earth worth doing is the will of God. And so may Thy kingdom come and Thy will be done on earth as it is in Heaven.

We ask it in the name of Him who taught us to pray for that kingdom; Amen.

THE PRESIDENT: Mr. Thomas, of the Information Bureau, would like to make some announcements at this time.

MR. JOHN W. THOMAS, of Chicago: I desire to state that we have in our possession a number of letters and telegrams for delegates to this Convention, and I will read the names so that if any of the gentlemen are present, they will take notice and call at the headquarters of the Bureau of Information on the second floor of the Auditorium Hotel and get the same.

(Reading list.)

In addition to that, I desire to call attention to the fact that this is the last day for the validation at the headquarters of the Western Passenger Association, of tickets. I would also state that we have a great many certificates which have been validated and which delegates may call for at their earliest convenience.

THE PRESIDENT: We will now take up Reports of Committees. I believe the first in order are the reports of the Chairmen of the various Sections. Is the Trust Company Section ready to make its report now? Is the Savings Bank Section ready to report? Is the Clearing House Section ready to report?

These reports will be passed for the present, and I will call for a report from the Standing Law Committee, of which Mr. William J. Field is Chairman.

REPORT OF STANDING LAW COMMITTEE

MR. WM. J. FIELD, of Jersey City, N. J.:

Members of the American Bankers' Association:

On the occasion of the Annual Convention at Denver last year, a Joint Conference of Legislative Committees of State Bankers' Associations was

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held, under the auspices of the Standing Law Committee. Conditions in the various States were presented, legislative needs discussed and valuable suggestions made for proposed legislation during the coming year.

On November 12, 1908, the Committee held a session at the Bellevue-Stratford, Philadelphia, at which the subject of proposed legislation was discussed. General Counsel was requested to prepare a pamphlet containing drafts of a number of laws to be submitted, as suggested measures, for the use of Legislative Committees of State Bankers' Associations, before the legislatures which met during 1909. Such pamphlet was prepared, submitted to and approved by the members of our Committee, and issued to the Legislative Committees of the State Associations. Copy of this pamphlet is attached to this report. It contained drafts of the following proposed laws:

1. An act to punish the making or use of false statements to obtain credit.

2. An act to punish derogatory statements affecting banks.

3. An act fixing the liability of a bank to its depositor for payment of forged or raised checks.

4. An act to punish the giving of checks or drafts on any bank or other depositary, wherein the person so giving such check or draft shall not have sufficient funds or a credit for the payment of the same.

5. An act defining the crime of burglary with explosives and providing the punishment therefor.

6. An act relative to the payment of deposits in two names.

7. An act relative to the payment of deposits in trust.

8. An act to establish a law uniform with laws of other States, relative to the transfer of stock to corporations.

9. An act concerning Notaries Public who are stockholders, directors, officers or employees of banks or other corporations.

10. An act to amend the maturity section of the Negotiable Instruments Law by the insertion of the words "or becoming payable" after "falling due" therein.

11. An act to amend the Negotiable Instruments Law by limiting the payment of a time instrument made payable at a bank to the day of maturity only.

The enactment of the Uniform Negotiable Instruments Law was also recommended in those States wherein that law had not yet been passed; a list being published of the States and jurisdictions wherein the law was, and was not, in force.

The Uniform Warehouse Receipts Act was also recommended for State enactment.

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We are pleased to report that a large number of the measures approved and recommended by our Committee have been enacted this year in a number of States. This legislation is fully set forth in a report of General Counsel to the Association.

Our Committee held a meeting at Briarcliff Lodge, Briarcliff Manor, N. Y., on the occasion of the Spring meeting of the Executive Council, May 3rd, at which all the members of the Committee were present. At this meeting various subjects in connection with proposed legislation were discussed, and arrangements were made for a Joint Conference of State Legislative Committeemen at Chicago, on the occasion of the present annual Convention.

Respectfully submitted,

STANDING LAW COMMITTEE:

WM. J. FIELD, *Chairman.*
HENRY DIMSE.
P. C. KAUFFMAN.
JOHN K. OTTLEY.
HENRY B. WILCOX.
THOMAS B. PATON,
Counsel & Secretary.

September 16, 1909.

THE PRESIDENT: Gentlemen, you have heard the report of your Standing Law Committee. What is the pleasure of the Convention respecting it?

MR. JAMES H. TRIPP, of Marathon, N. Y.: I move that it be accepted and its recommendations adopted.

MR. H. R. SMITH, of Rockville Center, N. Y.: I second the motion.

THE PRESIDENT: Those in favor of the motion will manifest it in the usual manner by saying aye; opposed, no.

Carried.

THE PRESIDENT: The next report will be that of the Federal Legislative Committee which will be read by its Chairman, Mr. Arthur Reynolds, of Des Moines, Iowa.

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REPORT OF FEDERAL LEGISLATIVE COMMITTEE

MR. ARTHUR REYNOLDS:

To the Members of the American Bankers' Association:

Your Federal Legislature Committee begs leave to report:

That during the past year numerous inquiries on legislative questions have been received from the membership, and so far as it has been possible we have supplied each with the desired information, or have referred them to sources where we thought it could be obtained. While your Committee keeps at hand books and records for reference on subjects likely to come up, yet we do not have many books or papers for distribution and the time involved in answering questions is at times considerable.

Your Committee begs to acknowledge receipt of many suggestions and recommendations from different members, and in all cases they have been given due and careful consideration, and at times we have found it desirable to refer some of these to the Executive Council and to other Committees of the Association.

Your Committee has, when called upon, and when deemed for the best interest of the membership, rendered such aid as it could to your other Committees.

Your Committee has kept up its auxiliary organization in the different congressional districts of the United States, and we are very much indebted to these gentlemen, and are grateful for the valuable assistance they have rendered us in times of emergency, thereby benefiting the banking and business interests of the country.

Your Committee has been in close touch with several committees of Congress, with the Committee representing the State Bankers' Associations and with the leading commercial organizations of the country, and have rendered each such assistance as was in our power.

We have, whenever measures have been presented, which seemed to be detrimental to the Association, taken immediate steps to put the proper information before legislators so that no unwise laws might be passed.

CURRENCY LEGISLATION

The question of currency legislation which is unquestionably the most important to be considered by the American people has not been lost sight of by your Committee, and while there has not been that publicity given the subject as heretofore, yet there has been devoted to it more careful thought and study than in any previous year.

There has been no attempt made to secure banking or currency legislation during the last regular session of Congress. Your Committee, as well as the Currency Commission, recognize the fact that the Monetary Com-

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mission appointed by Congress are exerting every effort to secure unbiased opinions and accurate information of the various banking institutions of foreign countries, and have thought best to await their report. This Monetary Commission has representatives in every country getting together information, which, when published, will be the most accurate and complete history of the various forms of banking ever published.

What the report of the Commission will be is, at this time, unknown, and probably unformulated. However, when all of the information obtained by them is put in shape, a bill embodying their views will be presented to Congress for enactment.

The question of some form of a Central Bank with exclusive note-issuing powers may come up; also the possibility of authority being given to create branches in various cities to afford redemption facilities, etc., and the membership of this Association should be alert to this situation. With you rests the solution of this problem.

Your Committee has been opposed to any form of a Central Bank yet suggested by legislators and particularly to branch banks.

Bank Individuality Should be Preserved

We believe the individuality of our banks should be preserved and that it is essential and fundamental that any plan for the issuance of currency to prevent and dispel trouble should be such as would enable individual banks to meet such conditions largely within themselves, at least with a minimum of inconvenience which would afford a maximum of security.

We are assured that the bankers of the country will be given an opportunity through the Committees of the Association to voice their views.

Your Committee accepted an invitation and was present at a meeting of the Federal Monetary Commission held in Washington the early part of last December, with the Secretary of the Treasury and the Comptroller of the Currency, which had for consideration the administrative features of the national bank act, and we wish here to express our appreciation of the cordiality and universal courtesy extended by the Monetary Commission to each of us. We believe this meeting will ripen into still closer relations.

The Guaranty of Bank Deposits

Your Committee wishes to call attention to the fact that the legislatures of several States have passed laws looking toward the guarantee of banking deposits, and notwithstanding that advocates of such laws are actively engaged in pushing this movement, yet after careful consideration of the principles involved, your Committee is unqualifiedly opposed to such legislation, and wishes to reiterate the principles adopted at the last annual convention at Denver.

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Your Committee is opposed to the guaranteeing of deposits by either State or Federal government, or the assuming of a Trusteeship by either of a guaranty fund, believing that it would be a function wholly outside of any purpose for which State or Federal governments were organized, and for the further fact that the assuming of a Trusteeship would be misleading to the general public, as it is not a guaranty by either State or Federal government; and that such a law would work to the detriment, not only of the banks, but of the depositing public as well.

A mutual guaranty does not make all banks individually strong. The most and the best that can be claimed for it is that it will bring the weak ones up, so far as safety to depositors is concerned, while at the same time bringing the strong ones down. Average mediocrity would be the result; but would the impairment of our system stop with mediocrity? It taxes conservatism in the interest of profligacy; it compels legitimate business to bear the risks of speculation; it takes away the high ideal involved in establishing character and building up good-will; it compels the conservative banker to place his character, standing in the community and financial strength at the command of incompetent, venturesome, or dishonest rivals, and thus enables them to buy away his deposits and his business. It is a premium upon bad banking and unsafe business, and portends disaster to all commercial interests and threatens the welfare of the entire nation.

In view of the conditions that confront us at the present time, we deem it important that the American Bankers' Association place itself on record again. We, therefore, recommend and move the adoption of the following resolutions:

"*Resolved*, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits either by a State or the Nation for the following reasons:

1. It is a function outside of State or National Government
2. It is unsound in principle.
3. It is impractical and misleading.
4. It is revolutionary in character.
5. It is subversive to sound economics.
6. It will lower the standard of our present banking system.
7. It is productive of and encourages bad banking.
8. It is a delusion that a tax upon the strong will prevent failure of the weak.
9. It discredits honesty, ability and conservatism.
10. A loss suffered by one bank jeopardizes all banks.
11. The public must eventually pay the tax.
12. It will cause and not avert panics."

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"*Resolved*, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits either by a State or the Nation, believing it to be impractical, unsound and misleading, revolutionary in character, and subversive to sound economics, placing a tool in the hands of the unscrupulous and inexperienced for reckless banking, and knowing further that such a law would weaken our banking system and jeopardize the interest of the people."

We would urge upon the members of the Association who are in harmony with our view on this subject that they personally use their influence to prevent the passage of unwholesome measures in their respective States. Unless this is done, the Committee from either the National or the State Associations will be unable to overcome the growing sentiment in favor of such legislation.

Postal Savings Banks

The live question this year before Congress was that of the proposed Postal Savings Bank Legislation. This had back of it the pledges of all the political parties during the last Presidential Campaign save one, and this was the cause of it being extremely difficult to get a proper consideration of such legislation. There were several bills introduced in Congress for the establishment of postal savings banks. We secured copies of these bills, and after carefully considering each of them had them briefed, and a complete list of the objectionable features of each measure carefully noted, so as to be prepared to assist in the defeat of any bill that might be presented.

Your Committee called upon the individual banks for expression upon the question of Postal Savings Banks, and more than 98 per cent. of the bankers of the country are opposed to the passage of such laws.

Your Committee's greatest work during the past year was that of preparing plans and assisting the Committee of the Savings Bank Section in defeating the numerous measures for the establishing of a Postal Savings banking system for the United States.

We will not at this time discuss the various bills as they are all dead (peace to their memory), but will say that no bill was presented which could have been put in practical operation.

Your Committee wishes to call your special attention to the fact that the advocates of the Postal Savings banking measures, published and used as statistics, figures, absolutely inaccurate, and misleading to the public, and in no instance were correct figures given as to the amount of savings deposits, the number of banks receiving savings deposits, the number of such depositors in the United States, the average amount per capita of such deposits, nor the average rates of interest paid on such deposits.

If the statistics of foreign Postal and Savings Banks are correct as published, then the United States has more than double the savings of Eng-

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land, Wales, Austria, Belgium, Canada, France, Hungary, India, Ireland, Italy, Netherlands, New Zealand, Russia, Scotland, Australia, Sweden and Japan combined.

The advocates of this measure have claimed that the establishment of a Postal Savings Banking Department would be of advantage to the Government, whereas, the facts are, that such departments have caused a deficit in many foreign countries, and are there, as they would be here, under any measure so far advocated, a burden and not self-sustaining.

One of the arguments advanced is that we should encourage foreigners of a certain class to deposit their savings in United States Postal Savings Banks. The intelligent foreigners *do* deposit their savings with the banks of this country, and we do not understand why there should be such solicitude for that superstitious and anarchistic class of foreigners, who scarcely have intelligence enough to buy a foreign draft or postal order. What is needed is better immigration laws rather than upset the banking system of this country, which has proven so successful, by creating Postal Savings Banks.

To establish Postal Savings Banks would be contrary to the general plan of our government, wherein the originators of the Constitution sought to leave the largest measure of liberty and freedom to the people to transact their own affairs.

Establishment of Postal Savings Banks would be a movement on the part of the Government to take from intelligent and progressive citizens the Savings Bank business of the country and place its control in the hands of an office-holding class. The danger of the political use of such a power should cause all patriotic men to hesitate before adopting such a radical measure.

Your committee does not believe that it is wise statesmanship to urge upon the American people the passage of certain laws, solely for the reason that there was a clause in a party platform inserted without due consideration or opportunity being given to those conversant with the subject to show the fallacy of such legislation, and only for the purpose of furthering political interest.

A Menace to Our National Credit

The credit of our Nation has been a source of great pride to us all. America has stood at the forefront. Her bonds have borne the lowest rate of interest and her securities have had the widest market. Do we want a blot on this magnificent record? Do we want the credit of our country restricted? Do we want in times of emergency the question to be raised as to the amount of demand deposit liabilities the Federal Government has outstanding? Do we want an incubus placed upon our credit in the shape of the money borrowed from the people by the Government? If so, give us the Postal Savings Bank. Do you know that England had at the time

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of the Boer War one billion six hundred million dollars of Postal Savings accounts? What was the result? The Government was engaged in a long-drawn-out conflict. The people became frightened and the country was confronted with the double necessity of financing the War and paying off frightened depositors.

Your Committee is opposed, should a Postal Savings Bill pass, to the investing of such funds in either United States, State or Municipal Bonds, and we are opposed to the investment of $600,000,000 or $700,000,000 in United States Bonds as has recently been advocated by our chief executive, knowing full well that such an action would be a serious mistake and a menace to our Nation's credit, as it is to that of other countries where such investments are made. The people should hold the bonded debt of the Government, and the Government should not hold its own indebtedness.

It is the belief of your Committee that the agitation in favor of the guaranty of bank deposits and the establishment of the Postal Savings Banks has created sentiment with a certain class of our people that some form of protection can be secured without cost to them. While we believe that both of the plans suggested are in principle fundamentally wrong, yet it is apparent that the question must be met and some solution proposed which will afford ample protection to good business principles.

We believe the demand for a Postal Savings Bank arises largely from the inability of certain classes to discriminate between banks and also from the facts that various Postmaster-Generals for years have been recommending the establishment of such a bank, and have endeavored to arouse public sentiment to that end.

We believe this end can be accomplished through another channel, to wit: That of State and Federal supervision, which is a function entirely proper to exercise.

Savings Departments in National Banks

Your Committee last December presented to the Monetary Commisssion of Congress a method or plan to accomplish the desired result without introducing new or radical features of questionable efficiency.

The suggestion was made that National Banks under supervision of the General Government be authorized to establish Savings Departments segregating the assets and designating the class of investments to be held against the liabilities so incurred, such assets to be held for the protection of these deposits, at the same time reducing the reserve requirements of the Savings Department to correspond with the reserve of State institutions.

This we believe should afford the same security now accorded by Mutual Savings Banks in New York and other eastern States. These banks have been a bulwark for the workingman and a boon to the country.

If savings deposits were protected in this manner, and it must be admitted that the savings of the laborer is very largely placed in savings

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accounts, we believe that very little would be heard of the Postal Savings Bank from this class of depositors, and this plan of handling savings accounts affords to us a solution of this vexing question, along lines fundamentally correct.

While it would be our purpose for all banks to co-operate in the matter of protecting savings accounts in the manner suggested, and it is not our intention to in any way interfere with the business done by any of our banking institutions, yet we sincerely believe that if such a law as has been suggested herein were passed by Congress, it would prove extremely attractive to State Banks, and many of them would undoubtedly convert into National Banks, and it would in the end do more to unify the banking business than all the laws passed for many years.

We would recommend the adoption of the following resolutions:

"*Resolved*, That it is the sense of this Association that we should condemn in unqualified terms the proposition for the establishment of Postal Savings Banks or any other system by which the Government enters directly into banking relations with the people."

"*Resolved*, That the American Bankers' Association is opposed to any financial legislation based upon the argument, that it was a party pledge and should be redeemed."

"*Resolved*, That we believe the proposed plan to invest Postal Savings Bank deposits to the extent of six or seven hundred million dollars in United States bonds simply to maintain such bonds at par is unsafe and unwise legislation, and if enacted would ultimately lead to lack of confidence in our national credit."

"*Resolved*, That the Committees representing us before Congress be urged to use all honorable means to defeat the proposed legislation, and that we recommend, as a substitute therefor, the maintenance of separate savings bank departments in the National Banking Associations now operating under the law, the assets to be segregated and accounts separately maintained for the protection of all deposits entrusted to such departments under proper regulations to be prescribed in the Act."

We want to thank all those who have assisted us in our efforts to defeat such legislation, and we want to commend the splendid work done by the Legislative Committee of the Savings Bank Section in their campaign of education and for their co-operation with this Committee in our work.

Respectfully submitted,

ARTHUR REYNOLDS, *Chairman.*
E. F. SWINNEY.
JOSEPH A. MCCORD.
W. V. COX.
JOHN L. HAMILTON.

MR. ARTHUR REYNOLDS: I would like particularly to have the resolutions incorporated in this report adopted, if it meets

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with the sense of the Convention. Therefore, I move the adoption of the resolution:

"*Resolved*, That it is the sense of this Association that we should condemn in unqualified terms the proposition for the establishment of Postal Savings Banks or any other system by which the Government enters directly into banking relations with the people."

MR. E. D. DURHAM, of Onarga, Illinois: I second the motion for the adoption of that resolution.

THE PRESIDENT: Is there any discussion? If not, all in favor of the resolution will signify by saying aye; contrary, no.

Adopted.

MR. ARTHUR REYNOLDS: I now move the adoption of the resolution, reading as follows:

"*Resolved*, That the American Bankers' Association is opposed to any financial legislation based upon the argument, that it was a party pledge and should be redeemed."

MR. DURHAM: I second the motion to adopt that resolution.

THE PRESIDENT: Is there any discussion? If not, all in favor of the resolution will signify by saying aye; contrary, no.

Adopted.

MR. ARTHUR REYNOLDS: I move the adoption of this resolution:

"*Resolved*, That we believe the proposed plan to invest Postal Savings Bank deposits to the extent of six or seven hundred million dollars in United States bonds, simply to maintain such bonds at par, is unsafe and unwise legislation, and if enacted, would ultimately lead to lack of confidence in our national credit."

I move the adoption of that resolution.

MR. WM. LIVINGSTONE, of Detroit, Michigan: I second the motion.

THE PRESIDENT: Is there any discussion? If not, all in favor of the resolution will signify by saying aye; contrary, no.

Adopted.

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MR. ARTHUR REYNOLDS: I move the adoption of the following:

"*Resolved*, That the Committees representing us before Congress be urged to use all honorable means to defeat the proposed legislation, and that we recommend, as a substitute therefor, the maintenance of separate savings bank departments in the National Banking Associations now operating under the law, the assets to be segregated and accounts separately maintained for the protection of all deposits entrusted to such departments under proper regulations to be prescribed in the Act."

In other words, we have not undertaken to outline this in detail, but we simply offer it to be worked out hereafter.

I move the adoption of this resolution.

MR. MYRON CAMPBELL, of South Bend, Indiana: I doubt the propriety or expediency of this Association undertaking to recommend any affirmative legislation. There is no objection, I think, to our ratifying the negatives that have been brought forth in this report of the committee; but it seems to me that it would be better to refer this particular clause to the Banking and Currency Commission with power. I would also suggest that we add the word "Banking" to "Currency Commission."

MR. ARTHUR REYNOLDS, of Des Moines, Iowa: In reply to Mr. Campbell I have this suggestion to make. While bankers under their breath and to each other are expressing a fear that the scheme for guaranteeing bank deposits and postal savings banks will prevail, I think it highly important that this Association should take some steps to provide protective measures for the deposits which it is expected to protect, believing it would be very wise to have some substitute, for the plans which have been proposed, which is fundamentally sound and correct; and I believe that in time—while it would take a little time to educate the public along this line—I believe in time the plan would supersede the desire for postal savings banks and for the guaranteeing of bank deposits. Further than this, I am satisfied that if such a law were in effect it would accomplish the very thing that is desired by the banking fraternity, namely, that the small depositor, who is unable to discern between banks and

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banks, shall have absolute protection. He should be protected. I do not mean to beat behind the bush on that proposition. I believe that bankers should rise to the point of understanding that the public are going to demand and are demanding protection, and I think it would be for the best interests of the banking fraternity to do what we can to have proper laws enacted rather than improper laws. For that reason, gentlemen, I propose this resolution and hope it may prevail.

MR. ROBERT E. JAMES, of Easton, Pa.: It appears to me that this committee has gone outside of the line of its province. In order to avoid what they conceive to be a great danger they are endeavoring to settle a new method of pacifying those who are seeking to be progressive in finance. In other words, they are endeavoring to apply a salve or liniment to one side of the sick financial body to ease up the pain that is felt on the other side. In doing so, sir, it appears to me that they are doing just what the conventions of the two political parties did two years ago: they are committing themselves to a project without knowing the depth of the abyss into which they are about to be precipitated.

Now, when we come to consider the matter of the segregation of deposits, look at it for a moment in a practical manner and see whether it will accomplish what you desire it to accomplish. Are you gentlemen of the national banks going to divide your deposits into two classes and secure the one with the best assets you have got? What becomes of your depositors on the other side? (Applause.) Are they going to remain with you when you have taken the core of your assets and turned them over to your time depositors? The moment such an effort is made they will find an institution that has no such method of procedure or that has no active depositors, and the institutions today—whether in the town or in the country—that attempt to discriminate between the classes of their depositors will be either all black or all white; they will be either all active depositors or all time depositors. Gentlemen, are you ready for that? (Cries of No! No!)

I am in favor of securing all deposits. They have been secured

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from time immemorial by the laws of the country. It was no longer ago than yesterday that the Empire State, by the man in charge of its vast banking interests, told us that under the present laws of the State of New York not one dollar had been lost to depositors of any class in the crisis of 1907-8 (applause). Because the politicians in their conventions two years ago made certain declarations, is this the sort of salve that you are going to apply to your financial body on one side to ease the irritation that exists on the other side? Ah! Gentlemen, if you do, you will find it is a mustard draft of most painful quality. (Laughter and applause.) Wait until the time arrives; then you cannot complain of your political brethren from having committed you, but you must complain that in your national wisdom, being in an emergency, you reached out in any direction and caught any old salve that was convenient and put it on to pacify the community.

I believe, sir, in the guaranty of all deposits by the assets of the institution which are within its vaults. I do not believe in any guaranty of deposits by fictitious outside matters. The laws of finance are older than to-day and older than yesterday, and the incontrovertable results of bad financial legislation were not discovered only since the last rising or setting of the sun. I am opposed to committing myself—this body may do as it pleases —to any scheme to guaranty deposits by the segregation of assets until you protect not only your time depositor, but your active business man, the life of the community depending upon his importance in financial affairs. (Applause.)

MR. A. W. JOHNSTON, of Schenectady, N. Y.: The eloquent gentleman who has just spoken has given us some knowledge—at least, some idea of his knowledge—of the segregation of deposits. Now, I wish to expand somewhat upon his remarks as to what segregation of deposits consists of. Taking the gentleman's words as he has spoken them they are entirely misleading. He referred to the State of New York and said there was no money lost there under the present law in the panic of 1907. Do you know why there was no money lost in New York? One reason was because with the mutual consent of the bankers of the

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State nearly two billions of dollars of the savings, the money of widows and orphans and incompetent persons, are segregated and are established by peculiar investments. That is the condition in the State of New York—

MR. R. E. JAMES (Interposing): That is the condition in every State, so far as that matter is concerned.

MR. A. W. JOHNSTON: But the gentleman misrepresented the situation in putting the matter before this Convention in the way he did when it has not been fully considered, when he put forth his idea that the segregation of deposits takes off proper investments and robs commercial banks of the right to make these investments. Commercial banks take paper—commercial paper. In the State of New York savings banks are not permitted to take commercial paper. Furthermore, the very money that has been accumulated is in small savings accounts and goes out into the various communities and furnishes the means whereby to purchase all that is required in municipalities in the way of water works, in the way of lighting, etc.; it goes to establish all through the country the very basis and the most proper method of paying the public debt. The gentleman from Pennsylvania has misrepresented further; I say they are misrepresentations because I know they are, for he has simply stated one side and has stated it in such a way that you cannot get hold of the true facts of the case.

MR. R. E. JAMES (Again interposing): Mr. President, I again rise to a question of personal privilege.

THE PRESIDENT: The gentleman from Pennsylvania may state it.

MR. R. E. JAMES: If the gentleman from New York sees fit to reiterate constantly that I have misrepresented about something, I shall soon be properly stigmatized as a member of the Ananias Club, and I hope he will draw up his charges so specifically that some of us may be able to understand precisely what he means.

MR. A. W. JOHNSTON: I wish it to be distinctly understood

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that I do not infer that the gentleman has wilfully or knowingly misrepresented anything before this body, but I do contend that his statements constitute a misrepresentation of the facts from their very nature. His remarks represent one side in such a way that the inference is unavoidable that it is a misrepresentation. It was entirely one-sided, what he said; and a one-sided affair is always a misrepresentation. Now I wish to give the other side—and that is my idea in rising. I do not question the gentleman's integrity at all; I have no reference to his integrity as a gentleman—not in the least. I represent in a way—not particularly in these remarks, but I do represent the Savings Banks' Association, and they have taken up these questions and are trying to solve them. Out of hundreds of letters received from different parts of the United States only three or four objected to this plan of the segregation of deposits.

There might be a great deal more said on this subject, but I do not wish to take up too much time—simply to ask that before any action is taken upon the matter I hope the subject will be thoroughly looked into for the sake of the savings bank depositors of this country.

MR. MYRON CAMPBELL: That the matter should be thoroughly looked into was the object of my rising in the first place. I now move that this resolution be referred to the Committee on Banking and Currency, with power to act upon it.

THE PRESIDENT: We have no such committee as that at the moment, Mr. Campbell.

MR. MYRON CAMPBELL: Well then, to the Currency Commission. That consists, I believe, of the Federal Legislative Committee and ten others. By referring the matter to that body we would get a committee of fifteen of as representative men as there are in the Association, and I think we may have entire confidence that they will thresh the matter out and not make any recommendations that are not proper to be made. I think otherwise we shall be in danger of voting down something that some of us may want to vote for and of adopting something that many of us are opposed to.

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MR. ARTHUR REYNOLDS: Mr. Chairman, it is not the intention of this Committee to have any proposition acted on immediately, if it is not desirable to do so. It is not the intention to railroad anything through the Convention on the spur of the moment. We have been engaged in this legislative work for several years, and we have tried at all times to co-operate with the interests of the majority of the bankers of the country, and we want to do that now, and we are perfectly willing to have this matter referred to the Currency Commission, or to any other body of financiers, to pass upon the subject properly. We have simply brought it out here with the view of getting such discussion as we could upon the subject and finding out what the ideas of the various members are. We have taken it up with the bankers of the country and we know what the opinion of the bankers, as a body, are throughout the country. They are almost unanimously in favor of this proposition, but we do not want to insist, as a committee, on immediate and spontaneous action by this Convention, because we know that it might be very difficult to act upon it, and we accept the motion of Mr. Campbell, and will be very glad to have it referred to the Currency Commission.

MR. J. K. OTTLEY, of Atlanta, Ga.: I second the motion.

MR. JOHNSTON: Do I understand that by referring this question to the Currency Commission, if it is placed there by the American Bankers' Association, it is taken out of the hands of the Savings Bank Section?

MR. ARTHUR REYNOLDS: That would only be true relative to the question of national banks. The Savings Bank Section would continue its work exactly as it has done, and would act independently and also in co-operation with the Currency Commission.

MR. JOHNSTON: Yes, but does not the gentleman, in referring to the segregation of deposits, refer to the savings banks also?

MR. ARTHUR REYNOLDS: My resolution here only referred to the segregation of deposits in national banks, and his resolution, as I understand it, refers to my resolution.

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MR. CAMPBELL: That can only refer to federal legislation.

MR. DURHAM: I ask for the re-reading of the resolution before we vote on it.

THE PRESIDENT: Will you please read the resolution again, Mr. Reynolds?

MR. ARTHUR REYNOLDS (Reading):

"*Resolved*, That the Committees representing us before Congress be urged to use all honorable means to defeat the proposed legislation, and that we recommend, as a substitute therefor, the maintenance of separate savings bank departments in the National Banking Associations now operating under the law, the assets to be segregated and accounts separately maintained for the protection of all deposits entrusted to such departments under proper regulations to be prescribed in the Act."

MR. R. M. ROTHER, of Baltimore, Md.: There are two subject matters in that one resolution, and they should be separated. I think that this body is prepared to vote for the first section, but not for the second.

THE PRESIDENT: The motion at present before the house is on the reference of this entire resolution to the Currency Commission.

MR. ROTHER: I only wanted to call your attention to the fact that there are two propositions in the resolution.

MR. CAMPBELL: My motion said that the affirmative part of the resolution—there are two parts, one negative and one affirmative—that the part that recommends legislation be referred to the Commission.

THE PRESIDENT: You have heard the question. All in favor of Mr. Campbell's motion will please signify it by saying aye; contrary, no.

Motion carried.

MR. ARTHUR REYNOLDS: I want to offer one resolution that I read during the reading of the report hurriedly. I am sure you will all agree to it; it is in relation to the guaranty of bank deposits:

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"*Resolved*, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits either by a State or the Nation, for the following reasons:

1. It is a function outside of State or National Government.
2. It is unsound in principle.
3. It is impractical and misleading.
4. It is revolutionary in character.
5. It is subversive to sound economics.
6. It will lower the standard of our present banking system.
7. It is productive of and encourages bad banking.
8. It is a delusion that a tax upon the strong will prevent failure of the weak.
9. It discredits honesty, ability and conservatism.
10. A loss suffered by one bank jeopardizes all banks.
11. The public must eventually pay the tax.
12. It will cause, and not avert, panics.

MR. B. I. COHEN, of Portland, Oregon: I move the adoption of that resolution.

The motion was seconded.

THE PRESIDENT: Is there any discussion of the motion? If not, all in favor of the adoption of the resolution will signify it by saying aye; opposed, no.

Carried.

MR. ARTHUR REYNOLDS: I now move the adoption of the second resolution under that head, reading as follows:

"*Resolved*, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits either by a State or the Nation, believing it to be impractical, unsound and misleading, revolutionary in character and subversive to sound economics; placing a tool in the hands of the unscrupulous and inexperienced for reckless banking; and knowing further that such a law would weaken our banking system and jeopardize the interest of the people."

MR. JAMES B. FORGAN, of Chicago, Ill.: I second that resolution.

THE PRESIDENT: Those favoring the adoption of this resolution will signify it by saying aye; and those opposed, no.

Carried.

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MR. E. D. DURHAM, of Onarga, Ill.: I now move that the report of the Committee be received and the thanks of the Convention expressed to the members of the Committee for the care and investigation they have given to the matter entrusted to them, and that the Committee be continued.

The motion was seconded.

THE PRESIDENT: All those in favor of the motion made by Mr. Durham will signify it by saying aye; opposed, no.

Carried.

THE PRESIDENT: I understand that the representative of the Trust Company Section is now present and ready to report. We will therefore listen to the report of the Trust Company Section.

REPORT OF TRUST COMPANY SECTION

MR. H. P. MCINTOSH, of Cleveland, O.:

Mr. President and Members of the American Bankers' Association:

The report of the Trust Company Section is as follows:

In pursuing the course so well laid out by the Executive Committee last year, and in endeavoring to carry out as nearly as possible the many excellent recommendations contained in its annual report at Denver, your committee has been quite busy throughout most of the past year.

Besides the regular spring meeting of the committee, held at Briarcliff, which was attended by all the officers of the Section and every member but one of the committee, as well as by several of the State vice-presidents and members of special committees, numerous meetings have been held during the year between officers of the Section and the Chairman and other members of the Committee in regard to the several branches of work being carried on, and in arranging the program for to-day's meeting. Also several meetings have been held during the year with the officers of the American Bankers' Association in regard to finances and other matters relating to this Section.

Among the recommendations made by your committee a year ago was the publication of a new book of Trust Company Forms. Pursuant to a resolution passed at the spring meeting of your committee, the Secretary addressed a circular letter to members soliciting advance subscriptions for the book. Responses to this letter were deemed sufficient to warrant the publication, and the sub-committee appointed to take charge of this work

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was instructed to proceed, and the book will shortly be ready for distribution. Copies of the circular letter of the Secretary setting forth the scope of the work, together with subscription blanks, may be had at the registration office here, and, as this will be a very complete and valuable work, it is hoped that members who have not already subscribed will take advantage of this opportunity to enter their subscriptions.

During the year your committee has had published in one volume the proceedings of the annual conventions of the Section for the years 1904 to 1908 inclusive, being a supplemental volume to one containing the proceedings from 1896 to 1903. These volumes contain a great many important reports and interesting addresses and your committee feels that every trust company in the United States should have one or more of these volumes in its library for the benefit of its officers and employees. The Secretary reports that something over one hundred copies of this work have been purchased by the members, and your committee is confident that the demand for them will be more than sufficient to cover the cost of the number published.

Another recommendation made by your committee last year was: "To gather and keep up to date, as nearly as possible, statistics regarding trust companies. * * * To collect and have published matters of interest to trust companies."

In line with that suggestion your committee requested Mr. Edward T. Perine, president of the Audit Company of New York, to prepare a paper to be read to you at the meeting to-day, and we feel sure that you will be much interested in Mr. Perine's address on the subject of "Trust Company Resources and Revenues."

Also in accordance with the same suggestion, after several conferences with the officers and general council of the American Bankers' Association regarding the expediency and expense of the work, a compilation of laws relating to trust companies of the United States was published and distributed without charge to the members of the Section. About one hundred extra copies have been sold, and plans are under way through which it is hoped that a sufficient number of these volumes may be sold to cover the major portion of the cost of those distributed free to members. But, even if the hopes of the committee in this respect are not fully realized, the voluntary expression of appreciation by so many of the members upon receipt of the book has made your committee feel that the thought, time and labor, as well as the expense, involved in this publication were more than justified. By direction of your committee this work was compiled by a member of the New York bar under the supervision of the general counsel of the Association and is original in the field it covers, no such compilation having been heretofore published, and besides its great value to our members it has done much to advertise and make our Section better known through the complimentary and, in many cases, extended notices of it in the financial magazines. In the opinion of your committee it will add greatly to the value of

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this work if hereafter a record be kept of all new laws and changes in laws affecting trust companies and from time to time, say every two years, a pamphlet containing such changes be published and sent to the members, and your committee recommends that this be done.

The financial and membership statements of the section for the past year have been set forth in the Secretary's report, which you have just heard read. Although the expenses of the Section during the year have been larger than those of any preceding year, your committee feels that in view of the steadily increasing membership and the importance of the work being done, the increased appropriations granted to this Section during the year by the parent body have not been excessive and that the money has been wisely expended.

The standing Committee on Protective Laws was enlarged to five members during the year and, under the direction of its experienced Chairman, Mr. Lynn H. Dinkins, has made much progress in this excellent work, as you will learn from the report of the committee to be read at this meeting. Your committee believes that the work of the Protective Committee is one of the most important that is being carried on by the Section, and recommends that the committee be continued as a standing committee of the Section.

The wisdom of the amendment to the by-laws passed at the last convention increasing the number of State vice-presidents has been fully demonstrated, and the Executive Committee takes this opportunity to express its thanks for the assistance it has received from many of these officers during the year, especially in the work of increasing the membership of the Association.

Although the increase in membership, as shown by the report of the Secretary, is gratifying, your committee desires to impress upon members the importance of their assistance in our efforts in that direction. Your committee believes that the benefits of membership in the American Bankers' Association and in this Section are so great that no institution will refuse to join if its officers fully understand the scope and purposes of the Association.

Your committee feels that it cannot too strongly emphasize the advantages gained by the Section through having employed a year ago an experienced and capable Secretary to take charge of the office of the Section in New York and devote his attention exclusively to the work of the Section. The Secretary has had active charge of practically all of the work mentioned in this report as having been accomplished during the year, and besides attending to the numerous details in connection therewith, has carried on a large part of the routine correspondence that has heretofore devolved upon the Chairman of the Executive Committee. As stated by our President, Mr. Jackson, in his report to the Executive Council at Briarcliff, "the office of the Secretary of the Section is now a well-equipped bureau working in harmony and in connection with the office of the General Secretary of the

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Association," and the wisdom of gathering together in one group all of the sections of the American Bankers' Association, so that they may be in touch with each other and close at hand, as they now are, to the Association headquarters, is apparent to all.

In this connection your Committee desires to express its appreciation and thanks for the uniform courtesy and consideration shown it by the executive officers of the American Bankers' Association. On every occasion when questions have arisen affecting the interests of this Section the officers of the Association have evinced a lively interest in the welfare of the Section and the enjoyment of the close and friendly relations growing out of our mutual interests and frequent intercourse has made service on your committee an agreeable duty.

THE PRESIDENT: Gentlemen, you have heard the report of the Trust Company Section. What will you do with it? It makes certain recommendations.

MR. ARTHUR H. LINDSAY, of Milwaukee, Wis.: I move that it be received and filed and its recommendations adopted.

The motion was seconded.

THE PRESIDENT: All in favor of the motion will signify it by saying aye; opposed, no.

Carried.

THE PRESIDENT: In following out the program earlier in the session the Chair called for a report from the Savings Bank Section, and no one was present to report for it at that time. Is there anyone in the house prepared to report for the Savings Bank Section now? No response being made, we will pass it.

THE PRESIDENT: Next in order is reports of Special Committees. Are there any special committees represented by anyone who desires to report? There being no response, we will pass that.

The next order on the program is Invitations for the next Convention. I think Secretary Farnsworth has some letters on this subject, and I will ask him to kindly read them.

Secretary Farnsworth read invitations for the holding of the 1910 convention from San Antonio, Texas, by the citizenship of San Antonio, extended through the Mayor, City Clerk, Presi-

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dent and Secretary of the Chamber of Commerce, The International Club of San Antonio, and the Clearing House Association of Austin; from the people of the city of Richmond and State of Virginia, through the Governor of the State, the Mayor of the city and the Clearing House Association of Richmond; from New Orleans, La., through the Mayor and the New Orleans Progressive Union; also from Los Angeles, California; San Francisco, California; Saratoga Springs, New York; Rochester, New York; Cedar Point, Ohio, and Put-in-Bay, Ohio.

SECRETARY FARNSWORTH: Referring particularly to the invitation so courteously extended by the city of San Antonio, Texas, I have been requested to say that San Antonio and Los Angeles are rival resort cities. San Antonio has only the warmest of feelings for Los Angeles and withdraws its invitation for the 1910 convention in favor of Los Angeles, desiring that the San Antonio invitation be considered as for 1911.

On my recent western trip to Seattle and down the Pacific Coast to Los Angeles, I took occasion to look into the facilities of that city for entertaining our convention, should it be decided to go there. Los Angeles has one of the best auditoriums for convention purposes in the country; first class and adequate hotel accommodations; and the hospitality of the Coast bankers is so well known that it is unnecessary for me to enlarge on what can be expected from the Los Angeles bankers.

THE PRESIDENT: I have a memorandum here that when this order was reached on the program a gentleman from Virginia desired to be heard.

MR. F. W. DABNEY, of Richmond, Va.: Mr. President and Members of the American Bankers' Association: I thank you for this opportunity and know that the people whom I have the honor to represent will appreciate the courtesy you have shown them by hearing me at this time. We do not believe there is any body of men in the country that we would rather have in our presence than the members of this Association who do so much to advance the interests of our whole people. We came here appreciating the possibility of having that honor conferred upon

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Virginia next year, but we find that the sentiment is greatly in favor of holding the next meeting in Los Angeles. That being so, we urge you to hold the convention of 1911 in Richmond. We feel that the city of Richmond and the South generally would be benefited by your meeting there. The South needs the co-operation of the West, the North and the East; it wants to be brought in touch with you all, and want you all to be brought in contact with it. If you will come to Richmond we assure you that you will find that there are no people on the continent who will extend to you a more sincere and hearty welcome and who will appreciate your visit more. (Applause.)

THE PRESIDENT: I am sure the members of the Association will agree with me when I say that we thank the people of Richmond for their invitation, and, in due course, it will be given the requisite official recognition.

MR. JOSEPH D. RADFORD, of Los Angeles, Cal.: Mr. President and Members of the American Bankers' Association: I am honored in being named by the Clearing House, in conjunction with Mr. Elliott, President of the First National Bank, of Los Angeles, California, to bring you an invitation to meet with us next year.

You will recall that last year a similar invitation was presented by Mr. Elliott, and was so cordially received that we have come back this year, fortified by a great many others, to press the invitation that you visit the Pacific Slope and hold your convention in Los Angeles in 1910.

As you came into the hall this morning there was placed in your hands a little book, illustrated and containing information about our city, its accommodations as a convention city, and so on. Most of you are adepts in geography. As we sit in this convention here and reflect that from Chicago to the Gulf of Mexico is a long distance, and embraces scores of populous communities one after the other, yet such an expanse of country is just about equal to the distance from the northern part of the State of California to its southern extremity. In all that territory we have room enough for ten times the population that we have. We

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have a population in the entire State only about equal to that of Chicago. Under a system of intensive cultivation of the land the State would produce enough to support twenty millions of people.

We want you to come to California and see the splendid cities that we have in the southwestern part of the State; we want you to see what we mean by the word hospitality, and if you come I am sure you will never regret having done so, and that you will depart having only the fondest recollections of Los Angeles, the Queen City of the Golden State. (Applause.)

MR. B. I. COHEN, of Portland, Oregon: I wish to second the remarks of the gentleman from Los Angeles in inviting this Association to meet there in 1910. There is no more beautiful city or more delightful climate to be found anywhere in this broad land. Moreover, Californians make ideal hosts; their hospitality is as boundless as the mighty Pacific.

MR. W. J. BAILEY, of Atchison, Kansas: On behalf of a large number of delegates from the great Missouri Valley, and acting in accordance with their instructions, I rise to state that we hope Los Angeles will be designated as the place to hold the next convention. (Applause.)

MR. C. H. MCNIDER, of Mason City, Iowa: In order to settle this matter right now, I move that the invitation of Los Angeles which has been extended to the Association asking that the convention of 1910 be held in that city, be accepted.

MR. H. ROBINSON, of Jacksonville, Fla.: I second that motion.

MR. N. S. GRAHAM, of San Antonio, Texas: Before a vote is taken, Mr. President, I want to speak for Texas—the greatest State of the greatest Nation—and we want you to come and see this land of possibilities and boundless opportunities. We are candidates for 1911. I know you are going to Los Angeles next year, but we want you the year after. We want you to hold the 1911 convention in the city of San Antonio. I am happy to state that united Texas joins in this invitation. We are a hos-

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pitable people, and we have the ability and the capacity to entertain you in a fitting manner. Our city, by reason of her extraordinary geographical position, lies as it were in a veritable lap of bounteousness that is fast becoming the central money and commerce mart of that part of the United States, and it is a city whose citizenship is composed of men who understand, appreciate and execute the meaning of human progress. In the days of antiquity all roads led to Rome. In the enlightened age of the twentieth century—before its end will have been reached, all roads will have but one objective point—Texas. (Applause.)

Come to us in 1911.

THE PRESIDENT: The question before the house is on the motion made by the gentleman from Iowa that the convention in 1910 be held in Los Angeles. All in favor of the motion will signify it by saying aye; opposed, no.

Carried.

THE PRESIDENT: The invitation from the city of Los Angeles is unanimously accepted. (Applause.)

MR. JOSEPH D. RADFORD: On behalf of the committee appointed by the Los Angeles Clearing House, I thank you. On behalf of the State of California I thank you, and especially do I thank you on behalf of the city of Los Angeles. I realize that it is now up to us to demonstrate whether your confidence has been misplaced. (Applause.)

THE PRESIDENT: Before proceeding with the regular program I wish to state that we are fortunate in having with us to-day Dr. John C. Kilgo, President of Trinity College, Durham, North Carolina. I regret exceedingly the fact that Dr. Kilgo's name does not appear upon our program. In explanation of this I desire to say that a few days ago, or just as the program was ready for the press, we were advised that Dr. Kilgo's health was in such condition it would be impossible for him to keep his engagement with us. With a view of having the program represent only that which we hoped to be able to carry out, Dr. Kilgo's

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name was left off. Dr. Kilgo's physicians at that time forbade his coming. Having given his acceptance, however, and in his desire to keep his promise, he has violated the wish of his physician and is with us to-day, and I want to say, inasmuch as his name does not appear upon the program and the members of this convention have not been advised as to the hour at which he will speak, that he will immediately follow the address of Mr. Forgan.

Ladies and gentlemen, I am a firm believer in the law of compensation in this world, in whatever line of work one may be engaged. I believe that a man reaps in proportion as he sows, and I believe his harvest is as the seed that he sows. We have with us to-day a gentleman whom I think is a splendid illustration of this theory. We have with us a gentleman who will address us, who I think represents what it is possible for a man to reap if he is wise in what he sows.

A few years ago a poor boy from Scotland emigrated to America—a boy without influence or friends in this country. By sheer force of ability he has gradually worked his way from that of an inconspicuous clerk in the Bank of British North America until he is to-day, and has been, for some years past, one of the most conspicuous figures in banking in this country. This gentleman is a big man; he is large of stature, big in intellect, great in character, and strong and forceful in all that he does. He came to Chicago and took active charge of one of our banks fifteen years ago when it had only twenty million dollars of deposits. To-day it is considerably the largest bank in the city of Chicago and when you measure the character of the business done by it and the character of the business done in New York and the size of the accounts, I venture the assertion that measured by that standard it is the largest bank in the country. (Applause.) This gentleman has for some years been the leader in banking circles in this city. He has been Chairman of our Clearing House Committee, and, as such, has done wonderfully good work in the upbuilding of the standards of banking in Chicago. I regard it as a great honor to have him as our guest to-day, and I am sure that you will appreciate an address from him. I refer to Mr. James B. Forgan, as you all must know. It gives

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me great pleasure, Ladies and Gentlemen, to now introduce to you Mr. Forgan, who will address us upon "The Efficacy and the Limitations of Bank Supervision by Examination and the Responsible Source of Bank Management." (Applause.)

THE EFFICACY AND THE LIMITATIONS OF BANK SUPERVISION BY EXAMINATION AND THE RESPONSIBLE SOURCE OF BANK MANAGEMENT

By JAMES B. FORGAN, President the First National Bank of Chicago:

Mr. President and Members of the American Bankers' Association:

Bankers and their customers alike are deeply interested in this subject. For some years past this interest has manifested itself in a growing demand that bank supervision should be as thorough and bank examinations as efficient as it is possible to make them. In response to this demand there has been a steady development of method and a widening of scope in government examinations—both National and State; the clearing house associations of some of our larger cities have organized examination bureaus; and private audits by chartered accountants have become of much more general and more frequent use. These developments have greatly enhanced the efficacy of bank supervision and improved the efficiency of bank examinations.

So marked have been these developments and improvements that there seems now some danger that the limitations of bank supervision by examination will be overlooked and that too much reliance will be placed in the efficacy of external supervision. The public must not be deluded into the belief that official examinations will relieve them of the fundamental duty of exercising their own discrimination in the selection of a bank. The entire credit system on which the business of the country is built up having its very basis in the exercise of such discrimination, any delusion which proposes to relieve the public of it would, morally and economically, be most injurious, tending to carelessness and general demoralization in business affairs as well as to a lowering of the standard of business sagacity and social efficiency.

There is a growing tendency on the part of the public to blame government or other authorities charged with the supervision of banks by examinations for failures when they occur. This tendency of public opinion I regard as unfortunate, untenable and unjust. In considering these questions let me call your attention to three kinds of bank supervision:

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First—By the government in the interest of the public,

Second—By the clearing house committee in the interest of associated banks,

Third—By the directors in the interest of their stockholders and depositors.

As State supervision is modeled after that of the National government and serves the same purpose we may confine our consideration of government supervision to that authorized by the National Bank Act and conducted by the Comptroller of the Currency.

The authority of the Comptroller of the Currency is of course statutory, which places limitations on his jurisdiction and restricts it to such powers as are conferred upon him by the National Bank Act. The powers thus conferred upon him, briefly stated, are as follows:

In connection with bank organization he is empowered—

1. To require a copy of the articles of association,
2. To approve each bank's name and its organization certificate,
3. To authorize banks to begin business,
4. To certify payment of stock,
5. To compel oaths of directors;

And during bank operation—

1. To approve or disapprove increase or decrease of capital stock,
2. To require reports from banks and to fine them for refusal,
3. To designate or approve additional reserve cities and additional central reserve cities.
4. To appoint a receiver:

a. When a bank has refused to redeem its circulating notes, or
b. When it shall be dissolved and its franchises declared forfeited, or
c. When a creditor obtains a judgment against it which remains unsatisfied thirty days, or
d. When he shall be satisfied of its insolvency, or
e. When its legal reserve is short and it fails to make it good within thirty days, or
f. When its capital is impaired and it fails to pay it up after three months' notice.

5. To appoint examiners who shall examine into all the affairs of the bank, examine officers and agents and make their reports to him.

The Act gives him inquisitorial power as to amount of assets, but only inferentially as to character of assets. He is required to "examine into all the affairs of the bank" and is given discretionary power to decide when an impairment of capital takes place and to take summary action thereon. In order to do so he must, of course, investigate and pass upon the value of the assets. It is not, generally speaking, his function to exer-

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cise his judgment as to current credits so long as they are within legal limits as to amount. The exercise of such judgment would neither be desirable nor practicable. That responsibility rests on the bank's officers and directors. The Comptroller seems to be unnecessarily hampered by legal restriction in determining when losses have occurred. Under the terms of the Act no obligation due a bank can be considered bad until interest is past due six months, and not then if it is secured or in process of collection. Such a narrow definition of a bad debt can only embarrass him and his examiners in arriving at a correct conclusion as to the impairment of a bank's capital. Under his power to appoint a receiver he is given the power to decide when a bank is insolvent. He is again hampered here by the Federal Courts' definition of insolvency, which is "inability to pay current debts as they mature," and he could be enjoined in the District Court for any abusive exercise of his discretion.

Notwithstanding these limitations and restrictions, I believe it may truthfully be said that under no other banking system in the world are such executive authority and plenary powers conferred on any one man as are vested in the Comptroller of the Currency. Nor do the laws of other countries place such restrictions and limitations on banking operations as are placed on those of our national banks.

Considerable attention has recently been directed to the possibility of improving the government's supervision of national banks by the passage of further restrictive laws and by extending the Comptroller's powers so that he may enforce them by fining or otherwise punishing those who break them. If all the suggestions that have been made along this line were enacted into law the Comptroller's office would become so overburdened with executive duties that no man with any proper sense of the responsibility involved would accept the position. The more general and undefined the powers of the Comptroller are, the more useful to our banking system will the adminstration of his office be made. To charge him with specific duties, which are impractical because impossible of fulfillment, will only weaken the administration of his office and detract from its usefulness. Any attempt to regulate individual bank management by specific legal enactments and to hold the Comptroller responsible for their enforcement would prove futile, for as has been well said by Senator Aldrich in this connection, "We cannot legislate good judgment and honest purpose into the minds and hearts of men." Realizing this, our legislators should be careful that bank management is not hampered with such petty legal restrictions as only retard the natural and legitimate development of the business, stunt the growth of individual banks and impair their ability to compete for international business with the older and greater banks of other countries.

Under our system of free, individual and purely local banking, rising industries of all kinds in any given locality must provide themselves with banking facilities by organizing and usually controlling their own local

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banks. The natural tendency of this is to place the management of new banks directly under the control of their principal local borrowers, hence, our banking laws have had to be strongly restrictive and prohibitive. This is a weakness inherent in our system of numerous small independent banks.

It is evident, however, that restrictive measures which may be necessary to regulate a country bank with very limited resources, when applied to large city banks with resources aggregating many millions, would prove exceedingly irksome, tending only to retard their progress, curtail their legitimate enterprise and impair their usefulness to the community.

Some evils which it is sought to correct by further restrictive legislation are, as I have already intimated, inherent in our system. For instance, there is found in some of our small banks a large line of trade paper entirely out of proper proportion to their resources and frequently discounted for the president or a director or for corporations in which they are interested. It has been proposed to place legal limitations on the aggregate amount of such paper which a bank can discount for any one customer. It is, of course, the abuse and not the legitimate use of banking facilities which it is sought to prevent by this legislation. By thus attempting, however, to prevent such abuses which only occur in a few cases, the legitimate and helpful use of banking facilities may be seriously curtailed. If the credits as originally granted by the bank's customer have been carefully and judiciously made and the paper has all been taken by him in good faith for merchandise sold and delivered, and if these facts have been properly checked up by the banker, as they should be, a safer, sounder or more legitimate line of discounted paper cannot be conceived. The only limitations necessary to be placed on it, other than the bank's capacity to handle it, are such as every sensible banker will place for himself, viz.: a limit on the amount of the obligations of each individual maker, in proportion to his standing and credit, as these may easily be ascertained on inquiry.

In the great majority of cases it is the prosperous industries in a community that require banking facilities and their successful owners that take steps to provide them. As a rule, the officers appointed are honest and trustworthy, comprehending their fiduciary relationship to their depositors as well as to their stockholders and having due regard to the well-recognized principles and methods of banking as well as proper respect for the banking laws under which the bank is organized. Hence, fortunately, success is the usual result and failure the rare exception, as is shown by the small percentage of failures that take place. Abuses calling for governmental interference creep in when the men in control of a bank through recklessness or mismanagement are unsuccessful in their other enterprises. Under their baleful influence, the executive officers appointed and controlled by them, gradually forgetting their responsibility as trustees ignoring correct principles of banking and defying the law, become demoralized and permit the use of the bank's facilities for improper purposes. By granting constant renewals of what were originally trade notes, instead of enforcing their pay-

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ment, they permit their controlling borrowers to carry along their delinquent debtors. Gradually accommodation notes are permitted to go through as representing actual transactions, until the parties in control of the bank, besides having borrowed on their direct obligations all the law permits, have become liable as endorsers on a wholly unwarranted line of discounted paper, which is not what it professes to be, but is composed of renewals of bad credits, accommodations, kites, or otherwise worthless paper, together with all the other abominations to which mismanagement and bad banking fall heir. Such a condition of affairs is a most difficult one for the Comptroller or his examiners to handle. The longer it lasts the worse it becomes and it is difficult from a legal standpoint to allege a cause for action. The only thing that can be done is to promptly take exception to such business in its incipient stages, keep on objecting to it and finally take action when it becomes so bad that an impairment of capital or insolvency takes place.

This evil, however, diminishes as industries grow and increase, and banks grow with them. Villages become towns, and towns cities, and banks develop with them, increasing their resources, diversifying their business, distributing their credit risks and gradually becoming independent of any single controlling interest or influence. Just as in other lines of business, the weak and poorly managed drop out of the race and the strong and well managed survive. With our business rush and rapid growth, together with the necessity there has been of employing men to manage our banks who have had no previous knowledge or experience in the business, the wonder is that failures have been so few. The results afford no basis for serious complaint against the Comptroller's department as it has been administered and disclose but little necessity for new laws to regulate it or bank examinations as they are conducted under it. Both are developing as the system develops and are steadily improving in efficiency.

Many of the suggested changes in the administrative features of the National Bank Act are such as under the general powers conferred upon them, the Comptroller, his deputy and examiners can best work out for themselves. Some of them however are quite necessary and desirable. It would, for instance, be ideal to have a corps of trained examiners, adequately paid by salary and under civil service rules, both as to their appointment and the tenure of their office. Also to make the position of Comptroller of the Currency such as to inspire the ambition of leading and successful bankers to fill it. But these suggestions, however desirable, do not seem practical or available at the present time. They must await the further development of our system and in the meantime we should take such practical steps as may make them possible in the future. Good, capable and faithful service is not always nor mainly dependent upon adequate remuneration. This is conspicuously the case in the public service. The fact affords no excuse, however, for perpetrating and perpetuating a palpable injustice. The pay of the Comptroller is now and has long been totally

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inadequate. As a matter of simple justice as well as of sound public policy his salary should at least equal that of the presidents of large city banks. Instead of being regarded as a position from which bank presidents may be graduated the comptrollership should be considered a post-graduate honor and a distinction of the highest order to be conferred on men who have previously filled a president's position and demonstrated their ability by the success they have achieved. These ideals can hardly be realized, however, so long as the acceptance of the honor by one holding such a position would mean the reduction of his income by from one-half to two-thirds, besides having to give up a permanent position for one of limited term of service.

The pay of the Comptroller's deputies and examiners should also be such as to command the services of experienced and competent men. The policy adopted by the present Comptroller of appointing as examiners men of previous banking experience, giving preference to those who have been connected with sound, progressive and well-managed institutions and refusing to consider applications from officers or employees of badly managed banks, cannot be too highly commended. However, as he will have to compete for the services of such men with practically all the good banks in the country, their remuneration should be made such as will enable him to do so successfully.

It is most desirable, almost essential, that bank examiners should have had a bank training. Without it, unless they are men of very exceptional natural ability and adaptability, they are liable to be impractical in their work and erroneous in their judgment, applying theories to problems which will not solve them and failing to exercise that sound judgment which as a rule is only acquired through practical experience in the business. On the other hand, the experience of a bank examiner is of incalculable value in the evolution of a bank training, provided he has previously been long enough in the banking business to have acquired something of what may be called the banking sense—a sort of intuition by which a banker reaches conclusions and makes decisions that are generally his best. Policies controlling successful bank management must be in accord with the laws of political economy and with sound financial theories. Such laws and theories will not, however, solve the problems connected with individual applications for loans, no two of which are ever alike. The theoretical banker, who knows it all and can give you a definite rule for all he does, is not generally the successful one. Accompanying theoretical knowledge there must be sound judgment and applied common sense. Bankers have human nature to deal with in all its varying propensities. They must, as Burns advises,

> "Keek thro' ev'ry other man,
> Wi' sharpen'd, sly inspection."

Not coming into daily contact with the borrowing public and having constantly to pass judgment on transactions after they have been completed, bank examiners have little opportunity for the development of this banking

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sense, and unless they have by previous experience acquired it they are very liable to get into a too critical frame of mind and to become over-technical and theoretical in forming their judgments. Having been a bank examiner myself I speak from experience. The value of a bank's resources cannot be measured by the rules of mathematics, accountantcy, political economy or finance, and yet bank examiners, as well as bankers, should be familiar with all of these sciences.

A year ago when playing golf on the old links at St. Andrews, Scotland, I saw a party of players coming towards me with quite a gallery following them, showing that they were recognized as experts at the game. Turning to the old man who was carrying my clubs, I asked him who the players were, which he told me. Recognizing among their names that of a well-known authority on the game, I remarked that I supposed he was a very good player. "Weel," said the caddy, "he used to be among the best, but two years ago he wrote a book on the science of golf and he has not been much of a player since." I have sometimes wondered since if there was not some practical sense in the old man's observation. The gentleman's close attention to the technique of the game may possibly have affected his natural ability to play it; while thinking of how to place his feet he may have neglected to keep his eye on the ball.

Borrowing from their own banks by officers and directors is another matter which it is thought should be regulated by further prohibitive or restrictive legislation. That there has been serious abuse of banking privileges along this line is only too true, but, as I have already pointed out, it is due to an evil lying at the very foundation of the development of our banking system, the arbitrary prohibition of which now would be almost revolutionary. The trouble lies in one man being permitted to act on both sides of a transaction, i. e., both as borrower and lender. Officially, he passes judgment on his personal credit, and it is not human nature that he should degrade himself in his own estimation. Bank directors who know their responsibilities and care to assume them will not permit such practices.

It may be necessary under our system to do as some of our State legislatures have already done, prohibit loans to salaried officers, except with the full consent of the board of directors, regularly recorded in their minutes. It is a mistake, however, to pass laws which are too easily circumvented. It only induces evasion which is always demoralizing. As a rule, salaried officers of banks should have little occasion to borrow, and it is open to question if when they do they should not do so at their own banks, always on satisfactory security and with the knowledge and approval of their directors; never in my opinion otherwise. It is certainly better so than that they should be compelled to go to some officer of another bank, or to some personal friend and customer, with whom reciprocal arrangements for mutual accommodation could be so easily established.

However this may be, it is certain that to absolutely prohibit loans to directors, or to place legal restrictions on loans to them, or to corporations

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in which they are interested, that do not apply to other customers, would completely upset our present banking system, destroy the integrity of its directorate and seriously impair its usefulness. The best directors banks can have, and those they now do have, are the men connected with the leading commercial and manufacturing industries, whose close touch with business affairs makes them the best judges of credits in their various communities. If by being directors they are debarred from the legitimate banking facilities to which they are entitled, they will cease to be directors, and the inevitable result will be that dummies will take their places, possibly to do their bidding. The demoralizing effect of such a condition of affairs, affecting practically every bank in the system, can easier be imagined than described. It does not follow from this that the present practice of showing directors' liabilities in reports to the Comptroller should be discontinued, or that examiners should not take special cognizance of them to see that the bank is not being illegitimately or unreasonably used for the special benefit of those controlling it. This is always a legitimate and most necessary subject of investigation. It will, however, be found in nearly every case that the best loans in the banks are those to its directors, who are engaged in the legitimate, successful and profitable enterprises of the communities in which they live.

A serious defect in the Bank Act as the courts have interpreted it, is that false reports made to the Comptroller are not a misdemeanor as are false entries in the books and false statements made with intent to injure or defraud the bank itself. This is all wrong and should be promptly corrected. The making of false reports to the Comptroller should be regarded as the most heinous offence of its kind and should be punished accordingly. A false report to him means a fraud on the public whose representative he is. It should be part of the duty of examiners to check up reports made to the Comptroller. The integrity of the system depends on the reliability of the statements made from time to time to the Comptroller and published in the newspapers. There should be no weakness in the administration of the Comptroller's office in regard to the criminal prosecution of bank officers who are guilty of falsification or misrepresentation. Such offenses should be nipped in the bud. When an examiner discovers anything in the books, the securities, the loans or the records that misrepresents actual conditions it should be a case for criminal proceedings and the law should be such as to facilitate prompt action.

At an early stage of my banking career the inviolability of bank reports was strongly impressed on my mind. A bank agent in my native town misappropriated some of the bank's money. According to the rules of the bank a monthly statement had to be rendered to the head office. In this statement the agent and accountant had both to certify that they had counted the cash and that it was all on hand as stated. The regular accountant being absent, a clerk, who was a friend of mine and whose honesty was unquestioned, was temporarily filling his place and it became his duty

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to sign the statement. The agent, claiming that he had something important to attend to and that he wished the statement dispatched at once, induced the young man to sign it, without giving him an opportunity to count the cash in his custody, but promised that he would do so next morning. The next day he put him off again and after a few days, when the young man found that the agent had no intention of fulfilling his promise, he wrote his brother, who happened to be a clerk in the inspector's department at the head office in Glasgow. He simply stated the facts to his brother and asked his advice under the circumstances. His brother showed the letter to the head inspector who promptly dispatched two men to the branch to investigate. They found a deficiency in the agent's cash and had both him and the clerk arrested, the former on a charge of embezzlement, the latter for having signed a false bank statement. The agent was tried and sentenced to the penitentiary inside of thirty days, and it was only due to the action of the leading men of the community who, knowing the circumstances, got up a largely signed petition to the court in the young man's behalf, that he escaped punishment, but the incident ended his banking career and he is now a respectable farmer in this country.

There is a matter on which a difference of opinion has for some years existed between the Comptroller's department and some of the most conservatively managed banks in the system. While it may not be considered germane to my subject, I should like, if I do not weary you, to discuss it now. I refer to the contingent account not shown in the published statement. Like many other banking practices, sound when kept within reasonable limits, it is susceptible of abuse and may be made the means of misrepresenting a bank's true condition. When built up beyond reasonable limits and its existence is only known to the officers, directors and a few favored stockholders, great injustice may result. Outside shareholders, ignorant of the true book value of their stock and of its real earning power, might be induced to sell it to inside parties at much less than its actual value. This, however, would be a misdemeanor on the part of the officers and directors and could be controlled by the criminal code as other frauds are. The injury would, however, be confined to the deceived shareholders. No harm could come to depositors from a bank being stronger than its statement discloses. In the interest of the bank itself as an institution, as well as in the interest of the stockholders who own it, a reasonable contingent fund is desirable and generally necessary. Such a fund furnishes a reserve strength to protect a bank's resources against contingencies of which there are plenty. In exceptionally prosperous years when profits are large provision should be made for possible losses in lean years. Thus a bank's earning powers can be steadied and sudden or violent changes in the book value of its stock prevented, much to the benefit of the stockholders. For example, the year 1908 was one of abnormally large banking profits, while so far this year, owing to the low rates prevailing for money, profits have been abnormally small. Last year therefore it was possible

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to make liberal allowance for losses, and in view of the panic, just then passed, it was good banking that this should have been very generally done. This year there has been no margin of profit on current business out of which after paying dividends the usual necessary provision for losses can be made. At the close of 1908 it might have been impractical to specifically apply the amount then appropriated, while in view of general business conditions and their effect on the bank's customers the directors had good reason to anticipate considerable loss on current loans, and when they had thus cause to expect it who will say that it was anything short of their duty to provide for it? It is neither necessary nor advisable that whenever loss is threatened on the accounts of certain customers still actively doing business a portion of their current loans should be charged off as if loss on them had already occurred. Such an appropriation should be made as in the judgment of the directors seems necessary, charging it to profit and loss account and crediting it to contingent account, where it can remain until the anticipated losses materialize, which they generally do. Such appropriations should, of course, be regularly shown in the statement of profit and loss account rendered to the Comptroller, and the contingent fund should be kept in the general ledger open to the investigation of examiners. In my judgment no sound, conservatively managed bank can afford to be without such a fund. It protects the new shareholder who invests in the stock at the market price, based on the bank's published statements, against fluctuating values of its resources in consequence of losses having to be provided for on loans or other assets in existence at the time he makes the investment, and I think he is entitled to such protection. Further, it has a most beneficial effect on the management to feel that the bank is running ahead, instead of lagging behind in the procession.

The Comptroller's department will doubtless agree with all I have thus far said on this subject, but will ask why the contingent fund should not be shown in the published statements as undivided profits are? It will claim that the public and the shareholders are entitled to know the actual condition of the bank, which they cannot do if there are hidden profits not shown in the statements. My answer is that there are or should be no hidden profits. The contingent fund represents an amount which the directors have deemed it necessary to deduct from the profits and set aside to provide for anticipated losses in current loans in order to maintain their integrity. While, therefore, the ledger and balance book will show the fund in a special account, when a statement of the bank is published the amount of it can quite properly be applied where it belongs. It should be deducted from the current loans, reducing the amount of them as published to the realizable value placed on them by the directors.

The main thing looked for by the public from governmental supervision is reasonable assurance that bank statements, which are mere figures after all, can be relied on. In view of this and of the natural desire on the part of the bank management to make the best showing possible in their pub-

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lished statements, and the general tendency being decidedly along this line, it would be a wholesome policy on the part of the Comptroller to encourage if not to require the maintenance by the banks of a reasonable contingent fund. It would lead to the keeping of an anchor to the windward for the benefit of all concerned. It would certainly be an improvement on the present erroneous practice, against which no exception seems to be taken. I refer to the very general practice followed by the banks of overstating their accumulated profits by including in them discount on time loans collected in advance. All notes discounted up to the date of the statement appear in it at their face value, while their real value is the price at which they are purchased, that is, they are subject to the rate of discount received on them from the time the statement is made to the various dates of their maturities. How would a banker regard a customer's statement if he learned that in taking inventory of stock on hand the customer had added the selling profit to the cost price, thus "counting his chickens before they are hatched," and yet in bank statements this is the common rule to which correctly made statements are the rare exceptions.

The objects being the maintenance of the integrity of the assets and the adjustment of profits and losses one year with another, so that the growth of the surplus may be solid as well as steady and uninterrupted, the publication of the fluctuating amount of the contingent fund would only confuse the public, hurt the bank and nullify all the benefit to be derived from it. Rather than show it in the published statement it had better remain in profit and loss account as part of which, if shown, it would erroneously continue to be reckoned. A short statement by each bank to the effect that proper provision has been made for all known or anticipated losses and that loans are shown in the published statement at what is believed to be their estimated realizable value would be more satisfactory to the public and more easily understood by it.

The National Association of Credit Men, from whom, I have noticed, there emanates from time to time a good deal of sound business sense, recently appointed committees of their State organizations to investigate the condition of the State banking laws. After careful investigation these committees are required to answer to a general committee of the National Association the following questions:

1. Does your State have a State banking department with a superintendent at its head appointed by the Governor?
2. Is your State banking law considered by bankers, lawyers and business men generally adequate in its requirements in the way of

a. Maintenance of reserve,
b. Frequent and searching examinations and authoritative supervision,
c. Prevention of over-extension of credit to heavy borrowers,
d. Penalties for the making of false statements of condition,
e. Economic liquidation in cases of failure?

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These questions, it strikes me, furnish an almost complete synopsis of everything that government supervision can be expected to accomplish, and, with the exception of providing for adequate punishment for the making of false reports to the Comptroller, our National Bank Act already covers them all. With adeqnate pay provided for the Comptroller, his deputies and examiners and with some unessential amendments in minor details the powers now conferred upon these officials appear to me to be quite sufficient to enable them to accomplish all that can possibly be accomplished through governmental supervision.*

The department in its methods is showing its ability to keep abreast with the development of the banking system and its administration is steadily improving in the value and reliability of its service both to the banks and the public. As an illustration of this and of the ability of the department officers to develop their own methods under the general powers they now possess without specific legal enactments for every move they make, which would hinder and hamper more than they would help them, let me draw your attention to some of the department regulations recently inaugurated:

Bank examiners can be neither stockholders nor borrowers from national banks.

Savings banks, trust companies or other State banking institutions allied with national banks are examined simultaneously with them.

Bank examiners are to be selected from men of previous banking experience who have been connected with sound, progressive and well-managed institutions.

Banks are classified in the departments according to the character of their management and such as are classified poor are being examined four times a year in the presence of their directors, from whom a letter is required promising that conditions subject to criticism will be attended to and corrected, while those whose management is classified as very bad are being handled in a still more vigorous manner.

Examiners are now required to make such careful and complete reports in writing of all evidence discovered by them tending to show criminal violation of the Federal Statutes that the Department of Justice may determine from them without further investigation whether or not there has been a criminal violation of law.

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* Since this was written the Comptroller of the Currency has expressed himself as follows:

"After a year's trial of the Bank Act, I can say to you frankly that it gives me all the power I want, and even more. If I were to-day to go again before the National Currency Commission, and the question were asked me as to what changes were necessary, I would answer, that in my opinion the only essential change was one giving bank examiners in the country districts more compensation.

"Of course, some trivial administrative features of the Act could be made a little better, but I do not want, and I do not believe any other Comptroller will ever want, any more actual power than the present banking law now gives."

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The national bank examiners through the country have been divided into eleven districts with a chairman appointed by the Comptroller for each district. Examiners in each district are required to meet twice a year to have a general discussion of methods of examination and to prepare reports of banks in the district whose condition is unsatisfactory and of any lines of doubtful credit in them; each examiner to report to the chairman for his own particular section and the chairmen to furnish the Comptroller with a complete report of the proceedings, retaining a copy for reference at future meetings. The chairman of each district at his discretion can report to the chairman of any other district such information as he may deem advantageous.

The efficacy of government supervision by examination lies primarily in its restraning influence on bank management. The knowledge that the banks are to be examined holds the officers in check. This followed by the criticisms of the Comptroller based on the examiners' reports is efficacious in inducing or compelling bankers to comply with the law and with proper banking methods and to face and provide for losses as they occur. This should afford the public reasonable assurance. Such are the benefits to be derived from governmental supervision and the degree of their accomplishment is the measure of their efficacy. All external supervision is, however, based on the examination and consideration of transactions after they have occurred. It cannot control the making of loans or investments at the time they are made. It has no control of initiative management. It cannot, therefore, be held responsible for errors of judgment or lapses of integrity. Its business is to discover such and its efficacy depends upon its ability to do so. It is at best a human device and in common with all such devices its limitations should not be ignored or forgotten.

The next branch of our subject is "clearing house supervision in the interest of associated banks." As you are doubtless all aware, this method of local supervision was first inaugurated in Chicago three years ago. Its main strength is derived from the fact that it was evolved from the voluntary action of the banks themselves for their own benefit individually and for their protection collectively. Thus "its just powers are derived from the consent of the governed." Similar bureaus have since been organized in St. Louis, Minneapolis, St. Paul, San Francisco, Kansas City, Philadelphia, St. Joseph, Milwaukee and Los Angeles, while other cities are showing their interest by investigating our methods and the benefits to be derived from them.

A short statement of the Chicago method may therefore be of interest to you. Neither the Committee having the matter in charge nor the examiner are hampered in their work by any code of rules and regulations adopted by the associated banks. Both were given an absolutely free hand. The committee was by resolution instructed to secure the services of a suitable man of experience to examine the seventeen member and some forty non-member banks clearing through members. Having secured the

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services of such a man, the committee in turn instructed him to engage the necessary help (he has now five assistants) and proceed in his own way to make thorough examinations of all the banks. The following extract from the original letter addressed by the Committee to the President of each bank will fully explain the method adopted:

> "The examiner will furnish you for the use of your directors a detailed report on the condition of your bank at the date of his examination. He will file in the clearing house vault, under his own custody, a copy of such detailed report. He will also make a separate report to the clearing house committee expressing in general terms his opinion of the condition of each bank as he finds it and calling special attention to any unwarranted conditions or gross irregularities discovered. His detailed reports will not be examined by the clearing house committee except when it may appear necessary to do so from the general report of conditions made to it."

And the following from a letter sent out later to the directors of each bank as the first examinations of them were completed will show that the method was intended to benefit directors and that their co-operation in correcting anything open to criticism was desired and expected by the Committee:

> "The clearing house committee, desiring the co-operation of bank directors in maintaining a high standard in the condition of banks in the city, has requested the official examiner to notify the directors of each bank, individually, when he has completed and delivered his report to the president so that every director will have an opportunity of perusing it. The Committee urges upon every director that he should, as a part of his directorial duty, carefully examine such reports as promptly as possible after he receives notice of their existence."

Bank directors have been most enthusiastic in their commendation of the method. They find that it gives them an opportunity of judging of their bank's condition as a whole, which the mere passing upon individual loans at their meetings does not afford.

Our experience has been that the banks have almost unanimously adopted every suggestion made by the Committee. The method has worked with but little friction and while I cannot discuss such details as would show its efficacy, I can say that the result has been most satisfactory to all concerned and that much good has been accomplished for the Chicago banks individually and collectively. The organization being entirely voluntary partakes somewhat of the nature of a gentlemen's agreement, under which each bank binds itself to conduct its business under proper methods. The disciplinary effectiveness of the method lies in the fact that they are all measured by the same standard, viz.: that their statements as rendered to the Clearing House Association shall be satisfactory to the Committee, in

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view of the examiner's reports upon them, otherwise they cannot continue to enjoy clearing house privileges. In no sense, however, does the Association or its Committee assume responsibility for the individual management of the banks or for the quality of all the loans current in them. This responsibility, as I have said before, rests, and must always rest, on the officers and directors of each bank. All the Committee undertakes is to pass judgment, and that only approximately being based on the examiners' report, on the reasonable integrity of each bank's assets and the general reliability of its statement. In the fact that the members of the Committee are well posted on local credits and financial affairs lies the superior efficacy of clearing house supervision. But the Committee is not omnipotent, it is only an ordinary human agency. Like the Comptroller, it has no control of the initiative management of the banks under its supervision. It fully realizes the heavy responsibility laid upon it. It is no easy problem to decide when summary action should be taken in connection with a badly managed bank's condition, which depends on the condition of its customers, while both they and it are interdependent on each other. Conditions must become very bad and expostulation be exhausted before any supervisory authority, however constituted, will assume the responsibility of action that will lead to the closing of a bank's doors. If it were otherwise and such action were taken simply because something in the bank was unsatisfactory such authority would be accused of shutting up a solvent institution, not only by its stockholders, but by its depositors themselves in whose behalf the action would be taken.

It may, therefore, be said that bank supervision by examination on the part of a clearing house committee, while probably the best and the most effective external supervision possible, has its limitations, which should be recognized by the intelligent public, and it should not be held to a degree of responsibility which it does not assume.

We will now consider supervision by directors in whom is vested the primary responsibility for bank management. Their supervision is in the combined interests of the stockholders who elect them and of the depositors who confide in them. They govern and direct as a board, requiring the presence of a quorum for the transaction of business. Their official actions and the responsibility they assume are therefore collective and not individual. They are not expected to devote their entire time and attention to the affairs of the bank and their supervision is necessarily more or less intermittent. They appoint and fix the remuneration of the officers and for cause can discipline or discharge them. Thus they, and they alone, control the initiative of management and on them must rest the final responsibility for it. The officers appointed by them dispose of their time and their talents to the bank for the consideration of their salaries and assume the daily details of management.

Such being the established relations it becomes the primary duty of the directors to hold the officers to a strict accountability, not only for integrity

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and honesty in motive and action, but for efficient and successful service. It will go without saying that the power of the directors to discipline or discharge officers should be promptly exercised on the discovery of dishonesty, deception or bad faith, either in their personal or their official capacity, or for dissolute or improper conduct in their private life. It is equally essential, however, that the same power should be exercised in cases of incompetency, bad judgment, recklessness, speculation or whatever there may be in the make-up of the officers that injuriously affects the management or deprives it of public confidence and success. In the exercise of this prerogative, probably more than in any other way, directors are prone to neglect their duty. It is not an agreeable one and collectively they are disposed to evade it even when individually they realize the necessity for it. It is without doubt the primary responsibility placed upon them, and its evasion must be held responsible for much of the disaster resulting from bank failures due either to incompetent or to dishonest management.

The same ordinary prudence which men exercise in their own affairs is required of bank directors. The application of it differs with the varying circumstances of the banks. Just as men of small or moderate affairs can undertake the personal management in detail of their own businesses, while those of large affairs must of necessity employ others to manage for them and must relieve themselves of details, so bank directors under similar circumstances may assume the details of management or appoint others to do so. Their delegating authority to others does not, however, relieve them of responsibility for the direction and supervision of the management or of keeping in touch with what is done. In banks of moderate size this can be accomplished by committees. In the largest banks, however, it becomes necessary for the directors to delegate even the details of their supervisory duties to experts and to rely on their investigations and reports for an intelligent knowledge of what is being done and of their bank's condition. Systematic organization is necessary, whether a bank is small or large, and directors must see to it that one of its results is that they are kept fully posted as to the bank's operations and condition. This can be accomplished quite as effectively in large as in small banks through the employment of competent auditors either permanently or when they are wanted. Such auditors in their investigations should represent the directors and should report direct to them, uninfluenced by any of the executive officers. But, however it may be accomplished, it is up to the directors to keep themselves posted as to their bank's operations to the extent of enabling them to form a correct opinion of actual conditions in them and to judge of the integrity and ability of the management, as it is conducted by the officers, to whom they have delegated managerial powers. Only thus can they intelligently exercise their control of the management, a responsibility from which there can be no escape.

The progressive success or lack of success in bank management can be

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fairly well discovered by the periodical classification of a bank's loans and investments. This classification should be conscientiously made outside of the executive officers. It may be done by a committee of directors or by a competent auditor, at whose disposal must be placed the statements of customers and all the information available in the credit department.

The assets can be divided into five classes and the result will, I think, disclose to the directors the necessity for a contingent fund, such as I have advocated. The percentage of each class to the aggregate total shold be shown and the periodical classifications compared with each other. This will disclose the progressive condition of the assets, whether they are growing better or worse, and from the result the management may be judged. I suggest the following classification:

1. Good desirable business,
2. Fair business risks,
3. Business not desirable as a new proposition, but which policy makes it necessary to carry along for the purpose of gradual liquidation.
4. Loans which should be liquidated and on which more or less loss is probable,
5. Loans so bad that they should be charged off now.

The respective percentage of these five categories forms a very good criterion of the character of a bank's management. It must be the constant and unremitting aim of its officers to reduce class three to its smallest possible proportion and to eliminate entirely the fourth and fifth classes.

Co-operation among all supervisory powers is most desirable. National and State government examiners should consult and co-operate with each other and, where the opportunities exist, with the clearing house examiners. The Comptroller and the State banking commissioners might, with propriety and with much benefit to both systems, establish confidential relations with each other and with the different clearing house committees, and all should keep in close touch with the bank directors and take them into their confidence regarding everything open to criticism in their banks. They are all engaged in the work of raising banking standards and improving banking conditions and they should avail themselves of every opportunity for co-operating towards these highly desirable ends.

External supervision alone, under whatever authority it may be exercised, it is needless to repeat, cannot establish safe and sound banking. Honorable and intelligent initiative management must be relied on for the ultimate success of individual banks. As now administered, however, governmental and clearing house supervision are doing a great deal (in my opinion as much as can reasonably be expected of them) along the line of purging and purifying our system, raising our standards of banking and giving to the business a character which conduces to that healthful tone so essential to the commercial, industrial and social life of the nation. (Applause).

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MR. JOHN M. LITTIG, of Baltimore, Md.: I move that a vote of thanks be tendered to Mr. Forgan for his very instructive address.

The motion was seconded.

THE PRESIDENT: Gentlemen, you have heard the motion. All in favor of returning to Mr. Forgan the thanks of the convention for his address will signify it by saying aye; opposed, no.

Carried.

THE PRESIDENT: It is now about twenty minutes after one, and we will take an adjournment until half past two o'clock, instead of at two o'clock, as per the announcement on the program.

Adjourned until 2.30 P. M.

AFTERNOON SESSION

THE PRESIDENT: The Convention will be in order. The first item of business on the program for this afternoon's session is the Roll Call of States, for the purpose of hearing from the Vice-Presidents of the various States on business conditions in their respective States.

MR. E. D. DURHAM, of Onarga, Ill.: In view of the patience shown by the delegates in their attendance and the lateness of the hour of our assembling and the fact that the Executive Council has changed the time of its meeting from 8 o'clock this evening to immediately after adjournment of the convention to-day as many of its members wanted to take early evening trains, I move that the reports from the Vice-Presidents of the various States be forwarded to the Secretary's office and printed in the Minutes of the Convention, and that the Convention now proceed to its other business.

The motion was variously seconded.

THE PRESIDENT: Is there any discussion of the motion? If not, all in favor of the motion offered by Mr. Durham will say aye; opposed, no.

Carried.

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REPORTS OF VICE-PRESIDENTS FOR THE DIFFERENT STATES AND TERRITORIES

The following reports were received at the General Secretary's office:

ARIZONA

MR. A. G. SMITH, Globe:

Arizona, an empire in size, ranking sixth in the division of the States, covers an area of 113,000 square miles, with altitudes ranging from sea level to 13,000 feet. The average altitude of the northern portion is 5,000 feet while that of the southern portion is 2,500 feet above sea level.

The climate is unexcelled. You who think it so hot the greater portion of the year will be surprised when I say we know no sunstroke nor heat prostration. The lack of moisture in the atmosphere and the cool, invigorating nights in a large measure relieve the body of that depression that a more humid climate produces. The northern portion of Arizona is always cool and the warmest day in the year is as cool as any Adirondack camper could wish.

The assessed valuation of Arizona for the year 1909 is only $83,000,000, but that tells only half the story. The mining companies are assessed at from 5 to 10 per cent. of their market value, and, in numerous instances not that much; the railroads at from 20 to 30 per cent.; farm lands, merchandise and personal property of a like nature at about 35 to 40 per cent.

Arizona, "the world's greatest mineral depository," is no misnomer. Copper, gold, silver, lead, iron and coal are the principal mineral resources. Of copper, we are in the van of production and will continue to lead, as the mineral lands of the Territory yet undeveloped bespeak untold wealth which only awaits the strong-armed miner and the money of the capitalist to uncover. The production of copper in Arizona for 1908 was, in round numbers, 300,000,000 pounds, which is in advance of the output of either Montana or Michigan.

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Marble, onyx, granite, red, brown and blue sandstones, and other building materials, are found in abundance.

Cattle, sheep, and horses roam by the thousands on our wide ranges the year around, and the humanitarian can raise no voice in protest, as there is no suffering from the extreme cold of the North, and very, very little from lack of water.

The tiller of the soil, with his land watered by irrigation, is the most independent of all. He is not worried to-day by the fear of too *little* rain, nor to-morrow by the fear of too *much* moisture. He moistens his ground as his crop demands. His hay crop is alfalfa, which he cuts about five times a year, averaging 1½ to 1¾ tons to a cutting. For this he obtains an average of $7.50 per ton. His wheat, barley, corn, and potatoes, both Irish and sweet, are produced in like proportion. Apples, peaches, pears, apricots, raspberries, strawberries, and other northern fruits and vegetables grow in abundance and to a greater size than in the northern states. Our fruit growers have demonstrated that figs, dates, lemons, and fruits indigenous to more tropical regions grow in Arizona as well as in their native haunts. Are not our cantaloupes in as great a demand as the noted "Rocky Fords?" And I dare say that some of our Eastern fellow bankers do not hesitate to pay the fancy prices demanded for the Phoenix oranges. However, the farmer, the stockraiser, and the fruit grower do not need to send their products from home as the mining camps of Arizona are not only willing, but anxious, to take their offerings.

Years ago a story went the rounds with us to the effect that Arizona had more rivers and less water, more cows and less milk, and that one could see further and see less than at any other spot on the map. Many of you who have travelled from *East to West,* or from *West to East,* over the two main arteries of travel—the Southern Pacific and the Santa Fe railroads—will readily believe this to be the truth, but I assure you that you have seen none of her beauties.

Among the many natural attractions in the Territory is found the Grand Canyon of the Colorado, one of the greatest wonders in the world. Within the borders of Arizona is the largest arti-

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ficial reservoir ever constructed by man—the Roosevelt Dam, forming the Tonto Basin Reservoir, which, when completed, will impound 1,300,000 acre feet of water, or, in other words, water enough to cover 1,300,000 acres of land one foot deep. We also have the largest unbroken forest in the United States, covering about 4,000,000 acres. This is under the efficient management and care of Mr. Gifford Pinchot, of the Forestry Department, a man whom we in Arizona respect and delight to honor. This tract of timber will some day be thrown open for commercial use and will add immensely to the resources of the SOON-TO-BE *State* of Arizona.

As to the banks of Arizona a few figures will tell more than a great many words.

On June 23, 1909, there were 46 banks—33 being organized under the Territorial laws and 13 under the National laws.

The 33 Territorial banks have

Capital	$ 1,213,450.00
Surplus	561,886.92
Undivided Profits	399,084.91
Total	$ 2,174,421.83
Deposits	9,985,775.20
Bills Payable, Re-discounts and other Liabilities	137,650.06
Total	$12,297,847.09

The 13 National banks have

Capital	$ 930,000.00
Surplus	796,750.77
Undivided Profits	692,960.00
Total	$2,419,710.77
Deposits	6,963,735.33
Bills Payable, Re-discounts and other Liabilities	2,829.45
Total	$9,386,275.55

Total capital, surplus, and profits	$ 4,594,132.60
Total Deposits	16,949,510.53
Cash and Exchange	7,553,531.48

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For each dollar of capital we have only $3.69 in deposits; and for every $100.00 on deposit we have $44.00 in cash. These figures show ample protection for the depositor both from the standpoint of capital and cash resources. Estimating our population at 200,000 the per capita of money in the banks is but $84.75. For the meagerness of our deposits we make no apology, but we do complain that the large mining companies all over the Territory are not over generous with their deposits at present. They keep the bulk of their money in the Eastern cities, where they obtain a small interest on their daily balances. They do not seem to recognize the fact that the local banks where they are operating are the ones who are doing the work for them. We hope, however, that they will see the error of their ways in this matter and favor us with larger balances in the near future.

In conclusion I will say that Arizona is a borrower and not a lender of money. We need your assistance in the development of our resources, and on behalf of Arizona I invite you all to come and see our wonderful country. I thank you.

ARKANSAS

MR. H. L. REMMEL, Little Rock:

The general condition of Arkansas is one of prosperity; the farmers are prosperous; the merchants are prosperous; the manufacturers are prosperous; the coal-miners are fairly prosperous; the bankers are all making money. The banks in the State increased during the year from 376 to 382. We had three (3) small bank failures—caused by gross mismanagement. We have never had but four (4) national bank failures since the system was inaugurated; the net loss was but $88,000.00. The State banks are managed with equal ability with the national banks.

Our largest manufacturing industry is lumber; since 1907 it has been depressed. We have had no failures among our lumber manufacturers. The lumber business is picking up since the passage of the tariff bill. Democratic bankers and Republican

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bankers both petitioned Congress for the retention of the duty on lumber.

We are contributing our share to the coal output of the country. Our smokeless semi-anthracite coal is a strong competitor in the West with the anthracite coal of Pennsylvania.

Our zinc mines are increasing their output.

We are mining more bauxite than any State in the Union. Bauxite not 20 miles from Little Rock supplies the nation with much of its alum and most of its aluminium; these fields are worth millions of dollars.

Armour & Company control the rich mines of fuller's earth in Garland County.

Our phosphate mines are contributing their share toward fertilizing and recuperating the soil.

The Pike County diamond fields near Murfreesboro are attracting the world's attention. Over 700 of these gems of the first water have been picked up from the surface. Machinery is now being installed to successfully work these properties.

We are building our new State capitol out of Arkansas marble, and Uncle Sam is erecting the new penitentiary at Fort Leavenworth out of this same excellent material.

In 1908 Arkansas raised over a million bales of cotton, bringing to the State for its lint, oil and food over $75,000,000.00. The drought has cut the crop this year to about 800,000 bales, but the increased price will nearly equal in money value the crop of 1908.

Five (5) years ago raising rice was an experiment; this year we have over 12,000 acres, yielding over a million bushels and bringing $1.00 per bushel. The net profit on a rice farm of 160 acres averages $4,776.00 against a corn farm in Illinois of same acres showing a net profit of $1,792.00. We have thousands of square miles of this rice land to offer to the investor at ridiculously low prices.

In one of our recent years we raised 2,811,000 bushels of apples. King Edward sends his agents into our orchards to select the fruit to tickle his palate and those of his guests.

Five hundred thousand (500,000) bushels of Elberta peaches

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is not an unusual crop. From 8 acres of Elberta peaches a farmer near Harrison, Arkansas, received $3,500.00 at his shipping station.

We have more miles of navigable water-ways than any other State. President Roosevelt wisely set aside at the headwaters of these streams a forest reservation of two million (2,000,000) acres.

We still have 24,000,000 acres of virgin forest out of our 53,000 square miles of territory. We have over 12,000 square miles of the world's most fertile soil with a frontage of over 450 miles on the mighty Mississippi, which frontage we expect to see an inland seashore when the government digs a channel 14 feet deep from the Lakes to the Gulf and on the bosom of this great stream will be borne the mightiest commerce of modern times, and this great city and other cities along its course will pulsate with a new growth and power not heretofore dreamed of. President Taft with his great flotilla will soon pass down the river from St. Louis to New Orleans to attend the great Water-Ways Convention. Arkansas will send her delegation to that convention by boat from Little Rock. Arkansas people, Arkansas Senators and Arkansas Congressmen are ready to back the President in this mighty enterprise, to which he has already given his sanction.

CALIFORNIA

MR. JOSEPH D. RADFORD, Los Angeles:

From time immemorial California, by force of circumstances, has been compelled to be content with a place in the rank of States. The mark of financial activity was always towards the East, and our geographic position placed us as the rear guard of States. All this, however, was changed when on that May morning a few years ago, Dewey sailed into Manila harbor, just as the sun was beginning to rise, and succeeded within an hour in taking Manila. In that short hour that intervened the whole trend of affairs changed. Our possessions jumped half way

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around the world, and California that before that time had been in the rear guard took its place at the head of the procession.

There are those versed in statistics who predict that within the present generation you shall see a greater tonnage passing out through the Golden Gate to the Orient than now comes to our shores through the Narrows at New York.

One thing is sure and certain, that Dewey's victory in Manila has placed California in an entirely different position than that occupied heretofore. It will give us food for thought when you realize that in territorial extent California is larger than Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Delaware, and Ohio, all put together. Our present population is just about equal to the population of Chicago, about two and one-half millions. We have territory enough to sustain a population of at least ten millions, and if placed under intensive cultivation enough territory to accommodate twenty millions.

The government in working out its plan of reclamation has given due consideration to California. Several of the improvements planned cover the Sacramento Valley, portions of the San Joaquin Valley, and also portions of the famous Imperial Valley.

The present year shows a considerable increase in the citrus fruits sent to market. To the present writing we have shipped over thirty-six thousand carloads, and the probability is that the fruit still remaining will bring the total up to thirty-eight thousand.

In oil production, we have made an astonishing increase in the last few years. The total production of the United States for 1908 is given as 182,000,000 barrels; of this amount California produced over 48,000,000.

The proven territory is continually increasing and the production for the future promises to show a very gratifying increase. The growing consumption of oil as fuel, both in our own country and the Orient is creating a demand, which California is both willing and qualified to supply. The finding of this fuel at our very doors is having a marked effect in stimulating manufacturing within the borders of the State. This will increase

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from year to year, and in time should be an important factor in the development of California.

This report would be insufficient did it not contain some information about the chief city of the State, San Francisco. You will recall how that about three years ago a fire swept over the very heart of the city, burning over a territory in round numbers, four miles square, covering 472 city blocks. Within this territory was located all of the business center of the great city of over half a million population. The work that has been accomplished in the rebuilding will be counted one of the marvels of the twentieth century. In ten years from the date of their calamity, San Francisco will be a great deal better city than before their misfortune. At the present time the bulk of the business center has been rebuilt, with a very fine grade of business blocks. The construction is altogether of steel and concrete. It is hard to realize that this is the same territory over which a fire ran in 1906. The people of San Francisco are to be congratulated on their abiding faith in their city, and the future will demonstrate that this faith on their part has by no means been misplaced. It is now, and always will be the chief city on our Western coast.

In this connection it may not be out of place to call attention to the city of Los Angeles, which has had a wonderful growth in the last twenty-five years. It is now a city of nearly 350,000 inhabitants, but with enterprise and energy beyond what could be expected of a community of its size, Los Angeles has undertaken to go to Owen's River for a water supply, 280 miles away, and the work of building an aqueduct to bring this water to the city is now well under way. This means the expenditure of over twenty-five millions of dollars, and necessitates the overcoming of what would seem insurmountable obstacles, and yet the work goes steadily on, and the next three or four years will see the project completed, supplying the city and the adjacent territory with an abundance of good water. Just as evidence of the enterprise of this portion of the State, within the last month Los Angeles, although located fully twenty miles from the seashore, has annexed the cities of Wilmington and San Pedro, and as these two

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places are located the first on the inner harbor, and the second on the outer harbor, the annexation gives to Los Angeles the added facility of being a seaport town, although the bulk of the city is built twenty miles from the ocean. Los Angeles, and in fact all Southern California are pledged to the maintenance of a free harbor at this point.

Our needs are those that are common to every State in the Union. It is for more money to develop our resources. It is for men and for muscle to bring under cultivation our broad acres and to develop our dormant resources.

The commercial conditions throughout the State are satisfactory. As prosperity returns to the balance of our country, so it will return to us. Providence has been good to us, provided us with abundant crops. The price on most of our products is good, so as to turn to the laborer a fair remuneration for his work.

COLORADO

MR. EDWARD S. IRISH, Denver:

Mr. President and Members of the Association:

So much has already been written about the great State of Colorado and its wonderful and varied resources that but little of interest can be added.

Our large annual production of the precious metals, gold and silver, is well known.

We have also large areas of coal as yet undeveloped. One section alone contains some 1,200 square miles, or nearly 800,000 acres, more than 25,000 acres of which is anthracite. Government engineers estimate that it contains about 40,000,000,000 tons, a supply sufficient to last two hundred years.

All this is within easy distance of Colorado's capital city and is reached by one of our new railroads, soon to open up one of the richest sections of the State.

It is thought by many that Colorado is a mining country only, but such is far from being the truth. We expect from our farms

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to make Colorado the greatest State in the Union. There is no more productive soil to be found anywhere. All that is needed is water. When that can be brought to the soil there are few fruits, both large and small, that cannot be raised, or crops that cannot be grown in abundance. Our fruits are eagerly sought and find an ever ready market throughout the East. Thousands of acres of land are being brought under cultivation by the various irrigation projects, some of which are completed and others well under way. The great Gunnison tunnel (a stupendous and marvelous exhibition of engineering skill) six miles in length, will be opened this month by President Taft. It will bring water from the Western to the Eastern slope and will place under cultivation 150,000 acres of land hitherto practically useless to the settler.

What may be accomplished through irrigation is illustrated by the record of one county alone, which last year marketed nearly $4,000,000 in various products. The indications are that this year it will show a further increase in production.

Large areas are devoted to the growing of beets used in the manufacture of sugar. More than $1,000,000 has been spent this year by one company in the purchase of land for this industry. Colorado leads all other States in the manufacture of sugar. There are some fifteen factories in active operation during the season. These plants represent an investment of upwards of $16,000,000. The outlook for the coming season was never better and the output in this commodity alone promises to be very large. Colorado is in a very prosperous condition and its people in consequence happy and contented.

Our population is steadily increasing, our growth healthy and stable. Our banking and commercial interests are keeping pace with the growth of the State, and both are in a most satisfactory condition. Our people, progressive, energetic and optimistic, have every confidence in the future of the great State with which they have cast their lot.

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CONNECTICUT

MR. CHARLES E. HOYT, South Norwalk:

In the absence of the Vice-President (Mr. G. B. Bryan, of Waterbury), I am pleased to report that Connecticut, while one of the smallest States in the Union, with an area of only 4,845 square miles and a population of 908,000, has, by the past achievements of its citizens, demonstrated that the "best things are not always done up in large packages."

One hundred and fifteen banks and trust companies, with capital and surplus of $45,000,000, and deposits of $86,000,000, and eighty-eight savings banks, with deposits of $252,000,000, are catering to the needs of the people of the State. The total assets of the Connecticut banks amount to about $420,000,000. This is one of the best indications of the thrift and prosperity of our citizens, as the deposits of these banks represent only deposits of the people, we having no reserve cities to make it possible for our banks to secure bank deposits from other States. Our banking institutions are sound; we have had no failures during the year, and very few new banking institutions have been organized, the banking needs being well looked after by the present banks. The people have been able to secure all the accommodation needed for the development of their business interests. Our manufacturies are again running on full time, and report a big year's business in sight. Our farmers are happy, for, in addition to their regular crops, they have been harvesting a very profitable crop of summer boarders; they would be glad to welcome you to Connecticut, and convince you that the product of the Connecticut farm, cooked by a New England housewife, is all that is necessary to complete your happiness.

FLORIDA

MR. G. E. LEWIS, Tallahassee:

It is my privilege and pleasure to say a word in behalf of Florida, my native State. To those who have seen and enjoyed

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her glorious winter sunshine and the marvelous beauty of her fruits and flowers it is not necessary to bid you come again, but to those to whom this winter paradise is unknown we extend a hearty welcome.

GEORGIA

MR. RUFUS H. BROWN, Augusta:

Mr. President:

In the limited time allotted me in which to render a report covering conditions as they now exist in the Empire State of the South, it will be impossible to even partially cover the ground and do justice to the subject.

Georgia, as you already know, is preeminently an agricultural State, but while that is true, please do not imagine that she is lagging behind the procession in the matter of manufacturing industries.

On January 1, 1909 there were in Georgia one hundred and fifty-four cotton mills, representing an invested capital of about fifty million dollars. These mills consumed during the fiscal year closing September 1, 1909, 556,119 bales of cotton, that being 26¼ per cent. of the 2,118,000 bales produced in the State, and approximately one twenty-fifth of the entire cotton crop (13,825,000 bales), of this country.

The products of our Georgia mills include not only the coarser grades of cotton cloths but many notably fine weaves.

They are equipped with the best and most improved machinery and have every economical device calculated to bring the cost of production down to a minimum.

Water power is to be had in such abundance that in some sections of the State, notably Augusta, it is being sold at the remarkably low rate of $5.50 per horse-power. What, with an abundance of raw material at the very doors of our mills, and other favorable conditions already referred to, is it any surprise, Mr. President, that the cotton mills of the South have wrested the palm from the hands of the North and East and are now consuming more cotton than are the mills of those sections.

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As previously stated, Georgia is essentially an agricultural State—and may I be permitted to say—Divinely intended so to be. Of the nine climatic belts defined by the Agricultural Department of our national government, Georgia has eight, which means that well-nigh every product known to the agricultural world can be successfully grown in her soil.

Within the past several years there has been established in each of Georgia's eleven Congressional Districts, an Agricultural Normal School, modeled largely after the agricultural schools of Denmark. These schools are fast pushing Georgia to the front in the matter of agricultural education.

It has been estimated that probably 33 1/3 per cent. of the increase in our farm products is due to improved agricultural implements and methods, together with a better understanding of the kind of fertilizer adapted to the different kinds of soil. Our farmers are beginning to regard agriculture as a profession and are making a study of it just as lawyers and doctors study their profession.

While land values in Georgia are steadily increasing there are still thousands of acres uncultivated but susceptible of the highest cultivation, which can be bought at prices ranging from $8.00 to $20.00 per acre.

Georgia farmers generally, own their farms and are loath to encumber them, and should the price of cotton remain as high as twelve cents for another year or two, practically all mortgages against this class of property will be wiped out.

Our municipalities are exceedingly conservative in issuing bonds—and such securities, when offered for sale, almost invariably command a substantial premium.

Modern improvements are fast making rural life more attractive and with the advent of automobiles, better public highways, and ten hundred other helpful devices, it is confidently expected that the charm of city life will gradually become less alluring to the "Man behind the plow."

The banking interests of our State continue most prosperous, and I am happy to report that thus far our legislators have not afflicted us with the "Guarantee of Deposits" law. We have

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one hundred National and four hundred and sixty-eight State banks with a capitalization of $28,487,000, and deposits aggregating $77,000,000.

ILLINOIS

MR. E. D. DURHAM, Onarga, delegated by W. E. Stone, of Peoria, Vice-President:

Illinois is the "grub hub" of the greatest and most prosperous nation of the earth.

It would seem a work of supererogation, in this imperial city, in the presence of one thousand prosperous Illinois bankers attending this greatest convention of the American Bankers' Association as delegates, in the presence of the magnificent entertainment provided for us by the bankers of this our pride, the city of Chicago, to say "all is well in Illinois."

While Illinois stands third in population, second in value of manufactured articles and well towards the top in mining interests, it is as a food producer that she is most valued by her sister States.

On this all important line "all is well in Illinois." We have harvested a crop of oats 50 per cent. more in quantity, 50 per cent. better in quality and of 50 per cent. greater money value than the good crop of 1908. And what shall we say of the splendid corn crop maturing on the myriad acres of our great and fertile State. Let this suffice, it is one of the best in quality and greatest in quantity we have ever produced.

It is well with the farmer and his friend and ally—the down State banker. There is no misunderstanding between them, they have developed and made the country together, are prosperous partners in a very successful venture.

It may be, as has been stated here by the Hon. James J. Hill, that the lands of the Northwest and farther East are losing their fertility, not so in Illinois; without artificial fertilization or irrigation, by the application of more intelligent methods, we are raising larger and better crops than at any previous time in our history.

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Our railroads are prosperous and busy, already having trouble to furnish cars for the products of factory and mine; are busy preparing more equipment for the immediate future, when in addition, they will have to move the crops. All this vast business is being easily taken care of by our banks, and if it were advisable to do so, could be handled by them without outside help. Recent combinations have made Chicago easily the head of banking interests in the great Middle West.

The great banks of this city are not only taking the best of care of all the manifold interests, myriad manufactories, the greatest grain trade and live stock business on earth, all of which center here and extending their helpful influences into the farthest corners of this and adjoining States, but in addition are wildly clamoring for a large share of the Chinese loan. All is well in Illinois.

INDIANA

Mr. C. E. Bond, Fort Wayne:

To the President and Members of the American Bankers' Association, Gentlemen:

As Vice-President for Indiana it affords me pleasure to address you in behalf of our State and the great interests that it represents.

From its geographical standpoint Indiana has much to be thankful for, added to which is its equitable climate and productive soil.

Indiana has for years been a great agricultural State, but in more recent years manufacturing has come to play an important part in its affairs. We are having the most bountiful corn crop in the history of the State, added to which all crops are in a flourishing condition. We have a great many manufacturing interests represented and Indiana was a pioneer in the production of automobiles. This year has seen a number of new plants added to this industry, and this, as well as the various other manufacturing establishments show a healthy condition in all branches.

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We have all the latest improvements in the way of rural free delivery, telephones in most farm homes, and an interurban service extending all over the State that is not surpassed by any State in the Union. All this brings the farm in close touch with the city and town.

The schools cannot be surpassed in fine buildings and good teachers. A large majority of our farm houses have all the conveniences of a city residence, without some of the city's drawbacks, in fact farm life in Indiana to-day is most attractive. There is little reason why the farm should be deserted for life in the city.

Banks in Indiana, generally speaking, are in a prosperous condition, with increasing deposits and a good demand for money at fair rates of interest. I believe I am safe in saying that in most every line of work Indiana is on a par with its neighbors, and this is saying a great deal, as Indiana and the neighboring States occupy a very enviable position as the Middle Western States. Twenty per cent. of our population of eighty million or more being well within this territory.

IOWA

MR. ALBERT F. BALCH, Marshalltown:

Mr. President and Members of the American Bankers' Association:

Representing the Hawkeye Commonwealth, I have the honor to extend to the Association the greetings of the people and banks of Iowa, and am pleased to report continued and increasing prosperity as reflected by the increase in numbers and resources of our banks. There have been no failures.

The demand for money has been active and healthy. According to latest official reports, the number of banks has increased to over sixteen hundred, of which, nearly fourteen hundred are members of our active State Association.

The State Auditor's summary of State and savings banks and trust companies at the close of business August 10, 1909 shows

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an increase in deposits of $7,000,000 since the last call, May 18, 1909. The National banks will make an equally good showing.

Bankers in large money centers hardly appreciate the work accomplished by smaller banks; especially is this true in Iowa where smaller banks pay better dividends on capital invested, do a safer business than do the larger ones, and with less responsibility. They are many and widely distributed so that the remotest resident is located not many miles from a substantial bank. Usually the capital stock being widely owned by *local citizens,* makes the banks strong in the confidence of the people. Outside of a few politicians and agitators, there is no call for postal savings banks.

Iowa's 1908 crops were worth $396,076,616.00. Of this enormous amount of wealth taken from Iowa's soil, corn leads them all. The value of the 1908 crop broke all past records. The aggregate worth of Iowa's corn in 1908 being over $200,000,000.00. *Good land,* increased intelligence, care in selecting seed and improved methods of cultivation are important factors in making this good showing.

Other interesting figures in regard to Iowa's output for the last year according to statistics are:

The value of the coal yield was	$24,900,000
Live Stock	308,000,000
Dairy Products	25,000,000
Stone, Gypsum, lead, etc	60,700,000
Manufacturing	324,800,000
Brick and Cement	65,415,000
Crops, mentioned above	396,076,616
	$1,204,891,616

It is a well-established fact that Iowa is one of the best markets, among many other things, for farm machinery and vehicles, owning one-twelfth of those sold in the United States.

What an opening for new manufactories, with food and living supplies so abundant and cheap, and market for the goods so near at hand! Inside the State limits there are 9,827 miles of railroad and many new traction lines projected, making transportation facilities unexcelled. Iowa is so covered with railroads that only one spot can be found that is twelve miles from a line.

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Bond issues and real estate mortgages are conservatively figured, interest and principal always being promptly paid. School systems, colleges and universities are well established and up-to-date.

Irrigation problems do not worry us. If all the irrigation projects the government has under way, or surveyed, or thought about, which are estimated may be finished in the year 1911, were put together, they would aggregate less than 2,000,000 acres, or about the same as six counties in Iowa, so it is stated.

Rural free mail delivery, better roads, new methods of heating and lighting, the automobile, electric traction lines and many other things are making homes in the country more attractive and are tending to decrease the movement to populous centers.

The State Auditor's report for 1908 showed the estimated true value of the taxable wealth of grand old Iowa to be over four billion of dollars, in fact $4,048,516,076.00. All this in fifty years, think of it! What may we not expect that the next fifty will bring forth?

I thank you.

LOUISIANA

MR. N. E. NORTH, Lake Charles:

Mr. President and Gentlemen of the Convention:

Many bankers may not feel any personal interest in investments other than the security for loans made, but most every banker has clients who are interested in learning about good investments which are not in their immediate territory, therefore, the banker may be of additional assistance to his clients, provided he has had his ears and eyes open to receive information regarding other States as well as that of his own.

Louisiana has this year been blessed with abundant crops, with the exception of cotton, and for the first time in her history the sugar planters have produced enough corn for their own use and had a large quantity to sell.

Diversifying crops is becoming a general practice, which gives more stability and safety to our financial affairs.

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Quite a number of bond issues have been floated during the past few months, covering pine lands, public utilities and other industries, all of which have found a ready market in the leading financial centers.

Louisiana has the greatest sulphur mine in the world and produces enough high grade sulphur to supply the demand of the United States and a part of Europe.

Louisiana leads all States in the production of sugar and rice and is second in the production of lumber.

Louisiana's natural gas and oil fields are only in their infancy, yet are among the most prolific producers; we believe good oil territory is plentiful and offers excellent opportunities for further investigation and development.

Louisiana has large tracts of hardwood lands as yet untouched.

Louisiana has thousands of acres of undeveloped agricultural lands second to none, offering splendid opportunities for profitable truck farming.

Our seasons are several weeks earlier than almost any other part of the United States; we also have the advantage of being within twenty-four hours' time of several large cities, which gives us a ready market for all we can produce.

Rice is grown entirely by irrigation and at the present time a very extensive and expensive irrigating canal is being built by Pennsylvania capitalists which will add a large acreage to our rice lands.

Tourists passing through our State along the coast of the Gulf of Mexico, thereby becoming "thoroughly informed" from a car window, have reported the State as being swampy and unhealthful, which is incorrect and has done the State a great injustice.

Twenty years ago I left my native State, Michigan, and went to Lake Charles, Louisiana, where I have since resided. I have found the climate healthful and pleasant all the year round. Our winter climate is said to be as mild and pleasant as that of any part of the United States.

Louisiana offers a hearty welcome to all new comers who make good citizens; her hospitality is genuine and generous, which

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can be attested to by thousands of Northern and Western people who have gone there and found a home, happiness and prosperity.

MARYLAND

MR. WALDO NEWCOMER, Baltimore:

I am glad to have the opportunity to respond to the roll call on behalf of the State of Maryland.

Our State has valuable resources of widely varying character. In our Western counties you will find valuable coal fields, and passing Eastward to Washington, Frederick and Carroll counties you will pass through farming lands comparing favorably with the beautiful counties of Pennsylvania, and then comes Baltimore, the "Queen of the Chesapeake."

You doubtless know of Baltimore as the home of the oyster, the terrapin and the canvas-back duck, but you may not know of her manufacturing industries and are probably ignorant of the fact that a large part of the output of her clothing, shirt and overall factories is sent to New York, marked with a New York label and sold to the consumer, New York securing the advertising while Baltimore does the work.

The chief hardship under which our banks are laboring at present is a most iniquitous taxation law, by which our banks are taxed at the full State and city rate on the full value of the capital stock arrived at by averaging the book value with the market price, and in the case of the particular bank which I have the honor to represent this tax amounted last year to 14 per cent. of our entire gross receipts. This matter is now in the hands of an energetic committee and I have strong hopes that the next legislature will be big enough and broad enough to correct the abuse.

During our stay in your beautiful city we have been overwhelmed by your hospitality and deeply impressed with the wonderful signs of progress and energy shown on every hand. Our own city is of the older, conservative type, but our citizens have been at last awakened from their lethargy and are making

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progress in many lines. As in the case of Chicago, the awakening of our civic pride and the stimulus to our energies came from a disastrous fire and our people have responded to the call and broadened under the strain of adversity. Remember, however, that Baltimore has had but five years since her conflagration and is still scarcely more than a child, whereas Chicago has had more than thirty years in which to grow to man's estate. We are growing, however, and hope our bankers are learning something from the object lessons before us in your city and that in the near future we shall have the pleasure of seeing all of you gentlemen, either in your individual capacities or in convention assembled, in our city to see our progress and partake of our hospitality.

MASSACHUSETTS

MR. F. W. RUGG, Boston:

The situation in Massachusetts can be briefly stated well within the five minutes of time allotted.

In common with other sections of our country we have experienced a "waiting period," a time when our manufacturers and business people generally have hesitated to embark in new enterprises, or enlarge those in which they were already engaged; a time when the product of our mills and factories was restricted almost entirely to the immediate demand.

Within the past few months, however, a change seems making for better conditions, and much capital is being employed in the erection of new mills for the manufacture of cotton and woolen goods, and many owners of older plants are at work bringing them up to a higher state of efficiency. The shoe manufacturers and others of our leading industries, report that the demand for the fall and winter output is much in excess of the past two years.

Our banks, always strong and conservative, were never in better position than at the present time. More new accounts have been opened in our savings banks during the past year, than for any similar period. This would indicate that the disturbance

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of 1907 was not without its compensations and that the spirit of thrift has taken a new hold of the small depositor.

And so through all the varied business interests in our commonwealth, every one seems awake and preparing for the new era of prosperity which all are confident lies just ahead.

But whatever the situation, be the day fair or cloudy, the conditions satisfactory or otherwise, the Old Bay State will be found where she always has stood, in the front rank for progress and the uplift of mankind.

MINNESOTA

MR. F. A. CHAMBERLAIN, Minneapolis:

In Minnesota we are optimists, and with good reason. The farm is our main reliance, and nature has been prodigal in supplying us with bountiful harvests—based on the September Government Crop Report, the total amount of grain produced in Minnesota this year figured at prices prevailing at Minneapolis on September 10, and making proper reductions for freight charges, was worth at the farm something over $125,000,000—nearly 1/3 more than the total value of gold produced last year in the United States, including Alaska. The manufacture and distribution of lumber and timber products, one of our main industries, is on a profitable basis, as is also that of flour in which we hold the foremost position.

A largely increased tonnage of iron ore will be taken from our mines. Gary, that wonderful giant in iron manufacture, would hardly be possible in its present location were it not for our immense deposits of iron ore, which is mined and brought to the furnace at a cost so low as to insure our supremacy over other nations in steel production.

We will soon have at Duluth a great steel plant. Many hundred acres of ground have been acquired, and it will not be long till the head of the lake will be a decided factor in steel production.

It will be of interest to know that Minnesota has a great and

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constantly increasing school fund from royalties received from ore on land belonging to the State.

Our State Bankers' Association is taking a lively interest in educational facilities for our agricultural communities, especially in the line of scientific instruction in the conservation of the fertility of the soil, and the best methods of planting and cultivation. The success that is sure to follow it is hoped will restrain the prevailing tendency on the part of the young men and women of the farm to come to the cities.

One-half of our State is unimproved, and the greater part is suitable for agricultural purposes. Much of this land in the Northern part of the State is covered with a dense growth of woods of the kind used in the manufacture of paper. Paper making is one of our leading industries, as we have the raw material and water power in abundance, and—

There is now building at International Falls one of the largest plants in this country for the manufacture of paper. The plant is surrounded by a supply of raw material which it will take many years to exhaust. The land from which the wood is taken is in large part, fertile and capable of sustaining a great population.

In banking, the outlook is favorable, and deposits are increasing rapidly. Our laws governing State banks are modelled after the National Banking Act. Ample provision is now made for examination of all our State financial institutions, that department having recently been strengthened by the appointment of a chief with eight assistants. We have as you know, in Minneapolis and St. Paul, a system of clearing house examinations second to none in the country.

And we believe in the years to come, the banks of Minnesota will *not only* be a great factor in the development of our resources, but also take an important part in the development of higher ideals, and a better citizenship.

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MISSOURI

MR. J. G. SCHNEIDER, St. Joseph:

Missouri is the only State in the Union where every bank in the State is a member of the State Bankers' Association.

Missouri is the center of the bread basket of the country, and is, therefore, less affected by adverse financial conditions than other parts of the country. People must eat, no matter what financial conditions are.

Missouri banks are as usual in healthy condition. Her record during the panic of 1907 is not surpassed anywhere. Not a single bank failure of any consequence involving loss to depositors is something that no other State of Missouri's size or population can boast of.

Forty-one Missouri banks joined the National Association during the last year.

Missouri has more cities that have Clearing House Examiners than any other State in the Union.

MONTANA

MR. ANDREW J. DAVIS, Butte:

I beg to report exceedingly satisfactory conditions in all lines of business in Montana. The extension of new railroads in the State have opened up large tracts of land and many new towns have been established and a large number of new banks incorporated.

During the present year Montana is experiencing its greatest immigration. In some sections dry farming has proven a success, and, as we have experienced an abundance of rain during the year, crops throughout the State are very large and satisfactory. The live stock interests are in excellent condition and flourishing. Immense amounts of water power are being developed to supply power to mining properties, smelters, factories

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and electric railroads, besides furnishing light to cities and towns. The large mining and smelting operations of the State continue to grow and are very prosperous.

NEW JERSEY

MR. DE WITT VAN BUSKIRK, Bayonne:

The banks and banking institutions of New Jersey have prospered during the past year.

There has been an increase in the number of banks during that period, as follows:

	1908	1909	Increase
National	173	184	11
State	18	21	3
Trust Companies	75	79	4
Savings Banks	26	26	

The strength of the various institutions for 1909 as shown by their capital, surplus and undivided profits is as follows:

National Banks	$48,001,786
State Banks	3,414,110
Trust Companies	41,381,676
Total	$92,797,576

The increase in deposits for the year ending July 1, 1909 over 1908 has averaged about 10 per cent.

Total deposits in the several classes of institutions are as follows:

National Banks	$225,365,804	an increase of	$15,277,638	= 7%	approx.
State Banks	19,254,257	" "	1,684,732	= 9%	"
Trust Companies	205,922,586	" "	28,175,744	= 14%	"
Savings Banks	104,559,640	" "	4,154,191	= 4.5%	"
Total	$555,102,288				

New Jersey is pre-eminently a manufacturing and commercial

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State. With the great city and harbor of New York on its easterly border and the State of Pennsylvania with its tremendous anthracite coal fields on its westerly border, with large deposits of clay used in the manufacture of pottery, its glass industries from South Jersey, and its iron and zinc mines in North Jersey, it has a diversity of interests which are tremendously affected by financial panic, but which recuperate quickly with the progress and prosperity of the country.

The large manufacturing industries, as well as the large railroad corporations and their allied interests, are the biggest employers of labor, and while there was a large falling off of activity during and for some time after the panic, they have now gotten back to about normal, and the wages paid are as a rule fair.

Labor is apparently contented and quite well employed on a scale comparing favorably with the conditions before the panic of 1907.

The railroads traversing our State including those with great terminals on New York harbor, are prospering. They are prosecuting with vigor the construction work commenced or in contemplation prior to the panic.

The prosperity of the farmer and the large crops of the West and Southwest insure prosperity and increased commercial activity to us of the Atlantic seaboard.

There has been no legislation important to or affecting the banking interests of our State during the past year. The propaganda of guarantee of bank deposits has no foothold here. Thorough but fair State examination and control by a well administered banking department which the State of New Jersey has is considered the best safeguard against the evils which the guaranty plan is intended to remedy.

I append hereto a comparative table for the years 1808 and 1809 showing the growth of the financial institutions of this State.

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TABLE SHOWING BY COMPARATIVE STATEMENT THE CHANGES IN FINANCIAL CONDITION OF BANKING INSTITUTIONS OF NEW JERSEY, APPROXIMATELY AS OF JULY 1, 1908, AND JULY 1, 1909

	National Banks		State Banks	
	1908	1909	1908	1909
Number of institutions	173	184	18	21
Capital paid in	$19,887,000.00	$20,554,500.00	$1,543,750.00	$1,748,750.00
Surplus	18,227,900.00	19,013,647.66	1,035,000.00	1,085,000.00
Undivided Profits	7,602,757.87	8,433,538.91	426,374.30	580,360.03
Individual Deposits	133,247,548.52	144,362,285.20	14,002,404.38	14,986,408.49
Loans and Discounts	104,176,833.85	110,722,143.15	8,892,364.37	9,480,649.68
Total Resources	210,088,166.22	225,365,804.46	17,569,524.94	19,254,257.03

	Trust Companies		Savings Banks	
	1908	1909	1908	1909
Number of institutions	75	79	26	26
Capital paid in	15,195,700.00	15,725,000.00	750,000.00	750,000.00
Surplus	16,246,851.98	17,877,302.86	6,699,421.52	7,335,802.89
Undivided Profits	5,760,406.15	7,779,373.92	.....	.....
Individual Deposits	132,258,529.85	155,280,369.42	92,631,487.45	96,252,808.87
Total Resources	177,746,841.38	205,922,586.07	100,405,448.93	104,559,640.68

GRAND TOTAL BANKING RESOURCES OF THE STATE

	1908	1909	Increase 1909 over 1908
National Banks	$210,088,166.22	$225,365,804.46	$15,277,638.24
State Banks	17,569,524.94	19,254,257.03	1,684,732.09
Trust Companies	177,746,841.38	205,922,586.07	28,175,744.69
Savings Banks	100,405,448.93	104,559,640.68	4,154,191.75
Totals	$505,809,981.47	$555,102,288.24	$49,292,306.77

BUILDING LOAN ASSOCIATIONS

Aggregate number of members of local associations in October, 1908, were 156,306; an increase over previous year of nearly 8 per cent.

Gross assets, $73,518,234; an increase over the previous year of $5,715,827: or over 8 per cent.

The net worth of these building loans, in other words, the available investment of stockholders in them, which represented their savings, of $68,381,152. This represented an increase of $5,872,685 during the previous years.

This certainly is a remarkable showing for a State of the size of New Jersey.

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NORTH CAROLINA

MR. W. H. WHITE, Salisbury:

Mr. President nad Fellow Members of the American Bankers' Association:

The honor falls to me to represent my State as Vice-President for North Carolina and to say something for the section I represent.

Our bankers are awake and active. They take a lively interest in banking affairs as evidenced by the large attendance at our State meetings. It has been suggested that these responses resolve themselves into a symposium on banking. It is a beautiful idea and one fraught with as many suggestions as States and Territories responding. Every locality has its own unique suggestions. Some one thing that effects it personally.

Since Governor Swanson delivered his able address in 1907 at Atlantic City and the consequences that followed I have been a little careful what I say when I go away from home in praise of the Southern portion of our great country.

I will describe the conditions in North Carolina, as follows: Old Dr. Brantly Yorke, when he wrote his grammar in the early seventies, construed the use of the prepositions, "at" and "in," as follows: Preposition "at" is used before small towns and villages. "In" before large towns and cities. For example, he lives at High Point. They live in Chicago. North Carolina is no longer in the "at" stage, but in the "in" stage, for we see returning signs of prosperity and broadening out on every hand.

Our farming population is prosperous and contented. They are the monied class in my particular section, but they need to be educated to put their money in the banks, and it is the duty of every banker to put this educational idea in motion.

Gentlemen, this educational idea is a large question. It confronts the city banker and the country banker daily. This educational idea is the one I wish to bring forward. It is the vital question. I find the best way is to appeal to their pride and endeavor to get the younger members of the family interested,

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but in your zeal for business do not carry the educational idea too far. Remember never to fall below that high moral plane that is the safeguard of all banking whose tendrils are embedded in the "Golden Rule."

I might mention the cotton interests, the tobacco interest, the furniture interest, in conjunction with the development of the water powers of the State, which will materially aid these industries and lend an impetus to other classes of industries, all of which the bankers will be called upon to finance, but time will not permit to discuss in detail.

I have listened with interest to all the addresses. My State has been particularly honored by the able address of Dr. Kilgo on topics of vital interest. He has set forth the advantages in forceful and convincing words.

It is the history of all nations to have some fixed god to worship. The Lares and Penates. Among the Romans no temple was more sacred than the Temple of Vesta. The sacred fires were kept burning by the vestal virgins, typical of their admiration. So let us erect an altar on our return home and kindle the fires in remembrance of these various ideas that have been suggested by bankers from Maine on the East, to the snow bound crests of Alaska, and even keep these suggestions before us for our advancement and guidance and the welfare of the banking interests of the hamlet in which we reside.

OHIO

MR. S. D. FITTON, Hamilton:

Ohio reports progress, contentment, and happiness.

OKLAHOMA

MR. L. A. WILSON, El Reno:

In the absence of the Vice-President for Oklahoma (Mr. H. L. Jarboe, Jr., of Chickasha), I have been selected by our delegation to report on behalf of our State.

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The banks of Oklahoma present their greetings to this convention through over fifty representative bankers here present, and we submit that this is a most excellent showing for the newest of the States and located at such a distance.

With your permission I want to devote the very short time allotted to me, in removing if possible, any wrong impression or misconception there may be in the minds of any of you as to the conditions that prevail among the banks or bankers of Oklahoma because of our much advertised Guaranty Law.

I know that many outside bankers, especially in the North and East, have the idea that because of the Guaranty Law in Oklahoma, our National and State bankers are all by the ears down there, that our State organization is split up, and in the language of the day, that we are "up in the air" and don't know when or where we are going to light. Let me say to you, gentlemen, that if any of you have any idea of that kind, you were never more mistaken in your lives, and I am going to convince you of that if I can.

When the Guaranty Law was first enacted and put in force in our State, we, of course, differed radically in our opinions of it, and we still do, so far as that is concerned. Naturally, we indulged in a great deal of argument pro and con, on the subject, heated arguments in many cases no doubt. At one time it looked as though our State organization, the Oklahoma Bankers' Association, might be affected by the split on this subject. But then the bankers of Oklahoma came to realize that any academic discussion or fomented argument over that law arising from our personal differences of opinions in regard to it, would not get us anywhere, and would do much harm to our Association and to our banking interests in Oklahoma if continued; that the Guaranty Law was on the statute books of Oklahoma to stay for the present, or at least until there should be a judicial determination of its constitutionality, and that as an economic question, it would, like every other, have to work out its own destiny and prove or disprove its ultimate worth. We realized that independent of the Guaranty Law, the banks and bankers of Oklahoma have so many interests in common; so many paramount

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interests that are mutual and identical, that it would be very unwise for us to allow our differences of opinion on the Guaranty Law to prejudice or affect those common and mutual interests, and that the only sensible thing for us to do was to go ahead and tend to our own business, each in the way that seemed to him best, whether under the National or State system, and that is exactly what we are doing. And to-day, gentlemen, I doubt whether there are many Bankers' Associations in any States, more harmonious and enthusiastic, than the Oklahoma Bankers' Association, of which I have the honor to be President. Our bankers down there proved themselves big enough and broad enough to look beyond our differences over the Guaranty Law, and to continue to stand and co-operate together for the furtherance and protection of all those banking interests of our State that are common to both State and National banks, and I claim that this attitude and spirit on the part of the bankers of Oklahoma reflects much credit on our State, after being the first to wrestle with a new and novel law on which we so radically differ.

We have a delegation up here of nearly sixty National and State bankers from Oklahoma; many who are strong supporters of the Guaranty Law and many who are equally opposed to it. With us are our State Bank Commissioner, Hon. A. M. Young, and National Bank Examiner, Hon. F. W. Bryant, and I give you my word, I have not heard the Guaranty Law discussed once on this entire trip, except by people from some other State.

In order to make myself perfectly clear, and that I may not be misunderstood or misconstrued, I will say that in our State, and in our Association, I am classed as a National banker, although I am interested and an officer in a number of State banks, but I am not making this report as either one. Whatever I may have said or may say in this report, I am saying as President of the Oklahoma Bankers' Association, and I am entirely willing that it shall be recorded as an official utterance.

I suppose that some people think that the Guaranty Law is the only law we have in the statutes of Oklahoma, but I want to say to you that independent of the Guaranty feature, we have one

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of the very best banking laws in the entire United States. We have important features in our State banking law that in my judgment should be incorporated in the banking laws of every State in the Union. Oklahoma has always had a good banking law, long before she became a State, but she has a much better one now than ever before. In addition to that, we have a splendid Bank Commissioner, one who is able and courageous, and who is enforcing the law and administering his office in a way of which we are all proud. Regardless of our position on the Guaranty Law, the bankers of Oklahoma, National as well as State, are back of our Commissioner to a man, in his rigid and thorough enforcement of our State banking law. We are also back of him in the stand he has taken in refusing charters to new banks where no excuse or reason exists for additional banks.

As to the National banks of Oklahoma, they are proud to stand on their splendid record of the past nineteen years, during the unparalleled building and growth of a great State from a wild prairie.

I do not wish to occupy more than my allottment of time, but I do want to correct, if possible, a wrong impression that I know does exist in the minds of many outside bankers, although I think this is confined nearly altogether to those who have never been in Oklahoma, as to our banking and business conditions down there. I hope I have succeeded in doing this, but if I have failed, I can only say—come out to Oklahoma and we will convince you in a very short time that what I have said is true.

And so on behalf of the banks and bankers of Oklahoma, both National and State, and of over fifty representative bankers here with me, I wish to extend to this convention, Oklahoma's greetings. And I wish to assure you that banking and business conditions in Oklahoma are better now than ever before, and that we are growing steadily ahead and working out our destiny as a splendid young commonwealth, with perfect confidence in the present and the highest hopes for the future.

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SOUTH CAROLINA

MR. J. P. MATTHEWS, Columbia:

Mr. President and Members of the American Bankers' Association:

As the Vice-President for South Carolina it falls to my lot to make the report for one of the smallest but one of the most progressive States in the Union. I venture the assertion without fear of successful challenge that no State in the Union is at this time making more rapid or material progress upon all lines of endeavor, nor is there a State in which the people are facing the future more hopefully or confidently.

South Carolina has for several years ranked second in the textile manufacturing industry of the country with her 179 mills and $105,000,000 capital invested in them. During the past year she has materially reduced the lead of Massachusetts, the ranking State. The mill operators have made a marked advance in the condition of the industry in the past fifteen months. Heretofore nearly all of our mills have been making practically nothing save the coarse export goods; in the period indicated the owners, owing to the bad condition of the foreign markets and the unstable prospects, have been rapidly installing new machinery and to-day only 15 mills in the State are making export goods, having turned to the finer product for the domestic markets. And these 15 mills are not making for export more than from one-third to one-half of their product. It is particularly noteworthy that in July of this year the mills of South Carolina declared uniformly semi-annual dividends averaging from 3 to 5 per cent., and one mill declared a semi-annual dividend of 22 per cent. In the spring of this year a factory inspection law, with a proper and stringent child labor law which was not objected to by the manufacturers, went into effect, and by September 1 the number of working children in the mills under 14 years of age had been decreased by 3,600, leaving at that date only 596 children under 12 years working in the mills under widowed mother and totally disabled father exemptions.

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Small manufacturing industries are starting up in all parts of the State, and many of the mines and quarries are beginning to receive attention. Only within the past month has a half million dollar corporation been formed for the development of several of our gold mines.

Agriculture has received greater impetus in the past three years than during any preceding decade since the war between the sections. Those in charge of the agricultural development in the State are working in season and out of season to bring about a rejuvenation of this industry, and to bring it to its fullest development. In the period indicated the United States Farm Demonstration Work with its intelligent methods has been introduced, and to-day every county save eight is under this work, nearly forty experts, working in full co-operation with the State department, being in the field and going from farm to farm. This year over 2,000 farms are being thus scientifically conducted, each being an object lesson, and the yields per acre are being more than quadrupled.

The United States Bureau of Plant Industry through the office of Farm Management is doing similar work, keeping a State Agent located at the capitol in the State Commissioner's office. One result alone suffices to show what this has meant so far: In the past two years the value of the South Carolina corn crop has been increased from $17,500,000 to $29,225,000. The banks, of course, share in the increased value of farm products and the prosperity that follows, and land values have been more than doubled throughout the State.

Municipal bonds and farm mortgages are not only conservatively issued, but they are sound and substantial investments. The improvements and advances in agriculture, increasing the profits of the farm, have had a marked effect on stopping the movement of farmers and farmers' sons from the country to the cities, and the rural mail delivery, and rural telephone and many other conveniences of modern agriculture are daily improving the status of the farm home, and the happiness and content of the farm family. We have no irrigation projects under way for it is not irrigation that we need. We are seeking and are earn-

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estly interested in forest preservation, from the viewpoint of the protection of the forests, the saving of our valuable water powers, the preservation of water depths in our navigable streams, and the saving of agricultural lands from losses by freshets. And we are most deeply concerned in the problem of drainage of lowlands in the coastal plain, which is in effect and in principle the same thing as irrigation; the one being the furnishing of water where there is no water, and the other the taking off of water where there is too much water. Our interest in this problem was so great that we recently sent a delegation of twenty-five representative men the whole way across the continent to the National Irrigation Congress at Spokane, with the result that there now appears a demand for drainage of South Atlantic coastal lands in the declaration of principles and demands of the Congress.

To sum up the situation, all conditions in South Carolina point to a prosperous future in the Palmetto State, and we men who live there feel that no section of this or any other country offers more for a home to man.

In view of all these facts it is hardly necessary to say anything of the banking situation in South Carolina. The prosperity of the State presents the opportunities and our people are not slow to grasp them. The number of banks increases rapidly, and almost without exception they are remarkably successful. The deposits of our banks have increased over five millions during the last year, and our re-discounts indicate that we have borrowed a million or more less than we did last year. In fact the prospects for the future of our banks was never so bright.

SOUTH DAKOTA

MR. R. H. DRISCOLL, Lead:

The State of South Dakota has been very prosperous; crops have been abundant; the mineral production has been the largest; likewise the live stock receipts, and increased business in all lines has been the rule with increased earnings. There have been no bank failures in our State.

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TEXAS

MR. W. H. FUQUA, Amarillo:

Deeply sensible of the high honor of standing in this splendid presence to speak for the Empire State of the Southwest, I should do the feelings of my confrères from Texas and the sentiments of my own heart an injustice if I should fail to pause in the beginning of my remarks to express the great sorrow of all our people over the sad bereavement that has called me to this honor. We have looked forward to this moment with the fond anticipation of seeing here the strong, beaming face, and hear from this place at this time the vibrant and forceful voice of our chosen representative, William H. Rivers, former President of the Texas Bankers' Association, Vice-President for Texas of this body; our friend and brother. But alas! only a few days ago, on August 25, 1909, death, loving a shining mark, paused at the door of our distinguished brother, and he has gone to square his last great account.

Starting life as a farmer boy, venturing into the business world without friends, money, or other adventitious circumstances, Colonel Rivers advanced by dint of energy and toil; by the force of a luminous initiative and an unswerving integrity that won for him the instant confidence of all who knew him, he advanced through a long succession of useful and busy years to increasing wealth and honors. He thus became the living embodiment and illustration of the great sentiment uttered by Emerson, I think, that "America means opportunity." The tribute we pay him is not in idle words—in our hearts we honor him, and in our lives we shall endeavor to emulate his virtues. Peace to his ashes.

I have been asked to speak of the agriculture and live stock and minerals of our State. We have 168,000,000 acres of land in Texas. There is cultivated 30,000,000 acres of this, less than one-fifth or about 17 per cent., leaving 138,000,000 acres susceptible of cultivation with the exception of a small per cent. under water and mountainous.

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The average Texas farm contains 357 acres, your Illinois farms 124. There is produced on the Texas farm $681, or $2.00 per acre; on the Illinois farm, there is produced thirteen hundred odd dollars, or $12.00 per acre, which shows that the output of Texas farms can be greatly enhanced.

At present we are dependent for a population upon the stork and the immigration agent. There are four births in Texas every minute, yet we have not enough people, and will not have unless they come from the North and the East to cultivate our rich productive soil.

We have only 13,000 miles of railroad in Texas. We have territory and possibilities that would warrant and richly justify 50,000 miles.

This is proof that Texas will have to have some outside assistance in developing its farms, as 50 acres is more than one man can successfully handle.

We raise more cotton, more cattle, and more mules than any other State in the Union, and more horses, save Illinois, and possibly Iowa. Our horses and cattle are not so valuable as yours. Our horses are worth $71 per head, yours $109; our cattle worth $14, yours $28.

There are thirteen bales of cotton raised to a thousand population of the world. In Texas last year, we raised one thousand bales to each thousand population, or one bale per capita. We raise one-third of the cotton of the United States, one-fifth of the cotton of the world, yet we must wire Liverpool when we want to know the price of a bale of cotton.

We need manufactures. We produce the raw material for factories to the extent of a half billion dollars annually. It will take a billion dollars, say, to start factories to manufacture the raw material of Texas, but it will be a great investment. The factories with proper facilities for taking care of our cotton alone at home will be a great saving. Our farmer gets fifty dollars for a bale of cotton. It takes ten dollars to deliver it at Liverpool. It is then worth a hundred. It takes fifty dollars at the port of entry to return the finished product, which makes the bale of cotton worth one hundred and fifty dollars, or in other

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words we pay one hundred and fifty dollars for what we sell for fifty.

If we are to become influential in commerce, we must have our own manufactures. Producing alone, does not make a country influential.

As to our mineral resources, we possess some of the rich mines of the world. We have enough minerals now in sight that it will take 16,300 years to work them at our present rate.

Gentlemen of the North and East, we need three things, namely: first, your perfect confidence, then your people, and your money. Give us the first and we will get the other two.

VERMONT

MR. EDMUND C. MOWER, Burlington, for Mr. Bradley B. Smalley, Vice-President:

Since the last meeting of this Association the bankers of Vermont have organized a State Bankers' Association. The meeting for organization was held last Winter and the Association was launched with a substantial membership. We were greatly indebted to Secretary Fred. E. Farnsworth, of the National Association, for his attendance at the preliminary meeting and his many practical suggestions relative to the details of organization. The initial meeting of the Association was held in August and proved a most enjoyable and profitable occasion, the address being delivered by W. O. Jones, of New York, on "The Ideal Country Banker." The new Association gives promise of substantial benefit to the banking interests of the State in the way of enlisting effective co-operation along mutually helpful lines.

One of the first matters to engage the attention of the Association is a revision of the banking laws of the State. The last legislature authorized the Governor to appoint a commission to investigate our present banking laws and make recommendations to the next legislature. Thus far no commission has been named, but it is hoped that action may yet be taken in time to get the matter before the General Assembly which sits next year.

Our banks are handicapped by many provisions of the existing

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laws, some of which were enacted years ago when conditions were radically different from those governing banking at the present time, especially in the matter of investments. There seems to be a concensus of opinion that our banking institutions are unreasonably hampered in this respect, too much emphasis being placed upon specific restrictive provisions, and too little reliance upon mandatory directoral control and intelligent State supervision.

We believe that the Comptroller of the Currency is correct in the contention, as stated in his admirable address before this Association, that the best guaranty of bank deposits is afforded by wise laws efficiently administered, and real supervision and control on the part of boards of directors. We hope to secure a thorough revision and codification of the whole body of our banking laws, to the end that they may be more adequate to the needs of modern banking as demonstrated by the practical experience of other States.

Our savings bank deposits show a gratifying increase, thereby indicating general prosperity on the part of the people. Our trust companies are not as yet doing the fiduciary business which they ought to do, owing to the fact that the advantages of corporate administration are not generally understood; but they are gradually getting into the field heretofore pre-empted by individuals and will soon demonstrate their superior facilities for handling this class of business.

No changes of importance were made in our banking laws at the last session of the legislature except in relation to the rate of interest which savings banks are permitted to pay. An accumulated surplus of 5 per cent. of the total deposits of a savings institution entitles it to pay 4 per cent. interest; but no institution is allowed to receive from any one depositor, with certain exceptions, an interest-bearing deposit in excess of $2,000, which shall be exempt from taxation. A large number of our savings institutions are paying the highest rate of interest allowed by law, but with the gradually falling rates of interest on safe investments it is doubtful how long they can continue to do so and preserve a safe surplus.

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We congratulate ourselves that through the organization of our State Association we are entitled to full official representation in the National body. We hope henceforth to have a more active participation in the work of this Association, a work the value of which cannot be overestimated in promoting the prosperity and increasing the public utility of the vast banking interests of the country.

VIRGINIA

MR. P. M. POLLARD, Petersburg:

Mr. President and Gentlemen of the American Bankers' Association:

To respond to the call of Virginia before so representative a body, is the most pleasing duty, and the greatest honor that could befall a Virginian.

I am reminded that fulsome praise of ones native State by ruling of our Executive Council is forbidden, and I will not digress by detailing its glorious climate and its many advantages.

Virginia is the home of the toothsome peanut, shipped broadcast throughout these United States; in 1909 Virginia has shipped out of a total valuation of the crop in all sections of ($11,000,000) eleven millions dollars—over ($7,000,000) seven millions dollars of Spanish and Virginia peanuts—delighting millions of people, and I venture to say did they but know 'twas largely a Virginia product, the boundary lines of the old commonwealth would necessarily have to be enlarged to accommodate the influx of immigrants to her hospitable soil.

Virginia has slate mines, gold mines, export tobacco factories, trunk and bag factories, in fact in the city of Petersburg you will find the largest trunk factory and the largest export tobacco factory in the world.

Virginia's resources and her manufacturing industries are too numerous to detail in a five minutes' address.

To the city has been the slogan for the younger generation of our rural friends for many years, but the advent of the interurban car, the quick transit from country to city, has eliminated in a very large measure, the tendency to forsake the farm.

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This modern innovation and the rapid progress made in good roads has added so largely to the attractive features of rural life that I predict in a short space of time desertions will become a thing of the past, and the tide will turn if it has not already, and city people will seek the quiet and simple life of the country.

Tobacco is also a favored product of Virginia. In 1908, 5,016,000 pounds of tobacco valued at $3,612,000 was raised and marketed in that State, the bulk of which was manufactured and shipped to foreign ports; her many export factories attest her reputation in foreign lands.

Another and by no means least of Virginia products is that staple article *corn*, and quoting from the reports of the Secretary of Agriculture within ten (10) years the production of corn has increased 18.3 per cent. per acre in Virginia. In 1908 Virginia's acreage was 1,925,000, producing 50,050,000 bushels, valued at $35,536,000.

Virginia's bonds and the bonds of her municipalities stand high in the markets of all important cities for prompt payment of interest and principal at maturity, and there are few if any cities in the commonwealth but are conservatively managed, and the legality and value of whose bonds are beyond criticism,

The methods of Virginia has not changed concerning the issue of mortgages on both city and country property, and in every instance a careful examination of title to property is required before deed or deed of trust will be accepted.

Recent improvement in farming implements and machinery have unquestionably been largely instrumental in giving to Virginia and all other States in the Union the bountiful crops they have enjoyed in recent years. No State in the Union is making more rapid strides in her banking interest; just one year ago the aggregate capital and surplus of her banks was $41,355,000 and her deposits $120,514,000. To-day the aggregate capital and surplus is $42,033,270 and her deposits are $125,854,260, an increase in capital and surplus of over ($1,000,000) one million dollars, and in deposits of over ($5,000,000) five million dollars.

Gentlemen of the American Bankers' Association, Virginia sends you greetings and best wishes for a successful convention.

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WASHINGTON

MR. VICTOR A. ROEDER, Bellingham:

Mr. President and Gentlemen of the Convention:

The State of Washington, the most Northwesterly State in the Union, points with pardonable pride to her superior, legitimate, opportunities for investments in the development of raw lands, water powers, minerals and fishing on a large scale.

We owe the city of Seattle great credit for their successful management of the Alaska-Yukon-Pacific Fair, as a financial proposition. One visiting the Fair and our State could not help being convinced that Washington will from now on grow with more rapid strides than ever in the past. We have the Alaska territory, also the Orient for a market. This of itself gives to our farmers large bank accounts, and substantial banks are being organized in every county. Our agricultural products are the best of any State in the Union. Our lumber industry is greater than that of any other two States combined. Our banking institutions are flourishing and full of money, which our bankers are loaning out at very reasonable rates.

WEST VIRGINIA

MR. H. W. CHADDUCK, Grafton:

Confining myself to the subjects laid down for discussion, farming in West Virginia is hard work, and while the condition of our farmers has greatly improved in the past few years by reason of the money received by them from the sale of their coal and from royalties and rentals from their oil and gas, I cannot say that the return tide has set in from the city to the farm. In other words, our farmers have not gotten into the automobile class as yet.

Fruit raising is fast coming to the front as one of the principal industries of our State and it is said that the apple crop in West Virginia each year sells for more than the annual output

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of coal. As we rank second in the United States in the production of coal this value placed upon our apple crop means something. Improved methods in the fruit industry are coming into more general use each year and the flavor of our apples and peaches is not surpassed, or even equalled, by any grown in the United States.

Conditions in the coal and lumber trades are greatly improved. The production of coal for September having surpassed all previous records.

The total amount of bonds which may be issued by any municipality or school district in our State is limited by law to a very safe amount and our bonds find a ready sale, at good prices, in outside cities. All that is necessary to insure safety in connection with the investment in any West Virginia issue is to see that they are bought through some reputable house which has investigated the legality of same. Most of our municipal and school bonds are held outside the State for the reason that the rate of interest paid by our banks on deposits precludes their investing in bonds returning a small rate of interest.

Banking conditions are very favorable, the banks, as a rule, in good condition, deposits and the demand for money increasing, and altogether the outlook in our line of business is very rosy in West Virginia.

WISCONSIN

MR. E. C. ZIMMERMAN, Wausau:

As Vice-President of the American Bankers' Association from the State of Wisconsin, it gives me pleasure to report that the Wisconsin membership in the American Bankers' Association has now reached a number in excess of 300 and that the interests in this Association throughout our State is becoming more and more extended.

Banking conditions in Wisconsin are in a most satisfactory condition and our State banking law is recognized as one of the very best adopted by any State. The efficiency of both the law and its examinations being shown by the fact that not a dollar

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has been lost to a depositor in any Wisconsin State bank during the past five years.

Wisconsin is fortunate in that its financial interests are safeguarded through diversified industries, both farming and manufacturing, and the growth of several of these industries has been so rapid as to attract favorable attention throughout the industrial world. The remarkable growth of manufactures is to be attributed to the abundant supply of materials and excellent market facilities. Manufacturing is not confined to a few localities, but is distributed throughout the State. Six large rivers with many smaller streams, and about two thousand fresh water lakes, in the Northern part of the State, afford enormous water power, as yet only partially developed.

Our farming sections not only produce the raw material for the manufacturer of that manufactured product, which has made Milwaukee famous, but the dairy interests of our State are such as place us in the very forefront of the butter and cheese producers of the country. In addition to producing the raw material for these products, our fertile soils produce an abundant supply of leaf tobacco from which "Pure Havana Cigars" are manufactured and distributed throughout the country. Wisconsin potatoes find their way to all sections where that vegetable is consumed and even the Southern sections of our country look to Wisconsin for seed potatoes, from which best results are secured. Our forests abound in sufficient timber supply for many years, notwithstanding the erroneous reports that the timber resources of Wisconsin are practically exhausted.

Our Wisconsin Bankers' Association desires to work hand in hand with this Association and that we may better serve our members, our State Association at its last convention established permanent headquarters with a salaried Secretary in charge, who will devote his entire time to the advancement of the interests of our members through that Association.

We are also pleased to report that Wisconsin has sent to this meeting a delegation as numerous as that sent by any other State outside of Illinois.

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ISLE OF PINES

MR. T. J. KEENAN, Nueva Gerona:

After reading the picturesque variety of reports submitted at the Denver convention, I can readily understand why our Executive Committee seeks to direct the flow of Vice-Presidential eloquence into statistical channels. But there are shadings to every rule. A hell-hound of the opposition once said of the party to which I belong that its future was behind it. Reversing this libel, it may be said of the Isle of Pines that its statistics are ahead of it. Four or five years from now we hope to produce some figures that will make even Los Angeles green with envy, but on the present occasion I must ask the indulgence of the Executive Committee if I occupy with generalities a portion of my allotted five minutes.

When Americans began to settle on the Isle of Pines after the Spanish War, the principal industries of the place were cock fighting and digging for pirate treasure. Finding the treasure gone and the cock fighting unprofitable Yankee thrift asserted itself. The spade which had been used to unearth Spanish doubloons and pieces of eight was re-employed to restore other though more prosaic treasures to the ground, or rather it was succeeded by the up-to-date plow. To-day the Isle of Pines can show as thrifty a lot of plantations as any newly-developed country has produced in an equal period of time. The well-nigh forgotten lumber industry has been revived and systematized. Cattle raising has been stimulated by the introduction of new grasses and better stock, and the great marble quarries that once served to adorn the palaces of Havana and other cities are about to be reopened. Acres of citrus fruits are planted daily and almost every steamer brings scores of new settlers from the North. Land values in good locations have risen from $2.50 to $150 an acre, and the end is not yet. All of this you will say should sound good to those who are on the ground with an established banking institution. Very true, but there are drawbacks which the American banker may find it hard to appreciate. While in-

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terest rates are high, standard security is hard to obtain. Deposits fluctuate with the seasons and the isolated position of the bank makes it necessary to carry an unprecedented reserve.

There are other conditions that are absolutely unique. Delegates from Nome and Oklahoma could doubtless tell you an interesting story of how they supplied a crying financial need in a pioneer community, but it must be remembered that they had a constituency ready to their hand; a constituency with whom banking was already a habit. This, of course, applies equally to the American population of the Isle of Pines, but it did not at first include any of the native element beyond a few leading merchants in the towns. It is a curious fact that while the Isle of Pines is the oldest in point of discovery of any of the localities represented in this convention, it is the very last to which banking facilities have been extended. My enterprising friends from Kansas City who went to Havana years ago and built up a great financial institution would have been regarded as confidence men if they had undertaken at the time to extend their operations to the Isle of Pines. Centuries of habit and tradition had taught the natives of the Island to keep their savings in their own possession and out of sight. It is a custom peculiar to primitive communities and it had a logical beginning in this instance in the days when the pirates dominated the Caribbean Sea and the Spanish Main and preyed upon all who came within their reach. There is, however, one man above all others to whom this conservatism is due. The name of J. P. Morgan is dear to the banking fraternity of the United States, but he is not the only Morgan who has been engaged in large financial enterprises on this side of the Atlantic. More than two centuries ago Sir Henry Morgan made his headquarters for a time on the Isle of Pines. This Morgan accepted deposits just like his modern namesake, but his methods for securing them differed in some details. It is said, for instance, that a razor-edged cutlass and a 90-caliber pistol were among the arguments that he used to maintain his balances.

There is no record of a run on his bank; on the contrary his depositors usually ran in the opposite direction—when they sur-

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vived. He tolerated no checking accounts; no time accounts either, for that matter; they were all for eternity. The banks in which Mr. Morgan kept his funds were usually sand banks, or other handy places of concealment, and it is these depositories that the natives of the Isle of Pines have been locating at intervals for the past two hundred years. Sir Henry Morgan and his fellow financiers have been in Davy Jones's locker for a couple of centuries, but the habit of secret hoarding which their depredations induced still lingers in the secluded portions of the Caribbean. The hardest task that confronted the promoters of the first bank on the Isle of Pines was to persuade the natives that money not actually in their physical possession still belonged to them. A gold-brick artist tackling the farmer who has been there before has it easy compared to the pioneer solicitors for the bank. Few of the Pineros had ever seen a bank book, and they could not have been induced to accept a check in lieu of cash though it bore the signatures of Baron Rothschild and John D. Rockefeller. Gradually, however, the natives are learning from the Americans the uses of a bank. By slow degrees their hoardings are being taken from chinks in the wall and holes under the floor and placed, usually in cautious installments, in the custody of the Banco Americano; a custom founded on tradition and heredity is being overcome, and it takes time.

The political uncertainty which still clouds the future of the Isle of Pines has ceased to be a serious handicap to its development; 95 per cent. of the Island is now in American hands and natives themselves have shaken off the sloth which prevailed under the repressive rule of Spain, and are following the imported car of progress with an enthusiasm akin to that which draws the small boy after the circus band. The erstwhile Cinderella of the Caribbean, divested of the shabby rags of a penal colony, no longer regards with envy her favored sisters Cuba, Jamaica and Porto Rico. Her shapely foot is, to be sure, still extended for the princely suitor who is to try the missing slipper on, but that suitor must wear not the mantilla of the Spanish Don; not the scarlet uniform that is Britain's pride, but the striped trousers and the star spangled vest of your Uncle Samuel.

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But her fairy romance is strictly up to date; while her lover, perplexed by constitutional arguments, lingers by the way, she wastes no time in useless reproaches or idle tears; she devotes her attention strictly to her domestic affairs. She has even ceased to make faces at her Cuban stepmother and is assisting the latter in the housework. Meanwhile the temporary exiles from the Great Republic have made a peaceful conquest greater in importance even than the political conquest which they hope will follow. The situation is aptly described in the following lines:

"No, I don't believe in conquest," said the Yank.
So he bought a dozen acres,
Set them out in red termaters,
And now he owns the country. "Who?—The Yank."

PHILIPPINES

MR. JAMES B. PEAT, U. S. Government Service; Guest at Convention:

I cannot do better than characterize this occasion as an opportunity for the Orient. The Philippines and the Filipinos have had in years past an abundance of legislation, a superabundance of agitation, a fair chance for an education, but everywhere and always a decided and sad lack of capitalization, and in reporting to this Association to-day regarding some of the phases and features of the commercial and industrial development of the Philippines and the prospects for the future, I do it with the high hope, which may not be ill-founded, that some interest may be aroused and some form of activity suggested in a quarter where heretofore such interest has not been manifested nor much activity displayed.

There is considerable information abroad in the United States concerning the Philippines and the Filipinos. Every well informed citizen knows something of the outpouring of good American blood, of the expenditures of money, of the eight million inhabitants and the moral and material progress of the last ten years. Not everyone, however, apprehends the tremendous

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significance of the presence of the United States as a world power in the Orient just at this time. There are those, even in the Philippines, who know little of the great religious and moral progress that has been made and of the wonderful prospects and possibilities for good that exist just at this juncture. On a line drawn from Yokohama to Singapore, the Occident and the Orient meet face to face. By force of arms, America was projected into the calcium light of the great Eastern stage where the momentous events of the twentieth century are to transpire. On that stage the culmination of all contrasts may be seen. There the old order is passing; Japan, aided and abetted by Great Britain and others, has done wondrous things; the old dragon of China is awakening; India, too, is stirring. This is the day of the renaissance of the Orient and the regeneration of the Oriental. The social, industrial, educational, and moral conditions of the East are reforming. In just what manner this reformation will eventuate constitutes the Eastern problem of to-day. There is no doubt that the key note of the spirit of the Far East is independence. This is a common denominator for all the Asiatic nations. The United States has a record for honesty and fair play in the East to set over against the greed of Russia, the ambition of Japan, the resentment of China, and the avarice of the various European nations. This record will bear fruit in the days that are to come. The Philippines are ours to have and to hold, and in entering the contest for the commercial supremacy of the Pacific from that point, we move along the line of least resistance to enter the "open door."

Turning then to a consideration of our duty and opportunity, what do we find? A land rich in all natural tropical resources, such as virgin forests, fruits, minerals, fibers of various kinds, agricultural products, sugar, tobacco, cocoanuts, and rice, and all this abundance set in the midst of the teeming millions of the East, comprising one-fifth of the world's land surface and at least one-third of its population. In this nearness to the great markets of Asia lies the strategic and economic strength of our position. There, American manufactures and food supplies have been extensively advertised and further sales can be made more

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easily. Hundreds of millions of dollars in goods of all sorts are purchased by this large Asiatic population every year, of which Europe supplies practically 70 per cent., while the portion supplied by the United States is very small.

The financial institutions occupying the Philippine field are the International, Hong Kong, and chartered banks. These institutions have branches all along the coast of Asia and practically control the exchanges. I can conceive of no better opportunity for a capitalist than to establish a chain of branch banks in the various seaports on that coast. Such an institution would require modern methods, thorough organization, and a sufficiency of capital. An analysis of the financial operations of the Philippine branches of the above-named institutions shows:

Deposits	$8,500,000	Loans and Discounts	$4,000,000
Cash	4,000,000	Overdrafts	5,500,000
		Stocks and Bonds	50,000

This item of overdrafts is one of the prominent characteristics of Oriental banking. A large tobacco firm will run along year after year with an overdraft of half a million. The larger part of the business of these institutions is foreign exchange, because the variations in the price of silver and the many and varied kinds of currency afford a good opportunity for this particular class of business.

In the Philippines we have several economic features which are not characteristic of the mother country, namely: branch banks; asset currency; postal savings banks; export tax.

The branch banks, the asset currency, and the export tax were all inherited from the Spanish regime. The postal savings bank is in operation all over the Islands, paying 2½ per cent. on deposits aggregating at this time $500,000. This money is all redeposited with the various banking institutions and they pay 3½ per cent. for the same. Commercial rates vary from 8 to 12 per cent. on all kinds of commercial bills. Investments in realty are prohibited. The asset currency was a monopoly of the Spanish bank and was preserved to that institution by the Treaty of Paris. It amounts to-day to three-quarters of a million of dollars, and they are able to keep it all in circulation.

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The Treasury issues almost all the currency. The amount in circulation at present is about 44,000,000 pesos, divided practically evenly between paper and silver. The unit of value is an uncoined gold peso and is divided into 100 centavos. The paper currency must be represented by coin in the Treasury, and the denominations range from two to five hundred pesos. The elimination of fluctuations in the value of the silver currency in the Philippines is one of the signal triumphs of American finance in the Orient. Spanish and Mexican silver to the amount of 31,000,000 pesos has been called in and recoined at the mint at San Francisco. In the first American coinage the peso contained 416 grains, 900 fine. When silver rose so steadily in 1904-6, the peso finally reached a premium of 11 per cent., and special legislation was necessary to prevent the export of these coins. This finally necessitated a recoinage and the peso was reduced to 800 fine, and the subsidiary coins proportionately. The Treasurer of Albay, speaking before the Congressional Committee of 1905, said: "We want a bank, the volume of our currency in circulation being too contracted to transact the ordinary business of the province and 5 or 10 per cent. a month, frequently paid, being too suggestive of usury. This bank should have a warehouse, for the storage of hemp on which money might be advanced." There is a splendid field for future operation for any banker who would care to handle such business. The average Filipino is desperately poor and proverbially improvident, hence we find in any enterprise they undertake obsolete methods, no management properly so-called, and all probable or possible earnings mortgaged in advance and supporting enormous interest charges. Nearly all the native capitalists, and there are many of them, invest in non-industrial undertakings, such as landed enterprises, mortgages, tenements, and precious stones, principally diamonds and pearls. Money invested in Philippine farms is usually advanced by the Chinese, who exact enormous rates of interest, frequently 5 or 10 per cent. a month, so that the worse the management of the farm the greater the rate of interest, when the farmer falls behind in his payments and gradually the latter is reduced to a position of practical

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peonage. We have said that native capital is proverbially timid and will do nothing to develop the country. This hesitancy is partly or rather altogether an inheritance from the Spanish days, when anyone who showed that he really had means became immediately a marked man. Hence, like the one-talent man in the parable, they frequently bury their money in the ground, as their nipa shacks are very insecure and liable to be destroyed by fire. Thus, the government is forced to be paternalistic and take the lead and recently the Agricultural Bank was established with a capital of 1,000,000 pesos, on which an income of 4 per cent. is guaranteed by the Insular authorities. This is the only ample or adequate attempt that has been made to alleviate the sad situation of the Philippine farmer. This bank follows the usual lines, loans only on crops and realty and should prove a boon to the poor Filipino. But as banks are utilitarian institutions rather than humanitarian, you wish to know what dividends are paid by the banks now occupying the field. The Hong Kong and Chartered banks, for a series of years, have paid anywhere from 15 to 30 per cent.; the Spanish-Filipino usually somewhat less, while you are familiar with the earnings of the International. The Manilla Building and Loan Association, operating along the usual lines, charges a uniform rate of 10 per cent. for its loans and pays 20 per cent. on a comparatively small capitalization.

The solution of the social and political questions in the Philippines depends largely upon the material welfare and well-being of the population. The observations of responsible natives, resident Americans, and intelligent, well-informed travelers, agree in the opinion, that commercial and industrial prosperity will eliminate practically all the profitless wordy warfare about independence. The people will be busy, their standard of living raised, native capital now hidden in the ground will be brought forth, and the Filipino will demand and be able to pay for increasingly larger quantities of American manufactures, while they produce and send to our shores those tropical staples of which we stand in need. Then, if they receive their independence, we shall find that we occupy a vantage ground in the

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forefront of Oriental development, retaining at the same time the eternal friendship and fellowship of our "little brown brother."

THE PRESIDENT: Next on the program is Practical Banking Questions—open to all delegates under the Five Minute Rule, time to be extended by unanimous consent. Is any one prepared with any question for discussion under this head? If not, it will be passed.

Is there anything under the head of Unfinished Business, Mr. Secretary?

SECRETARY FARNSWORTH: I do not know of anything, Mr. President.

THE PRESIDENT: The next order of business is Resolutions.

MR. F. O. WATTS, of Nashville, Tenn.: Mr. President and Members of the American Bankers' Association: As Chairman of the Executive Council I am instructed to report such amendments to the Constitution as have been proposed and such resolutions as have been presented in a constitutional manner. The first is an amendment to the Constitution proposed by Mr. John H. Johnson, President of the Peninsular Savings Bank, Detroit, Michigan, which reads as follows:

"Amend the Constitution, as printed in the annual proceedings of 1908, by inserting the word 'General' before the word 'Secretary' in each of the following places:

In line 15 of subdivision A of Section 3 of Article 3;
In line 18 of subdivision A of Section 3 of Article 3;
In the last line of subdivision B of Section 3 of Article 3;
In line 4 of Section 4 of Article 3;
In line 8 of Section 4 of Article 3;
In line 14 of Section 4 of Article 3;
In line 4 of Section 7 of Article 3;
In line 6 of Section 7 of Article 3;
In line 2 of Section 9 of Article 3;
In line 1 of Section 11 of Article 3;
In line 3 of Section 12 of Article 3;
In line 1 of Section 14 of Article 3, after the word "The";
In line 2 of Section 2 of Article 4;
In line 2 of Section 4 of Article 4;

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In line 4 of Section 4 of Article 4;
In line 10 of Section 1 of Article 5;
In line 3 of Section 1 of Article 7;
In line 3 of Section 1 of Article 8;
In line 3 of Section 1 of Article 10;
In line 4 of Section 1 of Article 10.

"These amendments are suggested with a view to drawing a distinction between the Secretary of the Association and the Secretaries of the Sections, in preference to the plan proposed of the title of Assistant Secretaries for the Sections. If the title of 'General Secretary' for the Association is adopted, the Secretaries of the Sections would then retain their present titles."

I move that the changes in the Constitution, as proposed by Mr. Johnson, be adopted.

The motion was seconded.

THE PRESIDENT: Are there any remarks? If not, all in favor of the motion signify it by saying aye; opposed, no.

Motion carried.

MR. WATTS: A resolution was offered by Mr. John Schutte, President of the Manitowoc Savings Bank of Manitowoc, Wisconsin, reading as follows:

"WHEREAS, bank failures are the only causes of bank runs and financial panics, resulting in immense losses to all interests, besides nerve-racking the entire population, and,

WHEREAS, the government has recognized this evil and proposes to remedy it, by the establishment of over 40,000 Postal Savings Banks, that will guarantee deposits, and if established will draw more deposits from banks than any other measure could possibly do, even if limited as now proposed, but which, we may confidently expect, it will from time to time be extended, and,

WHEREAS, ninety per cent. of bank failures originate from losses sustained on unfortunate loans, which would not occur if such loans could be insured, and,

WHEREAS, it is most important to safeguard all banks, thereby minimizing bank failures, especially if the government should establish guaranteed banks, or deposits are guaranteed by legislative enactment or by insurance companies, under all of these conditions the insuring of bank assets will be an unquestionable safeguard, therefore,

Resolved, That the Committee on Credits, or a special committee to be

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appointed by the president, are hereby requested to do all in their power to encourage the organization of insurance companies for the insuring of commercial notes or to induce or encourage existing casualty insurance companies to add this as as a special line of insurance, and they are hereby authorized to expend any reasonable amount out of the treasury of the American Bankers' Association for this purpose."

I move that this resolution be referred to the Savings Bank Section.

The motion was seconded and carried.

MR. WATTS: The next resolution is one offered by Mr. Henry C. Swords, President of the Fulton Trust Company, of New York, reading as follows:

"*Resolved*, That a committee be appointed to study the rates of interest paid on deposits in the various parts of the United States, said committee to report at the next annual meeting of the American Bankers' Association."

There was some question in the minds of the Executive Council as to the advisability or non-advisability of appointing such a committee—as to whether there was any necessity for it at this time—and not desiring to take the resolution out of consideration, the Council decided to present it to you without any recommendation.

MR. T. W. SLACK, of Ft. Worth, Texas: Mr. President, I move that it be tabled.

The motion was seconded.

THE PRESIDENT: Are there any remarks?

MR. E. D. DURHAM, of Onarga, Ill.: I am glad this resolution is going on the table, and I would suggest in case it ever be taken from the table, that the same committee be instructed to consider par points. (Laughter.)

THE PRESIDENT: All in favor of the motion to lay it on the table will signify it by saying aye; opposed, no.

Motion carried.

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MR. WATTS: The next is a resolution offered by Mr. William Ingle, Vice-President and Cashier of the Merchants' National Bank, Baltimore, Md., which reads as follows:

"WHEREAS, a number of corporations doing business as Surety Companies have, as the result possibly of an agreement among themselves, advised their banking clients that the charge heretofore made by such Surety Companies in underwriting depositary bonds, is to be increased 100 per cent., and,

WHEREAS, such additional charge is onerous, especially when uniformly made in situations of widely differing character, therefore be it

Resolved, That the Executive Council of the Association name a committee of ——— from the membership of the Association to consider the subject matter of this resolution and by negotiation with the Surety Companies, or otherwise, endeavor to secure such reasonable abatement of the present charge made when underwriting depositary bonds as shall relieve solvent banks from an undue burden and at the same time permit such reasonable profit to the surety companies as the value of their service rendered should suggest."

The Executive Council presents this resolution, giving it their unanimous approval. Therefore, carrying out the instructions of the Executive Council, I move its adoption.

The motion was seconded.

THE PRESIDENT: It has been moved and seconded that this resolution be adopted. Are there any remarks?

MR. GEORGE L. RAMSEY, of Helena, Mont.: Mr. President and Gentlemen: While the text of this resolution is such that I feel certain it would receive ready assent and unanimous approval by this Association, nevertheless I feel that its serious nature to the financial interests of the banks is such that we should give it a moment's consideration and that we should let the surety companies of the United States know that we have in mind the fact that they are charging us unfair rates for what are known as depositary bonds.

The surety companies of the United States were aided by the bankers of this country in getting through the various legislatures, laws to the effect that in some cases only the bonds of surety companies could be accepted, and in other cases that

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surety and individual bonds might be accepted. Now that most of the States have adopted legislation of that character the surety companies are taking advantage of the situation and, very unfairly in my judgment, have increased the rates. At the convention of the American Bankers' Association held in San Francisco I took exception to the Association considering at all the subject of going into the business of writing fidelity bonds or burglary insurance. At that time I did so hesitatingly because the Association at its convention in New Orleans had appointed a committee of which Mr. John L. Hamilton was a member and that committee had made a world-wide investigation, had traveled to Europe in its quest for facts, and had studied the question thoroughly and it submitted a resolution to the effect that the Association take up and consider the writing of fidelity bonds. I, along with Col. Sullivan, of Cleveland, Ohio, opposed that resolution. The convention at San Francisco was a draw, but at the following convention, held in New York City the next year, the people who were in favor of writing the bonds only by the surety companies won out.

Now, I have changed my opinion on that subject and I have reached the conclusion that perhaps Mr. Hamilton was pretty nearly right. The surety companies have apparently taken advantage of the sentiment of this Association as expressed by the New York City convention and they have quadrupled the rate on depositary bonds as against what it was in the days of the San Francisco and New York conventions.

I want to speak at this point particularly of the fact that some States have passed laws to the effect that not only are surety bonds to be deposited with city, county and State officers, but they may be deposited with the public authorities—the municipal bonds, city, school district and county bonds. Some of the Bank Commissioners in the United States have made a ruling against the deposit of any municipal bonds from the assets of banks for the reason that it lessens the security, and the surety companies will quietly undertake to get a similar ruling on the part of every Bank Commissioner in the country. Therefore, in those States where the provision is that there shall be deposited

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either municipal bonds or surety bonds, there will be no choice. That will be more onerous than at the present time. Another point is that the surety bonds of this country make no discrimination whatever. The companies do not consider fitness, experience, or standing at all. They charge you a flat rate for depositary bonds. I contend that a bank with $100,000 capital and $500,000 surplus is a safer risk than a new bank in a young community with $25,000 capital and no surplus. Yet the surety companies do not recognize the difference in their application of the law of averages at all, but they charge a flat rate. Very recently, as probably many of you are aware, the surety companies have sent out a notice to the effect that their rates are going to be increased 100 per cent.

I simply wish to say that I hope that this matter may again go into the hands of the John L. Hamilton Committee, which was discharged some years ago, and be given further consideration. (Applause.)

THE PRESIDENT: Are there any further remarks on this subject?

MR. JOHN L. HAMILTON, of Hoopston, Ill.: Before the question is put to vote, Mr. President, if it is deemed advisable to take up this question at this time I suggest that the subject be somewhat broadened. I suggest that we recommend to the Executive Council the matter of burglary insurance as well as fidelity bonds, as they are closely allied, and they may just as well both be considered as one of them.

MR. F. O. WATTS: If Mr. Ingle, the author of the resolution, is in the house, and I believe he is, his acceptance of such an amendment as is proposed by Mr. Hamilton would be in order; and, if he accepts the amendment, I will include it in my motion on the adoption of the resolution.

THE PRESIDENT: What do you say, Mr. Ingle?

MR. WILLIAM INGLE, of Baltimore, Md.: I have not the slightest objection to amending it as Mr. Hamilton suggests, except that I would say this: I have personally been in cor-

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respondence with some of these companies and I believe they are already in a mind where they will recognize the fairness of the proposition contained in the resolution which I prepared; I believe they will accept the suggestion, and that the moral pressure brought to bear by the adoption of such a resolution as has been read will be helpful. Now, whether or not it will help the particular situation to combine it with a larger subject, is another matter. However, if in the wisdom of the convention it is thought best to make the resolution embrace a wider scope I am in accord with it, though I think as the resolution stands it will come very close to accomplishing the purpose aimed at in connection with the underwriting of depositary bonds.

THE PRESIDENT: Unless, Mr. Ingle, you are willing to have your resolution amended as suggested it will not be possible to have it put in.

MR. INGLE: Oh, I entirely accord with the amendment.

THE PRESIDENT: Does the seconder of the resolution accept the amendment?

MR. RAMSEY: I will accept it.

THE PRESIDENT: Are there any further remarks on the question?

MR. RAMSEY: I understand that this blank, as to the number, is left to be filled in by the Executive Council?

THE PRESIDENT: Yes. All in favor of the adoption of the resolution will say aye; opposed, no.

Carried.

THE PRESIDENT: Mr. Thomas, of the Information Bureau, has some letters and telegrams for members, a list of which I will be glad to have him read.

(Mr. Thomas read the list, and also stated that to-day was the last day for validating railroad transportation.)

THE PRESIDENT: I want to announce that the new Executive

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Council will meet immediately after the adjournment of this convention this afternoon in the Banquet Hall on the sixth floor of the Auditorium Hotel—not the Congress Hotel but the old Auditorium, in the Banquet Hall on the sixth floor.

I want also to take this opportunity to again assure you gentlemen and ladies who have attended this convention that Chicago feels highly honored by the magnificent attendance which we have had. I want to say, too, that the entertainment which has been accorded you during your stay among us has not been provided by the Chicago Clearing House Association alone. It has included all the banks in the Clearing House Association, and it has also included the non-Clearing House banks—in fact, all the banks; and I think it is only fair that you should know that the smallest banker in Chicago as well as the largest has helped to contribute to the best of their ability to your entertainment. (Applause.)

Gentlemen, those of us who are charged with the management of financial responsibilities, believe that we carry large responsibilities with us. The management of a financial institution of any character does create a responsibility—a very great responsibility, but I want to tell you, my friends, that peace of mind and contentment and happiness cannot come alone through the accumulation of large wealth or volume of business, for those qualities only come as the result of qualities of heart and mind, which, when applied to our business, teaches us that we should do our duty each to the other and each to the community in which we live, to the commonwealth and to the nation.

We have with us to-day, gentlemen, a gentleman who, in my opinion, occupies a position quite as, if not more, responsible than the position of the manager of a financial institution, for he is charged with the responsibility of molding the character of the young people whom he has under his charge, and to whom he is teaching and preaching. We have with us to-day Dr. John C. Kilgo, President of Trinity College, of Durham, North Carolina, and it gives me great pleasure to introduce to you Dr. Kilgo, who will talk to you upon the subject of "Our Industrialism and Americanism."

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OUR INDUSTRIALISM AND AMERICANISM

By Dr. John C. Kilgo

Mr. President and Gentlemen:—

I greatly appreciate both the courtesy and the honor you have bestowed on me in the invitation to attend your annual meeting and to address you at this hour. For reasons which must be obvious to you all, I accepted your invitation with no small degree of hesitancy. In a very modest way I have had dealings with individual bankers at various times, but to come before a multitude of them under present circumstances is a new relation for one of my vocation.

I confess that I have been much puzzled to know what would be a proper subject for me to discuss before you. It has fallen to my lot to speak to many kinds of audiences under a wide variety of circumstances, but this is the first time I have engaged to speak to an audience of this kind. For the best of reasons I did not deem it wise to select a technical subject of banking, and I have, therefore, chosen as my theme, "Our Industrialism and Americanism."

The people who first came to our shores and stocked this continent were a brave, vigorous and strong people. Inspired by religious faith and a love of freedom, they laid deep and broad the foundation of a new civilization. From the very start Americans have been a hard-working people, and among the best of them indolence has always been considered both a personal shame and a public peril. Referring to their characteristic energy, Doctor Charles Wagner said, "America works, honors work, and knows how to organize work." This is a very high tribute from a very worthy source; and when read in the light of all the circumstances the story of our industrial evolution is without parallel in the world's history and is really no less romantic than the myths of ancient Greece. Our Ulysses has been a railroad builder, our Hector has been a miner, and our Helen has been a home maker.

I do not, sir, agree with the pessimistic views sometimes expressed concerning our industrialism. I do not think I am ignorant of its tendencies, and I am sure I would not palliate any of its evils, nor would I unduly magnify any of its virtues. There is much in it that is entirely new. In many of its methods and its conceptions it has departed from the ways of former times, creating new problems which have engendered widespread suspicion and very great confusion. In the vastness of its conception and the daring of its undertakings it startles the imagination, and a host of evil prophets have pictured it as a huge beast devouring the life of our nation. But the captains of our American industries are not pirates invading our coasts to thieve and to ruin. They are Americans, the descendants of patriotic citizens who fought in our battle lines and labored for the welfare

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of their nation. Bound by honorable family tradition and taught to believe in their country, I see no just reason why our industrial leaders should be regarded as less patriotic than that class of American citizens into whose hands has fallen the guidance of our political affairs.

For the past twenty-five years industrialism has been clearly in the ascendency among us. It has engaged our best energies, taken possession of our political thought, given direction to our educational policies, shaped our social influences, and strongly influenced our literature and our religion. Holding as it does such a large place in our American life, it is inevitably the chief agency through which the cardinal principles of our civilization and the ideals of our social life must find their largest and their most effective expression. Our faiths must be verified amid the strains and the conditions of our industrial activities. Our ideas of government, of society, and of religion must become embodied in the laws, the relations, and the ethics of industry. We cannot, for example, separate our religious duties and acts from the relations and the tasks of the shop, the bank and the factory; and if there be any need for a revisal of our religious life, it will not be fouud in the demand for new creeds, but in making old creeds do less service about high altars and more service amid the dust and din of industrial tasks. I shall content myself with pointing out only two of our national virtues which it seems to me find peculiar expression in our industrial character.

In it one will find the truest and strongest spirit of our nationalism. There is nothing sectional, nothing provincial in our industrialism. The diameter of its vision is the diameter of the whole nation, and the circle of its activities takes in all sections and peoples of our great country. The industrial world cares little about the old-time debate between Webster and Calhoun, or the latter-day discussions between Mr. Tilman and Mr. Lodge. It is vastly more interested in the cotton crop of Texas and the wheat crop of Dakota than it is in any academic theories of government. In its geography there is no Mason and Dixon's line, and the battle of Gettysburg is not on the front page of its history. It invests in railroads that run from the lakes to the Gulf, and from sea to sea; it puts its capital in Alabama mines and Oregon banks, and sends its agents into every State of the Union. Its very soul throbs with nationalism, and nowhere on this continent, sir, will you hear a finer note of nationalism than you will hear in the humming wheels of a Carolina cotton mill.

If this American Union of States is to be real and not merely nominal, if it is to be vital and not incidental, it must find a deeper and a stronger bond than the articles of our national constitution, and it must be held together by a power greater than legislative enactments. People are bound together, not by documents and enactments and bayonets, but by the ties of a common ancestry, by the traditions of their race, by the common experiences of their history, and by their associations with each other, and these find a very real form in our industrial activities, confidences and sympathies.

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In its freedom from class distinctions and the rule of caste our American industrialism is the finest triumph of democracy to be found in any part of the world. This freedom is strikingly illustrated in two forms: First, the distinction between capital and labor, which in aristocratic governments is a real class distinction, does not represent a real distinction in our industrialism. While economists for the sake of their science make such a classification, in reality the American capitalist is an American worker. The idle capitalist spending his time in lordly indolence is not a custom among Americans. The captains of American industries do not regard work with social disdain, becoming only to the poor classes. In our industrialism it is an honor to work, a disgrace to idle. The marks of labor are badges of respect. And in the great army of American laborers there will be found none who work harder, none who more highly esteem labor, none who devote more wisdom to their tasks than the heads of our great industrial organizations. Who in America works harder than Mr. Morgan. Who gives a larger number of hours and more tireless efforts to his tasks than Mr. Harriman? Every great industrial enterprise in America is a monument to the working spirit of our capitalists. There is, therefore, among Americans no just ground for warfare between capital and labor, as though they were alien and dissimilar forces battling against each other for heartless conquest. The capitalist and the laborer share the scenes of toil and know their common interests and regard their common relations.

The second form in which American industrialism is the world's best example of freedom from the rule of class or caste is the ease with which men may pass from one line of work to another. In old countries the reign of industrial classes has predestined the field of each man's work. Ask any Englishman why he is a merchant and he will answer, "Because my father and because his father before him were merchants." Ask another why he is a tailor, and the same traditional reason will be given. They inherit an industrial destiny. But ask an American why he is a merchant, or a tailor, or a farmer, or a banker, and he will reply, if he replies at all, "Because I wish to be." His grandfather was a carpenter, his father was a farmer, he began as a clerk, changed to a traveling agent, went West and became a banker. It is an abnormal record in which the man has not passed through many fields of industry before settling down to one field, while the typical genius of our race is a natural conceit which makes every true American believe that he can do anything. And it is rarer to find a successful business man who is not engaged in several lines of business than it is to find one who devotes all his energies to a single industry.

Dr. Eliot thinks that the ideal democracy is a social order in which each man will have a free chance to do the thing which he can do the best. Perhaps the same idea was more accurately expressed by Mazzini when he defined a democracy as a "Chance for all through all under the leadership of the wisest and the best." Both agree that a sound democracy should furnish each member of society a ready chance to find the place in which

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he can render the most efficient and remunerative service. This ideal may not yet have been attained, but I believe that it has been more nearly realized in our industrialism than it has in any other department of our social order. The richest heritage of the American youth as he quits college is the full assurance that all the gateways to all the fields of human endeavor are wide open before him, and that he may select or change his calling as may seem best to himself. And it has been this soul of democracy in our American industrialism that has filled the American youth with a conquering vigor and kept alive in his mind the spirit of freedom.

It is popular to discuss the failures of democracy, and it is common enough to find Americans who express doubts as to the final results of our efforts to maintain a democratic government. And the effort is full of difficulties. It demands eternal vigilance. But if our efforts to establish democracy in the earth, to prove its cause for all mankind, fail, the blame cannot be justly charged to our industrialism. The tendencies which seem to threaten our democracy do not spring out of our industrial spirit, they do not belong to our industrial methods. They come out of the social realm, and should be credited to the weakness and the insincerity of our social sentiments, standards and customs. These are the creations of men and women who are the beneficiaries of the wealth produced by industry and who use it to set up false and undemocratic ideals of society and to parade the forms of aristocracy in a most harassing way. The chief danger, if there is a danger, is in the parlor, not in the shop. Americans are democratic enough in the scenes of work, they become suspicious when they lay off their working clothes, and put on dress suits and pass into the soci[al] world. Then human sympathy seems to chill. Then the laborer cor[nes] in contact with a spirit which he resents. It is in the snobbishness of [the] parlor, the arrogance of the social spirit, that American democracy reac[hes] its lowest point and seems to have its least chance. It is unfair, therefore, to charge to industrialism the crimes of social life, the shortcomings of the educational spirit, or the failure of politics. Judged by every fair test there are ample reasons to believe that the democracy of our industrialism is not a failure, but that it shows signs of health and of vigorous growth. I feel justified in believing that in it the spirit of democracy is developed to a larger degree in a sounder form than in any other department of our national life. It is more democratic than our politics, than our society, than our education, and, I regret to say, than our church fellowships. If the soul of democracy is, as Archbishop Ireland says, "a supreme faith in manhood," then where will one find a higher, a sincerer, and a more persistent faith in true manhood than he will find in the history and the standards of American industrialism? In the fields of our industry each man is to a larger degree the master of his own destiny than he is in any other sphere of American life. There ancestral influences, social badges and other incidental circumstances count for less and personal manhood counts for more than it does in other fields of activity. I never fill out a blank for some

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person who is applying to a bonding company that I am not deeply impressed with the high estimate the business world puts upon personal worth as the chief basis of business confidence and esteem. This is democracy in earnest. It is the one spirit that inspires hope in every heart, and furnishes a high motive for sacrifice and labor. It invests manhood with a dignity and clothes it with rights that are acknowledged at the highest seats in every department of industry.

One of the most splendid achievements of our American history is the unlimited opportunity it has furnished men of all classes, conditions and races to improve their industrial and social conditions and to rise to the highest points of success. In the hall of fame are recorded the names of those who have done some immortal thing in letters of art or war or politics, but a roll that also reflects great honor upon our American government, the one that marks the high point of our social evolution, is that long roll of Americans who began at the lowest point and by fidelity and labor rose step by step till they reached the summit of industrial influence and power. That is the common story of American men of business success. The Americans to-day who command such large industrial power throughout the world, whose names give value to commercial paper in every market, bear witness to the genuineness of democracy in our industrialism. The little tot who is selling his papers along the street at a penny a copy is the citizen of a country and the heir of industrial traditions that make possible to him the day when he will own the paper and his voice become a national power. That is not the dream of democratic idealism, it is the wonderful record of our democratic industrialism.

True Americanism, sir, as I see it, is an inflexible faith in the rights of unadorned manhood. And the supreme place which Americans who rightly understand the genius of their civilization give to personality; the sincere enthusiasm with which they hold their faith in the divine rights of manhood; the hearty homage which they pay to the lordship of individual worth; and the enduring fame which they accord to the unselfish hero, have been well proven in our history. But in this long list of examples, there are two which seem, for every reason, to be the foremost illustrations of the real soul of our democracy.

The first is Abraham Lincoln. A child of our frontier life, born in a rough cabin, the son of poor, unlettered and common parents, he was the heir of dismal prospects. He inherited no ancestral traditions to stir his boyish heart with exalted ambitions; no community surroundings to refine his thoughts and polish his manners; no educational advantages to push back from his youthful vision the shadows of ignorance; and no wealth to take from his shoulders the crushing weight of daily toil. He was no debtor to favorable circumstances, he owed nothing to inspiring environments. But he had one supreme resource of success: he was an American. The star of eternal hope shone in the heavens above his head; and the note of freedom sounded clear and strong in his ear. No feudal laws imposed a despotic

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embargo on his aspirations, and no iron gates closed before him the path to service and to fame. He took counsel with the highest voices in his soul, and, like the Wise Men of olden times, followed the brightest star in the skies. The story of his life is common household knowledge among Americans. I need not repeat the details of how he mastered circumstances, overcame conditions, and at length made the Little Giant of the middle West stand in awe of his ascending leadership.

When the hour of direful peril came to this Republic, when the clouds of war began to gather over it, and when the destiny of the nation hung in the balances, He who presides over the affairs of human history appointed the son of the cabin, this man of the forest, this new master of the West to direct the ship of the nation through those furious years of war. No man ever carried to the seat of government loftier statesmanship, no man on a throne of power ever showed a more masterly genius, and no man ever gave to his race a finer example of patriotic wisdom and service. We cannot duly celebrate his virtues in words. Even the increasing number of splendid monuments we erect to his memory are but slim hints of America's gratitude for his services and poor tributes why we try to pay to his fame. This American Union is his only adequate monument, and, as long as it shall endure, it will serve to celebrate his conquering genius. Every star on the American flag, it matters not where it is unfurled, and what winds play along its colors, is a tribute to the patriotism of Abraham Lincoln. If eternal praises are due George Washington for putting them on our flag, eternal praises are equally due to Abraham Lincoln for keeping them there. If George Washington is the father of the Union, Abraham Lincoln is the father of the mightier re-Union.

But of more enduring worth to our national spirit is the illustration which such a career gives the whole world of the genuineness of our democracy and the superiority of our civilization to make mighty men. Abraham Lincoln is an American; he could not have been the creation of any other land, and his record will stand through the years as a divine rebuke to that type of tyranny which exalts form above fact, and circumstances above character.

The other example, sir, that I have in my mind is in every point exactly opposite from the one that I have just cited, and serves to prove by new and opposing tests the sincerity of our faith in manhood. Robert E. Lee was the son of a noble parentage, with a history reaching far back into high ranks of English life. A native of Virginia, he was from the start the beneficiary of cavalier customs and all the advantages of home culture and school training. In his public career he is the most tragic figure in our American history. The force of circumstances predestined him to be on the failing side of the course of events. Viewed in the light of consequences, he is America's immortal hero of defeats. Yet he holds a place in our national esteem which grows more and more as the years go by. True Americans, without regard to their political sentiments or the section of

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country in which they live, hold in sacred regard the memory of this superb man. And Virginia has selected his statue along with Washington's to be put in the Capitol at Washington as her two greatest citizens. She did not select Jefferson or Madison or Marshall, but she chose her son of defeat. In this Virginia was wise, and no true-souled American will reprove her judgment. For the career and the fame of Robert E. Lee, when read in the light of all the facts, is without a parallel in human history.

How will we account for his fame? How can we explain the place he holds in the esteem of Americans? Why was it that Americans North, South, East and West celebrated his centennial birthday? Why did Mr. Roosevelt speak in such exalted terms of his genius?

We can readily tell why we honor Benjamin Franklin. At a critical period in our history he rendered as a minister at a foreign court a wise service, and in the moments of strain his rare wisdom was a guide in national affairs. But Robert E. Lee was never a minister at a foreign court, he was never in the councils of State.

Thomas Jefferson, as the author of the Declaration of Independence and as the founder of a political party, gained a place of lasting fame in our history. But Lee wrote no governmental document and founded no political party.

Fulton and Morse by invention and discovery brought the nation under everlasting gratitude to them and their names hold high place in our history. But Lee invented nothing, he discovered nothing.

Emerson, Lowell, Whittier and Longfellow gave American literature a larger place in the world, and for their work we do them increasing honor. But Lee wrote no poetry, history or philosophy.

Webster and Clay and Calhoun in the legislative halls of the nation contended for the rights of States and left us speeches that give us splendid examples of oratory. But Lee was never a legislator, and he made no speech that belongs to our literature.

George Washington for seven weary years followed the hopes of his people through the war and in the end gained their freedom and gave a new nation to the world. He returned from the field of battle to be greeted with the shouts of a conquering people, and to be crowned with the honors of an immortal hero. It is natural to admire victory, and to exalt a victor. But Lee, after four years of as heroic struggle as ever engaged human courage, came at last to an overwhelming defeat. When he turned from Appomattox no shout of victory greeted him, no new government rose to crown him. Far and wide lay the waste of his proud section, and from every direction came the wails of a desolate and broken people. He quietly went away from public gaze to rebuild a college in the mountains of Virginia.

Yet this man has honor, he has immortal fame, he has increasing admiration. Why? Does it not take victory to gain fame and honor and admiration? He has reversed the order of history and conquers without victory, and achieves without success. By what strange law does he do these

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things? There is but one satisfactory answer. He does them by the might and the majesty of his incomparable personality. He is our one American who does not need triumph to make him great. Men honor him because he was brave, they praise him because he was clean, they pay him tribute because he was godlike, they build monuments to him because he was the embodiment of invincible manhood. So he will stand along with Lincoln to prove by undeniable fact that in America manhood is the one thing that counts, and that Americans believe in it whether it is in friend or foe.

Sir, as a college president to some extent seriously desirous of inculcating in Southern youth who come up under my direction the true idea of Americanism as I see it, I have often coveted the right and the ability to build on my college grounds an American monument. I should build a great, strong pedestal upon which, with their sheathed swords at their feet, clasping each other's right hand, I should place the statues of Ulysses S. Grant and Robert E. Lee, the hero of victory and the hero of defeat. I would symbolize by their hand grip the reunion of a land too strong to be hewn asunder by battle ax. I should adopt as the sentiment to be inscribed upon it those famous words of Grant: "Let us have peace." On one side of the pedestal with bronze tablet I should celebrate the virtues of the Federal soldier; on another I should celebrate the virtues of the Confederate soldier; on another I should pay tribute to the unparalleled patriotism of American motherhood and sisterhood; and on the remaining I should pay due honor to the high example of loyalty so sublimely illustrated by the old negro Daddy and Mammy who worked in Southern cornfields and cared for Southern women and children during those years of furious strife. And, sir, out of the whole conception I would wish the student to read this glorious truth: Americans believe in the union of their country; they believe in and exalt human virtues wherever expressed, whether in friend or foe, whether in man or woman, whether in lord or slave, whether in white or black, whether in the North or the South or the East or the West, always and everywhere Americans believe in manhood and manhood's virtues.

We have a great country, sir, and it behooves us all to labor for its largest prosperity. I come from that great section of it that lies on the other side of the Ohio River. Many of the most tragic chapters in the eventful history of our nation have been wrought out down there, and not a few of the men whose names give glory to our past have been sons of the South. Out of that land I bring you greetings. We have come to know that our fields and forests, our mountains and our rivers, are filled to the brim with undeveloped resources of wealth, and we are busy trying to bring them forth. Week after week we are adding millions to the wealth of the nation. A new generation of Southerners have taken charge of our industries and under their vigorous leadership the South is coming into a new era of prosperity. I tell you these things because I am sure that no other class of

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Americans is more deeply interested in the welfare of every section of our country than the American bankers are. What should chiefly concern the South and the North and the East and the West is how to wisely use our enormous resources of wealth for the permanent good of mankind, and to illustrate to the world the faith of James Madison when he said, "The United States is useful to prove things that have not yet been proven." (Applause.)

THE PRESIDENT: The next order of business is the report of the Committee on Nominations. Is the Committee ready to report?

MR. A. G. LUPTON, of Hartford City, Indiana, Chairman Committee on Nominations: Yes, sir. We beg leave to submit the following:

REPORT OF NOMINATING COMMITTEE

FOR PRESIDENT

LEWIS E. PIERSON, President Irving National Exchange Bank, New York City.

FOR FIRST VICE-PRESIDENT

F. O. WATTS, President First National Bank, Nashville, Tenn.

FOR MEMBERS OF THE EXECUTIVE COUNCIL, AS NOMINATED AT CONVENTIONS OF STATE ASSOCIATIONS AND CERTIFIED TO THIS ASSOCIATION BY THE SECRETARIES OF THE RESPECTIVE STATE ASSOCIATIONS:

GEORGIA: JOS. W. HEFFERNAN, Cashier Hibernia Bank, Savannah.
IDAHO: B. F. O'NEIL, President State Bank of Commerce, Wallace.
ILLINOIS: FRANK P. JUDSON, Secretary Commercial National Bank, Chicago, and WILLIAM GEORGE, President Old Second National Bank, Aurora.
INDIANA: JONCE MONYHAN, President Citizens State Bank, Orleans.
KANSAS: W. J. BAILEY, Vice-President Exchange National Bank, Atchison.
MASSACHUSETTS: HENRY M. BATCHELDER, President Merchants National Bank, Salem.
MICHIGAN: L. G. KAUFMAN, President First National Bank, Marquette.
MINNESOTA: O. H. HAVILL, President Merchants National Bank, St. Cloud.

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MISSOURI: J. FLETCHER FARRELL, Assistant Cashier Third National Bank, St. Louis, for two years. W. C. HARRIS, President Callaway Bank, Fulton, for three years.

NEBRASKA: E. R. GURNEY, Vice-President First National Bank, Fremont.

NEW YORK: E. S. TEFFT, Cashier First National Bank, Syracuse.

PENNSYLVANIA: D. McK. LLOYD, President Peoples Savings Bank, Pittsburgh.

TENNESSEE: T. R. PRESTON, President Hamilton National Bank, Chattanooga.

TEXAS: A. V. LANE, Vice-President American Exchange National Bank, Dallas.

WISCONSIN: A. J. FRAME, President Waukesha National Bank, Waukesha, and JOHN J. SHERMAN, Cashier Citizens National Bank, Appleton.

FOR MEMBER OF THE EXECUTIVE COUNCIL FROM STATES AND TERRITORIES WHERE THE MEMBERSHIP IN THE AMERICAN BANKERS' ASSOCIATION IS LESS THAN 100, THE TOTAL MEMBERSHIP AGGREGATING 567 MEMBERS:

ARTHUR H. MARBLE, Vice-President Stock Growers National Bank, Cheyenne, Wyoming.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE TRUST COMPANY SECTION:

LAWRENCE L. GILLESPIE, Chairman of Executive Committee, Vice-President Equitable Trust Company, New York, N. Y.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE SAVINGS BANK SECTION:

ALFRED L. AIKEN, Chairman of Executive Committee, President Worcester County Institution for Savings, Worcester, Mass.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE CLEARING HOUSE SECTION:

GEORGE GUCKENBERGER, Chairman Executive Committee, President Atlas ational Bank, Cincinnati, O.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE AMERICAN INSTITUTE OF BANKING SECTION:

RALPH C. WILSON, Assistant Cashier Commercial National Bank, Chicago.

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FOR VICE-PRESIDENTS OF THE DIFFERENT STATES AND TERRITORIES:

ALABAMA: W. P. G. HARDING, President First National Bank, Birmingham.
ARKANSAS: HENRY THANE, President Desha Bank and Trust Company, Arkansas City.
CALIFORNIA: JAS. K. LYNCH, Vice-President First National Bank, San Francisco.
COLORADO: H. M. RUBEY, Cashier Woods-Rubey National Bank, Golden.
CONNECTICUT: C. C. BARLOW, Cashier Yale National Bank, New Haven.
DISTRICT OF COLUMBIA: W. D. HOOVER, President National Savings and Trust Co., Washington.
FLORIDA: DR. H. ROBINSON, President Commercial Bank, Jacksonville.
GEORGIA: E. W. STETSON, Cashier Citizens National Bank, Macon.
IDAHO: F. F. JOHNSON, President First National Bank, Wallace.
ILLINOIS: WALTER S. REARICK, President Skiles, Rearick & Co., Ashland.
INDIANA: J. L. MCCULLOCH, President Marion National Bank, Marion.
IOWA: E. L. JOHNSON, Vice-President Leavitt & Johnson Trust Co., Waterloo.
KANSAS: J. R. BURROW, President Central National Bank, Topeka.
MAINE: CHARLES A. MOODY, President First National Bank, Biddeford.
MARYLAND: JOHN M. LITTIG, President National Marine Bank, Baltimore.
MASSACHUSETTS: ALFRED L. AIKEN, President Worcester Co. Institution for Savings, Worcester.
MICHIGAN: HENRY IDEMA, President Kent State Bank, Grand Rapids.
MINNESOTA: J. S. POMEROY, Cashier Security National Bank, Minneapolis.
MISSISSIPPI: F. W. FOOTE, Vice-President First National Bank of Commerce, Hattiesburg.
MISSOURI: GRAHAM G. LACEY, Vice-President Tootle-Lemon National Bank, St. Joseph.
NEBRASKA: S. K. WARRICK, Cashier First National Bank, Alliance.
NEW HAMPSHIRE: ARTHUR M. HEARD, President Amoskeag National Bank, Manchester.
NEW JERSEY: W. H. TAYLOR, Cashier First National Bank, Somerville.
NEW YORK: HIRAM R. SMITH, President Bank of Rockville Centre.
NORTH CAROLINA: H. W. JACKSON, Cashier Commercial National Bank, Raleigh.
NORTH DAKOTA: J. H. TERRETT, Cashier Michigan City Bank, Michigan City.
OHIO: W. W. BROWN, Vice-President Merchants National Bank, Cincinnati.
OKLAHOMA: H. M. SPALDING, President Peoples Bank, North Enid.
OREGON: R. L. DURHAM, Vice-President Merchants National Bank, Portland.
PENNSYLVANIA: JAMES A. BRADY, Cashier First National Bank, Harrisburg.

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RHODE ISLAND: GEORGE B. WATERHOUSE, President Centerville National Bank of Centerville.

SOUTH CAROLINA: JOHN W. SIMPSON, Vice-President Central National Bank, Spartanburg.

SOUTH DAKOTA: JOHN R. HUGHES, President Potter County Bank, Gettysburg.

TENNESSEE: WALTER HOWELL, Cashier First National Bank, Union City.

TEXAS: L. L. JESTER, President Jester National Bank, Tyler.

UTAH: F. E. MCGURRIN, President Salt Lake Security and Trust Co., Salt Lake City.

VERMONT: H. O. CARPENTER, President Rutland Savings Bank, Rutland.

VIRGINIA: ALLEN CUCULLU, Cashier Lynchburg National Bank, Lynchburg.

WASHINGTON: W. D. VINCENT, Cashier Old National Bank, Spokane.

WISCONSIN: E. M. WING, Cashier Batavian National Bank, La Crosse.

WYOMING: B. F. PERKINS, President Bank of Commerce, Sheridan.

CANADA: ALEXANDER LAIRD, Gen. Mgr. Canadian Bank of Commerce, Toronto.

ISLE OF PINES: WILLIAM MASON, Vice-President Isle of Pines Bank, Neuva Gerona, W. I.

MEXICO: JOHN CLAUSEN, Manager Foreign Department, Mexico City Banking Co., Mexico City.

NEW MEXICO: ALFRED F. KERR, Cashier American National Bank, Silver City.

MR. GEORGE L. RAMSEY, of Helena, Montana: In the report of the Nominating Committee I did not observe that Montana was called; and, on behalf of the Montana delegation, I move that the name of Mr. J. H. T. Ryman, of Missoula, be inserted as Vice-President for that State.

MR. JAMES DINKINS, of Louisiana: I see Louisiana is left blank in the report, and I wish to nominate Mr. N. E. North, Cashier of the First National Bank of Lake Charles, as Vice-President for Louisiana.

MR. E. M. GILKESON, of Parkersburg, W. Va.: The name of a Vice-President from West Virginia is left blank in the report, and I nominate Mr. W. W. Woods, Cashier of the Peoples Bank of Keyser, as Vice-President for West Virginia.

THE PRESIDENT: The Chair would state to the delegates that any vacancies that are to be filled will be attended to if members from those States where no nominations have been

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made will forward their nominations to the Secretary's office. The mere sending in of the names to the Secretary's office will be sufficient, and considered as completing the record.

All in favor of adopting the report of the Nominating Committee will now manifest it by saying aye; those opposed, no.

Carried.

Gentlemen, I declare the nominees regularly and duly elected. (Applause.)

(Turning to Mr. Pierson) Mr. Pierson, I salute you. Gentlemen of the American Bankers' Association: If you were seeking for a man to become the president of your bank I am sure you would want to know whether the man you had in mind had had experience in some financial institution; you would want to know whether he had had experience as a messenger, as a bookkeeper or as a teller; and I am sure that you would want to know that he had shown executive ability, that he had been close to those who had in charge large and important financial undertakings. I present to you as your newly-elected president a man who has had all this experience. For several years last past Mr. Pierson has been an active worker in the ranks of the American Bankers' Association. He began in the humblest way, and, as time passed, his fidelity to the cause and his willingness to lend his assistance to anything that was to the benefit of the organization has caused him to be promoted along the various lines, until in recent years he has occupied some of the most prominent places in association work. He has been Chairman of the Bills of Lading Committee and has exerted great influence in directing legislation along other lines. It affords me great pleasure to introduce to you Mr. Lewis E. Pierson, and I am sure that you may look forward to his administration in the assurance that the work of the Association will go forward with greater and greater impetus.

And now, Brother Pierson, it affords me extreme pleasure to put this badge, insignia of office, upon you, and I think the greatest wish I can express is that you will have as large a measure of joy in your connection with the members of this

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Association as I have had during the time I have worn it, and I relinquish to your hand this office feeling that you will administer it more efficiently than I have, and I bespeak for you, with confidence, the earnest support and good-will of every member of the Association. (Applause.)

PRESIDENT-ELECT PIERSON: Mr. Reynolds, Ladies and Members of the American Bankers' Association: In spite of this very flattering introduction I assure you that I feel unworthy of the high honor you have conferred upon me. It will, however, be my earnest endeavor to further the best interests of the American Bankers' Association during the coming year. Before I take up this gavel I wish to express to Mr. Reynolds the real pleasure that it has been to me to have been associated with him in the work of this organization. I have always had the greatest admiration for the efficient manner in which he has conducted the duties of the office he now relinquishes. The American Bankers' Association has grown in membership and influence tremendously since Mr. Reynolds first came into the direction of its affairs as Chairman of the Executive Council; and, gentlemen, it is no small task to take up the work where he now leaves it as President, and continue the progress he has made. In order to properly attempt it, the assistance of all the officers, and particularly of every member of the Association, is necessary; and members should take an interest to see that at their State meetings they select their best men for membership on the Executive Council, for as you know, it has been the endeavor of the officers of the Association in the last few years to attract to membership on the Executive Council the best banking talent in each State, particularly men who would attend the meetings regularly and take an active interest in the work.

I thank you and assure you that I deeply appreciate the honor you have paid me. (Applause.)

I now introduce to you the gentleman whom you have elected Vice-President. He has not only been honored by the Executive Council by their electing him Chairman, but in his own State he has held the highest office possible to be given to a banker,

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and enjoys the confidence and respect of every man who knows him.

I take great pleasure in presenting Mr. Frank O. Watts, President of the First National Bank of Nashville, Tennessee, whom you have just elected Vice-President of this Association. (Applause.)

VICE-PRESIDENT-ELECT WATTS: There are times in one's life when the heart throbs so strong as to leave upon the memory marks never to be forgotten. If I could present to you on canvas a chart of my heart throbs, beginning with the time when you first showed your confidence in me, and passing on to the time when my associates placed within my keeping the affairs of the bank with which I am connected, and the time when my State Association placed me upon its governing board, and then to the time when I was elected Chairman of your Executive Council and down to this occasion when I am elected your Vice-President, the chart of my heart-throbs would show a constantly higher and higher point. Indeed, the high point shown to-day has been exceeded only twice in my life—first, when a loving mother implanted upon my cheek her kiss as she bid me go forth into the industrial world, of which Dr. Kilgo has so eloquently spoken, to make my way, and, second, when the little woman, who is now my wife, left her father's house and the home of her childhood to share with me the joys and sorrows of a lifetime. (Applause.)

I promise you that nothing of my own doing shall for one moment cause a failure on my part to appreciate the high honor you have now paid me. (Applause.)

MR. JOSEPH G. BROWN, of Raleigh, N. C.: It is always a pleasure to be the bearer of good tidings, but it is a special pleasure to me on this occasion that I have been accorded the privilege of presenting a substantial evidence of the friendship and good-will of the members of the American Bankers' Association to our retiring President. Mr. Reynolds, I am charged with a message to you, sir, and, while I deliver it, I would ask that you stand out here where the eye of every person in the house can be upon you. (Applause.)

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Just one year ago, sir, you were called to take your place in this illustrious line of imperial leaders as President of the American Bankers' Association. The lofty character of the men who had attained that distinction and the high standard which they set demanded the utmost wisdom in choosing their successor. The unqualified success of your administration as President has proved that no mistake was made in your choice as President. (Applause.) At no time has this honor been more worthily bestowed or this mantle more gracefully worn. Your friends come now to express to you their appreciation and esteem. They bid me to tell you how much they admire you personally and how appreciative they are of the success that has attended your administration; and, more than that, they have procured for you, and wish you to accept this beautiful silver service as a memento of your incumbency of this high office.

We do not present this to you because of its intrinsic value nor because we are fearful that you may forget us; we know that you cannot forget us, as we cannot forget you. We present it to you that you may have ever before you a constant reminder of our love and friendship. (Applause.)

And now one word more. In laying down the gavel after your most successful administration it gives me pleasure to say that you have qualified yourself for membership as a loyal and worthy member of the DOWN AND OUT CLUB. (Laughter and applause.)

MR. GEORGE M. REYNOLDS: Mr. Brown, and Members: When I observe the character of this memento I am impressed at once with the fact that the committee who selected it must have been of a practical turn of mind because it seems to me they observed my rotundity of figure and endeavored to supply me with that of which I most stand in need, and it is particularly unfortunate, with all of these implements for use along that line, that I should feel too full for utterance. (Laughter and applause.)

Gentlemen, it was not necessary for you to present me with a memento to cause me to remember the many friends whom I have made in this organization, nor the many honors that have

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been showered upon me. I need no reminder of that sort. However, as I use this beautiful silver service and take up a spoon or a knife or a fork I shall imagine that I am grasping the hand of some loved friend among you and shall in fancy see a picture of you there (applause); and if that of which I partake through the use of these articles shall cause me to reminisce I am sure that in fancy I shall come back to you often. It has been said that in every heart there is a secret chamber filled with pleasant memories and lavender leaves, and if I have a chamber in my heart large enough to contain the memories that have been so pleasant to me as I have been working in association with you it would require a heart larger than this building in which to put them. I appreciate more than I can tell you the many acts of kindness you have shown me and the many times that you have expressed your confidence in me, but I care ten times more for your friendship and your expression of confidence than I do for all the souvenirs in the world, highly as I shall always prize this memento.

I cannot refrain from taking this opportunity to say that unconsciously you have all been very helpful to me in achieving the little of success I may have had, for had it not been for this association and the friendships engendered by it, I perhaps would still be running a little country bank in Iowa. I hope you will not think I am sentimental in referring to this, for I am sincere when I say to you that unconsciously, through your friendship, support and confidence, you gave me strength and courage to achieve, and you, more than I, are responsible for the positions of trust that have come to me in later years.

Again and again, I thank you. (Applause.)

MR. J. M. ELLIOTT, of Los Angeles, Cal.: Mr. Reynolds, you will have to stand up once more. On behalf of the Association and by the hand that merely represents your thousand and one friends from one end to the other of this country, I decorate you with this President's badge. Last year the Association honored you with the Presidency, and you have honored the Association by your incumbency of the office. May this

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badge ever be a reminder of that fact to you and to your descendants afterwards. (Applause.)

MR. REYNOLDS: Thank you. I can only say that if I had a vocabulary that would respond equal to the promptings of my heart I might be able to properly express my thanks. (Applause.)

PRESIDENT PIERSON: Is there any further business to come before the convention?

MR. P. C. KAUFFMAN, of Tacoma, Washington: As a slight expression of appreciation on the part of the delegates to this convention for the many courtesies that have been extended to us while in Chicago, I beg leave to introduce the following resolution and move its adoption by a rising vote:

Resolved, That the members of the American Bankers' Association hereby express their hearty thanks to the associated banks, bankers and business men generally of Chicago for the very efficient entertainments that have been given them, and all the courtesies so hospitably extended; to the Press for the splendid report of the proceedings of this convention; to the Telegraph and Telephone Companies for courtesies received; and to all who have in any way contributed in making this, the Thirty-fifth Annual Convention of the American Bankers' Association, the most successful in the history of the Association.

The motion to adopt the resolution was seconded from all parts of the hall.

PRESIDENT PIERSON: The Chair takes great pleasure in putting the question on this resolution, and will request that it be adopted by a rising vote.

Adopted.

MR. AUGUST BLUM: If there is no other business to come before the convention, I move that we adjourn.

SECRETARY FARNSWORTH: Before adjournment is taken, Mr. President, I wish to announce that the meeting of the new Executive Council will be held in the Banquet Hall on the sixth floor of the Auditorium Hotel immediately after this convention adjourns.

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I would also read the following telegram, addressed to the Secretary, under date of September 14, from the National Association of Credit Men:

"The National Association of Credit Men presents its compliments to the American Bankers' Association and extends its best wishes for a successful convention. The following resolution was unanimously adopted at our fourteenth annual convention:

'WHEREAS, the American Bankers' Association and the National Association of Credit Men have many interests in common, which can be best advanced through co-operation between these Associations:

Be it Resolved, That we the Members of the National Association of Credit Men in Convention assembled do express our sincere gratification at the cordial relations existing between the two organizations, and take this occasion to declare that it is our earnest desire to co-operate with the American Bankers' Association in any movement looking to the improvement of credit conditions which its members are or may become interested in furthering.'—CHARLES E. MEEK, Secretary-Treasurer."

PRESIDENT PIERSON: Gentlemen, you have heard the communication from the National Association of Credit Men. What is your pleasure in respect to it. It would seem to the Chair that it would be in order for the Secretary's office to make a suitable response to it.

MR. H. S. HALL, of Waterville, Maine: I move that the Secretary be instructed to extend a suitable response to the communication.

The motion was seconded.

PRESIDENT PIERSON: All in favor of the motion instructing the Secretary's office to suitably acknowledge the greetings of the National Association of Credit Men will say aye; opposed, no.

Carried.

SECRETARY FARNSWORTH: I would announce that we have had prepared for the Vice-Presidents of the various States a permanent badge for them to wear during this week and to take away with them and retain to wear at future conventions. Quite a number of those badges have not been called for, although we

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sent out notices to the Vice-Presidents and asked them to inquire for their badges when they registered. If there are any of the Vice-Presidents here who have not called for their badges I would request that they do so this evening at the registration headquarters, otherwise we will mail the badges to them.

PRESIDENT PIERSON: Are there any other announcements to be made?

SECRETARY FARNSWORTH: That is all, sir.

PRESIDENT PIERSON: Then the motion to adjourn will be put. All in favor of adjourning will say Aye; opposed, No.

Carried.

Adjourned *sine die.*

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ENTERTAINMENT

The hospitality of the Chicago citizens was evident on every hand during the whole week of the convention.

On Monday evening the annual banquet of the Executive Council, tendered by the bankers of Chicago, took place in the Gold Room of the Congress Hotel.

In addition to the members of the Council and many other prominent bankers who were present were the following guests: Hon. Chas. S. Deneen, Governor of the State of Illinois; Hon. Joseph G. Cannon, Speaker of the National House of Representatives, and Hon. Lawrence O. Murray, Comptroller of the Currency.

For Tuesday evening the seating capacity of the Chicago Opera House, Studebaker Theater, Powers' Theater and Princess Theater was purchased, and the visiting delegates and guests were entertained at these houses. During the evening they were presented with souvenir silver spoons, and ice cream was served between the acts.

On Wednesday afternoon the steamers "City of Benton Harbor" and "City of South Haven" were chartered for a lake trip to Gary, Indiana, and the visitors inspected the plants of the United States Steel Corporation.

In the evening the first annual dinner of the Council Club, composed of ex-members of the Executive Council, was held in the Gold Room of the Congress Hotel.

Thursday afternoon the delegates were taken to the Chicago Stock Yards by special elevated trains, and the plants of the packers visited, as well as other points of interest.

On Thursday evening was the grand reception and ball at the

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Auditorium Theater, which was a pronounced success, and one of the most enjoyable functions of the week.

President Taft honored the occasion with his presence, and among other distinguished guests at the ball were the following, accompanied by their ladies: Governor Deneen, Major-General Frederick D. Grant and his staff, Speaker Cannon, Comptroller Murray, Chas. R. Crane, the newly appointed United States Ambassador to China.

At the final session of the convention, on Friday afternoon, the following resolution was unanimously adopted by a rising vote:

Resolved, That the members of the American Bankers' Association hereby express their hearty thanks to the Associated banks, bankers and business men generally of Chicago for the very efficient entertainments that have been given them and all the courtesies so hospitably extended; to the Press for the splendid report of the proceedings of this convention; to the Telegraph and Telephone Companies for courtesies received; and to all who have in any way contributed in making this, the Thirty-fifth Annual Convention of the American Bankers' Association, the most successful in the history of the Association.

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SOCIAL FEATURES OF THE CONVENTION

By William J. Boies, Banking Editor of the New York Evening Post

The entertainments afforded the delegates at the Chicago convention were elaborate and thoroughly enjoyable. In point of actual attendance it is fair to assume that they gave pleasure to a greater number of people than were ever entertained by the Association at similar functions. Chicago never does things by halves, and in the sense that the convention itself will pass into history as one of the most successful ever held, it may be said that the social features will rank high among the most pleasing functions ever provided. Although the weather was warm, relatively little inconvenience was suffered and the fact that many of the entertainments were in the nature of sails and excursions to outside points made it possible for the bankers and their friends to have many pleasant outings.

The annual banquet which was given to the members of the Executive Council was made specially pleasant because of the informal remarks made by Speaker Cannon and other prominent men. This affair was enjoyed by a large number of well-known members.

The entertainments provided at the four different theaters reached perhaps a larger number of people than were appealed to by any of the other entertainments provided by the committee. The fact that the entire seating capacity of the Grand Opera House, the Studebaker Theater, the Powers Theater and the Princess Theater was taken by the Committee made it possible for the large assemblage to enjoy pleasant intercourse during the intermissions. The result was that those in attendance at all four theaters felt perfectly free to converse with one another and were able to arrange for supper parties after the theater. At all

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the four theaters the performances were of a high order so that the entertainment in each case had distinct artistic merit and was thoroughly pleasing to those in attendance.

On Wednesday afternoon the steamers "City of Benton Harbor" and "City of South Haven" made a special excursion on Lake Michigan. In this way several hundred people were enabled to visit the great steel plant of the United States Steel Corporation at Gary, Indiana. The fact that one of the excursion boats was unfortunate enough to get stuck in the mud on the way home made many of the excursionists rather late for dinner. The rolling of the boat made some seasick. But these mishaps were inevitable and gave no more discomfort than is usually experienced at a time when several hundred people find it necessary to make such a journey on boats of the excursion class. The fact that the bankers were enabled to inspect this huge steel plant, about which they had heard so much, was in itself a decided advantage.

In the evening the first annual dinner of the Council Club was held. This brought together a large assemblage of the old members of the Executive Council and made possible a unique entertainment amid very pleasant surroundings. Some pleasant reminiscences were given and the function was so thoroughly enjoyable as to make certain its repetition at regular intervals after this.

On Thursday afternoon the large packing houses extended an invitation to the delegates and their friends to visit the famous stock-yards of Chicago. This was done at a time when the plants were in full operation and a large number availed themselves of the special excursions which were run over the Southside Elevated Railway. Inasmuch as a very large number of those in attendance had never before seen a large packing plant in actual operation, the affair was very interesting.

By far the most important function of the whole series, however, was the grand reception and ball given at the Auditorium Theater on Thursday evening. This was the first function of the kind given by the Association to be attended by the President of the United States, and it was a thoroughly brilliant af-

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fair. Although the function attracted several hundred people, the arrangements were so fortunate as to make it possible for those who attended the ball to enjoy it without discomfort and to meet their friends in pleasant social intercourse.

It is probably true that this entertainment ranked as the most brilliant ever given at an annual convention of the Association. Besides the attendance of the delegates and their friends, there was also a large assemblage from Chicago and nearby cities, so that the whole affair was the most spectacular that has been seen in years. Every arrangement was made for the health, pleasure and comfort of those who attended and the Chicago committee deserves special credit for the success of their efforts to make this affair thoroughly enjoyable.

Besides the formal entertainments referred to, the delegates and their friends were invited to a number of smaller functions. Many of these took the form of private dinner parties, and because of the excellent hotel facilities afforded in Chicago they were specially enjoyable. The whole series of entertainments, both large and small, rank easily among the most pleasant ever given at an annual gathering.

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LOCAL COMMITTEES AT CHICAGO

Executive Committee

George M. Reynolds, President Continental National Bank, *Chairman.*

OFFICERS

John Jay Abbott, Vice-President American Trust & Savings Bank.
August Blum, Vice-President First National Bank.
Charles G. Dawes, President Central Trust Company.
W. T. Fenton, Vice-President National Bank of the Republic.
S. R. Flynn, President Live Stock Exchange National Bank.
David R. Forgan, President National City Bank.
B. C. Sammons, Assistant Cashier Corn Exchange National Bank.
Joseph T. Talbert, Vice-President Commercial National Bank.

Reception and Ball Committee

John Jay Abbott, *Chairman,*
E. K. Boisot,
E. F. Bryant,
J. V. Clarke,
Chas. G. Dawes,
Howard W. Fenton,
S. R. Flynn,
R. T. Forbes,
E. G. Foreman,
David R. Forgan,
James B. Forgan,
James H. Gilbert,
Howard F. Gillette,
L. A. Goddard,
J. M. Greata,
E. A. Hamill,
E. D. Hulbert,
Edward S. Lacey,
N. N. Lampert,
John A. Lynch,
Eames MacVeagh,
George Merryweather,
John J. Mitchell,
Wm. C. Niblack,
J. E. Otis,
Charles B. Pike,
Edwin A. Potter,
F. H. Rawson,
Geo. M. Reynolds,
George E. Roberts,
H. H. Rose,
Charles S. Schweppe,
Byron L. Smith,
O. E. Taft,
Lucius Teter,
W. A. Tilden,
Frank O. Wetmore.

Committee on Dinner to Executive Council

George M. Reynolds, *Chairman,*
W. A. Heath,
F. O. Wetmore,
John C. Neely,
W. D. C. Street.

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COMMITTEE ON FINANCE AND THEATERS

DAVID R. FORGAN, *Chairman*,
W. N. JARNAGIN, *Vice-Chairman*,
E. D. HULBERT,
W. T. BRUCKNER,
ALEXANDER ROBERTSON,
H. C. FOSTER,
F. T. HASKELL.

COMMITTEE ON HOTEL ACCOMMODATIONS

AUGUST BLUM, *Chairman*,
W. T. PERKINS, *Vice-Chairman*,
J. R. WASHBURN,
G. S. CASTLE,
G. B. SMITH,
H. W. BROUGH,
JAMES M. HURST,
J. G. WAKEFIELD,
F. A. CRANDALL,
L. A. GODDARD,
FRANK P. JUDSON,
COLIN S. CAMPBELL,
W. W. GATES,
F. G. NELSON,
G. A. RYTHER,
JOHN FLETCHER,
ADDISON CORNEAU,
CALVIN F. CRAIG,
W. S. VAN BUSKIRK,
F. B. WOODLAND.

COMMITTEE ON EXCURSION TO GARY

B. C. SAMMONS, *Chairman*,
H. WALDECK,
F. W. SMITH,
GEO. M. BENEDICT,
E. G. FOREMAN,
N. N. LAMPERT,
G. P. HOOVER,
F. G. NELSON,
W. H. HURLEY,
H. E. OTTE,
JOHN C. CRAFT,
N. R. LOSCH,
E. A. ERICKSON,
WM. H. SCHMIDT,
FRANK R. ELLIOTT.

COMMITTEE ON BUREAU OF INFORMATION

S. R. FLYNN, *Chairman*,
G. B. SMITH,
H. C. VERNON,
H. H. HEINS,
D. V. WEBSTER,
N. N. LAMPERT,
C. E. ESTES,
H. E. OTTE,
H. O. EDMUNDS,
W. C. COOK,
F. P. JUDSON,
W. G. EDENS,
J. W. THOMAS,
W. W. GATES,
W. T. PERKINS,
G. F. EMERY,
WM. B. CONKLIN,
C. N. GILLETT,
LOUIS RATHJE.

COMMITTEE ON CLUBS AND INVITATIONS

JOSEPH T. TALBERT, *Chairman*, LUCIUS TETER, *Vice-Chairman*.

BUREAU OF PUBLICITY

GEORGE E. ROBERTS, *Chairman*.

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A. W. Elson & Co., Boston

Theodore Roosevelt.

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PROCEEDINGS

OF THE

Fourteenth Annual Meeting

TRUST COMPANY SECTION

American Bankers' Association

AT

Chicago, Illinois

SEPTEMBER 15, 1909

EDITED BY
PHILIP S. BABCOCK
Secretary, Trust Company Section, American Bankers' Association.
1909

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OFFICERS OF THE

TRUST COMPANY SECTION

American Bankers' Association

1909-10

PRESIDENT.

H. P. McINTOSH, President Guardian Savings & Trust Company, Cleveland, Ohio.

FIRST VICE-PRESIDENT.

OLIVER C. FULLER, President, Wisconsin Trust Company, Milwaukee, Wisconsin.

CHAIRMAN EXECUTIVE COMMITTEE.

LAWRENCE L. GILLESPIE, Vice-President the Equitable Trust Company of New York, N. Y.

SECRETARY.

PHILIP S. BABCOCK, 5 Nassau & 11 Pine Street, New York City.

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EXECUTIVE COMMITTEE

(*Term expiring* 1910.)

UZAL H. MCCARTER, President Fidelity Trust Company, Newark, N. J.

A. H. S. POST, Vice-President Mercantile Trust & Deposit Company, Baltimore, Md.

LAWRENCE L. GILLESPIE, Vice-President Equitable Trust Company, New York City.

ARTHUR ADAMS, Vice-President City Trust Company, Boston, Mass.

H. G. LLOYD, President Commercial Trust Company, Philadelphia, Pa.

(*Term expiring* 1911.)

F. H. FRIES, President Wachova Loan & Trust Company, Winston-Salem, N. C.

A. L. ABRAHAMS, Vice-President Continental Trust Company, Denver, Col.

HOWARD BAYNE, Vice-President Columbia Trust Company, New York City.

JOHN STITES, Chairman Board of Directors Fidelity Trust Company, Louisville, Ky.

E. J. PARKER, President State Savings Loan & Trust Co., Quincy, Ill.

(*Term expiring* 1912.)

E. K. BOISOT, Vice-President First Trust & Savings Bank, Chicago, Ill.

JNO. D. MCKEE, Vice-President Mercantile Trust Company, San Francisco, Cal.

CHARLES J. BELL, President American Security & Trust Co., Washington, D. C.

F. H. GOFF, President Cleveland Trust Co., Cleveland, Ohio.

EDWIN CHAMBERLAIN, Vice-President San Antonio Loan & Trust Co., San Antonio, Texas.

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VICE-PRESIDENTS.

Alabama.....R. P. ANDERSON, Vice-President Selma Trust & Savings Bank, Selma.

Arizona..... MORRIS GOLDWATER, President Commercial Trust Company, Prescott.

Arkansas.....H. L. REMMEL, President Mercantile Trust Company, Little Rock.

California..... J. C. DRAKE, President Los Angeles Trust & Savings Bank, Los Angeles.

Colorado..... THEO. G. SMITH, Vice-President International Trust Company, Denver.

Connecticut..... B. G. BRYAN, Secretary Colonial Trust Company, Waterbury.

Delaware.....RICHARD REESE, Treasurer Equitable Guaranty & Trust Company, Wilmington.

District of Columbia. JOHN JOY EDSON, President the Washington Loan & Trust Co., Washington.

Florida.....W. M. BOSTWICK, JR., President Guaranty Trust & Savings Bank, Jacksonville.

Georgia..... SIGO MYERS, President the Oglethorpe Savings & Trust Co., Savannah.

Idaho.....FRANK W. KETTENBACH, President Idaho Trust Company, Lewiston.

Illinois.....D. A. WYCKOFF, Cashier First Trust & Savings Bank, Alton.

Indiana.....J. L. RANDEL, Secretary Central Trust Company of Greencastle, Greencastle.

Iowa.....A. T. BENNETT, President Bennett Loan & Trust Company, Sioux City.

Kentucky.....B. G. WITT, Cashier Ohio Valley Banking & Trust Company, Henderson.

Louisiana.....FRANK ROBERTS, President Calcasieu Trust & Savings Bank, Lake Charles.

Maine.....R. E. ATTWOOD, Secretary & Treasurer Lewiston Trust & Safe Deposit Co., Lewiston.

Maryland..... MAURICE H. GRAPE, Assistant Treasurer Continental Trust Company, Baltimore.

Massachusetts..... WM. E. GILBERT, Vice-President Union Trust Co., Springfield.

Michigan.....RALPH STONE, Secretary Detroit Trust Company, Detroit.

Mississippi..... WM. M. ANDERSON, President Merchants Bank & Trust Company, Jackson.

Missouri.....H. C. SCHWITZGEBEL, Secretary Commerce Trust Company, Kansas City.

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VICE-PRESIDENTS

New Jersey.....Wm. C. Heppenheimer, President Peoples Safe Deposit & Trust Co., Jersey City.

New York.....William C. Poillon, Vice-President Mercantile Trust Company, New York City.

North Carolina.....Matt J. Heyer, President Atlantic Trust & Banking Company, Wilmington.

Ohio.....W. R. Craven, Secretary the Dayton Savings & Trust Company, Dayton.

Oklahoma..... J. B. Jones, President Oklahoma Trust Company, Muskogee.

Oregon..... E. A. Wyld, Vice-President Security & Trust Company, Portland.

Pennsylvania.....R. L. Taylor, Vice-President Philadelphia Trust, Safe Deposit & Insurance Co., Philadelphia.

Rhode Island..... Horatio A. Hunt, Vice-President Rhode Island Hospital Trust Co., Providence.

South Carolina..... J. W. Simpson, Treasurer Security Trust Company, Spartanburg.

Tennessee.....Charlton Karns, Cashier Knox County Bank & Trust Co. Knoxville.

Texas.....H. N. Tinker, Vice-President Union Bank & Trust Co., Houston.

Utah.....P. C. Sullivan, Cashier Salt Lake Security & Trust Co., Salt Lake City.

Vermont.....H. L. Ward, Vice-President Burlington Trust Co., Burlington.

Virginia.....O. J. Sands, President Bank of Commerce & Trusts, Richmond.

Washington.....R. L. Rutter, Secretary Spokane & Eastern Trust Co., Spokane.

West Virginia.....H. W. Chadduck, Cashier Grafton Banking & Trust Co., Grafton.

Wisconsin..... C. C. Brown, President Northwestern Loan & Trust Co., Kenosha.

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COMMITTEES.

PROTECTIVE LAWS.

LYNN H. DINKINS, President Interstate Trust & Banking Company, New Orleans, La., Chairman.
ARTHUR ADAMS, Vice-President City Trust Company, Boston, Mass.
F. H. FRIES, President Wachovia Loan & Trust Company, Winston-Salem, N. C.
RALPH W. CUTLER, President Hartford Trust Company, Hartford, Conn.
P. C. KAUFFMAN, Second Vice-President Fidelity Trust Company, Tacoma, Wash.

TRUST COMPANY FORMS.

JOSEPH N. BABCOCK, Trust Officer Trust Company of America, New York City, Chairman.
GEORGE H. STUART, Third Assistant Treasurer Girard Trust Company, Philadelphia, Pa.
CHAS L. MOSHER, Third Vice-President Guardian Savings & Trust Company, Cleveland, Ohio.

TRUST COMPANY SECTION MEMBERS
on
COMMITTEES OF THE ASSOCIATION.

CURRENCY COMMISSION.

FESTUS J. WADE, President Mercantile Trust Company, St. Louis, Mo.

FINANCE COMMITTEE.

CHAS. B. MILLS, Vice-President Peoples Trust & Savings Bank, Clinton, Ia.

STANDING LAW COMMITTEE.

W. J. FIELD, Secretary and Treasurer Commercial Trust Company, Jersey City, N. J., Chairman.
P. C. KAUFFMAN, Second Vice-President Fidelity Trust Company, Tacoma, Wash.

EXPRESS COMPANIES AND MONEY ORDERS.

THORNTON COOKE, Treasurer Fidelity Trust Company, Kansas City, Mo.
FRED I. KENT, Vice-President Bankers Trust Company, New York City.

FIDELITY BONDS AND BURGLARY INSURANCE.

GEORGE L. RAMSEY, President Union Bank & Trust Company, Helena, Mont.
F. H. FRIES, President Wachovia Loan & Trust Company, Winston-Salem, N. C.

AMERICAN INSTITUTE OF BANKING.

E. D. HULBERT. Vice-President Merchants Loan & Trust Company, Chicago.

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EXTRACT FROM THE CONSTITUTION AMERICAN BANKERS ASSOCIATION.

ARTICLE IX

SECTION 1. Sections of the Association are hereby established, as follows:

(a) A Trust Company Section, whose scope shall embrace all matters of interest to trust companies.

(b) A Savings Bank Section, whose scope shall embrace all matters relating to institutions receiving savings deposits.

(c) A Clearing House Section, whose scope shall embrace all matters relating especially to work which may be of interest and advantage to members of this Association which properly come within the scope of clearing houses.

The above Sections shall meet annually in connection with the meeting of this Association, and their program and proceedings may be published from time to time together with the proceedings of the Association.

(d) An American Institute of Banking Section, whose scope shall embrace all matters relating especially to the work as outlined by the Educational Committee of this Association and embodied in the Constitution and By-Laws of said Institute. Said Section shall meet at such time and place as shall be designated by the Executive Council of said Section.

All Trust Company and Savings Bank members of the Association who desire may enroll themselves as member of their respective Sections. The Sections shall make reports to the Association, and affairs relating to their membership may be referred to them.

Notice shall be given to the Executive Council of the Association of any proposed amendment of the Constitution or By-Laws of any Section created by this Constitution. The Sections shall be under the supervision of the Executive Council, who may make such provision for them as to such Council may deem wise.

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BY-LAWS OF THE TRUST COMPANY SECTION.

SECTION 1. The administration of the affairs of the Section shall be vested in a President and a First Vice-President of the Section, and an Executive Committee. From each State from which there shall be at the time of an annual meeting five trust companies which are members of the American Bankers' Association, there shall be elected a Vice-President of the Section. Any State having less than five trust companies, all of which are members of this Section, shall be entitled to a Vice-President. The Vice-Presidents of the Section shall be invited to attend the meetings of the Executive Committee and shall generally act in an advisory capacity to the Executive Committee, but shall not be entitled to vote. The Executive Committee shall consist of fifteen members in addition to the President and First Vice-President, who shall be ex-officio members of such Executive Committee.

The President, Vice-Presidents and members of the Executive Committee shall serve until their successors shall be chosen or appointed, but shall not be eligible for re-election for the period of one year after the expiration of their respective terms of office.

The Executive Committee shall elect its own Chairman, from among its members, and shall also select a Secretary of the Section, who may or may not be a member of the Section.

The Executive Committee shall, as soon as may be after their organization, divide themselves by ballot into three classes of equal number, designated as the first, second and third class, of which the first class shall remain in office one year, the second class two years, and the third class three years, and at each annual election members of the Executive Committee shall be elected for a term of three years to fill the vacancies created by the retiring class.

The Executive Committee shall have power to fill vacancies until the next annual meeting, and may adopt all necessary rules for the business of the Section.

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MEMBERSHIP IN THE AMERICAN BANKERS' ASSOCIATION.

Those desiring to join the Association can do so by sending application and check for membership dues to the order of the Secretary, addressed to the officers of the Association, 5 Nassau and 11 Pine Streets, New York City. On approval of application and receipt of the dues a certificate of membership in the Association will be sent. There are no extra dues for membership in the Trust Company Section. The dues as fixed by the Second By-Law are: Private Bankers, Brokers and Banking Firms, $10.00; Banks and Trust Companies with less than $100,000 capital and surplus, $10.00; Banks and Trust Companies with $100,000 capital and surplus and less than $250,000, $20.00; Banks and Trust Companies with $250,000 capital and surplus and less than $500,000, $25.00; Banks and Trust Companies with $500,000 capital and surplus and less than $750,000, $30.00; Banks and Trust Companies with $750,000 capital and surplus and less than $1,000,000, $40.00; Banks and Trust Companies with $1,000,000 capital and surplus and less than $5,000,000, $50.00; Banks and Trust Companies with $5,000,000 capital and surplus and over, $75.00.

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A. W. Elson & Co. Boston

L. L. Greenough

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FOURTEENTH ANNUAL MEETING
TRUST COMPANY SECTION
AMERICAN BANKERS' ASSOCIATION

CHICAGO, ILL., September 15, 1909.

The fourteenth annual meeting of the Trust Company Section was called to order by the President, Mr. A. A. Jackson, Vice-President of the Girard Trust Company of Philadelphia, Pa.

The proceedings in detail follow:

THE PRESIDENT: It gives me very great pleasure, gentlemen, to call to order the fourteenth annual meeting of the Trust Company Section of the American Bankers' Association.

The Rev. HERMAN PAGE, Rector of St. Paul's Church, of Chicago, will ask the divine blessing upon our gathering.

PRAYER.

Our Heavenly Father, in whom we move and live and have our being!

We beseech Thee to give us a realizing sense of our sonship to Thee and our fellowship to one another.

We thank Thee for the many blessings that have been vouchsafed to us, and especially for the privilege of living and working in this great and beautiful land in this wonderful age.

We beseech Thee to increase in us a deep sense of our responsibility to Thee and to our fellows, and may we find in the work which Thou hast given us to do our chief opportunity for service.

Grant that we may more and more appreciate the virtue of honesty and especially the relation of brotherhood that will lead us to the service of our fellow men and give us joy in our work.

Be with the members of this organization in the meeting to-day, and grant that its deliberations may redound to their good and to Thy honor, and that all who are present may receive inspiration and strength from their attendance hereat.

We ask it all in Jesus' name, Amen.

THE PRESIDENT: It seems like going back to the halcyon days to find on this platform a man who has presided over the des-

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tinies of this Section from 1904-5, and who has always been active in the Executive Committee. So it is needless for me to introduce him to you, but I know we are all extremely glad to have Mr. E. A. Potter, President of the American Trust & Savings Bank of Chicago, welcome us to his city. (Applause.)

ADDRESS OF WELCOME.

MR. E. A. POTTER, OF CHICAGO, ILL.

IT is my agreeable duty to welcome you to this city on behalf of the trust companies of Chicago, and I do so most heartily, expressing the hope that your sojourn will prove one of great pleasure and much profit. It is needless to say that I refer to mental profit.

You have gathered from all quarters of the United States for an interchange of ideas, for the unselfish and patriotic consideration of policies and methods, for the best administration of trust companies on lines which shall still further safeguard and protect, and by which we may wisely manage the interests in our charge.

I believe that the value of these conventions is appreciated by the bankers of the country, but I feel that they are and can be made of particular value to trust companies. While our national banks owe their existence to and are controlled by the Federal Government, trust companies are organized under the laws of the various States. These laws, while all enacted with the same general purpose, namely, to make our banking system safe, are greatly at variance; and I think we should take advantage of opportunities such as this convention offers, to study each other's methods and be prepared to exert our influence in procuring regulations as nearly uniform in all the States as is possible. This impresses me as especially desirable in view of the growing tendency on the part of the public to make use of the facilities which trust companies have to offer.

We meet on the common ground of good for our clients and ourselves, free from selfish or sectional jealousies, with open minds to consider, digest and advance those methods and ideas which seem best for all of us, knowing that what is best for us in one section of the country is best for all in all sections, striving to one end, namely, to serve the public and ourselves, for the good of both.

Chicago seems to me a most appropriate place for your deliberations, located as it is near the center of the country, with unequaled transportation facilities radiating in every direction. Chicago is a great metropolitan and cosmopolitan city, of which I am sure all citzens of the United States are justly proud. A book lately compiled by our city administration shows a population of 2,500,000, in an area 190 square miles, which population comprises 36 different nationalities. It is the largest market for grain, live stock, lumber, and iron and steel in the world, also the most important railway center. Its growth as a financial center is best illustrated by a comparison of its bank capital, deposits and clearings with those of ten years ago. Its bank clearings in 1908-09 were $11,853,814,000, as against $5,517,335,000 in 1898. The combined capital and surplus of its banks at the present time is $99,070,787, as against $47,619,365 in 1898. The total deposits of its national and State banks is $779,579,336, as against $302,089,547 in 1898—in each instance an increase of over 100 per cent in the ten years.

In an able article written by our fellow trust company president, ex-Comptroller of the Currency Charles G. Dawes and published in a recent number of

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"The World To-day," he shows that the gain in what he terms the banking power of the whole country during the past eight years was 65 11-100 per cent, whereas in the sixteen States of the middle West tributary to Chicago the gain was 118 96-100 per cent.

But it is not my purpose to weary you with statistics nor to enumerate our various industries and resources, our many elements of financial strength and material beauty—of which you are no doubt as familiar as am I—besides, thirty-seven years' residence in Chicago has developed in me the characteristic modesty of most Chicagoans which makes us all reluctant to boast.

The citizens of Chicago, realizing the great material growth of the city and the enormous traffic congesting its streets daily, realizing, too, the natural advantages the city has for development along more attractive lines, but keeping in mind the practical, are interesting themselves in what is known as a "Plan of Chicago," looking to wider and better streets, more conveniently constructed and connected for handling traffic; a more imposing water front, statelier public buildings —all making our city more beautiful and more worthy of the grand proportions to which it has grown.

But without waiting for the consummation of this plan of "Chicago Beautiful," I believe as it is you will find the city attractive and our parks and boulevards delightful for motoring. The streets and parks are yours at not to exceed fifteen miles per hour. You will be cordially received at our various places of business, our clubs and our homes—in short, as the Spaniards say, but which we mean, for this week at least, "our house is yours," come and occupy it.

With every good wish for your health, comfort and pleasure, I again bid you a hearty welcome. (Applause.)

THE PRESIDENT: Mr. Potter has told us that the city is ours. When I arrived here and registered I thought the local committee was to be criticised because they gave us so few souvenirs to carry away (laughter), and when I found in the box containing a picture of the waterfront of Chicago a little packet I thought perhaps it would contain a key to the city. But it did not, and now I realize why. No key is needed, everything is wide open—even on Sunday. (Laughter and applause.)

ANNUAL ADDRESS OF THE PRESIDENT.

BY A. A. JACKSON, VICE-PRESIDENT GIRARD TRUST CO., PHILADELPHIA.

IT has been the custom, I believe, in former meetings of this Section for the chairman, in his reply to the address of welcome, to dwell upon the hospitality extended to our members and upon the charms of the city in which it is the good fortune of the Association to assemble.

I think that you are with me in the belief that in this instance the necessity for such voicing at length does not exist. The open-handedness of our Chicago friends is too well known, and the varied and compelling interests of this city are so far felt as to make any fulsome mention here superfluous. Rather let me state in simple words our appreciation of the many courtesies that we find extended to us, our sensibility of the care with which have been perfomed the labors of the Committee of Entertainment looking to our comfort and our pleasure, and the satisfaction that we feel in meeting at the financial and commercial center of the country west of the Alleghenies, and let me add to this our delight at being wel-

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comed by you, sir, an ex-president of this section who have devoted yourself for years to its welfare.

Perhaps it will be fitting for me to dwell for a few moments upon the progress that has been made by this branch of the American Bankers' Association. The affairs of the parent body are properly the theme for consideration at the meetings of the General Association, but to us belong particularly the happenings in this trust company section, which forms no mean part of the whole.

We are not old. Only thirteen years ago a small number of men met at the call of one of us who is here to-day to consider the incorporating as an individual segregation the trust companies of this country, which until that time had been meeting unidentified and merged with the general banking interests of the United States. Through the efforts of these men certain trust companies signified to the American Bankers' Association their desire to form themselves into a section of trust companies for the purpose of considering affairs relating to their own particular business. Immediate and favorable action was taken by the executive council. An amendment to the by-laws was passed establishing the section, and the trust companies thereupon took the important place to which they were entitled in the life of the Association; not as a separate body, but one with the whole and yet representing the important collateral relationship which the millions of their resources bear in the financial life of the nation.

Since then the wisdom of this action has been amply demonstrated. By a progression, at some times more rapid than at others, from this small beginning the trust company section has grown to its present membership of nearly 1,000 companies, with aggregate resources in the neighborhood of $4,000,000,000.

It may be argued that such a growth is only natural by reason of the steady increase in the number of companies in the country during the years of the existence of the section, but had not the advantages of membership been proved there would have been no such regular progression in the ranks of this body. And we must remember also that every company bearing the word "trust" in its name is not admitted to membership; a scrutiny as careful as may be had in such a large organization is devoted to the standing of the applicant, and while an earnest effort is made to bring to us legitimate institutions, no welcome is extended to those transacting a business foreign to our field, and always the efforts of a committee are devoted to the protection of the use of the word "trust" in corporate titles.

As each year brings a new meeting of this section it seems to me that there becomes more patent to those who attend them the benefits of coming together for deliberation upon general topics of interest to the trust company world. But this to my mind is perhaps the smaller part of the advantages to be derived from this membership. Not only do we meet at these conventions men whom we have known perhaps only in correspondence, and thereby bring ourselves together for the promotion of future business of mutual interest, but the fame of these gatherings induces the enlargement of the Association, and so by natural increase the beneficial work of the section is augmented. And the benefits of these meetings are not the only ones enjoyed. As the trust company section is a part of the whole Association, so does membership in it carry the advantages of membership in the general body. Not only have we now the office of a secretary of our own equipped as it has never been before, and at its head an official who devotes his time to the work of this section, undivided with that of any other interest, but in common with all other members of the American Bankers' Association we have the services of its general secretary's office and the various committees that devote themselves throughout the year to the interests of the banking fraternity of the country.

And as to our own committees chosen from the members of our Executive Committee, as to that Executive Committee and as to the officers of the section (al-

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ways speaking impersonally) let me congratulate you. They are men chosen wisely from throughout this great union of States, who have been diligent in the discharge of their duties to this body, who during their terms of office attend the various meetings, and are at the call of their chairmen for assistance and counsel in person or by correspondence, and in their elevation to their several offices are free from the imputation of politics that is so often rife in large organizations of this nature. To all these men I hope you will let me extend not only my own thanks for their efficient services rendered, but the thanks of this meeting. And not to them only, but to the officers of the general association, with whom there exists the harmony that promotes our welfare and whose courtesy and readiness to be of assistance to his section has been demonstrated many times during the past year.

And what of all of the great make-up—the membership—of this branch of the American Bankers' Association? Perhaps it has been said that conventions in general are for the most part somewhat for the purpose of providing a holiday for the members who attend them and that there is lost sight of the true interests which a charter may set forth as the objects of the body. I believe that such criticism may not justly be made as to this section. Certainly of late years the attendance at the meetings of the trust company section has proved that in the face of attractive entertainments provided by their hosts they have sat throughout sessions lengthening year by year in their duration, and have made by their enthusiasms in speech and discussion those successful gatherings that are to be desired.

It is unnecessary for me to tell you what has been done during the past twelve months by those whom you have intrusted with the management of our affairs. This will be submitted to you in the reports of your several committees and that of your Executive Committee, as phrased by its able chairman, nor need I indicate what shall be done for our welfare during the coming period, for such recommendations will come from you in our discussions of to-day.

It remains then for me, who in an hour or so am to relinquish this desirable office in which I have had so much pleasure and so much help, to urge that in the year to come, that bears such promise of prosperity, we join in making this trust company section of the American Bankers' Association bigger, more powerful and better than it has ever been.

THE PRESIDENT: The next business is the report of the secretary of the Section, Mr. Philip S. Babcock.

SECRETARY'S REPORT.

NEW YORK, September 1st, 1909.

To the Members of the Trust Company Section American Bankers' Association:

GENTLEMEN: The financial statement for the past year is as follows:

RECEIPTS.

Oct. 1st, 1908; By Appropriation	$7,500.00
May 5th, 1909; By Appropriation	4,000.00
4 Copies Trust Co. Proceedings	2.00
24 Copies Proceedings, 1896-1903	72.00
Book Case	15.00

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95 Copies Proceedings, 1904-1908	284.00
57 Copies Trust Co. Laws	198.50
Stamped Envelopes, returned	15.40
Expense Exec. Committee overpaid	7.25
	$12,094.55
Credit Balance Sept. 1st, 1909	$704.82

DISBURSEMENTS.

Salaries	$4,015.23
Postage	238.64
Postage, a|c Proceedings	84.00
Printing and Stationery	201.10
Petty Cash	105.00
Sundry Expenses	46.97
15 Gold Badges	97.50
Rent	110.00
Expense Denver convention	477.15
H. P. McIntosh, a|c postage, telegrams, express, telephone, Herrick, salary and expense, and stenographer	350.28
Committee Trust Co. forms	86.15
Trust Co. forms	15.00
Loving Cup for Col. J. R. Branch	90.00
Express on Proceedings and Trust Co. Laws	218.10
Insurance	19.22
Proceedings, 1908	759.36
2000 Trust Co. Laws and preparing same	2,379.58
1000 Proceedings, 1904-1908	1,355.55
Executive Committee at Briarcliff	40.90
Balance Aug. 31st, 1909	704.82
	$12,094.55

Cash in bank, advance subscriptions to book of "Trust Company Form," $915.00.

Membership September 1st, 1908	931
Loss by non-payment of dues, consolidations, liquidations and other causes	77
	854
New Members to August 31st, 1909	127
Membership September 1st, 1909	981

MEMBERSHIP TRUST COMPANY SECTION,
AMERICAN BANKERS' ASSOCIATION, BY STATES.

	AUGUST 31.					AUGUST 31.			
	1906	1907	1908	1909		1906	1907	1908	1909
Alabama	13	13	20	20	Georgia	8	9	12	13
Arizona	9	9	10	12	Idaho	5	8	9	9
Arkansas	16	18	20	18	Illinois	32	41	50	56
California	25	29	29	31	Indiana	19	21	24	30
Colorado	6	9	11	11	Iowa	8	10	14	14
Connecticut	16	21	24	25	Kansas	1	1	2	3
Delaware	5	5	6	8	Kentucky	16	18	18	18
Dist Columbia	5	5	5	5	Louisiana	11	15	17	17
Florida	5	5	7	6	Maine	12	16	20	22

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	August 31,					August 31,		
1906	1907	1908	1909	1906	1907	1908	1909
Maryland 15	14	16	16	Oregon 7	12	11	11
Massachusetts 29	29	32	34	Pennsylvania 132	145	151	151
Michigan 4	6	6	6	Rhode Island..10	11	11	21
Minnesota ... 4	4	3	3	So. Carolina.. 4	3	4	5
Mississippi ... 9	12	15	17	So. Dakota... 3	5	4	4
Missouri 17	20	24	22	Tennessee 17	27	26	29
Montana 5	7	8	8	Texas 9	18	21	26
Nebraska 3	3	4	5	Utah 2	3	3	3
Nevada 4	10	10	3	Vermont 10	13	13	14
N. Hampshire. 3	4	3	3	Virginia 12	12	12	12
New Jersey...49	56	59	64	Washington .. 7	12	14	18
New Mexico.. 2	2	2	3	West Virginia.11	10	9	10
New York...78	80	91	89	Wisconsin 5	5	5	10
No. Carolina..15	16	16	17	Wyoming 1	2	2	4
No. Dakota... 1	1	1	2	Alaska..... ..	..	1	1
Ohio 34	41	45	40	Cuba	2	2	2
Oklahoma. ..34	41	45	40	Hawaii 2	2	1	1
				Total ..718	846	931	981

Membership by years, since formation of the Section in 1896 with 17 members:

1897—114; 1898—150; 1899—190; 1900—253; 1901—348; 1902—414; 1903—501; 1904—566; 1905—638; 1906—718; 1907—846; 1908—931; 1909—981.

States having a membership of five are entitled to a Vice-President of the Section.

Respectfully submitted,

P. S. Babcock, Secretary.

The President: What is your pleasure respecting the Secretary's Report?

Mr. E. J. Buck, of Mobile, Ala.: I move that it be approved and printed in the proceedings. (The motion was seconded.)

The President: All in favor of the motion that the Section approve of the Secretary's Report and that the same be printed in the proceedings of the Section will manifest the same by saying aye; opposed, no. Carried.

The President: The next item on the program is the report of the Executive Committee, which will be presented by Mr. Fuller.

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REPORT OF EXECUTIVE COMMITTEE.

MR. OLIVER C. FULLER, of Milwaukee, Wis.: Mr. President and Gentlemen: I have the honor to read the report of the Executive Committee as follows:

To the Members of the Trust Company Section of the American Bankers Association:

IN pursuing the course so well laid out by the Executive Committee last year, and in endeavoring to carry out as nearly as possible the many excellent recommendations contained in its annual report at Denver, your committee has been quite busy throughout most of the past year.

Besides the regular spring meeting of the committee, held at Briarcliff, which was attended by all the officers of the Section and every member but one of the committee, as well as by several of the State vice-presidents and members of special committees, numerous meetings have been held during the year between officers of the Section and the Chairman and other members of the committee in regard to the several branches of work being carried on, and in arranging the programme for to-day's meeting. Also several meetings have been held during the year with the officers of the American Bankers' Association in regard to finances and other matters relating to this Section.

Among the recommendations made by your committee a year ago was the publication of a new book of Trust Company Forms. Pursuant to a resolution passed at the spring meeeting of your committee, the Secretary addressed a circular letter to members soliciting advance subscriptions for the book. Responses to this letter were deemed sufficient to warrant the publication, and the sub-committee appointed to take charge of this work was instructed to proceed, and the book will shortly be ready for distribution. Copies of the circular letter of the Secretary setting forth the scope of the work, together with subscription blanks, may be had at the registration office here, and, as this will be a very complete and valuable work, it is hoped that members who have not already subscribed will take advantage of this opportunity to enter their subscriptions.

During the year your committee has had published in one volume the proceedings of the annual conventions of the Section for the years 1904 to 1908 inclusive, being a supplemental volume to one containing the proceedings from 1896 to 1903. These volumes contain a great many important reports and interesting addresses and your committee feels that every trust company in the United States should have one or more of these volumes in its library for the benefit of its officers and employees. The Secretary reports that something over one hundred copies of this work have been purchased by the members, and your committee is confident that the demand for them will be more than sufficient to cover the cost of the number published.

Another recommendation made by your committee last year was: "To gather and keep up to date, as nearly as possible, statistics regarding trust companies. * * * To collect and have published matters of interest to trust companies."

In line with that suggestion your committee requested Mr. Edward T. Perine,

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president of the Audit Company of New York, to prepare a paper to be read to you at the meeting to-day, and we feel sure that you will be much interested in Mr. Perine's address on the subject of "Trust Company Resources and Revenues."

Also in accordance with the same suggestion, after several conferences with the officers and general counsel of the American Bankers' Association regarding the expediency and expense of the work, a compilation of laws relating to trust companies of the United States was published and distributed without charge to the members of the Section. About one hundred extra copies have been sold, and plans are under way through which it is hoped that a sufficient number of these volumes may be sold to cover the major portion of the cost of those distributed free to members. But, even if the hopes of the committee in this respect are not fully realized, the voluntary expression of appreciation by so many of the members upon receipt of the book has made your committee feel that the thought, time and labor, as well as the expense, involved in this publication were more than justified. By direction of your committee this work was compiled by a member of the New York bar under the supervision of the general counsel of the Association and is original in the field it covers, no such compilation having been heretofore published, and besides its great value to our members it has done much to advertise and make our Section better known through the complimentary and, in many cases, extended notices of it in the financial magazines. In the opinion of your committee it will add greatly to the value of this work if hereafter a record be kept of all new laws and changes in laws affecting trust companies and from time to time, say every two years, a pamphlet containing such changes be published and sent to the members, and your committee recommends that this be done.

The financial and membership statements of the section for the past year have been set forth in the Secretary's report, which you have just heard read. Although the expenses of the Section during the year have been larger than usual, your committee feels that in view of the steadily increasing membership and the importance of the work being done, the increased appropriations granted to this Section during the year by the parent body have not been excessive and that the money has been wisely expended.

The standing Committee on Protective Laws was enlarged to five members during the year and, under the direction of its experienced Chairman, Mr. Lynn H. Dinkins, has made much progress in this excellent work, as you will learn from the report of the committee to be read at this meeting. Your committee believes that the work of the Protective Committee is one of the most important that is being carried on by the Section, and recommends that the committee be continued as a standing committee of the Section.

The wisdom of the amendment to the by-laws passed at the last convention increasing the number of State vice-presidents has been fully demonstrated, and the Executive Committee takes this opportunity to express its thanks for the assistance it has received from many of these officers during the year, especially in the work of increasing the membership of the Association.

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Although the increase in membership, as shown by the report of the Secretary, is gratifying, your committee desires to impress upon members the importance of their assistance in our efforts in that direction. Your committee believes that the benefits of membership in the American Bankers' Association and in this Section are so great that no institution will refuse to join if its officers fully understand the scope and purposes of the Association.

Your committee feels that it cannot too strongly emphasize the advantages gained by the Section through having a year ago secured the services of an experienced and capable Secretary to take charge of the office of the Section in New York and devote his attention exclusively to the work of the Section. The Secretary has had active charge of practically all of the work mentioned in this report as having been accomplished during the year, and besides attending to the numerous details in connection therewith, has carried on a large part of the routine correspondence that has heretofore devolved upon the Chairman of the Executive Committee. As stated by our President, Mr. Jackson, in his report to the Executive Council at Briarcliff, "the office of the Secretary of the Section is now a well-equipped bureau working in harmony and in connection with the office of the general Secretary of the Association," and the wisdom of gathering together in one group all of the sections of the American Bankers' Association, so that they may be in touch with each other and close at hand, as they now are, to the Association headquarters, is apparent to all.

In this connection your Committee desires to express its appreciation and thanks for the uniform courtesy and consideration shown it by the executive officers of the American Bankers' Association. On every occasion when questions have arisen affecting the interests of this Section the officers of the Association have evinced a lively interest in the welfare of the Section and the enjoyment of the close and friendly relations growing out of our mutual interests and frequent intercourse has made service on your committee an agreeable duty.

Respectfully submitted,

EXECUTIVE COMMITTEE,

By *Oliver C. Fuller*, Chairman.

THE PRESIDENT: What is the pleasure of the Section with reference to the report?

MR. A. M. BARRETT, of New York: I move that the report be received, approved and placed on file. (The motion was seconded.)

THE PRESIDENT: All in favor of the motion will signify their intention by saying aye; opposed, no. Carried.

THE PRESIDENT: I am very glad to see that the President of the American Bankers' Association is in the room and that we are honored by his presence. I know he is a very busy man and is loth to make a speech, but I will ask him to step forward and tell us at least if he is glad to be here as we are to have him. (Applause.)

MR. GEORGE M. REYNOLDS, of Chicago, Ill., President

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American Bankers' Association: Gentlemen: I am very glad to see so many trust company representatives this morning, and I congratulate the officers of the Section upon this evidence of the interest taken in this work. I know the officers of the Section as well as the officers of the parent organization have labored earnestly to bring up the membership, and it is very gratifying indeed to observe such a substantial result as is shown in the attendance at this meeting.

As a Chicago banker I am heartily glad to see you and as President of the American Bankers' Association I am particularly glad that you are here in such numbers.

I am sorry that the arrangement provided for the entertainment of the other 3,500 or 4,000 delegates this afternoon is such that you will not be able to finish your program in time to take part in it, but a special train has been arranged for to-morrow afternoon to take you to Gary, leaving at 2 o'clock and returning in ample time to prepare for the banquet in the evening. (Applause.)

I am very glad to have had this opportunity to look you in the face, and I hope you will have a very successful meeting and a pleasant stay in our city. (Applause.)

THE PRESIDENT: In connection with what Mr. Reynolds has said as to a special train to visit Gary, our Executive Committee came here with the idea of making this meeting of our Section a success, and when it was found that our program was of such length that it could not be disposed of in time for our members to take the boat trip to Gary this afternoon Mr. McIntosh and Mr. Gillespie called on Mr. Reynolds, and, with his help, arranged for a special train to make the trip to Gary to-morrow. Therefore, I trust that everybody interested in the work of the Section will remain here to-day and finish our work, and then we can the more thoroughly enjoy ourselves to-morrow.

MR. H. P. MCINTOSH, of Cleveland, O.: I might state that Mr. Holliday, was also a member of our committee, and, on our way to see Mr. Reynolds, we met Mr. Fuller and took him along with us. I mention this merely that Mr. Gillespie and myself should not be given all the credit for securing Mr. Reynolds' assistance in procuring this special train.

MR. F. H. FRIES, of Winston-Salem, N. C.: It has been the custom for the Section at this time to have a committee appointed to receive nominations for members of the Executive Committee. Therefore, in line with that custom, I offer this resolution:

"RESOLVED, That a Nominating Committee of five be appointed by the Chairman, which Committee shall receive names in writing from delegates present, from which the Nominating Committee shall select five members of the Executive Committee for the term ending in 1912 and which shall be reported back to the convention for its action."

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(The resolution was seconded.)

THE PRESIDENT: Gentlemen, you have heard the resolution offered by Mr. Fries, and seconded by several members. All in favor of its adoption will manifest it by saying aye; opposed, no. (Adopted.)

THE PRESIDENT: I will name the members of that committee later. The next order of business scheduled on the programme is Report of Committee on Protective Laws, which was referred to in the report of the Executive Committee. The report will be read by the Chairman, Mr. Dinkins.

MR. LYNN H. DINKENS, of New Orleans: Mr. President and members of the Trust Company Section: The report of the Committee on Protective Laws is as follows:

REPORT OF THE COMMITTEE ON PROTECTIVE LAWS.

To the Chairman and Members of the Trust Company Section:

WE beg to report that we have continued since your last meeting the effort to promote interest among the bankers of the several States in special legislation for the protection of the use of the word "trust," for the establishment of suitable public provisions for State supervision, and for the denunciation as a crime of the circulation of false reports concerning the condition of banks and trust companies Legislative sessions in forty separate States have made this year particularly important to our undertaking.

Seventeen States—Colorado, Connecticut, Indiana, Iowa, Kansas, Maine, Massachusetts, Minnesota, Montana, New York, New Jersey, Oregon, Rhode Island, Texas, Washington, West Virginia and Wyoming—had already enacted suitable legislation. Florida also protects, more or less adequately, the use of the word "bank."

Four other States—California, Nevada, Pennsylvania and Wisconsin—enacted laws this year which are based upon the bill recommended by this Section of the American Bankers' Association. The laws so passed in Wisconsin are particularly gratifying for the reason that their requirements concerning the incorporation and regulation of trust companies are very definite and very rigid. They provide that the word "trust" shall form part of the name of every such corporation hereafter organized there, and that the word "bank" shall not be used as a part of such name.

Banks with whom we corresponded in three other States—Arkansas, North Carolina and North Dakota—advised us that it was unwise, at this time, to attempt special legislation.

Seven bills on banking were already pending before the General Assembly of North Carolina, and it was feared that the introduction of another might defeat all. A Senate bill to provide State supervision was under debate in the Arkansas Assembly, and it was thought that any attempt to protect the word "trust" might jeopardize that. North Dakota had only two trust companies; as her statutes contain all the protective provisions desired, except one for the word "trust," it was urged that an attempt to amend the law in this particular might suggest to the Legislators, at the same time, other amendments not desirable.

Missouri has no special law which protects the word "trust," but it is the general opinion of her bankers that her present law is adequate, and that additional protection is not needed.

The committee tried, through Mr. Latham, of Springfield, to have the statute

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authorized by this Section enacted in Illinois, but we were informed that the State Chairman of the Committee on Legislation did not deem it advisable to present a new bill on this subject during the life of the present Legislature.

The General Assembly of Tennessee convened on January 4, and our legislation was taken up with the Secretary of the State Bankers' Association too late to procure the passage of an act.

Idaho, Nebraska, New Hampshire and Utah have not reported at all.

Three States—Delaware, Oklahoma and South Carolina—reported conditions such as to make immediate action unwise. South Carolina, in particular, reported that a preliminary campaign of education is necessary.

The trust company interests in Georgia, Michigan, New Mexico and South Dakota assure the committee that action will be taken on our measures at the next session of their legislatures. The bills to be proposed in two of these—Georgia and Michigan—will correspond to the laws of Pennsylvania, both already having State bank examiners or commissioners.

We cannot emphasize too strongly on our members in these States, and in all others in which satisfactory legislative protection has not already been provided, that they be especially prompt in presenting their drafts of desired legislation to their respective legislatures immediately upon the opening of an assembly. Your committee has learned from experience that delays are dangerous. The whole movement in South Dakota failed this year, not because of any radical and sustained opposition to our proposals, nor because it could not muster all the support required for its passage, but because the bill itself was not formally offered until the time limit upon the introduction of new bills had expired.

One State, alone, in all the list, rejected the bill prepared by the committee—Arizona. The Senate of Arizona passed the measure, but the House potsponed it indefinitely.

Twenty-three, then, of these forty States, the General Assemblies of which were in session in 1909, provided protection of some degree or other; four more are about to enact protective legislation of a satisfactory sort; and thirteen are left for the incoming committee.

Of the other six States, Alabama, Mississippi and Ohio have passed satisfactory statutes. Kentucky, Louisiana and Virginia are still practically without safeguards.

It seems to us an important question whether or not we should continue to extend our agitation in those States which have given only partial protection—whether or not it would be more advisable to go forward toward larger results, or to rest content with those already won, to seek entirely satisfactory statutes, or to satisfy ourselves with those we have.

Your committee desires to record its appreciation of the valuable assistance rendered it by the Secretary of the Section.

Respectfully submitted,

LYNN H. DINKINS, Chairman,

ARTHUR ADAMS,

F. H. FRIES,

P. C. KAUFFMAN,

Committee.

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THE PRESIDENT: What is the pleasure of the meeting with reference to the report just read?

MR. EDWIN CHAMBERLAIN, of San Antonio, Texas: I move that it be received, approved, and placed on file for publication in the Proceedings. (The motion was seconded.)

THE PRESIDENT: All in favor of the motion will manifest it by saying aye; opposed, no. (Carried.)

THE PRESIDENT: It is a source of great regret to me that the Vice-President of the United States, Mr. Sherman, is not here. By an arrangement made with Mr. Bell, of Washington, the chairman of the executive committee and myself called upon Mr. Sherman in Washington and he gave us his assurance that he would endeavor to attend our meeting at this time and address us. Congress sat so late, however, that he wrote me he feared it would be impossible for him to keep his engagement, as he had pressing business matters to attend to as soon as Congress should adjourn. However, I took the liberty of going to see him again; he was extremely courteous, and said that he had to go to Kansas City about this time, but would try and stop at Chicago and address us on his way home. Unfortunately, he went through Chicago yesterday instead of to-day; and, while he stopped in at the general convention for a few moments yesterday—although he did not make a speech—he could not stay over for our meeting. I know you all join in my expression of regret that he is not to be with us.

We are fortunate in having present a gentleman well known as a writer as well as a man who is active in trust company matters. I take great pleasure in presenting to you Mr. Daniel S. Remsen, of New York City. (Applause.)

MR. DANIEL S. REMSEN, of New York: Mr. President and members of the Trust Company Section of the American Bankers' Association:



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THE POST-MORTEM ADMINISTRATION OF WEALTH

BY DANIEL S. REMSEN, Esq.

DEATH is the great conveyancer. To-day we own our property, to-morrow death works a transmission to others. It fulfills the conditions upon which settlements and trust deeds depend. It sets in operation the law of intestate succession and gives effect to wills. Thus in our own country property to the value of billions of dollars passes each year under some form of post-mortem administration. In all such administration trust companies have a peculiar interest, but for the sake of simplicity let us confine our attention to testamentary administration and consider our subject from the viewpoint of a person about to make a will.

REQUISITES OF A TESTAMENTARY ADMINISTRATION.

The first requisite of a proper testamentary administration is a properly planned will. The second requisite is a carefully prepared will. The third requisite is the selection of proper executors and trustees.

PLANNING A WILL.

The first thoughts of a person about to make a will relate to its plan—(1) what property he may give, (2) to whom he will give it and (3) whether his gifts shall be absolute, conditional or in trust. With these points in mind the wise testator seeks sound legal advice. He remembers that many things, expected and unexpected, may or may not happen before or after his death. The amount or character of his property may materially change. His real estate may be converted into personal property or *vice versa*. His securities may be paid off or otherwise changed in form. The value of his property may increase or decrease. Innumerable changes may occur through marriage, birth or dead, among the objects of his bounty. His own condition may change so that he may no longer have capacity to amend his will to meet new conditions as they arise. In short, not only probabilities, but possibilities, must be considered and the will planned accordingly.

WRITING A WILL.

In the preparation of no legal document is the inaccurate use or location of a word or phrase more serious than in a will. Under the most favorable conditions every person experiences difficulty in writing the English language so as to convey his exact meaning beyond the possibilty of a misunderstanding or a double reading. In testamentary writing this difficulty is increased tenfold, for the writer must look into the future and prepare an instrument which is to deal with such conditions as time may bring to the testator, his family and estate.

INSURANCE OF WILLS.

A will cannot be insured against a contest as can a house against a fire The only known method of insuring a will is to employ the most skillful of professional experts to draw the will in the first instance, or to vouch for its accuracy before death renders amendment impossible. No one can prevent a

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judicial inquiry into testamentary capacity, but much may be done to prevent disputes concerning the meaning and legal effect of the instrument and to render litigation improbable. The will of Samuel J. Tilden is a far-famed, but unfortunate, example in testamentary writing of what "might have been." It is not generally known that in scrutinizing that will the late James C. Carter pointed out the very defect that proved fatal and that the Governor's failure to make the correction was due to his procrastination in directing Mr. Carter to prepare an amendment. As Hon. John Bigelow puts it, Governor Tilden was "surprised by death before he had executed his intention to profit by the counsel" of Mr. Carter. Thus it appears that a letter or telegram from Greystone doubtless would have saved the Tilden will.

Trust companies, as prospective executors and trustees, have a special interest in proper testamentary writing that they may accept such trust business as comes to them without being subjected to unknown liabilities in the performance of duty. Consequently, they have done much for the betterment of testamentary writing, but still the safe and sound will is the exception, rather than the rule. In America, where testators subject their wills to a rigid critical interpretation before death, fully three out of five discover satisfactory reasons for making amendments. Most testators, however, seem to proceed on the theory that it is better to let their estates take the chance of defending a cheap or home-made will at any cost rather than themselves to take the necessary steps to insure a proper document. Thus it is that an undue number of estates pass under defective or ambiguous wills, creating family feuds and paying what may be termed salvage to the legal profession.

Americans do not appreciate the value of constructive law. American lawyers and law schools need more to stimulate English patience and perseverance in the preparation of legal documents. Their attention is riveted upon the remedial at the expense of the constructive. While in case of disaster the proper handling of a wreck is as necessary in law as at sea, constructive law is of equal if not greater public utility, for it insures peace and prosperity and, in the case of wills, prevents disruption of families and a ruinous waste of assets. Constructive law should receive more attention than it has in the past, and law schools should aim to turn out architects-at-law as well as masters of the remedial arts.

When laymen and their advisers are more fully alive to the importance of better testamentary writing, litigation concerning wills will be materially less, testators will act with more confidence, families will be more harmonious, beneficiaries will fare better and executors anad trustees will be more free from personal liability.

HUMAN AGENCY IN ADMINISTRATION.

Let us now consider from the testator's view the human agency upon which he must rely to carry the plan of his will into effect. We must accept the testator's point of view, for he is entitled to make his own selection. When a person makes a will and selects his executors and trustees he has several courses open—(1) he may select one or more individuals with or without bond; (2) he

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may select a trust company to act alone, or (3) he may select a trust company jointly with one or more individuals. Each one of these agencies has some advantages and some disadvantages over the other two. We cannot say that one of these agencies is always better than another, for the personal equation varies with each selection. We are told that nature has not produced a perfect blade of grass, a perfect flower or a perfect fruit, and we might add that human nature has never produced a perfect trustee; but as one blade of grass, one flower, one fruit is more nearly perfect than another so among trustees the testator has room for choice.

The duties of executors and trustees are twofold—they are not only business and financial, but also human and personal. A testamentary trust is more than a business; it carries with it a confidence. Under some wills the business and financial sides predominate, but there is always present a feature incident to the lives, character and welfare of the beneficiaries. This element of post-mortem administration demands a most delicate touch of human kindness, sometimes even paternal in its nature, often sought and too seldom found. The executor and trustee, whether individual or corporate, should command the respect and confidence, not only of the testator, but also of the beneficiary. Whether an individual or a corporate official, he should be one to whom the beneficiary not only may, but will be likely to, go for counsel and advice. In short, he should be one who will take a personal interest in the welfare of the beneficiary, and conscientiously, with gentleness and firmness, carry out the wishes of the testator as the first law of his being.

SAFETY OF THE ESTATE.

The prime factor in post-mortem administration is the safety of the estate. It often determines the selection of executors and trustees. The old method before the days of trust companies and surety companies was to rely upon the character and financial standing of the individuals appointed, supplemented in some jurisdictions by individual bonds. Such appointments have been the occasion of much unsatisfactory administration. They have resulted in loss both from embezzlement and dereliction of duty. To secure safety from these hazards trust companies and surety companies have each offered a solution which has proved satisfactory to many testators.

The plan advocated by surety companies is the appointment of individuals of known character and business ability under a legal or testamentary requirement that suitable bonds be furnished, preferably by a surety company at the expense of the estate. Such testamentary provisions are sometimes inserted at the request of prospective executors and trustees on the ground that the joint control of assets and the accompanying supervision of surety companies is an aid to proper administration, a protection against mistakes and a safeguard against the negligent or wrongful acts of employees or of a co-executor or co-trustee. The bonds thus advocated guarantee the estate against loss arising from dereliction of duty as well as from misappropriation of funds.

The plan advocated by trust companies is their own appointment with or without the addition of one or more individuals as co-executors and co-trustees.

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If a trust company is appointed its capital and surplus stand as a guaranty for the performance of its duty, but not as a guaranty for the performance of duty by a co-executor or co-trustee. Where the possibility of loss through a co-executor or co-trustee is not cut off by a surety company bond it is generally well hedged about by a trust company for its own convenience and protection. The practice of trust companies acting as co-executors or co-trustees in assuming the custody of securities is in itself an important element of safety. Some testators insert provisions in their wills looking to this end, often to the relief of their individual executors and trustees.

Both plans of safety involve a corporate custody of securities, in one case joint and in the other absolute. They differ in that the liability of the surety company is limited to the amount of its bond, while the liability of the trust company is co-extensive with the estate. The difference also extends to compensation. The former receives an annual premium as for insurance, while the latter receives no compensation except for the performance of its duty as executor or trustee.

In England a new feature has been injected into trusteeship. Corporations with powers somewhat corresponding to our trust companies are sometimes appointed custodian trusteees for the purpose of holding securities subject to the trust, while the other duties of the trust are performed by individuals known as managing trustees.

Experience has shown that both surety companies and trust companies under proper capitalization and management offer excellent plans for reducing to a minimum the possibility of loss attending post-mortem administration. Thus the testator has at hand ample means for the protection of his estate from dangers to which it would otherwise be subjected.

WISE MANAGEMENT.

To insure an estate against loss from embezzlement and dereliction of duty is, of course, a wise precaution, but it is wholly negative in character. The testator seeks affirmative qualities. He demands sound judgment, wise and efficient management during the whole term of the administration, but, above all, at its inception, when an unwise exercise of discretion has often resulted as disastrously as embezzlement or dereliction of duty.

The first duties under a will are performed by the executor. After a thorough study and understanding of the will he realizes on the testator's assets, pays his debts and distributes the surplus or turns it over to trustees for investment according to the terms of the will. Where the duties of executors end the duties of trustees begin. The executor turns over the trust estate to the trustees in such form as the will directs. The trustee must thereupon review the state of the investments and square them with the law and the terms of the will. If under the will the executors have already performed that duty the task of the trustee is much reduced. Thenceforth the duties of the trustee are those of investment and reinvestment and the collection and application or payment of income. Thus it is that the duties of executors are less routine in their character, more difficult to perform and more temporary in their nature than the duties of trustees. Con-

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sequently testators are disposed to look more for mature experience and discretion in the selection of executors and less to longevity. In the selection of trustees testators, in a large measure, seek the same qualities with an added care for a continuity of the trusteeship during the trust term. The element of personal interest in the beneficiaries is usually more or less present in the mind of the testator in the selection of both executors and trustees and is frequently a determining consideration, sometimes even at the expense of good business administration.

INDIVIDUALS AS EXECUTORS AND TRUSTEES.

While in the selection of individuals as executors and trustees the testator has a wide range of choice, there are certain qualities which he cannot overlook. He must have integrity and ability and should have good business habits. In selecting such persons the testator usually relies on personal acquaintance, observation and reputation. He looks with confidence upon persons of good personal habits and associations, upon males rather than females, upon married rather than unmarried men, upon the man who has no adverse interest, who is morally sound, whose family is not extravagant, who has a means of livelihood, who does not live beyond his means, who has good and regular business habits, who is moderately successful, whose business is not speculative, who does not buy and sell on margin, who has a mind of his own but is not self-opinionated, and who is free from prejudice, capable of discrimination, sound in judgment and considerate of the rights of others.

This may be a high standard to set for post-mortem administrators of wealth, but to me it seems to be the true one. It certainly is one the testators are continually applying and, therefore, should receive serious consideration in the selection of directors, officers and employees of a trust company if it is to attain any degree of success in this important branch of its business.

KINDRED AS EXECUTORS AND TRUSTEES.

In selecting executors and trustees the mind of the testator usually turns first to his family, then to his friends, business associates, legal advisers and trust companies. In his family he is most likely to find an element of personal interest which strangers do not possess. Yet so frequently are other qualities absent that no general rule can be stated as to the wisdom of placing post-mortem administration in the hands of kindred. So much depends upon the individual, the estate and the will that each case must be a law unto itself.

Fortunately, the testator is usually the best fitted to judge of the situation. For example, if the testator's etsate is small and is given absolutely to his wife she practically becomes the owner of the surplus and under ordinary circumstances she may well be entrusted with power over her own. If, on the other hand, the estate is large or somewhat involved or trusts are present in the will the necessity for outside assistance becomes more apparent.

Where the will contains no trust, and the corpus is to be divided on the settlement of the estate usually there can be no objection to the selection of executors because of interest or kinship. Where business qualifications, honesty and ability are sufficient and family jealousies not likely to be aroused such

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appointments are eminently proper. If, however, the will contains a trust very different considerations necessarily enter into the selection of a trustee. Thus a beneficiary, whether a life-tenant or remainder-man, is an unfit person in law and in fact by reason of interest. Near relatives are objectionable for the same reason and because they are "less able to withstand the importunities of beneficiaries." In the same way, where a husband, wife, parent or other near relative is appointed trustee such relationship "is too often made an excuse for lax management, and the knowledge that a breach of trust is likely to be condoned not infrequently leads to a disregard of strictly legal management, which is the only safeguard of trust estates."

LAWYERS AS EXECUTORS AND TRUSTEES.

In many respects the legal adviser is the logical executor and trustee of his client's estate. It is a recognized part of his business. He is acquainted with its duties and obligations. He is the testator's confidential adviser in all domestic, personal and financial affairs. He is acquainted with the wishes, purposes and estate of the testator more intimately than any other person. He is accustomed to weigh reasons and to advise in difficult situations. His mind is usually more free from prejudice, more amenable to reason and less subject to undue influence of a beneficiary than a person otherwise situated. If wise in counsel and clothed with power and discretion he is often an important peacemaker between adverse interests.

Nevertheless, the lawyer has the frailties of human nature, and trust funds are not always safe in his custody unless he gives ample bonds for the performance of his duty. Where, however, lawyers are competent and honest the English practice of making the testator's solicitor one of his executors and trustees has probably given more general satisfaction than the selection of any other class of individuals outside of his immediate family.

CORPORATIONS AS EXECUTORS AND TRUSTEES.

Trust companies have earned an excellent reputation as executors and trustees and offer valuable qualities to the testator. They offer security of assets, continuity of existence, experience, business management, readiness of access, opportunity of favorable investment and due consideration for beneficiaries. In these respects the record of trust companies as a whole is most satisfactory and honorable. Where, however, trust company management is open to criticism its defects relate to individual companies rather than trust companies as a class and arise from undue routine in business, undue pressure of business on individual officials, disinclination to assume liability, a lack of proper self-inspection and the unfortunate selection of directors, officers, counsel and employees. Vigilance in these matters is soon discovered by testators, and is the price of corporate success in testamentary administration.

While the character and general reputation of a trust company is often responsible for its appointment, yet in very many cases the personnel of its management is decisive. Of the importance of the personal element in a trust company there can be no doubt: it is much more the subject of discussion among

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testators and their counsel and more often the determining factor than is generally supposed.

Hon. Lyman J. Gage has well described the situation. He says: "Character and capital are the best assets of a trust company. Its officers and directors, therefore, should be men of wide experience, men who have been tried and who devote themselves with honorable zeal to the high duties of their positions."

COMBINATION OF COUNSEL AND TRUST COMPANY.

Generally speaking and without specifying particular situations or testamentary conditions, the best results seem to have been attained in post-mortem administration of substantial estates by combining as executors and trustees a trust company and the testator's counsel, sometimes alone and sometimes joined with one or more of the testator's family or friends. Thus are secured the advantages of corporate management as well as personal responsibility and individual discretion.

This is not merely a personal view. It is the opinion of many persons, including some of the greatest financiers in this country. To quote again from Mr. Gage: "Where the family counsellor acts with the trust company as co-trustee advantages are obtained which explain in a large measure the success of the trust company." I might add that it is often an inducement for counsel to act if they know that they are to have the co-operation of a first-class trust company, with its experience and facilities for receiving and paying out money, making investments, safeguarding securities, keeping accounts and otherwise handling a multitude of details more or less burdensome to an individual.

CONCLUSION.

Whatever we may think or say concerning executors and trustees the fact remains that administration of property after death depends primarily upon the testator. He may direct it into any channel giving or withholding such directions, powers and discretions as seem to him best. As he has the power he must accept the responsibility. If he plans his will wisely, makes sure that it will stand the strictest scrutiny after death and selects his executors and trusteees carefully, requiring bonds where desirable, he may reasonably expect satisfactory results, but not otherwise.

The trust company, after adopting proper business methods and squaring the human agency behind the corporate name with the qualities which carry confidence and make individuals desirable for positions of trust, can render no greater service to itself and to the interests it is to serve than by educating the public as to the importance of a sound will and the advantages of corporate administration after death.

THE PRESIDENT: I feel, as I am sure every one present does, that we have been greatly interested and instructed by this address. We do not get it entirely from a member of the legal fraternity, for Mr. Remsen is one of us; he is a trust company man as well as a lawyer.

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MR. E. J. PARKER, of Quincy, Ill.: I have a suggestion which I think would be proper to make at this time, in view of the very great value to trust companies of this address. Now, my suggestion is that as the Secretary prepares and has printed the proceedings of this section he also have printed at the same time a few extra copies of Mr. Remsen's address and send them out to our members, so that the members in turn can have a sufficient number of copies reprinted to send out to their customers. I think this address is the best statement we could possibly have in our possession showing the advantages of trust companies.

THE PRESIDENT: Mr. Parker, do you make that as a motion?

MR. E. J. PARKER: Yes, I will make it as a motion. I move that the Secretary furnish to the members of the section extra leaflets of the address delivered by Mr. Remsen at this meeting. (The motion was seconded.)

MR. JOHN JASTER, of Cleveland, Ohio: I would amend the motion by providing that the Secretary have such leaflets published at once and distributed to the members.

MR. H. L. REMMEL, of Little Rock, Ark.: In view of the general expression of sentiment among the members here that Mr. Remsen's address is what we all want for distribution, I would like to add to the motion that has been made the suggestion to the Chair that when the question is put it be emphasized by a rising vote, thus thanking Mr. Remsen for his able address.

MR. EDWIN CHAMBERLAIN, of San Antonio, Texas: I think the idea of Mr. Parker is simply to have a few extra copies sent out by the Secretary so that each Trust Company if it desires to do so may have printed any number of copies for its own use.

MR. E. J. PARKER: That is my idea precisely.

MR. R. L. TAYLOR, of Philadelphia: It seems to me that we have overlooked for the moment, in our expression of appreciation for Mr. Remsen's paper, the fact that out of courtesy to the author we should ask his permission to do what is proposed.

MR. DANIEL S. REMSEN: I am quite willing that the Section do what it likes with the paper, as I consider it as belonging now to the Section.

THE PRESIDENT: It has been moved, amended and the amendment accepted, and the suggestion variously seconded, that the address delivered by Mr. Remsen shall be published as soon as possible and that at least one extra copy shall be mailed by the Secretary to each member of the Section. In putting the question upon this motion the chair requests that the members will express their

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appreciation of Mr. Remsen's courtesy in delivering the address by rising. Therefore, all in favor of the motion as stated will manifest it by rising. (Adopted.)

THE PRESIDENT: The motion is unanimously carried. Mr. Remsen, we all thank you very much indeed. (Applause.)

Pursuant to the action of the Section in adopting the motion made by Mr. Fries, that a Nominating Committee be appointed by the Chair, I name as such committee:

F. H. Fries, of North Carolina (Chairman); S. W. Reyburn, of Arkansas; Dewitt VanBuskirk, of New Jersey; Joseph E. Otis, of Illinois; Herbert A. Rhoades, of Massachusetts.

I would suggest that the members of this committee meet during recess.

We will now have the pleasure of listening to an address by Mr. Perine, President of the Audit Company of New York, who has been good enough to prepare some statistics for us that I know will prove most interesting. I take great pleasure in presenting Mr. Edward T. Perine. (Applause.)

TRUST COMPANY RESOURCES AND REVENUES: A FIVE YEAR SUMMARY.

EDWARD T. PERINE, President The Audit Company of New York.

BASIS OF THE SUMMARIZED FIGURES:

THE Executive Committee of the Trust Company Section have once more honored me with an invitation to prepare and present to the Section a statistical statement of the affairs of all the Trust Cimpanies. In seeking to fulfill this request, and in the no small task of compiling the essential figures, as of a period of five years past, a basis of research has been available at the present time which did not exist at the beginning of that period. I should, therefore, at the outset, make my acknowledgments to the valued collections of statements and other data which have been issued annually since 1903 by the United States Mortgage and Trust Company, of New York City, under the title, "Trust Companies of the United States."

These statements and other data show, even on the most casual inspection, that the Trust Companies are growing, alike in numbers, in resources, and in earning power, and an interesting question presents itself, therefore, as to what the precise measure of this growth has been. Phases of this question affect many Trust Company accounts. With expanding aggregates of capitalization, have surplus funds and undivided profits also expanded, and in what amounts? With increasing deposits, general and in trust, have relative cash holdings been equally maintained, if not established on a higher ratio? Have the failures, and other disappearances from the lists of companies reporting in former years been frequent or important, as bearing upon the aggregate position of all the com-

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panies? Has the volume of dividend disbursements been well sustained? Moreover, what have the effects of the recent business depression been upon the Trust Companies as a whole, and how completely have they rallied from that depression?

These queries are now to be answered, in so far as aggregates and averages of dollars and cents will show, and answered in a manner which cannot fail to be gratifying to those in interest in the administration of Trust Company affairs.

Tabulations have been prepared by the speaker, using the figures contained in the 1904 to 1908 editions of the reference book before alluded to, together with the figures shown on advance sheets for 1909, the latter having been courteously loaned for this purpose by the publishers. The resources, and corresponding liabilities, are as of the date June 30th in each year; while the dividend summaries are on a basis of the annual rates reported down to December 31st in each previous year.

The tabulations show many interesting results, and your attention is invited to certain of the totals, such as these.

GROWTH IN NUMBERS AND IN CASH HOLDINGS:

There has been a marked growth in the number of Companies reporting. The totals are:

994	Companies	in 1904
1115	"	" 1905
1304	"	" 1906
1480	"	" 1907
1470	"	" 1908
1496	"	" 1909

an increase for the five years of 502 companies, which number represents an increase of over 50 per cent. since 1904.

The combined cash on hand and in bank held by the Trust Companies on June 30th five years ago, amounted to the sum of 622 millions of dollars. In the succeeding years, down to 1908, the respective totals were 633 millions, 588 millions, 637 millions, and 804 millions. On the same date this year the remarkable total was reached of 999 millions of dollars, which sum carried with it a sufficient number of odd thousands of dollars to make the cash holdings of this year's 1496 Trust Companies only a shade less than a round aggregate of one billion dollars. The increase in the cash and bank accounts in 1909 over 1908 has been found to be 195 millions of dollars, an increase of 24 per cent, while the increase for the five years is 377 millions of dollars, or nearly 61 per cent.

DEPOSITS BEFORE AND AFTER THE PANIC:

In 1904 the Trust Companies were liable to their depositors, general and in trust (including other Trust Companies and Banks), in the sum of 2 billions 361 millions of dollars. A year later this liability aggregated 2 billions 955 millions. In 1906 and 1907 the respective amounts were 3 billions 18 millions, and 3 billions 222 millions. Then, in 1908 there occurred, for the first time in Trust Company history, a heavy shrinkage in their deposit liabilities. From June, 1907, to June, 1908, there was a contraction from 3 billions 222 millions to 2 billions 913 millions, the decrease being 309 millions of dollars, almost 10 per cent, and leaving a smaller aggregate than in any year since 1904. The total for June of this year is, therefore, a sum worthy of especial scrutiny. In it is to be read the story of a hoped for recovery. In all the figures which have been summarized there is none more satisfying, none more convincing of the fact that panic conditions have been superseded by an era of real prosperity, than to know that with only a slight increase in the number of Trust Companies—the number reporting this year being 26 more than last year—the total

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deposits for 1909 have reached the important total of 3 billions 567 millions of dollars, an increse of 654 millions for the year, or 22 per cent., and an increase of 1 billion 206 millions for the five years, which is an increase of 51 per cent.

In considering the various totals of deposits it is to be observed that the percentages borne thereto by the totals of cash on hand and in bank, taken together as total reserve, have at no time during the five years averaged less than 19.5 per cent, the average percentages on June 30th in each of the years having been:

1904.....26.3 per cent.
1905.....21.5 "
1906.....19.5 "
1907.....19.8 "
1908.....27.6 "
1909.....28.0 "

an increase for the year of .4 per cent, and for the five years of 1.7 per cent.

The Total of Resources and Liabilities in 1909:

The summarizing of the total liabilities of the Trust Companies, and of their corresponding resources, naturally leads into aggregates of imposing size. It is found that the statements of all the Trust Companies reporting in 1904 showed an accumulation of 3 billions 138 millions of dollars. The succeeding years of 1905, 1906 and 1907 show 3 billions 802 millions, 3 billions 944 millions and 4 billions 221 millions, respectively. In 1908 there was a contraction to 3 billions 917 millions, but the recovery of 1909 marks a great growth, the total being the vast sum of 4 billions 609 millions of dollars. These four and three-fifths billions of total resources and liabilities show an increase since a year ago of 692 millions of dollars, or over 17 per cent., while the increase for the five years is 1 billion 471 millions of dollars, a 47 per cent. increase.

Total Capital and Surplus Summarized.

Considering next the figures tabulated to show total capitalization, it appears that the share capital of the present 1,496 companies is 415 millions of dollars, being an increase of 85 millions over the 330 millions of capital outstanding on the part of the 994 companies of five years ago. The average capital per company at that time is thus found to have been 332 thousands of dollars, yet even in the face of the great growth which has occurred in numbers during the five years, the average Trust Company of to-day is now an institution with no less than 277 thousands of dollars of capital.

The totals under surplus and undivided profits show growth in a marked degree. The figure for five years ago was 379 millions; to-day it is 502 millions, an increase of 123 millions.

When these totals of capital and of surplus and undivided profits are united in a lump sum of liability to stockholders, it is found that the aggregate of such liability is now 917 millions of dollars, as against 709 millions five years ago. The same figures afford a basis of determining the average percentage of book value applicable to all of the capital stock of the companies, and it is found that the average book value is at present $221.06 for each $100 of par, as compared with an average of $214.88 in the year 1904.

Fifty Millions of Earnings per Annum.

Interesting results appear in the tabulations as regards dividend payments throughout the five-year period. On December 31, 1903, there were 560 companies on a dividend paying basis. The number has grown in succeeding years to 661, 777, 900, 954 and 984, respectively. The average rate paid upon the shares of those companies which have been dividend piyang has increased from 10.3 per cent to 11.9 per cent, while the average percentage of all the companies, dividend paying and non-dividend paying, has increased from 7.7 per cent to 9.4 per cent. The tocal

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amounts disbursed each year have been computed, with the result of finding that there has been a constantly increasing volume of dividends in each of the past five years. The totals so disbursed have been:

1904.....	28 millions
1905.....	32 "
1906.....	38 "
1907.....	39 "
1908.....	39 "

A total of 176 millions, which if it be taken together with the augmentation of surplus and undivided profits, as already referred to, would show that the revenues of American Trust Companies, during five years past have been approximately 300 millions of dollars. It should be stated that in this sum is included some element of paid in surplus, chiefly in respect of newly formed companies, but if this be deemed to be equal to 50 millions of dollars (a sum which represents more than half of the amount of capital stock of all the new companies), there would still remain an aggregate of Trust Company revenue since the close of the year 1903 amounting to at least the sum of 250 millions of dollars.

Referring again, and briefly now, to the discussion of aggregate condition. In all the statistics heretofore compiled on behalf of the Trust Companies, the conclusions of the compilers have been affected by two elements of growth, one the increasing numbers of the companies, the other their increasing size. It is a pertinent inquiry, therefore, as to how many concerns which were in business five years ago are no longer in operation, what the status was at that time of the concerns which are still in business, and what it now is, as apart from the concerns which have been formed in the meantime. The facts have been ascertained to be these.

What Is Shown by 807 "Veteran" Companiess

Of the 994 companies reporting in 1904, there have been 52 failures, without subsequent resumption of business. These failures occurred in 26 different States, but no considerable number took place in any one section of the country. It is true, however, that 37 of the failed companies were located east of the Mississippi River, and only 15 beyond. The total resources of these 52 companies are found to have been 64 millions of dollars, or only about 2 per cent of the aggregate of all the companies for 1904. There were, in addition, 91 companies which arenowreported as being no longer in Trust Company business (having in most instances become National or State Banks), together with 23 companies whose statements have not been obtainable this year. These disappeared and non-reporting companies represent only 50 millions of total resources. The remaining companies, inclusive of 21 mergers, number 807. These are the survivors, the veterans, so to speak, of the Trust Company army. A summary of their aggregate position, contrasted with the corresponding aggregate for 1909, reveals striking conditions of past growth and present strength.

These 807 "veteran" companies had, on June 30, 1909, stock and bond investments of 978 millions of dollars, an increase over 1904 of 264 millions. Their loans, including mortgages, and their bills receivable amounted to 2 billions 38 millions, an increase of 468 millions. Their cash on hand and in bank amounted to 897 millions, averaging over a million dollars per company, and showing an increase in total holdings, as against five years ago, of 293 millions. Their real estate, banking houses, safe deposit plants, and furniture and fixtures accounts, totaled 117 millions, an increase of 37 millions. Similarly their capital stock showed an increase of 19 millions, being now 320 millions. Their surplus and undivided profits showed an increase of 99 millions, being now 468 millions. Their deposits increased during the five years 883 millions, an average of over a million dollars per company, the present total being

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3 billions 174 millions. In aggregate resources and liabilities these 807 companies now hold 4 billions 72 millions, an increase of 1 billion 48 millions for the five years. This aggregate of 4 billions 72 millions represents 88 per cent. of the 4 billions 609 millions of aggregate Trust Company wealth of the country, the remaining 12 per cent. being held by 689 companies organized within the five years, or not reporting in 1904, and now showing as their share of the total wealth 536 millions, or somewhat less than one eighth of the whole.

Add to this the fact that the companies which are five or more years old disbursed in dividends during the calendar year 1908 upwards of 35½ millions of dollars, or over 90 per cent. of the aggregate dividends of all the companies, and it is a fair claim to make on behalf of these 807 companies of five years ago, and of the present, that they have recently established a record for growth, and for earning capacity as well, unequaled by the accomplishments of any similar number of financial institutions anywhere during an equivalent period of time.

A Contrast with National Bank Figures.

The growth of the Trust Companies since 1904, enormous as regards the older institutions and substantial in the case of the newer ones, is clearly proven by the summaries made of each year's figures. With a volume of wealth nearly approaching 5 billions of dollars, the entire number of Trust Companies are approximately equal in size to the National Banks of ten years ago, the fact being that 3583 National Banks reported on June 30, 1899, to the Comptroller of the Currency that their total resources and liabilities were 4 billions 708 millions, or only 99 millions of dollars more than the total wealth of the Trust Companies of to-day. During five years past the percentage of increase in the total resources of the National Banks has been 42 per cent., that of the Trust Companies 47 per cent. To-day the deposits of the Trust Companies, exclusive of amounts due other banks, are a sum approximating 70 per cent. of the same liability on the part of the National Banks; while the total resources of the country's 1,496 Trust Companies are nearly 47 per cent of those of the country's 6,926 National Banks.

The entire record is a gratifying one. The figures, and in particular those of the present season, are a demonstration of the strength and stability of the corporations here represented at this convention time. In this fact there is reason for much congratulation, there is cause for every encouragement. May the growth and abounding success of the Trust Companies continue in other years—and aways.

Mr. H. P. McIntosh, of Cleveland, Ohio: I move that the thanks of the Section be and the same are hereby tendered to Mr. Perine for his address, this being another instance in which he and his company have placed this Section under obligations. (The motion was seconded.)

The President: All in favor of the motion will manifest it by saying aye; opposed, no. (Carried.)

The President: This address and others to be published in the proceedings seem to form a most valuable addition to the library of statistics of trust companies.

Gentlemen, the time has now come for open discussion of various topics named on the programme or any other topics that may suggest themselves to the minds of members. The Chair would

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ask whether it is the sense of the meeting to have such discussion now, or to take a recess until two o'clock?

MR. F. H. FRIES: I move that we take a recess until two o'clock.

MR. EDWIN CHAMBERLAIN: Before we adjourn, I would state that it has occurred to me that the various financial journals will doubtless contain a full report of Mr. Remsen's address tomorrow morning, and that will save the necessity of the Secretary having it printed at once, as all the members here can get copies of the papers in the morning. I notice in THE ECONOMIST, published in Chicago, a daily edition of which is being gotten out during this convention, that they have published this morning a full report of all the addresses delivered yesterday, and doubtless they will do the same every day while the convention is in session.

THE PRESIDENT: That is very good, indeed, and possibly will meet the point aimed at in Mr. Parker's motion.

MR. F. H. FRIES: I would request that the members of the Nominating Committee meet immediately after adjournment in this room.

THE PRESIDENT: Gentlemen, without formally putting the motion, the Section will stand adjourned until two o'clock.

RECESS UNTIL TWO P. M.

AFTERNOON SESSION.

THE PRESIDENT: Gentlemen, we will proceed with our further business. The Committee on Nominations is not yet ready to report; I understand they are still deliberating. We have before us certain topics for discussion that you see listed on the program. The program was made up after a lengthy correspondence among members of the Section, and these topics were selected from the very large number that were suggested, as being ones that were more or less in the majority.

The first is "Limitations of the Functions of a Trust Company," and the prime mover in suggesting that question was Mr. G. C. Morrison, Vice-President of the Baltimore Trust and Guaranty Company, who wrote to the Secretary suggesting the subject. He has been unable to come here, but has sent a letter, which I will ask the Secretary to read.

THE SECRETARY: Mr. Morrison, in sending this communication, states that he has no objection to having it read, but desires it

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to be understood that he is presenting a query and not a thesis. He says:

LIMITATIONS OF THE FUNCTIONS OF A TRUST COMPANY.

"I think that the subject should be discussed from two aspects. The first, which, of course, suggests itself, is the limitations necessary for the protection of the public. But this is not the only side. There is a grave question as to how far it may be profitable, in the long run, for the trust company to become the department store of financial institutions. Mistakes in trust company matters are very costly, and therefore each extension requires a properly trained executive head for that department. This makes the operation of the various departments very expensive in executive salaries; and unless the department can become sufficiently large to be practically in itself a little trust company, there is great question whether the risk of loss is not greater than is imagined in its operation.

"Savings Banks are limited in their business, and National Banks should be even more so, possibly, than they are now, in order to protect them from the temptation to speculate in securities rather than to provide funds for the necessary commercial activities of the country. Trust Companies are very little limited. They conduct a general banking business, and in many cases discount paper; they finance large undertakings; they operate savings departments; they manage estates; they become storage places for valuables; and they become fiscal agent of corporations and act for them in other capacities; and are even now operating as bond houses for the sale of securities. This makes them really the department store of finance. It does not necessarily make them unsafe, but it does raise the question as to what the future of financial institutions will be under such conditions. I think that the subject is a broad one and worthy of a considerable study, which I have not been able to give it. I think it worthy of study on the side of the stockholders of the trust companies as to what is the most profitable business for them, considering the expense of conducting the business in proportion to the return of the risk."

THE PRESIDENT: Now, gentlemen, we are ready for discussion.

MR. FULLER: It seems to me from the reading of the letter of Mr. Morrison that his company is probably one that does more of a banking business than a trust business. He seems to have some doubts as to the profitableness of it, as compared with what he thinks is the risk of a trust company business. I should say from his letter that he has an undue apprehension as to the risks involved in the acceptance of trusts. In Wisconsin, we are confined almost ex-

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clusively to a trust business pure and simple, and I think the risks in the business are almost nil in a properly managed company. There are grave responsibilities, but very little risk. I notice the President of Mr. Morrison's company is in the room, and perhaps he would like to speak to us upon this subject.

THE PRESIDENT: Mr. Bowles, we would appreciate it very much if you would take part in the discussion.

MR. THOMAS H. BOWLES, of Baltimore, Md.: As that letter was written by our Vice-President in the absence of the President on his vacation this summer, you will have to relieve me of any responsibility that may be attached to it. Mr. Morrison told me about the matter, but this is the first time I have heard the letter read. I am very glad that it has been read, because, in a way, it furnishes an opportunity for me to differ from the deductions made by Mr. Fuller as to the apparent fear that trust companies are not able to carry out all of their undertakings. I would rather go to the other extreme, having graduated only within a year from the distinguished school of my friend, Mr. Clark Williams, of New York. I had come to believe that there were no limits to the operations of trust companies, either in the handling of trust assets or in banking departments or in savings departments, or in the handling of bonds. In fact, with that view of the case and the knowledge that the world needs trust companies, that was one of the inducements for me to become president of the company that I have the honor to represent. I think, perhaps, Mr. Fuller has not made just the deduction that Mr. Morrison, from my acquaintance with his views as he has expressed them to me, intended to convey by his letter. Mr. Morrison is a man of rather an inquiring turn of mind, and I believe he thinks that a trust company can do all sorts of things; but he would like perhaps to have the opinion of more experienced men along that line. I don't know that I am prepared to discuss technically the question of the service of a trust company in this country, but it does seem to me that its field of operation is almost unlimited. It is one of those many institutions which have come from the development of the great industrial and commercial growth of America which has taken place in the last quarter of a century; and it seems to me that instead of considering limitations that, as the country grows and as there is a constant demand for great financial institutions to carry on the business of the country, that we will be called upon to do more and more things than we are doing to-day. This is the view, of course, of a man who has only had sufficient time and experience to take, as it were, a bird's eye view of the present and future operations of trust companies. It seems to me, if I needed any argument to support that position, it was furnished this morning in the statistics read by the gentleman from New York (Mr. Perine), showing what a tremendous business

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is now carried on by the trust companies, which, as I understand it, is a comparatively new business as compared with the business of national and state banking institutions. If I remember correctly he stated that the deposits, for example, of the trust companies were about 70 per cent. of the deposits of the national banks. That impressed me as establishing in a most eloquent way the faith of American business and professional men, and the faith of the man of small means, as well, who establishes a savings account. It showed that at least a large percentage of the people of this country, one way and another, are calling upon the trust companies, not only to take care of their deposits and conserve a large part of their wealth in that way, but in handling assets and being trustees and doing a thousand and one things which banks, owing to their peculiar conditions and laws, are not able to handle so well. I think it would be more or less an easy task to let one's imagination play a little upon the unlimited possibilities of good work by trust companies, and if this subject is up for general discussion I would like to have some light thrown upon the unlimited possibilities of their activities.

MR. BENJAMIN I. COHEN, of Portland, Ore.: I might, perhaps, throw a little light upon the gentleman's own trust company. I have never seen Mr. Bowles before, although I know him very well by reputation, but I am acquainted with Mr. Morrison. Mr. Bowles, with that modesty that always characterizes a successful life insurance man, has failed to bring out certain points connected with the Baltimore Trust and Guarantee Company. It is an old institution, started a great many years ago in a small way on Calvert street, in Baltimore, and it was built up to a very good size by a gentleman who afterwards left the country, and it had a few years ago a Board of Directors who were ultra-conservative. At that time, my friend, Mr. Baker, was President of the Trust Company. The company had a very good capital and they had such an enormous surplus that every time Mr. Baker proposed something in the way of up-to-date modern trust company work, the Board would say: "Oh, we are making money enough; let us go along and make three per cent on our investments." Well, after a while, that thing, of course, came to a natural end, and Mr. Bowles came into the Presidential chair; and, as I said, I never saw Mr. Bowles before, but I expect to be in Baltimore in a week or so, and then I shall take pleasure in calling upon him. Two year ago the way that company was run was admirable, from the standpoint of safety, but was deplorable from the viewpoint of one who wanted to develop a concern into a modern trust company. Now, I am sure, with new blood in the presidential chair, that the old company is going to grow and prosper. Mr. Morrison is a man comparatively young and he is, as Mr. Bowles has said, a gentleman of rather an inquir-

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ing turn of mind. He is a lawyer by profession, and he has some very original ideas. I was pleased with his ideas the last time I had a conversation with him. That company can be developed if they push their business; they have got the best blood in Baltimore behind them.

Now, to come to the general subject under discussion, my opinion is that the limitations of a trust company business practically have no existence. I think that what will really limit the activities of any one trust company is the maxim that "all force moves upon the lines of least resistance." I am the president of a comparatively small institution, but I have noticed this: in the early years of our history we paid a great deal of attention to our trust business. In Oregon there is no law authorizing trust companies to act as administrator or executor. Consequently, all our trusts are trusts by private agreement. We have found that branch of the business, however, pleasant and profitable. We got in the habit of loaning a great deal of money on mortgages, and I devised a system of mortgages by which all loans are evidenced by promissory notes, and are secured by mortgages running to the Portland Trust Company of Oregon, as trustee. So, if we wish to sell a note we do not have to assign the mortgage; we are trustee for whoever holds the note, and we may combine one, two, three or four notes under the same mortgage. The result of that system of doing business and serving the public is that we found it advisable to have a fire insurance department, and that department is fairly profitable, so that I would not be without it under any consideration. Then we found that it was necessary to do a little bit of commercial business, and as I like to have everything insured, when a man came in for a loan, if I thougnt the moral hazard was all right, I would say: "I am willing to lend you this money, but suppose you die." "Now, you insure your life in our favor, and we will make you the loan." That led to a combination with a life insurance company, so that we did more or less of that business. Then various agency matters came up so that we had to establish a sort of a tax department. Then we found, by consulting statistics, that there were just as many women in the world as there were men. The result was that after some time we were fortunate enough to secure the services of a very fine business woman, and we established a woman's department. That woman's department is to-day one of the best things we ever did. This lady waits upon the female customers and makes business easy for them. Lately we have found it almost absolutely necessary to extend our commercial business. We are feeling our way very cautiously in that respect, however. We have no expectation of competing with the national banks, but I find that certain lines of business rather drift our way. For example, take the building trades. A builder will come in and say: "I would like to

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have a loan of five or ten thousand dollars for ninety days; I am putting up a building." Of course when the building was completed we would like to make a mortgage loan on it, so in order to get that business, we make him the loan on his note of hand, assuming, of course, that he is good. So we are doing a little commercial business—not confining ourselves to the building trades, but that branch is receiving our attention; and there are certain other trades that seem to be drifting our way too.

So it is my belief that there is no end to the functions that a trust company can assume, but extreme caution must be observed to limit the functions to the conduct of those classes of business that the locality and needs of your particular business require at your hands.

MR. B. G. WITT, of Kentucky: It seems to me that the question under discussion has been amended, or should be amended now, so as to read: "There are no limitations to the functions of a trust company." (Laughter.)

THE PRESIDENT: We might consider that the question, as printed, is a typographical error, I suppose.

MR. WITT: I feel like having a free rein in almost everything I do, but it seems to me that this is opening the question rather too wide. We come in contact, in our business, with every other form of business, and we touch every point of business, if we extend this principle as suggested by the gentleman who last spoke.

The commercial business seems to be the point of contact between trust companies where most of the difficulty arises, and we are getting into it all over the country. We are assuming the functions of banks engaged in commercial business, and it seems to me that it would be long before we meet with active opposition. We not only reach out at the banking business, but we put ourselves in opposition and in competition with it, and with the life insurance companies, and with the fire insurance companies, and with the guaranty companies; and the first thing we know we will have everybody down on top of us.

It seems to me, gentlemen, that it would be a wise thing to confine ourselves to our legitimate line of business, touching these other things only where it is proper that we should come in contact with them, and not undertaking to take up the activities of the business world generally. It seems to me that would be broadening the functions of a trust company rather too much. (Applause.)

THE PRESIDENT: Now that we have heard from the east and the west and the center of the country, we should be glad to hear from all part generally on this subject.

MR. H. L. REMMEL, of Little Rock, Ark.: I am in accord with the gentleman from Oregon. I am connected with a small institution in a thriving city of 65,000 inhabitants, and we are doing

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a business something like his. We are not running a life insurance business, but we happen to have friends that are in the life insurance business, and if we need a little security of that character we can readily get it. We are running a fire insurance business, in a way, but we are not in opposition to the fire insurance companies because they are very glad to have good, active agents in a trust company. We have a real estate department. The combination is very similar to that spoken of by the gentleman from Oregon, as existing in his company. We do not do a commercial business. We have enough business in the lines that we are conducting to make our business very profitable, and I would recommend, especially in the country districts, that they do business along the lines laid down by the gentleman from Oregon.

MR. H. P. MCINTOSH, of Cleveland, Ohio: I have written something on this subject which I will read:

(Reading.) What are the ordinary function of a trust company?

1. To act in well defined trust capacities, such as agent, administrator, executor, registrar, trustee, etcetera.
2. To conduct a savings bank business.
3. To conduct a commercial bank business.
4. To conduct a safe deposit business.
5. To conduct a real estate business.
6. To conduct a title insurance business.
7. To conduct an insurance or annuity business.

Some or all of the above functions are now being performed by trust companies in various sections of the United States.

It would therefore seem that a proper limitation for trust companies in one section of the country might not be applicable in other sections.

There can be no question or argument that numbers 1, 2, 3, 4 and 5 are proper functions for trust companies in all parts of the United States. We think its authority to act as administrator, executor, agent or trustee should be as unlimited as those of a person acting in one of these capacities.

Under proper regulation a trust company can be as well qualified to conduct a commercial bank business as a national bank, and in the event that it does a commercial banking business, it should be governed by about the same regulations as those governing national banks in respect to loans, deposit reserves, etcetera, and none of its savings deposits should be employed in this department.

In view of the recommendation of President Reynolds of the American Bankers' Association that national banks be authorized to accept trusts and saving deposits, is it not advisable for trust companies to enlarge their functions by adding to them a commercial

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banking business? I know of a national bank which recently erected a handsome building for its use, which seems to have foreseen the movements suggested by President Reynolds, because it has provided a space in this building to accommodate a trust company business.

All of the first five functions named seem proper and legitimate ones for trust companies to engage in. The limits within which they shall perform these functions should be well defined. For instance, the character of the trusts that may be assumed should be definitely set forth; anything of a trust nature which might mislead or tend to defraud the public should be barred. The investment of trust funds should be limited to only the safest and best securities.

Safe deposit business should be limited to the rental of safes to customers and storage of valuables.

Real estate operations should be restricted to acting as agent or trustee for others and to the management and control of properties held in trust, and companies should not be allowed to buy and sell for their own account.

Numbers 6 and 7 do not seem to be proper functions for trust companies to assume, because of the liabilities created in performing the functions created thereby.

Trust companies should not be permitted to incorporate and assume trust functions unless sufficient capital be paid in to assure the performance of their undertakings.

In general it seems that the functions of a trust company should be broad enough to enable it to do any trust work that an individual is allowed by law to do, and its functions should be limited so as to restrain it from doing such business as would tend towards speculative ventures.

To sum up the whole proposition, I think the test of the limit to prescribe to trust company functions is determined by the answer to the question as to whether the particular function sought to be exercised is one of trust or one in which the company acts as principal. If the latter, the function should be forbidden. For this reason I think the trust companies should be barred from the work of abstracting, writing title insurance or bonds or assuming the role of underwriting principal in the organization of corporate interests.

The use of the word "Trust" should be prohibited when used for or by any others than companies incorporated to do a trust company business, as provided in Nos. 1 to 5 above.

The trust company is bound to grow in importance and in usefulness as the years go on. In order that it may keep the confidence of the people and conduct its affairs on broad lines of usefulness, its operations should be confined to those of a trust nature only; otherwise opportunities for speculation and desire for large profits may

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cause it to become too aggressive in a speculative way, which, if followed generally, might work its own undoing, and cause the enactment of laws destroying those functions to which it is rightfully entitled.

MR. JOHN JASTER, of Cleveland, Ohio: I am very glad that a fellow citizen of mine has seen fit to speak upon this subject, for it is a subject that has been in my mind for a number of years. The bank that I am connected with is a State bank, organized under the general laws of Ohio and doing a general banking and trust business. We pay more attention to the business of general banking than we do to trust business, but we have a savings department and we loan on mortgages and also upon business paper. We are doing some trust business, however. We believe that a bank should do all the business that is connected with the banking business. For myself, I cannot see how a bank can be a complete institution that does not do so. If a customer has money on deposit there, they should accommodate him when he comes in to get paper discounted. Now, a national bank, of course, cannot do a trust business; they cannot loan on mortgages. I have observed by the address of Speaker Cannon yesterday that he thinks it ought to be so arranged that national banks could take savings deposits. Mr. Reynolds, the President of our Association, also spoke upon that subject, as did Mr. Murray, the Comptroller of the Currency. Now, my idea is that if the national banks could adopt savings bank rules and handle savings, it would not be long before they would be loaning on real estate.

I am very glad this subject has been brought up.

MR. J. H. HOLLIDAY, of Indianapolis, Ind.: I am by nature a strict constructionist and I sympathize entirely with the views of my friend Mr. Witt on this subject. We have in this country different methods of banking. The State has conferred upon trust companies the right to do certain things in corporate ways that have heretofore been done by individuals. Owing to the compelexity of our civilization that was a necessary step to take. The State, however, has heretofore created methods for banking. A trust company is not necessarily a bank. Incidentally it becomes a bank, because it has to have a large capital, or should have—at any rate, it has a capital—on which it must earn an income; it also has funds belonging to trust estates which it must handle, and permission has been given to it by law to receive deposits. Now, naturally, if you are permitted to receive deposits, you have to make use of that money. It is perfectly proper for a business to develop along the lines, as Mr. Cohen suggested, of real estate and insurance; but when it comes to the banking side of the proposition I take issue with him. I think too that Mr. McIntosh has not been consistent in his conclusion that a trust company should confine its business to trust matters or to matters involving trusteeship. Commercial banking does not do that. We

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have two systems of commercial banking in this country, as a rule. The first is that which has grown up from the beginning, superseded or extended by the national system. Those banks are supposed to be, as far as the national system is concerned, and they are, absolutely commercial banks. The business of the trust companies along their banking line, to my mind, should be absolutely distinct and should not partake in the least of the features of a commercial bank. I know it is done in many states. In my own state I am thankful to say it is not permitted by law, although for a reason not necessary to mention, on account of the law forbidding reduced capitalization, a good many institutions have sprung up in the smaller cities that do a commercial business to a certain extent. I maintain that a trust company should do no commercial business whatever. It has sufficient business in its own line if it will stick to that line.

Now, the point I want to make particularly is this: that if we antagonize all these other institutions it will be the worse for us one of these days. Mr. Jaster speaks about the addresses yesterday in the convention advocating permitting national banks to open savings departments and taking trusts. I want to say to you gentlemen that it is my firm conviction that if ever such a law is passed it will be good-bye to the prosperity of trust companies, and it will be like the darkey who said, "You may lose yo hoss and you kin git another one; yo kin lose your wife, and yo kin get another, but if yo lose yo soul, boss, it is good-bye John." (Laughter and applause.)

THE PRESIDENT: There is a gentleman present who knows so much about what a trust company should be and what it should not be—a man whom all of us who know him love, and whom those present who do not know him would love if they knew him; a man who was active in the affairs of this Section from its beginning and as finally President of it, and who is now Superintendent of Banking of the State of New York, and yesterday was elected President of the Association of Supervisors of State Banks—I assume the liberty of taking a very unfair advantage of him in asking that he say a few words to us. I present Mr. Clark Williams of New York. (Applause.)

HON. CLARK WILLIAMS, of New York: Mr. President and Gentlemen: I am exceedingly grateful to Mr. Jackson for this expression of his personal opinion as to myself. It is always a great pleasure to meet with trust company men, and particularly with members of the Trust Company Section of the American Bankers' Association in convention assembled, which pleasure I have had for the last eight or ten years, with only one exception, occurring in the fall of 1907, when in the city of New York and in that State we were exceedingly busy. I doubt if my opinion on the question under discussion would be of particular interest, and I should dislike to com-

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mit myself specifically upon it except in the broadest way, because if one permits oneself to express an opinion without a clear definition of the terms, his opinion may be misleading, and it is necessary to define commercial banking before we know how we should vote on the proposition. But I say emphatically that I am inclined to the position taken by Mr. Witt and by Mr. Holliday, as along the conservative line. That is the line which has given the Trust company movement its success, and it is worth while to adhere to it. You have been given interesting and instructing figures this morning. It may be that one figure has not been given you, however, and it is this. I should like to call your attention to the effect and the recovery from the panic of 1907 upon trust companies in the State of New York. I mention these two figures because I feel I owe that to the institutions under our supervision. The loss in deposits in the trust companies in the State of New York between August, 1907, and December, 1907, were $368,000,000. The recovery from December, 1907, to the present time in deposits amounts to $561,-000,000. (Applause.) Although at that time there were $117,-000,000 of assets of delinquent corporations. I am pleased to state to you that there is not a prospective loss of one dollar to a depositor. (Applause.)

Your president has alluded to the honor which was done me yesterday in my election to the presidency of an organization of which I think probably you know very little—The National Association of Supervisors of State Banks. I make bold, because of my friendship for you and my loyalty to this organization to make a suggestion as to your future work. I know something of the work which your Legislative Committee has given to the particular points which seemed at one time to be worthy of their consideration. We have now in a great many of the states a proper protection to the term "Trust"; but, gentlemen, while doing that work, could they not broaden their efforts so that each State might be aided by the efforts which are now making for more adequate supervision of the institutions taking charters from the States? And would it not be possible for you to endeavor to secure such laws as the Liquidation Law, for example, that we have in New York? A broader sphere for usefulness seems to me to be open to your Legislative Committee in its approach to this question of securing sound banking and efficient supervision; and I ask the co-operation of this body in the efforts which you will notice on the part of the different supervisors in the respective States. And, gentlemen, if they are not accorded the funds which will respectively enable the banking commissioner or the superintendent of banks to do his duty by the depositors, will you see to it that your Legislature gives it to him?

I thank you, gentlemen, for this opportunity of addressing you,

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and I shall hope always to meet with you in your conventions. (Applause.)

MR. JOHN JASTER, of Cleveland, Ohio: I would like to ask Mr. Williams if the law to which he referred as the "Liquidation Law of New York" is a State law?

HON. CLARK WILLIAMS: Yes, sir, it is.

MR. JASTER: I think that ought to be brought before our Executive Committee for discussion so that, if possible, we can recommend that a similar law be enacted in every State in the Union.

HON. CLARK WILLIAMS: May I be indulged to give you in two lines the result of the operation of this law? I read from a copy of a placard which is now on exhibition at our State Fair at Syracuse:

"Liquidation under the New Law. Banking Department took possession of Binghampton Trust Company April 9, 1909. First dividend to creditors, 50 per cent., paid September 1st, 1909. Amount collected $1,560,000. Cost of collection, two thirds of one per cent. Under old receivership system cost has frequently been from 20 to 30 per cent. In the case of thirty-four insolvent national banks in New York State, the average cost was eight and seven-tenths per cent." (Applause.)

MR. WITT: I would suggest that it might be dangerous so far as trust companies are concerned. It would be entrenching upon the functions of a trust company, and I do not think it would do to cut us out of receiverships. (Laughter.)

MR. MCNAIR, of Buffalo, N. Y.: I wish Mr. Williams would state to us the cost in dollars and cents of the liquidation of three or four of the New York State institutions before the first bank was liquidated by the Banking Department of that State.

HON. CLARK WILLIAMS: There were 13 failures of State institutions. Several of them went into the hands of permanent receivers appointed by the court and are now in liquidation. Many of them have resumed business, but receivers were appointed prior to their resumption. In the case of the Hamilton Bank, which resumed, a receiver was appointed and the receivership lasted three months. The cost for receivers' fees and legal fees, no other expenses involved, amounted to between thirty-five and forty thousand dollars. In the case of the Brooklyn bank the cost was sixty thousand dollars, I think. In the case of the Knickerbocker Trust Company—I believe that has been settled now—it was twenty thousand dollars to each receiver, and seventy thousand dollars to the counsel employed. Immediately after the passage of this law the department took possession of the Home Bank of Brooklyn. That was our first trust. We performed a partial liquidation, returning the bank to its shareholders, at a cost of $666 after forty-two days; or a total cost, in-

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cluding other expenses which brought the amount up to $1,200. We performed this liquidation in the case of the Binghampton Bank, at a cost, including counsel fees and receiver's fees of my deputy, of $3,500. (Applause.)

MR. STONE, of Detroit, Mich.: I want to cite an illustration. I happen to know of a trust company—modesty forbids my mentioning its name—that administered the affairs of an insolvent bank where the expenses were a trifle under two per cent. of the total resources of the bank. (Applause.)

THE PRESIDENT: Is there any further discussion of this subject? I assure Mr. Williams that the recommendations he has made will be brought before the Executive Committee.

MR. DINKINS, of New Orleans, La.: At the Briarcliff meeting last spring it was the sense of the members of the Executive Committee that it would be inadvisable for the Legislative Committee to initiate legislation in any State, because we could not ascertain the atmosphere locally, so to speak. We find in a number of States that there is an indisposition on the part of trust company officials to suggest new legislation; they are afraid that the members of the Legislature will take the bit in their teeth and go too far. I think the bringing about of better conditions which Mr. Williams has mentioned is certainly desirable all over the country; but I think it will necessarily be very slow, and I think the supervisors of State banks are really in a better position to further such legislation than any committee which this body might appoint could be, because, as a rule, they are more closely in touch with political conditions.

THE PRESIDENT: We have present a Chicagoian—a banker, known by bankers here; a business man, and, more than that, a gentleman who is known far and wide as an authority on the topics of the Far East, the HON. CHARLES R. CRANE, who is about to leave this country for his post as Minister to China. I see him sitting here and I have been wondering whether he would not say a word to us —of course, not about the banking business in China, but about anything that comes to his mind. (Applause.)

HON. CHARLES R. CRANE, of Chicago, Ill.: Mr. President and Gentlemen: I am afraid that I do not know very much about the banks in the Far East yet, but I am very glad to say a word or two to you, as I know PRESIDENT TAFT is very anxious that every one in this country should become interested in our far eastern affairs because he feels that there has been a great shifting in political interests of the Powers. As you know, the century opened with two great wars between China and Japan and between Japan and Russia, and those two wars have shown what the opportunities in the Pacific are and what our responsibilities are; and we are very fortunate in having a President who understands the Pacific so well at this particular

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time. I might say that it was PRESIDENT TAFT'S speech at Shanghai just two years ago next month that made me vote the Republican ticket for the first time. That speech, I think, some day, will be regarded as a very famous one, and I advise you if you can get hold of a copy of it to read it, as you will find it very valuable in throwing light upon the problems that face us out there. PRESIDENT TAFT is also very much pleased that my friends have shown so much kindness in approbation of my appointment, because it is his theory that the American Minister in the Far East should be appointed from the West and everything that can be done to give that section the appearance of solidarity will help our affairs and especially help us in taking care of the problem of the Open Door. PRESIDENT TAFT'S policy is a very simple one, perfectly easy to understand, and one not at all needing any justification. It is a problem that menaces no government in the world, and is merely the policy of giving China a sufficient amount of support and protection to enable her to solve the very difficult problems before her—problems of administrative reform, problems of education, problems of currency reform and the problem of the opium traffic—and the President feels that if she is let alone and allowed to take care of herself she can handle them in her own way, and, as she develops, our interest in her will develop. The general theory is that whatever is for the benefit of China will benefit not only our own country, but every other country in the world; that we have no interest in keeping China down or in menacing her in any way, but our whole policy is one of friendship and support, and PRESIDENT TAFT thinks that ought to be the policy of every other country in the world; but that is our policy, and that is what I go out there to help to maintain. (Applause.)

THE PRESIDENT: The next business is the second subject on our programme for discussion:

"DUTIES AND RESPONSIBILITIES OF TRUSTEES UNDER CORPORATE MORTGAGES."

MR. WILLARD V. KING, of New York: Mr. President and Gentlemen: In opening this discussion let me touch upon one phase of the subject without attempting to cover even in a superficial way the entire ground.

Even the casual observer must be conscious that a general elevation of thought, particularly in the field of business, is marking this decade,—a searching of methods with an eye to their morality, where previously we had studied them only in respect of their economy. The movement is generally called a "reform wave" and dismissed as an ephemeral matter like woman's fashions,—to be endured patiently and with the philosophic consolation that it will pass

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in a season. I believe that the movement is more like a geologic disturbance, evidencing the progress of readjustment of the world, and resulting in the rupture of the strata under strain and the establishment of new elevations. These changes are permanent,—at least they endure until another convulsion pushes the work further along. The industrial world has moved at an unprecedented pace this last fifty years, and it was necessary that there should be a readjustment of relations between man. Public opinion, which ordinarily walks a few paces before enacted law, has run ahead, leaving a wide gap, so that people have discovered with surprise that, for instance, there are no statutes under which certain prominent pirates can be sent to jail. Other statutes, enacted in advance of their need, and therefore unsupported hitherto by public opinion and ignored, are now enforced by that opinion and consequently by the courts. (I may cite the recent decision against the trustees of the Trust Company of the Republic in New York.)

I mention this matter not as an invocation to the higher life, but as pertinent to the duties of a trustee of corporate mortgages; because I believe we will be held to a stricter accounting as time goes on of our actions and omissions. We must give thought to the bondholder,—constantly more thought, and not lean contentedly on the clauses exempting the trustee from any duty except to collect its fee. Of course I do not mean that we are now ignoring the bondholder altogether, but we are discussing the matter here *en famille*, and in family talks only the faults are mentioned and enlarged.

I do not mean that the trustee's certificate on a bond should be a guaranty of the title to the mortgages property, or of the validity of the issue, or of the sufficiency of the security; it should always be made plain that the certificate means nothing of that sort, for reasons that become obvious as soon as the subject is studied, but I believe we should use our endeavors first to prevent the issue of worthless bonds, and secondly to prevent impairing the security of outstanding bonds.

To many trusteeships are accepted without proper scrutiny of the mortgaging company. We should insist on responsible introductions, written statements of the affairs of the company, and covenants that it is possessed of property and authorized to pledge it. We should reject doubtful enterprises and avoid like the plague promoters with shafy reputations. The Commission appointed by the Governor of New York to investigate the field of speculation and investment, of which I was a member, found many deplorable cases of successful plundering of the public, wonderfully successful. We must be scrupulous to prevent the use of our names, either as trustee or as registrars, by these robbers of the poor, because whatever our

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legal liability, the moral responsibility is undoubted, and I feel that in the march of events a legal liability may some day be imputed.

One fruitful source of wrong is the common clause directing the trustee to certify and deliver the bonds upon the mere order of the company's officers. It is no doubt proper that the trustee should be relieved of the responsibility of seeing to the application of the proceeds of a bond issue; but could we not require an engineer's certificate, or an affidavit of some officer, stating that the proceeds had been spent for the security of the bondholder, or that the property described in the mortgage had been acquired or constructed for their benefit?

As to the second point,—we are confronted with the dilemma that we owe our appointment as trustee generally to the favor of the mortgaging company, but our allegiance to the adverse interest,—the bondholders. Our compensation, our hope of more business, lie on the one hand; on the other, our simple, tedious duty to an indefinite number of unknown persons who will give us nothing,—except it be a lawsuit for things done or left undone and not to their taste. In a spirit of accommodation to our patrons, we are tempted to deliver bonds, it may be, or to release some property, without full compliance with the letter of the trust deed, under circumstances possibly that would justify the act if performed by any one but a trustee. Now while a trustee should not be over-technical, and should in times of need measure the risk and even assume it, if good judgment requires, we should consider every case that arises in the course of a trusteeship, from the point of view of the bondholders, and bear in mind that we favor our patrons at our peril. I need hardly say that it is bad advertising as well as expensive to defend a suit for a violation of trust. Perhaps you are familiar with the Spanish proverb "Better to be a prudent woman than to err without profit." Surely the way of the trustee is hard.

THE PRESIDENT: Is there anything further to be said on this subject?

MR. MCNAIR: I regard the acceptance of a trusteeship under a corporate mortgage as the most important act that trust officers are called upon to perform. It is beset with many dangers that we do not realize, as was brought home to me quite vividly several weeks ago. We often act as trustee in such cases, and sometimes the papers are prepared by our own attorneys, but more frequently by other attorneys. Those men have a personal feeling of pride in their own work, you know, and they oftentimes object to making changes that we suggest for our own protection. Several weeks ago a gentleman brought in a mortgage under which he asked us to become trustee. We suggested certain changes. He objected to several of them, and I finally told him that as I understood it we were only certifying that

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there were so and so many bonds issued, that we did not go into the question of title at all, and we did not guarantee the bonds. He took the position that we certainly did do so because our certificate read, "Bonds mentioned and described therein," referring to the mortgage. Within the week or so we were asked to ask as substituted trustee in the case of an issue of bonds. We looked over the mortgage, which had evidently been drawn by some one not familiar with drawing corporate mortgages, and in it we found a description of "First mortgage bonds." The certificate of our predecessor as trustee was that it was "one of a series of bonds described therein." In investigating the facts we found that it was a second mortgage and that there was a first mortgage issue outstanding held as collateral by a bank. Before we would accept the trust we obtained a consent signed by all of the bond holders, and we also got an agreement from the company that they would issue no more bonds under that mortgage.

MR. EDWIN CHAMBERLAIN: I believe we are here for instructions and to learn something in our business, and for that reason I wish to speak on this subject. I certainly appreciate this afternoon's discussion a great deal more than I would have appreciated the excursion. We have had several cases in my section and we have adopted the general policy where we are called upon to act as trustee of going into a valuation of the property. A special committee is appointed. Our object is first, for our own information. Then we have an abstract presented to us, and our own attorney passes on it. The abstract is prepared and paid for by the corporation that is seeking the mortgage. A minute is made of all these things on our books, and everything has got to be satisfactory before we will accept the trusteeship. We simply certify then what has been done, without assuming any responsibility whatever.

MR MCNAIR: What is the charge for such service as you perform preliminarily to accepting the trust?

MR. CHAMBERLAIN: We have no fixed charge. We make our charge according to the work that we have to do.

MR. MCNAIR: Do you examine all the titles?

MR. CHAMBERLAIN: Yes, and the abstract, and the corporations applying to us have to pay our attorneys for doing that work.

MR. MCNAIR: Does not the fact that you undertake to assume and pass upon the title bind you and make you responsible to a certain extent?

MR. CHAMBERLAIN: We do not think so. Our institution will not act as trustee until we are satisfied that the mortgage is all right, and then we certify that we are not responsible for anything beyond our own act.

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MR. M. S. SONNTAG, of Evansville, Indiana: There is one feature of trusteeship that we have run on to lately that seems to me very serious. That is the matter of insurance on a piece of property. The control of a manufacturing property passed into the hands of a trustee and he neglected to keep up the insurance. He was written to several times to look after it, but he ignored the letters. In case of the destruction of the buildings by fire the bondholders would only get half of the security that they expected when they made the loan. Now, it seems to me that trust companies ought to be careful about assuming such liability. In the case I speak of the insurance was about 50 per cent of the bond issue.

MR. KING: Ordinarily a trust deed provides that in case of default in keeping up proper insurance the trustee is authorized to step in and do it. The premiums are not large and usually the trustee would rather pay them than have any trouble about the matter.

As to the other matters that have been discussed here, I would say that where a trustee goes on record before the public as assuming any responsibility in regard to the title to property or the value of it, I think he would stand in an undoubtedly bad way in a law suit if he were to certify any bonds without successful as well as careful scrutiny. No two men in a hundred might agree as to the value, for it might be a prospect, an unbuilt railroad, and who could say what it was worth? Suppose we were offered the trusteeship of a new issue of bonds of the Rock Island Railroad or of the Pennsylvania Railroad, how could we tell how good the title would ever be. It might take years to determine that. Even the Board of Directors of the railroad could not do it. And if the trustee assumed any duty with regard to values, it would be bound in case the properties were overbonded. I believe if ever the trust companies put themselves in the attitude of passing on those things, as far as the public is concerned, with any idea that the bonds will become more salable, the trust companies will be open to attack if they carelessly exceed the deed of trust.

What I tried to bring out was that we should not take these absolutely worthless trusts that are offered. We ought to be sure that the parties offering them are reputable people and are really mortgaging a going-business for the benefit of the bondholders. To ascertain that you would not have to go into the value of the property. You would get a fair statement by somebody of reasonable responsibility that there was property there, that the mortgage offered was a first mortgage, that the property belonged to the company, and that the company had a right to mortgage it and did mortgage it. Covenants such as those occur in some mortgages, but not in every mortgage. I have had some unpleasant experiences where companies

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intended to construct a trolley line, and they brought the bonds out and got them certified, and they were sold to school teachers, stenographers, and all sorts of people who could not afford to lose their money, people who did not have access to Moody's Manual, and then the road was not built and the Trust Company was besieged for years and years by these people, who wanted to know why their bonds were not paid.

We ought to be a little more careful, and we ought not to accept anything that puts us on notice either as to the title of property or the validity of the bonds, or the value of the mortgaged property, without very careful investigation.

MR. BENJAMIN I. COHEN: I would like to ask Mr. King what his opinion is about the phrase, "bond mentioned and described in the within referred to mortgage," as to the responsibility assumed in such a case.

MR. KING: I think that is one of the questions that is going to be threshed out in the court, and where very likely we will suffer more than we have. There have been cases where a mortgage was called a "first mortgage," and there were prior liens on the property, and where the trustee was not held accountable for it. Only a few years ago the Clover Leaf Railroad was organized, and they calmly put out a First Mortgage 4 per cent bond, and at the same time put out a prior lien 3 1-2 per cent bond ahead of it. Anybody picking up a first mortgage bond might be unaware of the existence of the prior lien. I think the Baltimore & Ohio Railroad called their bonds "First" mortgage bonds, and yet they had a prior lien ahead of them. I think there is enough, so far as the decisions of the courts are concerned, to justify a trust company in certifying a bond as a first mortgage bond, even though there may be some prior lien ahead of it, but I do not know of anything in good conscience that will justify it; I think it is very bad practice. You can always persuade your client, if you try, to make it "First Consolidated," or "First General Mortgage," or some other way that will call the attention of a purchaser who knows anything at all, to the fact that the bond is issued under some condition requiring that he should look into it. I think we ought to be scrupulous not to call those bonds "First Mortgage Bonds." As I have watched the decisions of the courts in these matters and in holding trustees to strict accountings, I think we are gradually drifting into a little higher moral plane, as the older countries of the world have in these matters; and, if we do not pay more strict attention to these matters, some of us will be brought up with a very sharp turn some day.

MR. COHEN: Do you think that the mere statement that this is a bond, without saying whether it is a first mortgage bond or a second mortgage bond, would be binding upon you?

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MR. KING: That depends upon what you mean by "Bond." To-day, according to the decisions of the courts, it does not legally bind you; but I think in all good morals it ought to bind you.

MR. COHEN: If the mortgage says that it is a first mortgage bond, and it is, in point of fact, a first mortgage bond, and thereafter some lien comes in ahead of it and you refer to it as one of the bonds "described in the mortgage herein," do you think that either legally or morally the trust company has been guilty of negligence?

MR. KING: Oh, no. The property might be sold for taxes, and then, of course, the taxes would become a first lien ahead of the mortgage.

MR. RALPH STONE, of Detroit, Michigan: Do you recommend the taking of a certificate of an engineer, the constructing engineer of the mortgagor company, for instance?

MR. KING: That is usually done. If you do anything else you are going to duplicate work extensively. I think we should require something such as is done in England. I think the point is covered in an act known as the Directors' Liability Act, in England, wherein it is provided that any promoter who brings out by circular or prospectus any securities, or lends his name to be used on any such prospectus or circular, as a director, becomes liable to anybody that buys the security and incurs a loss, unless he can show affirmatively that the facts stated in the prospectus or circular are true. If the facts are quoted from the reports of an expert, an engineer, he must show affirmatively that the expert or engineer was qualified as an expert or engineer to make the statements. In other words, the promoter cannot take Bill Jones and say: "Why, someone came in and said Jones was an expert, and I took his word for it." The English act does not permit anything of that sort. The English people have been civilized beyond that.

Now, I think that possibly when it comes to an engineer's certificate in a matter of that sort it would be an act of good conscience for us to require a statement from somebody of some responsibility that the engineer was an engineer of repute and character, and not the mere tool of a group of promoters.

MR. RALPH STONE: I know of a case where the engineer was the engineer of a railroad company and he made a false certificate, and when the matter was brought up in court the trust company was criticised very severely, and I think there is any likelihood of any such thing as that occurring it would be a good provision to insert in a mortgage, that the trustee might employ its own engineer to report on the facts, at the expense of the mortgagor; not only an engineer in cases of construction, but to take up any previous requirement as to the issuance of bonds, and not take the mere statement or resolution of a board of directors as being conclusive on the facts.

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THE PRESIDENT: We will proceed to the next subject: "The Value and Responsibility of a Safe Deposit Department."

We had hoped to have Mr. Bell, of Washington, here to talk on this subject, but he was not able to come.

THE SECRETARY: Mr. R. L. Rutter, Secretary of the Spokane & Eastern Trust Company, of Spokane, Washington, has sent a communication bearing on the subject, "Mortgages as Investments for Savings Funds of a Trust Company."

THE PRESIDENT: Then, if there is no discussion of the subject upon which Mr. Bell was to speak, we will take up the subject that Mr. Rutter has written about. I will ask the secretary to read Mr. Rutter's communication.

THE SECRETARY (reading):

MORTGAGES AS AN INVESTMENT FOR TRUST FUNDS.

Beyond a question, the world's greatest investors of trust funds are the American Life Insurance companies, and it is a matter of keen importance that they are steadily increasing their relative holdings of mortgages and are cutting down their proportion of bonds.

This is partly due to the operation of the recent insurance legislation in New York, but in even greater degree it has been brought about by the experience of the great companies in handling mortgage investments. They have found that real estate loans, carefully selected, combine in the highest degree the three elements of investment for trust funds—absolute safety, prompt payment and the highest obtainable interest rate.

Take, for instance, the Penn Mutual Life Insurance Company, which, together with the Northwestern of Milwaukee, ranks among the leaders in handling mortgage loans. The Penn Mutual closed the year 1908 with practically forty million dollars in mortgages, on which there was not a single dollar of delinquent interest. In many years the company has not foreclosed a mortgage, and President Johnson advises that on the foreclosures that were formerly made the company sold out at a price to break even.

Since the life insurance companies are the greatest investors of trust funds that we have, their experience in handling mortgages should be satisfactory evidence for consideration by the trust companies. The Spokane & Eastern Trust Company, of which the writer is secretary, makes it a rule to keep 50 per cent of its savings deposits invested in mortgages. In the largest degree possible we keep the trust funds in the trust department also invested in mortgages. In order to do this we maintain a mortgage department, with a staff of

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four people, who give their entire time and attention to this branch of the business. In the past year and a half this department has handled mortgages aggregating more than a million dollars, and has been able to work up the average rate of mortgage investments in the savings department to 7 per cent.

On a nominal 4 per cent interest basis we actually pay out about 3 4-10 per cent interest to savings depositors, so that with half the deposits invested in 7 per cent mortgages, the income from that source alone pays interest on the entire line of savings, and still leaves a half of the savings held either in reserve or invested in bonds or warrants. Under this system it is easy to see that the savings bank department can be made a profitable business.

As to safety, in thirteen years the bank has never made a single mortgage foreclosure nor come into the possession of a piece of real estate on which it held a mortgage. As for delinquency of interest, overdue interest is reduced to such a small fraction as to be negligible.

All our loans are made on the recommendation of the manager of the mortgage department, subject to the approval of the Executive Committee of the bank. As for the percentage of loans on city business property in Spokane, we lend up to 49 per cent of the valuation in cases where the loan does not exceed twice the value of either the ground or of the improvements. All loans are made with annual reductions, usually amounting to one-tenth of the loan. These are obligatory on the part of the borrower, and prompt payment of them is insisted upon. Thus the security is constantly being improved by virtue of the annual reduction on the amount of the loan.

In residence loans we have had a very good success under a plan of amortization, under which the borrower makes a flat level payment of the same amount, including both principal and interest, payable monthly during five, six and seven years. This is almost identical with the Credits Foncier of France, with the trifling exception that our amortized house mortgage bears interest at 10 per cent, whereas the French pay around 3 1-2 and 4 percent. In loans under this amortized plan we will make mortgages up to 60 per cent of a conservative appraisal of the land and improvements. Under our scale a monthly payment of $21.25, including principal and interest, will pay a loan of $1,000 in 60 months; a monthly payment of $16.60, including principal and interest, will pay a loan of $1,000 in 84 months.

This plan is admirably suited to savings banks when they will fit themselves with a competent mortgage department to keep the funds reinvested as fast as they are paid in. We consider our mortgage department the most profitable department in the trust company, because it not only has succeeded in lifting the average income on mortgages in savings investments up to 7 per cent, but it also makes a

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gross profit of about $1,000 a month in the sales of mortgages. When you can build up a reputation for handling only first-class mortgages, there is practically an indefinite demand by puchasers who want to own real estate loans for their separate investment. We are constantly called upon to furnish more mortgages than we can supply. The commissions on this class of business constitute a very important feature of the trust company's business.

THE PRESIDENT: With us in Pennsylvania what are known as legal investments are first mortgages on real estate, United States bonds and State and municipal bonds. Mortgages really form the bulk of our investments for trust funds.

A MEMBER: Is a trust company under any circumstances permitted to invest its trust funds in mortgages which have been negotiated by it? I have in mind a trust company which has a mortgage loan department. It charges a commission of 2 per cent on a three-year loan. The State in which that corporation is organized permits the company to invest its funds in securities "now owned or otherwise secured for trust funds," which means, as many good lawyers say, that it is legal in that State for trust companies to purchase mortgages of itself. In that company the Trust Department is entirely separate from the Mortgage Loan Department, and the officers of each department confine their efforts to their respective departments. Now the question I want to ask is this, Does the common rule apply under the circumstances, namely, that a trustee shall not deal with himself and make a profit aside from his regular commission as trustee?

MR. FULLER: That is a question that my company has had occasion to give a great deal of consideration to. I should say that under the general law a trustee has no right to deal with itself in that manner. I question very much the propriety of a trust company selling to a trust estate in its hands its own securities, unless the law expressly gives the company that right. In the law enacted in our State by the last legislature a clause was inserted to the effect that a trust company may transfer to trust estates without other liability than if purchased from a third party any mortgage or securities owned by it, which comply with the requirements of legal investments for trust funds under the statutes. I think without such a law that under the general law such a transaction as mentioned by the last speaker is very questionable, and, in my opinion, wrong.

THE PRESIDENT: It seems to me that the moral criticism might undoubtedly be made. I do not think it is ordinarily done in our locality. There is such a scarcity of mortgages from time to time, that we take, for the benefit of a trust fund, certain mortgages when we can get them. One day there may be very little money for investment, and the next day there may be something paid off and

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funds would come in, and then we would give to our client the benefit of the investment. But we would never sell at a profit and take a commission for doing it.

MR. FULLER: The purpose of having our law changed in the way I have mentioned was to avoid what we considered the absolute liability that we incurred in making such transfers. It is impossible in our community to get mortgages always when we want them. We have got to take them when we can get them, in order to supply the requirement of our trust funds. We take every good mortgage that is offered to us. We are not so fortunate as Mr. Rutter is, apparently, in being located in a community where we can always get gilt-edged mortgages. It has been our practice for years to transfer good mortgages to trust estates in our hands, but we have always felt that in doing so we took not a moral liability only, but an actual liability; and for that reason we had the law changed.

MR. BENJAMIN I. COHEN: Some years ago I knew of a case where a large trust company in Baltimore became a subscriber to a bond issue. They got the bonds, we will say, at 95. Thereafter a very highly respected citizen died, and the trust company was put in charge of his estate, and they transferred to the estate a large amount of these bonds at 102 1-2, the then selling price. Time went on, and the bonds dropped in the market price. Then the heirs of the estate sued the trust company, and the trust company had to make good the difference between 102 1-2 and 95.

In view of that decision, and also following out my own ideas about the matter, I long ago concluded that it was legally, as well as morally, wrong to deal with yourself; but I recognize the fact that we have to take good mortgages when we can get them. If we get a mortgage to-day that is gilt-edged and we haven't the trust funds on hand, and to-morrow the trust funds come in, why, we transfer them to that particular mortgage. We have made it a rule to have a specific clause inserted authorizing us to deal with ourselves, as it were, in that way. In some cases where temporary investments are to be made we have a clause providing that we can put the money in our own certificate of deposit, but at the highest rate of interest granted to our most favored customer. We never make a commission of the expense of our trust. Unfortunately in our section of the country we do not get any commissions when we make a mortgage. It is a question of turning the mortgage over at the full rate of interest, and then charging the trust for proper compensation for our work.

MR. RALPH STONE: This same question was asked at the first meeting of the Trust Company Section, twelve years ago, and one of the members present at that time answered it by calling attention to the case of the St. Paul Trust Company, that had taken the benefit of the difference between what the security cost it and what it sold for;

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and in that case the court held the Trust Company liable for several hundred thousands of dollars in one estate, and it was obliged to refund. It finally broke the company.

MR. KING: Under the common law the iniquity does not lie in taking the profit, but in dealing with yourself as trustee. I think in any State where special statutes have not been passed the measure of damages against the trust company would be the shrinkage in the mortgage value of the investment from the time it was turned into the estate until it was reduced to cash. What the company that I was formerly connected with has done, after consultation with several firms of lawyers, was practically what you say you have done. We bought mortgages for account of trusts and so labeled them, and we declared our policy at the time to be investing our capital only in the mortgages, and, buying mortgages from day to day and from year to year, we would have trust funds that we would be able to reinvest. I think with a declaration of policy of that sort—especially if it was shown on the books that those mortgages were bought for trust account —it would not be likely that the courts would hold you liable for any loss.

MR. COHEN: Wouldn't you be dealing with yourself in just the same way?

MR. KING: No, because you would be really advancing the money.

THE PRESIDENT: I assume that you would not use the funds of the company for the purpose. You would keep the trust funds separate and apart from the funds of the company?

MR. KING: In New York we do not keep our funds in that way. . .

MR. EDWIN CHAMBERLAIN: I think it would be a very good idea to get the same kind of a law passed that Mr. Fuller said they had in his State.

THE PRESIDENT: If you knew as much about the hard work that Mr. Fuller had to do before his legislature as I do you would realize that any law that he had passed would be a good law.

MR. ROBERT E. JAMES, of Easton, Pa.: I am frank to say that in view of the discussions this afternoon I am somewhat disconcerted. The only thing we are alike in is in title. The only thing in common in all this membership is our similarity in title. As to powers, they differ as widely as there are individuals in this room. One gentleman inquires what would you do under certain circumstances. Why, follow your statutes. That is the only thing you can do. But your statute and the statute of my State differ so widely that there is no possibility of predicating anything on what I do as to what you shall do. So the gentleman from Oregon can issue circu-

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lation, he can build railroads and canals or run steamships, or he can establish an oyster bed under the magnificent authority given him under the statutes of his State. In Pennsylvania, however, we are tied hand and foot. We must point to the letter of the law to find what our authority is. We cannot say that we can do all this, because it is not permitted; we must find the letter of the law in the statute books indicating what we may do. In New York a trust company can do a general banking business. In Pennsylvania we are precluded from it, not only by our statutes, but by the constitution of the State. In looking over the magnificent book issued by this association recently I found that when you come to certain sections of the country the powers are enumerated in blank; there is nothing specific, and the presumption seems to be, nothing being specific, that you can do anything you like. It is like the charters issued by some States. In Idaho you can do anything in the wide world—even to claiming the discovery of the North Pole and swearing that the other fellow, who said he discovered it, is a liar. (Laughter.) Under these circumstances it is almost impossible to arrive at any common ground on any subject. One gentleman says: "We do such and such a business. We don't take deposits." Well, we can all refrain from taking deposits, if we find it profitable so to do. Unfortunately in our neck of land I have heard of no one who nas yet declined to receive deposits on the same old terms.

Now, what suggested this thought to me is the topic suggesting the use of mortgages for savings funds. What are "savings funds?" In Pennsylvania they are described by the statutes to be a certain kind of money deposits in savings institutions. A saving fund in Pennsylvania is money deposited in an institution without capital created by a special law of the State, which provides for the regulation of that institution, the preservation of the funds deposited under certain circumstances, and for a division of the profits after salaries are paid. In other States savings funds are established on an entirely different basis. Still, by reason of this common term, "savings funds," we all get at sea as to the basis upon which to form a conclusion. Some forty-odd gentlemen, Supervisors of Banks of various States, and the Comptroller of the Currency, himself, are widely at variance upon this matter. Why, the Comptroller of the Currency speaks of "segregating" savings funds. Where in all the national currency act do you find such a thing as a "savings fund?" A gentleman here at this convention said that the national banks might go into this business. Why, bless your soul, they have been in it for three years. Didn't you know that? The theory of the national bank is that all its deposits are on demand. Outside of that a national bank cannot live under the statute. I amastonished to hear a Comptroller of the

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Currency speak of two kinds of national bank deposits. Why, it is absurd. Impossible!

This only brings me to the topic, the segregation of deposits, sometimes called the segregation of savings deposits. How are you going to do it? Time deposits and demand deposits are of two classes, indicated by their titles. Many people call time deposits savings deposits. Savings deposits are time deposits. I can conceive of such a situation as that the segregation of deposits should be made. For instance, where an institution has three or four million dollars of so-called saving deposits or time deposits with the privilege of notice; and, on the other hand, one or two millions of dollars of demand deposits, and the notice is placed upon the time depositors. You cannot put it on the demand depositors. They might exhaust their active assets, and when the time depositors came along in thirty, or sixty, or ninety days afterwards, they would find a depleted treasury. So far as that is concerned, I can conceive how there should be some effort to save the corresponding amount of assets in the event that the time depositors withdraw promptly at the first sign of trouble. The remarkable condition of 1907-8 was that the demand depositor, notwithstanding that the time depositors had a clause placed upon them, daily walked in and out with deposits, did not withdraw a dollar, smiles at the misfortunes of his fellow depositors who were on the time side of the account, but himself did not disturb his account. As long as that condition existed the general assets of every institution must pay the general debts of every institution. The only possible phase upon which segregation of deposits can arise is upon the basis that you find that your demand depositors are taking advantage of the time depositors in periods of great public disturbance. How are institutions like trust companies organized in every State? They are authorized by the law to do business in a certain way. They undertake to do it. When John Smith comes up to the counter and lays down $50 and says, "I want to deposit this on an interest account," we give him that privilege. Or if he wants to deposit it on a demand account, we permit him to do that. If he asks for interest he must take the attendant circumstances. The contract is between the institution and him. He understands it. The institution understands it. Why should an outsider come in and say, "You must make a better contract with John Smith, a contract that will compel you immediately, the moment you take a hundred or a thousand, or ten thousand dollars of deposits and place it upon the counter, to reach into the vault and get out the securities and say, "Here is the security." Why, practically that is an impossibility. At the close of the day you would have to add up your deposits for the benefit of a certain class of depositors, and figure the amount of excess over the totals of the preceding evening. Then, if there was a diminution

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on your demand side, the demand collateral is deposited and you take the bond out. So at the end of each day there is a see-sawing, merely because in these days of reform there are more fanciful reformers than there are practical schemers. I do not say that I am opposed to the segregation of deposits. I merely say that in one point of view every institution ought to take notice, and if the act is passed to cover that point I am entirely satisfied. Those of you who receive deposits, are you ready to accept the proposition that a legislative act shall be passed requiring you at any moment of the day to discriminate between your assets and your liabilities, and to keep a constant running change from one to the other, in order that you may not be guilty, under the law, of an offense which would send you to a different habitation from any you are familiar with? I speak with some knowledge, because we had a bill up in our legislature at the last session to segregate deposits, a bill recommended by reformers, which provided for the morals of the people; it looked after the spiritual welfare of the officers of financial institutions; it covered a multitude of subjects, physical, mental and political, and the legislature did not pass it; in fact, it did not receive a single affirmative vote in committee. If there is a united effort to impose upon the financial institutions of this country a burden of this kind, if it is right, let us meet and encourage it. I believe it is always wise to meet a proper public demand. There is not a statute on the books in Pennsylvania regulating trust companies, or establishing the department which supervises them that was not originated by and pressed by the trust companies of the State. We maintain that attitude to-day. So, if there is anything good in the segregation of deposits, let us meet it half way and urge it on. But if it grows out of that one-sided information that comes from the theory of the office without the practice of the counter, let us look at it carefully and scrutinize it. I think when the proper time may come this organization should care for its own interests in looking after this very question which, originating two or three years ago in the height of the panic, and fostered by four or five of the State superintendents, and now spreading to a larger body, numbering something like forty, and consequently represented in every State in the Union, that it behooves us to see what the effect of so great a departure is going to be; what the effect is going to be upon the capital of the institutions by the infusion of them into savings institutions, and whether it is wise to convert all of the State's financial institutions, at least as to one side of their operation, into institutions which can only be denominated savings banks. (Applause.)

MR. H. A. RHOADES, of Boston,, Mass.: I think it is the law in Massachusetts that all trust companies having savings departments must segregate their accounts. The accounts of the various departments are run entirely independent of each other, as though in separate

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rooms. In our trust company we have a savings department, and we keep a separate bank account for it, not with ourselves, but in another institution, and every dollar is kept entirely independent and is invested entirely independent of all funds. That law went into effect the 1st of January, last, and we started our savings department on the 1st of February, in competition with mutual savings banks. We have received up to the present time about $125,000 savings deposits, and all that money is invested entirely independently, and in the kind of investments permitted under the law of Massachusetts. Certainly, in Massachusetts, the law is working exceedingly well. I think there are some ten trust companies in the State doing a savings department business.

MR. JAMES: May I ask the gentleman a question, in order to ascertain how it works practically?

MR. RHOADES: Certainly.

MR. JAMES: In Pennsylvania all trust funds are required to be invested in government bonds or in first mortgages. There are no State bonds. Now, if you buy United States bonds at a premium, you cannot very well pay much over 2 per cent to your depositor. Now, of these so-called savings funds, or time deposits, if a depositor sees fit to ask for interest on his deposit, whether it is a deposit of $50 or $500 makes no difference. In Pennsylvania, I should say, on a rough guess, that there are $350,000,000 of deposits of that kind. Now, suppose the Pennsylvania institutions were required to invest that great amount of money in first mortgages, when there wasn't a first mortgage on the market, what would become of them, if they undertook to pay 3 per cent interest?

MR. RHOADES: In Massachusetts we are not obliged to invest any more money than we see fit to in first mortgages, or in any other kind of securities. The investments are limited by law to a certain class. We cannot invest over 70 per cent of our deposits in first mortgages, and the investment in first mortgages is limited to 60 per cent of the appraised value of the property. That appraised value is fixed, not by the assessor's value, although that is taken as a basis, but by the value of outside appraisers, just as the board of investments in the bank sees fit to decide. We are limited to United States bonds and to certain railroad bonds. The Commissioner of Banking issues a circular giving the kinds of investments permitted by the State for savings department funds.

MR. RALPH W. CUTLER, of Hartford, Conn.: What is true of Massachusetts in this respect is also true of Connecticut. Under a recent law the eleven trust companies that have savings deposits and savings departments were given five years in which to invest in such securities as are made legal investments for Connecticut savings banks.

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The investments of the savings banks are mainly in the form of mortgages. I think it is perfectly feasible and quite proper to segregate the savings deposits from the regular deposits.

THE PRESIDENT: Perhaps, Mr. James, if the law were so framed as to give the savings deposits the right to be invested in other securities than is permitted in Pennsylvania at present, it might have some bearing on your objection.

MR. JAMES: Yes; but the great difficulty at the bottom of it all is, what are savings funds?

A MEMBER: I understand that by a recent law in California each department of a trust company is kept separate, even though they are under the same roof. This movement for segregation is going throughout the country. The law in Ohio and in Michigan does not go quite so far as the California law. Now, if I understand it correctly, the Massachusetts law provides that the savings funds shall be segregated. The savings depositors have a first lien on the securities of the savings department and a general lien on the other assets of the company. In that connection I would like to ask whether the subject of class legislation has ever come up, and is this not class legislation, and therefore unconstitutional?

THE PRESIDENT: Perhaps Mr. Rhoades can answer that question.

MR. RHOADES: The law of Massachusetts is that all investments of savings department shall be held for the payment of the savings depositors, and those are kept entirely separate. Then, in case the investments of the savings department are not sufficient to pay the depositors in full, the savings depositors become general creditors with the other creditors of the institution, and the capital and the surplus is held for the payment of the excess indebtedness.

MR. JAMES: What do you do with the general depositors, those whom you cannot class as savings depositors?

MR. RHOADES: I say that the savings depositors become general creditors.

MR. JAMES: Then you give the savings depositors a specific lien upon a specific line of securities?

MR. RHOADES: Yes.

MR. JAMES: And you give them the opportunity of dividing with the general depositors the rest of the assets of the company?

MR. RHOADES: Yes, sir.

MR. JAMES: But you do not give the general depositors an equal opportunity with the savings depositors. That is, you discriminate against the general depositors?

MR. RHOADES: Yes, in that case.

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MR. JAMES: Well, if that is so, I don't think you will have many general depositors in a few years' time, when the public generally becomes aware of that law.

A MEMBER: As I said before, that is what I would call class legislation.

MR. H. P. BECKWITH, of North Dakota: Every State in the Union, I believe, has different laws on this subject. We have a law in North Dakota that savings funds shall be limited in investments to certain specified securities and approved collateral under the supervision of the State Bak Examiner.

THE PRESIDENT: Gentlemen, is there any further discussion of this subject? If not, we will pass to the next item of business on the program, which is the "Roll Call of States," to be answered by the vice-presidents, in brief reports, of the conditions concerning trust companies in their respective States.

MR. EDWIN CHAMBERLAIN: I move that this order of business be dispensed with, and that the vice-presidents from the different States be permitted to send in their statements to the secretary, for publication in our proceedings. (The motion was seconded.)

MR. CUTLER: I do not think that would be quite fair to those gentlemen who have come here prepared to answer on this roll call.

MR. H. L. REMMEL, of Little Rock, Arkansas: I am not a vice-president, but I, for one, would like to hear what the conditions are throughout the country. I think we should proceed with the regular order.

MR. WILLIAM G. EDENS, of Chicago, Ill.; The hour is quite late, and we have had a very long and interesting session, and I think it would not detract at all from the interest of the proceedings if we might have an opportunity to read the remarks of the vice-presidents, instead of waiting here longer to-day.

MR. A. L. ABRAHAMS, of Denver, Colorado: I don't care whether the vice-presidents get a chance to talk or not, but I am going to get a chance to say just a word, and that is this: When you go to Los Angeles next year we want you to stop over in Denver and we will give you a good time.

MR BOWLES, of Maryland: I suggest that the vice-presidents who want to speak stand up. That will settle the question.

MR. REMMEL: Oh, no; that would be very unfair, and we don't want to embarrass anybody.

(Cries of Question! Question! Question!)

THE PRESIDENT: The question before the house is on the motion of Mr. Chamberlain that the vice-presidents be requested to send their remarks in writing to the secretary, for incorporation in the

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proceedings when printed. All in favor of the motion will say aye; opposed, no. Lost.

MR. GILLESPIE: I now move that leave be granted to those vice-presidents who may desire to do so to send their remarks to the secretary. That will permit any gentleman who wishes to hand in a statement, without reading it, to do so, and gives those who desire to speak from the floor a chance to do that.

THE PRESIDENT: It is not necessar to make that motion, because the meeting has already decided to proceed with the regular order of business. Of course, as the roll is called those vice-presidents who do not desire to report now may send into the secretary written statements, and they will be incorporated in the proceedings.

MR. FRANCIS PARSONS, of Hartford, Conn.: Mr. President, I desire to leave immediately, and I ask unanimous permission to hand in my report to the secretary without reading.

THE PRESIDENT: The gentleman from Connecticut may do so.

The roll of States was then called and reports made, as follows:

CONNECTICUT: MR. FRANCIS PARSONS, of Hartford: Mr. President and Members of the Trust Company Section: Since the last convention of this Association the Connecticut General Assembly has held one of its biennial sessions, and though little legislation affecting trust companies generally was enacted, some matters of interested were introduced. At our last meeting my predecessor spoke of the efforts to secure a single-handed bank commission in Connecticut. Most of us believe that such a commission is the correct organization, but there is, on the other hand, a feeling that, though the change is bound to come, the time for it in Connecticut may not be quite yet at hand. At all events, efforts this year to secure an amendment to this effect were not wholly successful. A law that was enacted, however, provides for certain clerical assistance for the two commissioners who now exercise supervision over our banks and trust companies. While this law may seem of small moment in itself, in reality it is of much significance in giving the commissioners more time to devote to the actual work of examination, and also in incidentally providing for them who have hitherto been wanderers upon the face of Connecticut a local habitation in the State Capitol. In short, it is a step in the direction of the establishment of a dignified State banking department.

At this session of our legislature efforts were continued to obtain the enactment of a general banking incorporation law, though without immediate result. With us banks and trust companies are incorporated under special charters. While our General Assembly is loath to relinquish its right to grant these privileges in the individual cases, nevertheless we believe that we are not unreasonable in our argument that the State banking authorities would have a better knowledge of

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the necessities of the several communities in regard to the establishment of new banking and fiduciary institutions, and a more professional understanding of the proposed plans of incorporation, than such a large body as the General Assembly. The experience of our neighbors in such matters supports our argument, and we think that the enactment of a general banking law is only a matter of time.

The question of the regulation of savings departments of trust companies seems to be a somewhat vital one in some of the States. It may, therefore, be of interest to a portion of the delegates to know that the rather strict law governing the administration of savings departments, passed in Connecticut four years ago, while it provoked some opposition at the time, has been found to work, on the whole, to the advantage of the comparatively small number of our trust companies which have savings departments. This law is not yet in full operation, but it provides, in substance, that deposits in savings departments shall be kept separate and protected from liabilities of other conservative savings banks, and that the assets of these savings departments shall be kept separate and protected from liabilities of other departments of the companies.

Those of you who are trust officers, and engaged in the settlement of estates of decedents, may be interested to know that our succession tax law was changed this year, the tax being raised in all cases, and the benefit of the $10,000 exemption restricted. The provisions of the law are retained which limit the tax, so far as the stocks or registered bonds of Connecticut corporations owned by non-resident decedents and not actually in Connecticut are concerned, to the cases of non-resident decedents of States that impose a tax on like securities of their corporations owned by Connecticut decedents. Right here I want to say a word on a subject that has been on my mind since I have been in the trust company business, and that is the old subject of the injustice of the double taxations of many assets of decedents' estates that now obtains under many State laws. I believe that a succession tax is in principle a fair one, but I know from experience that the present taxation by different States of the same asset makes enemies for the tax, and I do not believe that this double taxation, though technically upheld by the courts, and having, I admit, some arguments in its favor, is morally right. I have confidence, however, that with this question, as with most moral questions, a right adjustment is bound to come. I am a new member of this association, and perhaps I may be poaching on the preserves of some committee on equalization of laws, or some other committee, of which I am ignorant, but I believe that this association could with good grace take an active part in the attempt to hasten such an adjustment of this unfairness, which is no less unjust because it affects the heirs and legatees of people who happen to own property when they die.

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Our financial and business situation in Connecticut in the past year has been constantly improving. In the Connecticut city with whose conditions I am most familiar, besides insuring your lives, we make Colt revolvers and automobiles, that frequently destroy them, and in our suburbs we manufacture the shaving soap and silk that beautify, and raise the tobacco that solaces them. The tobacco crop has this year been excellent, and the other businesses I have mentioned are in a flourishing condition. The situation is an example of that throughout the State. Factories are working full time; we are traditionally free from labor troubles; our financial institutions are sound. We gave a good account of ourselves in the storm of two years ago, and are now sailing long with flying colors and all sails set.

GEORGIA: Mr. William V. Davis, of Savannah: The President and Gentlemen of the Trust Company Section: As Vice-President for the State of Georgia of the Trust Company Section, it gives me pleasure to respond for my State, though I regret that there is little, if anything, of general information to report.

As to legislation during the past year, there has been none, and, indeed, there are no specific Trust Company laws in the State of Georgia, Trust Companies in our State being subject to the laws covering State Banks and are regularly examined by the State Bank Examiners, and make reports to the banking department of the State, and in addition many of the banks and trust companies of the State are now having independent audits made regularly by disinterested public accountants, who report direct to the Boards of Directors of the institutions examined. I used every effort, both before and during the last session of our State Legislature, to have a bill passed protecting the use of the word "Trust" in the names of corporations in our State, and, indeed, felt perfectly sure that the bill would pass, but it seems that the question of prohibition and the State Railroad Commission tangle overshadowed everything else, and as a consequence the bill was not introduced. I am promised, however, by our repersentative in the legislature that the bill will be introduced at the session in June next.

The Trust Company, strictly speaking, or rather, I may say, the Trust Company idea, is comparatively new in our section, but I am glad to say that the seed has commenced to grow and our people are realizing more and more the many advantages offered by the Trust Company. There are, in round numbers, 475 State and 100 National Banks in Georgia, with combined surplus and undivided profits of about $40,000,000 and with aggregate deposits of about $85,000,000. There are 19 State Banks using the word "Trust" as a part of their corporate names, but practically all, if not all, of these institutions do a commercial banking business to a greater or less extent.

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Our State Association, at its convention in May last, placed itself unqualifiedly on record as being strongly opposed to either the federal or State guarantee of bank deposits, and also to the establishment of Postal Savings Banks.

I am pleased to tell you that the outlook in our State is good in every line of business, and we are in accord with the prevailing idea that an era of great prosperity has opened up, and it will not be long now before all lines of industry are working at least full, if not overtime. Yet we are not unmindful of the ever-present necessity for the practice of conservatism in handling the increased business, which is sure to come, and I think I am safe in saying that you will always find the bankers and business men of Georgia conservative, even in the face of prosperity, and as an evidence of this fact I hope you will pardon me when I refer to the record of my own city, Savannah.

Savannah, as you know, is quite an old city, and for years past has been doing the third largest cotton business of the country, and the largest naval business, the naval stores market being made there, and, in addition, we do an enormous volume of business in other lines, and with it all Savannah enjoys the distinction of never having had a bank failure or even a emporary embarrassment of one of its financial institutions.

IOWA: Mr. C. D. Ellis, of Charles City, sent the following letter to the Secretary:

Dear Sir: Answering your letter of the 28th ultimo, I will report that up to this time Iowa has no legislation giving special functions or powers to Trust Companies. There are only a few institutions in the State which have the word incorporated in their name, and this was done by them, I believe, in anticipation of legislation favorable to this branch of the business.

We are, however, endeavoring to bring about this legislation, but find it is directly opposed by the bar, as under the present method of personal administration of the estate the attorneys receive considerable business.

We are, nevertheless, interested in the Trust Company Section, and are gleaning from it many things that will be of value to us when we are enabled to take up this important branch of our business.

MASSACHUSETTS: Mr. Herbert A. Rhoades, of Boston: Mr. President and Gentlemen: There has been very little of importance in the way of legislation affecting trust companies in Massachusetts, since our last meeting. The Act passed in 1908, relative to savings departments in trust companies, amount of reserve to be kept, and allowing such trust companies in Boston as may be authorized by the Bank Commissioner to act as Reserve Agents, went into effect Jan. 1, 1909.

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This Act requires all trust companies receiving savings deposits to maintain a separte department and invest such deposits in accordance with the laws governing the investments of savings banks. This has resulted in quite a shrinkage of so-called "Savings Deposits" during the past year, as certain large amounts formerly carried as savings deposits were either transferred to open accounts or certificates of deposit were issued for them .

A new Act passed at the last session of the Legislature imposes a tax upon all deposits in the savings department of trust companies that are not invested in real estate loans, this tax being 1-8 of 1 per cent in 1910, 1-4 of 1 per cent in 1911, 3-8 of 1 per cent in 1912, and 1-2 of 1 per cent thereafter; all deposits being free of taxes to the depositor. This Act goes into effect Jan. 1, 1910.

Under the Act of 1908 trust companies in Boston may be authorized by the Bank Commissioner to act as Reserve Agents for other trust companies in Massachusetts. Under this section only one trust company in Boston—the Old Colony—has been approved by the Commissioner.

Under this Act the amount of reserve to be kept is changed to 20 per cent for Boston trust companies and 15 per cent for other trust companies, with the proviso that trust companies acting as reserve agents be required to keep at least 10 per cent in cash and 10 per cent in reserve banks, while other Boston trust companies must keep at least 8 per cent in cash, the balance to be in reserve banks, or 4 per cent in United States or Massachusetts bonds, while the out-of-town companies must keep at least 6 per cent in cash—the balance in reserve banks or 3 per cent in United States or Massachusetts bonds.

Reports to the Commissioner may now be signed by four directors instead of by a majority, and restrictions as to business to be transacted at a branch office are repealed.

An amendment to the Act of 1908 prohibits the use of the words "Trust Company" by any one except trust companies incorporated as such in Massachusetts, or an insurance company or trust company authorized to transact a foreign mortgage business in Massachusetts prior to Oct. 1, 1899; while another amendment provides for the publication for three successive weeks of a notice of the loss of a pass book in the savings department, and if the book is not presented within three months from the date of the first publication the money may be paid in full or a new book issued without further liability on the part of the trust company on the original book.

A comparison of Deposits, Capital, Surplus and Undivided Profits, under date of June 23, 1909, date of the last available report

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to the Commission, with the figures of July 15, 1908, the nearest corresponding report, is as follows:

	July 15, 1908.	June 23, 1909.	Increase.
Deposits	$194,553,954	$234,662,698	$40,108,744
Capital	17,715,600	17,867,200	151,600
Surplus	23,105,900	23,965,000	859,100
Undivided profits	6,218,988	6,343,843	124,855

Deposits entered last year as "Savings Deposits," not included in above amount, amounted to $7,096,513, while under the last report this item was returned separately as $4,725,395, held by four companies in Boston and six companies outside of Boston.

Allowing for the difference in this class of deposits, the total net gain for the past year has been $37,737,626, with a grand total of deposits outside of the trust funds in the trust companies of Massachusetts, June 23, 1909, of $239,388,093. I wish to acknowledge my indebtedness to Mr. Evans, Deputy Bank Commissioner, for much valuable assistance in the compilation of these figures.

There are the same number of trust companies in Massachusetts as last year, the addition of the Medford Trust Company, opened for business Nov. 2, 1908, being offset by the Hampden Trust Company, of Springfield, consolidated with the Union Trust Company of the same place.

A charter has been granted for the formation of a new trust company in Boston, to be known as the Lincoln Trust Company, with a capital of $200,000, and surplus of $100,000, which will be opened for business in the early fall, and a charter has also been granted for the formation of the Framingham Trust Company, to be located at South Framingham, with a capital of $100,000.

The Faneuil Hall National Bank has liquidated into the Beacon Trust Company, and the Commonwealth Trust Company has secured control of the New England National Bank, reducing the capital of the national bank and establishing a branch at the former location of the national bank, the latter moving to quarters formerly occupied by the trsut company branch. These two changes have added something over $7,000,000 to the amount of trust company deposits.

Early in the year Mr. Pierre Jay, who had done so much to reorganize the Bank Commissioners' Department and procure efficient legislation affecting the trust companies and savings banks, resigned to accept a position with a New York bank. His loss was greatly felt, and as a mark of the esteem in which he was held, and in appreciation of his valuable services, he was given a farewell dinner at Young's Hotel, Boston, which was attended by bankers from all over the State.

Hon. Arthur B. Chapin, then State Treasurer, was elected to

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fill the vacancy, and brought to his new position much valuable knowledge gained as a member of the Board of Bank Incorporation.

Recent conversations with prominent merchants of Boston show a very confident feeling as to the outlook for business in Massachusetts, and the situation is one of encouragement for the continued growth and prosperity of the trust companies, which have done so much to promote the industries of the comonwealth.

Gentlemen, I thank you.

MICHIGAN: Mr. Frank W. Blair, Detroit: Mr. President and Gentlemen: There has been no change during the past year in the law governing Michigan trust companies. As most of you undoubtedly know, the Michigan law is very restrictive in its character and prohibits the doing of a general banking business by trust companies in our State. Consequently those institutions take only a passing interest in general banking legislation. I will, however, for the benefit of those delegates from States where a banking business is done by trust companies, make a brief statement of what was done by way of amendment to the general banking law at the session of the State Legislature held during the first part of the present year.

A short time prior to the session the President of the State Bankers' Association appointed a committee to draft and submit to the Executive Council such amendments to the law as it should think necessary. The committee so appointed recommended several amendments, of which I will mention the most important:

First. That the salaries of the Commissioner of Banking, his Deputy and Examiner should be materially increased; those paid the examiners to be graded according to length of service.

Second. That those banks conducting both a commercial and savings business should keep separate books of account for the two classes of business.

Third. That the making of false statements, either written or oral, for the purpose of obtaining credit, should be made a felony.

Fourth. The circulation of false rumors relative to the condition of a banking institution should be made a misdemeanor.

Fifth. That no banking institution not organized under the National Bank Act or the State Banking Law should use any name which in any way might lead a customer to think it a corporate institution; in short, it should use nothing but a firm name.

The recommendations of the committee were approved by the Executive Council, introduced in the State Legislature, and with the exception of the last were made into law.

As to general legislation: Michigan, in common with other States, has been swept by the spirit of so-called reform, which, without proof of necessity, seeks the regulation of all quasi-public corporations, including bank and trust companies, urged on by a certain class

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of sensational newspapers. Some of the self-seeking politicians in the State Legislature introduced various radical bills, none of which, I am glad to report, to the credit of our good State, were allowed to pass.

Business has reached a point almost normal, and I predict that the coming year will be one of the most prosperous Michigan financial institutions have ever known.

MISSISSIPPI: Mr. R. L. Bennett, of Hattiesburg:

Mississippi is largely an agricultural State. Manufacturing and industrial development are annually in increased evidence. A complete crop failure was never known in the State, likewise a famine has never been known by our people. Biennial sessions of the Legislature often threaten drastic changes in the laws, but the ability to effect radical law changes is not marked. We have but few laws relative to trust and banking companies. These few are in the main wholesome. Trust companies may incorporate in their charter very liberal powers, and when thus provided for may serve in any fiduciary capacity for which an individual is qualified. All Trust Estates administered through the Chancery Courts are subject to the same processes and duties as in the case of individual or personal trusts, including the requirement of fidelity bonds. Trust companies are subject to exactly the same supervision as State banks. Quarterly personal examination by directors, with a detailed report from them to the Auditor of Public Accounts, is required by present statutes.

Rapid material development is manifest in every line in Mississippi.

MISSOURI: Mr. Edward Buder, St. Louis:

Mr. President and Gentlemen of the Trust Company Section: Missouri financial institutions are in a flourishing condition and make a showing which is a credit to the State and speaks volumes of praise for the men in charge. The following figures, furnished by our State Banking Department, I feel will prove interesting:

On May 14, 1908, all the financial institutions in the State receiving deposits reported resources of $675,709,428.86 and deposits of $495,829,964.57.

On June 23, 1909, all the financial institutions in the State receiving deposits reported resources of $738,204,585.54 and deposits of $557,083,750.61.

The gain in resources in thirteen months being $62,495,156.68, and the gain in deposits for the same period being $61,253,786.04.

The trust companies in the state, exclusive of the banks, for the same period, show an increase in resources of $4,077,850.20 and $6,702,678.52 in deposits.

For the period stated, there was an increase in the number of

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trust companies of five (5), and in the number of banks (State, private and national) of forty-one (41).

There has been only one bank failure (a small country bank, the depositors of which were paid in full) in the State since the meeting of this Section in Denver last year, and there has been no loss to any depositor of a trust company, State of national bank in Missouri during a period of almost two years.

In Missouri we feel proud, and justly so, of our Bankers' Association, which has a membership of 1,228, which includes every national, State and private bank, as well as every trust company in the State. I know there are other State Associations that have a larger membership, but I know of no other that has every financial institution enrolled.

On January 15, 1909, a number of amendments to our banking laws went into effect.

A new article is added to the chapter relating to corporations, which provides for a State Banking Department.

Under this law a bank commissioner is to be appointed by the governor (subject to the approval of the Senate), to hold office for four years. He is entitled to appoint a deputy commissioner and not exceeding eight examiners.

The law provides for the examination of every bank (except national banks), private banker and trust company, receiving deposits at least once in every year; and it requires an examination of every savings and safe deposit company at least once in every two years.

The bank commissioner is authorized to make such examination of any such institution whenever in his judgment it may be deemed necessary or expedient so to do.

The result of each examination must be certified by the bank commissioner upon the records of the institution examined, and it is made the duty of the bank commissioner to make a report of all his examinations to each session of the Legislature.

Section 15 of this article provides that no bank, savings and safe deposit company, or trust company receiving deposits, shall make any loan or discount on the security of the shares of its own capital stock, or be the purchaser or holder of any such shares unless such security or purchase shall be necessary to prevent loss upon a debt previously contracted in good faith. Any stock so purchased must be sold within six months after the purchase.

Trust companies receiving deposits are required, in addition to the examinations to be made by the bank commissioner, to have an examination of the condition of the company by a committee of three of its shareholders, who are to be appointed in such manner as the directors or stockholders may provide. It is made the duty of the

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committee to make a thorough examination into the affairs of the corporation, and to make and deposit with the company a report of such examination within ten days after the examination is completed.

A duplicate of the report of the committee, when filed with the institution, must also be immediately filed with the bank commissioner.

It is made the duty of the commissioner to prescribe the form of the report, and to require from such institution at least once every year such examination by such committee.

Failure to have such examination made by the committee of the stockholders, as and when required by the bank commissioner (or at least once a year without such requirement), and failure of the institution to file such report within thirty days next following the date when notified and required by the bank commissioner so to do, subjects the institution to the payment of a penalty of one hundred dollars for each and every day it fails so to do. The law evidently contemplates that the committee referred to shall be composed of stockholders of the company who are not directors or officers therein.

Under the new law trust companies are required to keep a reserve of at least fifteen per cent of the aggregate amount of their demand deposits. Amounts due from banks and other trust companies can be considered as part of the reserve.

The new law requires every trust company to accumulate a surplus of at least twenty per cent of its capital stock.

It also provides that the directors of trust companies shall meet at least once each month, and shall at each monthly meeting pass upon the business of the company back to the previous meeting of the board.

It also requires that a written record of the approval or disapproval of the board of each and every loan shall be made; and at each monthly meeting the records shall show the aggregate of the then existing indebtedness and liabilities of each director and officer to the company.

It also provides that no bills payable shall be made and no bills shall be rediscounted by the company except with the consent of the board of directors.

And no director or officer of the trust company shall be permitted to borrow from the company in excess of ten per cent of the paid-up capital and surplus of the company, without the previous consent of a majority of the directors of the company other than the borrower. The consent can be given only at a regular meeting of the board, and must be made a matter of record on the records of the company.

A statement of the condition and affairs of the corporation must be made to the stockholders at least ten days before the regular annual

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meeting of the corporation; and the board of directors, whenever required so to do by the bank commissioner, and within fifteen days after the date of the call made by him, shall also furnish a statement, containing such particulars as the bank commissioner may prescribe, of the actual condition of such corporation at the close of business on the day designated, and which day shall be prior to such call.

It must be attested by three of the directors, who are not required to swear thereto, but an affidavit by the president and secretary must be appended thereto.

At the last session of our Legislature, quite a number of changes were proposed under what was termed the "Bank Act," but the Guaranty Clause caused that bill to fail of enactment.

An act was passed, permitting the beneficiary under a deposit made by the trustee to withdraw the deposit upon the death of the trustee, where no notice of the terms of the trust had been given to the bank.

An act was passed, permitting a deposit in the name of a trustee to be withdrawn on the check or order of such trustee, bearing his signature and containing the same words in which the deposit was made.

The authority of the bank to pay an instrument payable at a fixed or determinable future time is limited to the day of maturity.

This law was passed on the recommendation of the American Bankers' Association, as well as the act which has reference to the deposits of a deceased trustee.

Missouri is a State of wonderful resources and crop conditions this year are very satisfactory. According to estimates furnished by the Secretary of our State Board of Agriculture, the farmers of Missouri suffered a loss from floods of more than $14,000,000, a loss which States less resourceful than Missouri could hardly stand.

Notwithstanding this great loss by floods, it is estimated that our farmers will realize an amount for this year's crops in excess of that realized for the crops of 1908, when the farmers of the State raised 173,573,422 bushels of corn, worth $98,607,000, and 20,684,819 bushels of wheat, valued at $19,512,000, to say nothing of other crops.

NEW YORK: Mr. H. A. Davidson, of Brooklyn (report presented by Mr. Howard Bayne, of New York, in the absence of Mr. Davidson):

As a reflex from the panic of 1907 two trust companies in the State of New York have closed during the year ending September 1, 1909. These are now being liquidated by the Superintendent of Banks under the operation of an amendment to the Banking Act

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becoming effective in 1908. While any description of such liquidation is the province of the Banking Department, it may be said that the work is progressing with every possible degree of rapidity and at a minimum of expense. Each Special Deputy Superintendent in charge receives only the customary salary allowed by the Banking Department and works solely for a speedy and complete settlement.

One of the amendments of 1908 to the Banking Laws of the State required an increase in capital of $100,000 for each trust company branch operated. The Lafayette Trust Company (formerly the Jenkins Trust Company), being unable to procure the additional $500,000 required for its branches, requested the Banking Department to place it in liquidation, the writer of this report, the President of the institution, being named by the Superintendent as his Special Deputy, and in cooperation with a representative from the Banking Department, proceeded to liquidate the affairs of the company. Other trust companies in New York increased their capital by a total amount in excess of four million dollars, one trust company has opened a new branch, one other has been granted permission to do so, and two companies have merged.

Upon February 1, 1909, the new reserve requirement became fully operative. Under provisions companies doing business in Manhattan carry a cash reserve of 15 per cent, in Brooklyn a cash reserve of 10 per cent and a deposit of 5 per cent, while elsewhere in the State 10 per cent is required, of which 5 per cent is cash and 5 per cent in a depositary. It is interesting to note that by the operation of the amended laws that the cash reserve of trust companies shows an increase of over 10 per cent as compared with the statement of a year ago; and it is a strong testimonial to the solidity of our Banking Department that such increase in reserve was made without disturbing the even current of the banking situation, and that all the institutions affected by the Act have fully complied with its conditions.

In Greater New York alone a comparison between the week ending August 28, 1909, and the corresponding week in 1908 shows an increase of deposits in trust companies of $346,738,000 while the increase in deposits in our State banks at the same dates was $23,459,000. The deposits of the trust companies of the State on September 4 amounted to $1,415,778,000.

MR. BAYNE: If I may be permitted to amplify Mr. Davidson's report I will mention that our new trust company laws have inspired a remarkable increase in the confidence enjoyed by our trust companies. This extends not only to the depositors but to the stockholders as well. The prompt and efficient method of liquidation in case of failure affords a great saving to them.

The present reserve laws have resulted in the accumulation of over $120,000,000 of cash in the vaults of trust companies in New

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York city alone. In addition to this they have on deposit a vast amount of money with the clearing house banks. The knowledge of this condition has extended the feeling of confidence and security not only among trust companies but to the financial community at large.

TEXAS: Mr. N. S. Graham, of San Antonio:

I plead guilty to the general indictment. My bill of particulars is that I am here to speak for Texas, the greatest State of the greatest nation, a splendid product of a beneficent Providence and the genius of the fathers, the grandest empire that was ever tossed into eternal space and the most favored spot on the earth to-day. Yet, like Caesar's wife, pure in her chastity, she is regarded with suspicion and distrust, and the causes that lead to such conclusions are not only morally damnable, but they are politically and Americanly inexpedient. Thanks, however, to her great natural causes and conditions, she is triumphant in all things, and all things do bless her, for they have proven more powerful than all the faults of administration that check industry and retard the progress of improvement. In the days of antiquity all roads led to Rome. In the enlightened age of the twentieth century, a century that will reach its ideals of civilization, all reads have but one objective point—Texas.

Without rhetorical embellishment, let us look for a moment at her physical characteristics and resources:

Texas contains 265,780 square miles, or two hundred millions of acres. The next census will show her population to be five millions of people. Her taxable values are two and a half billion of dollars. Her public school fund amounts now in money and bonds to over $16,000,000 and there remain unsold 20,000,000 acres of land, giving to each child for public school purpose $6.25 per capita. You will thus see that her educational facilities are unsurpassed by any State in the Union. Her railway mileage is over 13,000 miles, representing a cost of practically $300,000,000 and giving employment to 60,000 people. Her cotton crop represents in value, incluing by-products, over $250,000,000. Her sugar crop is second only to that of Louisiana, besides having one of the largest sugar plantations and refineries in the world. Her rice, oat, corn and wheat crops are correspondingly as great, while her shipments of strawberries, watermelons, peaches and vegetables are sources of vast revenue. Her lumber output will approximately be 9,000,000,000 square feet. Her oil fields are the largest in the world, with an immense oil territory awaiting development which is now in progress. Her mineral fields are perhaps the richest in the world. She has more cattle within her limits than all the Atlantic and Gulf States combined, 9,000,000 head. She supplements the products of every other State in the Union, while only one-twelfth of her arable land is in cultivation, leav-

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ing a vast area as an inviting field for profitable investment at from $1.25 to $2.50 per acre. She stands third in the list of States as to millionaires. Her captains of industry are men of ability and capacity. Her citizenship comprises the true American. In the dawn of the nineteenth century she was peopled by an influx of the best blood in the South and it is this blood that has made the Texas of to-day—the vigorous native born American, he who produces and brings results, the premier in the citizenship of our present civilization.

This is an epic of our State's progress and power which fills with pride the heart of every loyal Texan, for such a record of increase in population, wealth and permanent investment has no parallel, and we think without hesitation that Texas is the richest portion of the known world.

It has been said that Texas is bounded on the east by the rising sun, on the west by the Pacific Ocean on the north by the Aurora Borealis and on the south by the Day of Judgment. A fantasy, a pageant, a new Egypt with more marvels than were ever created by a Pharaoh's fancy, or sweetened the dreams of a Bourbon, a Hapsburg or Hohenzollern.

In this field of azure glory, surpassing in its greatness, there is but one cloud to a perfect title, and it is with shame that I refer to it. —The heretic is abroad in Texas, walking hand in hand with the vile demagogue in the sacred precincts of her legislative halls, and as a result we have the deformity commonly known as the guaranty law, that we can fittingly characterize as a piece of "crooked wisdom"; and right here I want to tell you, that positive law with all its sanction never yet has made an honest man. Interpreting this law, a man may legally take advantage of his neighbor by a malappropriation which the rules of every-day morality condemn.

There have been no material changes as to trust company laws except as to their being affected by the guaranty law. The trust company feature in Texas will in time have a very rich field of operation if not legislated out of existence. Education in this particular line of business is going on and some of the people are beginning to appreciate the advantages of an incorporated company acting in the capacity of executor, administrator, etc., thus compelling the trust feature, instead of being a mere side line, to assume its rightful dignity along with the commercial feature.

WISCONSIN: Mr. Oliver C. Fuller, of Milwaukee:

I regret very much that the Vice-President from Wisconsin is not present to-day, as I think his report of progress in trust company affairs in our State during the past year would have been interesting. In his absence I will endeavor to give you a brief report and an outline of our new trust company law.

In order to appreciate some peculiarities of this law it is neces-

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sary to know a little of the trust company situation in Wisconsin previous to its enactment. There are in the State about 620 banks and eleven trust companies. Of the number of banks named 435 are State banks, dominating by their superior number the Wisconsin Bankers' Association, a strong organization with powerful political influence in the State. For many years past there had been a regretable controversy and considerable feeling between some of the banks and the trust companies over the question of the right of trust companies to receive deposits under the old law which forbade them to do "a banking business," although it gave them the right to borrow money, to issue notes or debentures therefor and to pay interest thereon. Bankers contended that the practice of trust companies in accepting savings and issuing certificates of deposit was a violation of the law and that, in view of the fact that they paid less taxes and were under practically no banking restrictions, they were unfair competitors.

Under the old law trust companies in Wisconsin paid to the State an annual license fee of $500 and an income tax of 3 per cent.

Naturally they were not required to keep any reserve against deposits, which they were not supposed to have.

The new law repeals entirely the old trust company law and adds to the State banking law a new chapter providing for the organization and control of a class of institutions designated as "Trust Company Banks," but which are forbidden to use the word "bank" and must use the word "trust" in their title.

Without attempting to go into details, I will simply say that this law grants substantially all the powers, privileges and rights usually enjoyed by trust companies in other States, except in the section relating to loans and deposits, which I quote

> "Such corporation may loan money upon real estate and upon securities other than personal notes or commercial paper or obligations secured solely thereby, may receive time deposits and issue its notes, certificates, debentures, and other obligations therefor, payable at a future date only, not earlier than thirty days from the date of such deposit; it shall not receive deposits subject to draft, order, or check, or payable upon demand, issue bills to circulate as money, or deal in bank exchange.
>
> "All such deposits so received shall at all times be held or invested separate from other funds or property held by the corporation, and in case of insolvency or liquidation all such funds and investments made therefrom shall be primarily liable and used for the payment of such deposits."

Although prohibited from lending upon commercial paper and although not required to lend or invest their deposits any differently from their own funds, trust companies are required to keep their deposits and investments therefrom separate from their own funds. Trust

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accounts, of course, must be kept separate from all others and trust funds must be invested in accordance with the statutes regulating the same.

Although permitted to receive only time deposits, trust companies are required to maintain the same reserves as State banks, viz., 15 per cent, either in cash or in banks approved by the Commissioner.

Trust companies after January 1, 1910, are to be taxed the same as banks and are subject to the same examinations by the Commissioner of Banking.

Trust companies are forbidden to lend to their officers or employes on any condition whatever. They may not have more than one office of deposit nor maintain branches.

These, I believe, are the salient points of the new law.

In view of the conditions intimated it is hardly necessary to say that up to the present time trust companies have not cut a very large figure in the banking business of Wisconsin, total deposits in such institutions, according to the last annual report of the Commissioner of Banking, having aggregated less than $5,000,000, as against over $200,000,000 of deposits in banks. Nevertheless it must not be inferred that trust companies have not made themselves felt in the community and are not prosperous. Deprived of what is considered the most profitable branch of the business, with an energy born of necessity, the trust companies of the State turned their attention to the development of other features of the trust company business with a result that may well be considered satisfactory. In the city of Milwaukee particularly the trust companies have educated the public up to such an understanding of their advantages as trustees, executors, receivers, etc., that they are rapidly taking the place of individuals in all such capacities. Of late years, almost every receivership of any size has gone to a trust company and the number of important estates administered and the volume of trust estates accumulated by several of them would no doubt compare favorably with many larger and older trust companies of other States. All of them, I believe, are prosperous and growing and those that have been in business long enough to warrant it are paying fair dividends to their stockholders. Now that we have a law defining clearly our rights, although restricting us unwisely, we think, in the matter of deposits, we are looking hopefully to the time when the trust companies of Wisconsin will take their proper place among the financial institutions of the State and of the country.

THE PRESIDENT: Is the Committee on Nominations ready to report?

MR. F. H. FRIES: The Committee on Nominations reports recommending for election as members of the Executive Committee to

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fill the vacancies caused by the expiration of the terms of members expiring this year the following:

E. K. BOISOT, Vice-President First Trust & Savings Bank, Chicago, Ill.

JOHN D. MCKEE, Vice-President Mercantile Trust Company, San Francisco, Cal.

CHARLES J. BELL, President American Security & Trust Company, Washington, D. C.

F. H. GOFF, President Cleveland Trust Company, Cleveland, Ohio.

EDWIN CHAMBERLAIN, Vice-President San Antonio Loan & Trust Company, San Antonio, Texas.

THE PRESIDENT: Gentlemen, this does not exclude nominations from the floor. Are there any nominations other than these?

On motion, nominations were declared closed.

On motion, the Secretary cast one ballot for the election of the gentlemen nominated, and they were declared duly elected.

THE PRESIDENT: Nominations for President and First Vice-President are now in order.

H. P. MCINTOSH, President of the Guardian Savings & Trust Company, of Cleveland, Ohio, was thereupon nominated for President.

There being no other nomination for President, nominations were declared closed, and, on motion, the Secretary cast one ballot for the election of Mr. McIntosh as President, and he was declared duly elected.

THE PRESIDENT: Gentlemen, I present to you the President-elect. (Applause.) Mr. McIntosh, it becomes my very pleasant duty to turn over to you the insignia of your office and to assure you that I know from the work you have done in the past that you will do good work for this Section in the future. (Applause.)

PRESIDENT MCINTOSH: Gentlemen, I thank you sincerely. It is too late to detain you with a speech. I promise that I will endeavor to so discharge the duties of my office as to justify your action in conferring this great honor upon me. (Applause.)

OLIVER C. FULLER, President of the Wisconsin Trust Company of Milwaukee, Wisconsin, was then nominated for First Vice-President.

There being no other nominations, on motion, the Secretary cast one ballot for the election of Mr. Fuller as First Vice-President, and he was declared duly elected.

PRESIDENT MCINTOSH: Mr. Fuller, it gives me extreme

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pleasure to greet you as First Vice-President of the Section. (Applause.)

VICE-PRESIDENT FULLER: I appreciate the honor you have done me, gentlemen, and trust I may be able to perform the duties of the office to your entire satisfaction. (Applause.)

PRESIDENT MCINTOSH: Next in order is the election of Vice-Presidents from each State.

Vice-Presidents were then nominated as follows:

California,	J. C. DRAKE, President, Los Angeles Trust and Savings Bank, Los Angeles.
Connecticut,	B. G. BRYAN, Secretary, Colonial Trust Company, Waterbury.
Delaware,	RICHARD REESE, Treasurer, Equitable Guaranty & Trust Co., Wilmington.
Georgia,	SIGO MYERS, President, The Oglethorpe Savings & Trust Co., Savannah.
Illinois,	D. A. WYCKOFF, Cashier, First Trust & Savings Bank, Alton.
Indiana,	J. L. RANDEL, Secretary, Central Trust Company of Greencastle, Greencastle.
Iowa,	A. T. BENNETT, President, Bennett Loan & Trust Company, Sioux City.
Kentucky,	D. C. WITT, Cashier, Ohio Valley Banking & Trust Company, Henderson.
Louisiana,	FRANK ROBERTS, President, Calcasieu Trust & Sav. Bank, Lake Charles.
Maryland,	MAURICE H. GRAPE, Assistant Treas., Continental Trust Company, Baltimore.
Michigan,	RALPH STONE, Secretary, Detroit Trust Company, Detroit.
Missouri,	H. C. SCHWITZGEBEL, Secretary, Commerce Trust Co., Kansas City.
New Jersey,	WILLIAM C. HEPPENHEIMER, President, Peoples Safe Deposit & Trust Co., Jersey City.
New York,	WILLIAM C. POILLON, Vice-President, Mercantile Trust Company, New York City.
Ohio,	W. R. CRAVEN, Secretary, The Dayton Savings & Trust Co., Dayton.
Oregon,	E. A. WYLD, Vice-President, Security Savings & Trust Co., Portland.
Texas,	H. N. TINKER, Vice-President, Union Bank & Trust Co., Houston.
Wisconsin,	C. C. BROWN, President, Northwestern Loan & Trust Co., Kenosha.

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On motion, the members of the Executive Committee were given power to fill any vacancies occurring in the list of Vice-Presidents.

On motion, a rising vote of thanks was tendered to the bankers of Chicago for the hospitality and courtesies extended to the members of the Section.

A vote of thanks was also extended to the retiring President.

PRESIDENT MCINTOSH: Is there any further business to come before the meeting? If not, I declare the fourteenth annual meeting of the Trust Company Section adjourned *sine die*.



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WILLIAM HANHART
SECRETARY SAVINGS BANK SECTION



P. S. BABCOCK
SECRETARY TRUST COMPANY SECTION

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PROCEEDINGS OF THE
EIGHTH ANNUAL MEETING

SAVINGS BANK SECTION

American Bankers' Association

HELD IN CHICAGO, ILLINOIS.
SEPTEMBER 16, . . 1909.

EDITED BY
WILLIAM HANHART,
Secretary Savings Bank Section American Bankers' Association
11 Pine Street, New York.
1909.

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OFFICERS OF THE

SAVINGS BANK SECTION

AMERICAN BANKERS ASSOCIATION

1909

PRESIDENT:

WILLLIAM R. CREER, Secretary Cleveland Savings & Loan Company, Cleveland, Ohio.

FIRST VICE-PRESIDENT:

EDWARD L. ROBINSON, Vice-President Eutaw Savings Bank of Baltimore, Baltimore, Md.

CHAIRMAN EXECUTIVE COMMITTEE:

ALFRED L. AIKEN, President Worcester County Institution for Savings, Worcester, Mass.

SECRETARY:

WILLLIAM HANHART, No. 11 Pine Street, New York.

EXECUTIVE COMMITTEE:

Term expiring 1910.

EDWARD L. ROBINSON, Vice-President Eutaw Savings Bank of Baltimore, Baltimore, Md.

J. H. HASS, Cashier Scott County Savings Bank, Davenport, Iowa.

ALFRED L. AIKEN, President Worcester County Institution for Savings, Worcester, Mass.

Term expiring 1911.

ROBERT J. WOOD, Chairman Board of Directors Inter-State Trust & Banking Company, New Orleans, La.

ALLEN W. JOHNSTON, Treasurer Schenectady Savings Bank, Schenectady, N. Y.

W. T. RAVENSCROFT, President Federal State & Savings Bank, Denver, Colo.

Term expiring 1912.

HENRY S. HENSCHEN, Cashier State Bank of Chicago, Chicago, Ill.

H. L. REMMEL, President Mercantile Trust Company, Little Rock, Ark.

R. C. STEPHENSON, Second Vice-President and Treasurer St. Joseph County Savings Bank, South Bend, Ind.

Ex-officio.

G. BYRON LATIMER, First National Bank, Rockville Centre, N. Y.

LUCIUS TETER, Chicago Savings Bank & Trust Company, Chicago, Ill.

J. H. JOHNSON, Peninsular Savings Bank, Detroit, Mich.

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VICE-PRESIDENTS 1909-1910

Alabama..... EUGENE F. ENSLEN, Cashier Jefferson County Savings Bank, Birmingham.

Arizona..... GEORGE H. LUTGERDING, Cashier Union Bank & Trust Co., Phoenix.

Arkansas..... CHAS. MCKEE, Vice-President State National Bank, Little Rock.

California..... J. F. SARTORI, President Security Savings Bank, Los Angeles.

Colorado..... FRANK N. BRIGGS, Cashier Interstate Savings Bank, Denver.

Connecticut..... LYMAN S. CATLIN, Treasurer Mechanics & Farmers Savings Bank, Bridgeport.

Delaware.....W. PALMER, President Wilmington Savings Fund Society, Wilmington.

Dist. of Columbia... B. F. SAUL, President Home Savings Bank, Washington.

Florida.....J. M. STEVENS, President Union Savings Bank, Jacksonville.

Georgia.....GEO. M. BROWN, President Georgia Savings Bank & Trust Co., Atlanta.

Idaho..... F. W. KETTENBACH, President Idaho Trust Co., Lewiston.

Illinois..... ADDISON CORNEAU, Assistant Cashier Western Trust & Savings Bank, Chicago.

Indiana.....J. WOOLVERTON, President St. Joseph County Savings Bank, South Bend.

Iowa..... C. J. WOHLENBERG, Cashier Holstein Savings Bank, Holstein.

Kansas..... T. M. WALKER, President Atchison Savings Bank, Atchison.

Kentucky..... E. L. BOWIE, Assistant Secretary Louisville Trust Co., Louisville.

Louisiana..... G. A. BLAFFER, Vice-President Commercial Germania Trust & Savings Bank, New Orleans.

Maine.....E. A. NOYES, Treasurer Portland Savings Bank, Portland.

Maryland.....R. M. ROTHER, President Hopkins Place Savings Bank, Baltimore.

Massachusetts.....E. B. CARNEY, Treasurer Lowell Institution for Savings, Lowell.

Michigan.....W. F. GALLAGHER, President State Savings Bank, Owosso.

Minnesota.....NEWTON F. HAWLEY, Treasurer Farmers & Mechanics Savings Bank, Minneapolis.

Mississippi..... F. G. WISNER, President First National Bank, Laurel.

Missouri....., W. S. WEBB, Cashier Missouri Savings Association Bank, Kansas City.

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VICE-PRESIDENTS 1909-1910

Montana.....CHRISTIAN YEGAN, President Yegan Bros. Savings Bank, Billings.

New Hampshire.... J. E. FERNALD, Vice-President Loan & Trust Savings Bank, Concord.,

New Jersey..... ADRIAN LYON, President Perth Amboy Savings Institution, Perth Amboy.

New York..... JOHN C. GRISWOLD, Secretary Excelsior Savings Bank, New York.

North Carolina..... W. L. SCALES, Cashier Richmond County Savings Bank, Rockingham.

North Dakota..... R. C. KITTEL, President First National Bank, Casselton.

Ohio..... CHAS. A. PAINE, Vice-President Superior Savings & Trust Co., Cleveland.

Oregon..... BENJAMIN I. COHEN, President Portland Trust Co., Portland.

Pennsylvania..... G. COLESBURY PURVES, President Philadelphia Saving Fund Society, Philadelphia.

Rhode Island..... GEO. E. NICHOLAS, Assistant Treasurer Pawtucket Institution for Savings, Pawtucket.

South Carolina..... W. D. MORGAN, President Bank of Georgetown, Georgetown.

South Dakota..... ISAAC LINCOLN, President First State Savings Bank, Aberdeen.

Tennessee..... P. D. HOUSTON, Cashier First Savings Bank & Trust Co., Nashville.

Texas..... H. L. CHAPMAN, Vice-President Texas Trust Co., Houston.

Utah..... W. W. RITER, President Deseret Savings Bank, Salt Lake City.

Vermont..... C. P. SMITH, President Burlington Savings Bank, Burlington.

Virginia..... R. M. KENT, JR., Cashier Capitol Savings Bank, Richmond.

Washington..... J. F. LANE, Cashier Scandinavian-American Bank, Seattle.

West Virginia..... H. C. HARVEY, President American Bank & Trust Co., Huntington.

Wisconsin..... C. R. CARPENTER, Cashier Commercial & Savings Bank, Racine.

Hawaii..... L. T. PECK, Cashier First National Bank, Honolulu.

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CONSTITUTION AND BY-LAWS OF THE SAVINGS BANK SECTION.

(As amended September 16th, 1909.)

SECTION 1. The administration of the affairs of this Section shall be vested in a President and First Vice-President of the Section, and an Executive Committee of nine members, who shall serve until their successors are chosen or appointed.

SEC. 2. No President nor First Vice-President nor retiring member of the Executive Committee shall be eligible for re-election for a period of one year after the expiration of his term of office.

SEC. 3. The Executive Committee shall select its own chairman from among its members, and shall also select a secretary of the Section, who may or may not be a member of the Section.

SEC. 4. The Executive Committee shall as soon as may be after its organization divide itself by ballot into three classes of equal number designated as the first, second, and third class, of which the first class shall remain in office one year, the second class two years, and the third class three years, and at each annual election members of the Executive Committee shall be elected for a term of three years to fill the vacancies of the retiring class.

SEC. 5. The Executive Committee shall have power to fill vacancies until the next annual meeting, and may adopt all necessary rules for the business of the Section.

SEC. 6. The President and First Vice-President of the Section shall be members *ex-officio* of the Executive Committee, and ex-Presidents, if still members of the Association, shall also be members *ex-officio* for three years after expiration of their term of office.

SEC. 7. The President, First Vice-President, and Chairman of the Executive Committee shall represent the Section in the Executive Council of the Association.

SEC. 8. Each State having not less than five savings institutions, members of the American Bankers' Association, shall be entitled to a Vice-President of the Section; such Vice-Presidents to act generally in an advisory capacity to the Executive Committee, but not to be entitled to vote.

SEC. 9. This Constitution may be amended at any annual meeting by the vote of two-thirds of the members present, notice of the proposed amendment having been submitted to the Secretary at least thirty days before the annual meeting, and the Secretary shall forward to every member of the Section a copy of such proposed amendment, and shall submit it to the Executive Committee, that they may arrange to bring it before the annual meeting under the regular order of business. Any amendment of the Constitution, regularly submitted as above, may be itself amended on the occasion of the annual meeting by the vote of two-thirds of the members present.

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MEMBERSHIP.

Those desiring to join the Association can do so by sending application and check for membership dues to the order of the Treasurer, addressed to the offices of the Association, Hanover Bank Building, New York City. On approval of application and receipt of the dues a certificate of membership in the Association will be sent.

Dues as fixed by By-Law 2.

The annual dues of the members of this Association shall be $10.00 for Banks and Trust Companies having an aggregate capital and surplus of less than $100,000, private bankers and banking firms; $20.00 for Banks and Trust Companies having an aggregate capital and surplus of $100,000 and less than $250,000; $25.00 for Banks and Trust Companies having an aggregate capital and surplus of $250,000 and less than $500,000; $30.00 for Banks and Trust Companies having a capital and surplus of $500,000 and less than $750,000; $40.00 for Banks and Trust Companies having a capital and surplus of $750,000 and below $1,000,000; $50.00 for Banks and Trust Companies having a capital and surplus of $1,000,000 and below $5,000,000; $75.00 for Banks and Trust Companies having a capital and surplus of $5,000,000 and over.

Each member of the Association having a branch or branches, without separate capital specifically set aside therefor, and desiring to have such branch or branches become members of this Association, must pay annual dues in addition of $10.00 for each such branch. In case any branch has a separate capital, dues must be paid for such branch according to capital, the same as if it were an independent member.

Dues for savings banks without capital are based on surplus or reserve fund.

No additional dues or expenses whatever are required of members of the American Bankers Association who desire enrollment in the Savings Bank Section.

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E. L. Robinson

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EIGHTH ANNUAL MEETING
SAVINGS BANK SECTION
AMERICAN BANKERS' ASSOCIATION

AUDITORIUM HOTEL,
Chicago, Ill., September 16, 1909.

MORNING SESSION.

The annual meeting of the Savings Bank Section of the American Bankers' Association was called to order by President Johnson at 10 o'clock A. M.

THE PRESIDENT: The proceedings will be opened with a prayer by the Rev. William O. Walters, Rector of Grace Episcocal Church of this city.

Prayer.

Almighty God, our Heavenly Father, who doth command the hand to be diligent, we humbly beseech Thee that Thy blessings may rest upon all who are in the business ranks of life, and especially upon those in convention here assembled. May Thou be pleased to direct and prosper them to Thy glory, the good of this nation, the safety, honor and welfare of all Thy people. Give them strong convictions concerning personal integrity and honesty, and such boldness in doing right that their examples may never be questioned. So direct them that they may in all their dealings exemplify the consistency of the Christian religion, and always give the first place to Thy law and commandments. Through their exalted lives may Thy Church be honored and many souls be turned to righteousness. We ask all in the name of Him who has taught us when we pray to say, "Our Father who art in Heaven, hallowed be Thy name, Thy kingdom come, Thy will be done on earth as it is in Heaven. Give us this day our daily bread, and forgive our trespasses as we forgive those who trespass against us, and lead us not into temptation, but deliver us from evil, for Thine is the kingdom, the power and the glory, forever and ever, Amen.

THE PRESIDENT: My first thought, gentlemen, was to come here to-day and act as a presiding officer, to do no talking whatever; but the developments of the last few hours have been so

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startling to me that I cannot refrain from repeating the sentiment which seems to be crystallizing so rapidly, not only in the Association, but in the business, commercial and social worlds. As a result, I have made a hurried resume of the thoughts of others, amended and polished and rubbed down a bit, so as to give you an idea to what tremendous importance has grown this Section. Starting as it did at New Orleans in 1901, with an attendance all told, of, say, 25, the membership at the end of the first year, naturally of the most enthusiastic members in the savings line, of 500, and to-day of over 1,600; and instead of being a sort of a sub-committee of the parent Association, to that importance that they have given us a whole day and have deferred the deliberations of that august body in deference to us.

We are gathered here to-day to interchange ideas, not, so our critics would say, for selfish purposes, but rather that our business may be developed along safe and permanent lines, and for the common good, for I know of no interest more vital to the prosperity and peace of the nation than the care and safe-keeping of its funds, and that this is the first and great purpose of this Association. How best to do it is the question, and it seems to me that this is being well answered by the development of the various types or departments of banking represented in this Association.

It is my pleasure to-day to speak to you on the subject of savings; and what gives me even greater pleasure is to observe the splendid unanimity and positive unselfishness of every section of our business, in agreeing that savings deposits must have our first consideration.

The honored guest of to-day, President Taft, said but two days ago that "our banking and monetary system is a patched up affair which satisfies nobody." President Reynolds, in his opening address, said, "There should be a change in our present laws governing national banks," and further on, "National banks should be allowed to act as trustees," and they should be given the right, under a specific declaration of law, to accept savings deposits, but the savings deposits thus received should be segregated from their general deposits. Furthermore than this, the law should definitely define the character of investments the banks should carry against savings deposits, which investments should be segregated from the general assets of the bank, and in case of a failure of the bank, the saving depositors should have a first lien upon the specific securities held in the savings department, and, in addition, be general creditors. The public statements should show the amount of savings deposited and securities held against same, and the saving deposits held by national banks should carry the same requirements as to reserve, and be subject to the same notice of withdrawal, that is now required under the various state and savings bank laws. If this were done, and the

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laws in the various states so changed as to require a state bank or trust company to segregate their savings deposits and securities in the same manner, with the same restrictions, it would go far toward answering any arguments advanced in favor of the establishment in this country of a system of postal savings banks, and, I would add, give much better results than any form of guaranty.

As a further evidence that we are all working along the same lines, I quote from the address of welcome of Mr. Potter of Chicago. "These laws, while all enacted with the same general purpose, namely, to make our banking system safe, are greatly at variance, and I think we should take advantage of opportunities such as this Convention offers, to study each other's methods and to be prepared to exert our influence in procuring regulations as nearly uniform in all the states as possible."

You cannot make a man honest by regulation, and cannot positively prevent bank failures, yet you can minimize the latter, both in number and effect, by wise and practical restrictions.

It is not sufficient that we oppose the plan of state or governmental guaranty of deposits, for the postal bank means that just as much as the so-called guaranty. We must sympathize with the desire of the people at large to have their deposits made so safe as they can possibly be made. It is incumbent upon us, as experts, to take steps to make impossible, as nearly as we can, the failure of any bank—savings, state or national—and we shall fail in our opposition, unless we are able to present a plan which will practically accomplish the desired end, and, at the same time, be based on sound business principles. Is it not better to regulate your own affairs than to have them regulated for us? Is it better to be compelled by government influences to do what is right and best, or to do it of our own initiative? I hold that we should not attempt to curtail any of the banking facilities now enjoyed in this country. The people should be given every possible agency consistent with safety and good business principles. The savings bank man has always held that the national bank should not receive savings deposits; he said the same thing about the trust company; and yet each seemed to be doing a very commendable duty, and each seemed to flourish and be prosperous. And again, I am more than pleased to observe that the divisions are being gradually broken down, and we are fast becoming of one mind, at least on the subject now directly under consideration.

It is clearly evidenced that the people want these various types of depositories, and I think it is our duty as bankers to recognize the demand of our clients from a purely unselfish standpoint, and to permit the people to deposit their savings where it is most convenient, but for their protection, these funds should be most sacredly safeguarded and their investment restricted, no matter by whom received. Briefly,

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a savings deposit, whether made in a national bank, a mutual savings bank, a stock savings bank, a state bank or trust company, should be under the law of the state in which those institutions are located, and we should do our part in seeing that these laws are made reasonably uniform. At first mention of this to a national banker, he naturally says, as far as we are concerned, this cannot be done, but I am reasonably well advised, and feel positive, that the federal government will co-operate with us, and at least impose restrictions similar to the standard provisions now being inserted in all of the progressive states; and to show you that this demand is not only deep-rooted, but world-wide, I need only refer to the new banking law recently introduced into the land where they object to everything that is new, namely, China, and which, according to the London Financial News, contains many admirable provisions; prominent among them is one clearly distinguishing between commercial and savings deposits, even restricting and defining the investments for the latter.

Our committee on this subject has done and is doing heroic work, and will give you facts and figures showing splendid progress. While the work is well begun, it must be carried on to a successful finish, and I most earnestly recommend that this committee, above all others, be continued.

Last month I attended a meeting of the Commissioners on Uniform Laws; last Monday, in this city, a meeting of the Superintendents of State Banks, attended by the official representatives from over two- thirds of the states, and all are of one mind on the subject, and what seemed impossible two or three years ago now seems not only probable, but sure, and the result will be a system of depositories for savings that will be so permanent and so satisfactory as to entirely satisfy the demands of the people and to positively set at rest the fallacies of the hour. (Applause.)

We will now listen, gentlemen, to the address of welcome from Mr. Henry S. Henschen, Cashier, State Bank of Chicago. I take pleasure in introducing Mr. Henschen. (Applause.)



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ADDRESS OF WELCOME

MR. HENRY S. HENSCHEN: There is nothing perfunctory or half-hearted in the welcome which the bankers of Chicago extend to the members of the Savings Bank Section of the American Bankers' Association. For months we have been looking forward to your coming as the chief event of the year, and now that you are among us as our honored guests, our pleasure and gratification are greater than I can express.

Chicago is the ideal convention city, and September the ideal month in which to visit Chicago. Many of you are frequently called by business or pleasure to our city; others remember Chicago only as she was during the halcyon days of the World's Columbian Exposition; while others, chiefly, perhaps, our Eastern brethren, are receiving their first impression of the Western Metropolis. To one and all we extend our sincerest welcome and the freedom of the city during your stay here.

Standing before the Savings Bank Section, I realize that I am in the presence of a body of men who have earned and are deserving of the confidence of their fellow men. In all the world there is no more striking example of trust and faith among men than in the relations existing between depositors and the banker. As savings-bankers you are the custodians of those slowly accumulated dollars which, deprecate them as you may, still represent food for the hungry, healing for the sick, education for the young, comfort for the aged—these and a thousand other human necessities.

Your deliberations at this session are fraught with more than usual moment because of the present state of the agitation for Postal Savings Banks. Every banker is in the first instance a citizen of the great Republic—an intelligent, well informed and patriotic citizen. He is seeking primarily not his own good, but that of his country. If the good of his country demands that it shall discard the experience, the knowledge and the judgment of the men who have devoted a lifetime to caring for the savings of the people and their proper safeguarding and investment, and to turn over these functions to third and fourth class postmasters whose actions and judgment shall be controlled by the Third Assistant Postmaster General at Washington—if, I say, the welfare of the nation demands that this be done, the bankers of America are patriotic enough to acquiesce in the proposed change. But if, on the other hand, such a radical change would be a detriment not only to our system of banking and credit, but to the welfare of the people as a whole, circumscribing their opportunities for growth and development and retarding rather than adding to the success of the commercial world, again the banker will speak, and in no uncertain tones, even though he may be accused of a selfish motive. In this discussion, the only arguments entitled to consideration are those based upon the broad grounds of public policy.

Chicago is proud to count as one of her sons Mr. Lucius Teter, the indefatigable chairman of the Postal Savings Bank Committee of the American Bankers' Association, which committee by its report at the Convention last year and by its subsequent efforts has done so much to inform the American people on the subject of Postal Savings Banks.

Before such an intelligent body, I need not take time to dwell on the size, the financial strength and the many attractions of Chicago, for they are quite apparent. Let me merely call your attention to the fact that in matters of finance Chicago has never departed from the most conservative methods, and her reward has been the prestige and high rank which the world concedes her as a banking center. Her savings banks are among the strongest and best managed in the United States. During your stay in Chicago, you are authorized to act as bank examiners and visit the substantial buildings in which Chicago's banks are domiciled.

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We sincerely trust that this session of the Savings Bank Section may be successful in every particular and that the delegates to it may remain in our wonderful city as long as possible, form lasting friendships with its bankers, and depart with none but favorable impressions of Chicago and her hospitality. (Applause.)

THE PRESIDENT: It is hardly necessary for me to repeat part of Mr. Henschen's hearty greeting as to the fact that they have been waiting for us all these years. I think we can go even farther and say that we have been waiting to come to Chicago, and that we are pleased at the realization of our hopes.

I think, first of all, in order that we may proceed in the regular order, is the adoption of the amendments to the Constitution which were submitted at Denver, and the report received and filed. The findings were then submitted to the Executive Council at Briarcliff last spring and formally approved, and the amendments are now up to you for adoption. You will find them in the Journal of August, 1909, the formal and necessary notice having been given in that way.

I will now entertain a motion for their formal adoption.

MR. EDWARD L. ROBINSON, of Baltimore, Md.: I move the adoption of the amended Constitution.

MR. ALLEN W. JOHNSTON, of Schenectady, N. Y.: I second the motion.

THE PRESIDENT: Gentlemen, you have heard the motion as to the amendments to the Constitution of the Savings Bank Section as submitted in the August number of the American Bankers' Association Journal. Any comment? If not, kindly signify your approval by saying aye; contrary, no. (Adopted.)

THE PRESIDENT: Please so record, Mr. Secretary.

THE PRESIDENT: We have with us to-day several distinguished speakers, and with your permission and by request, in order to keep a previous engagement, I would like to make a slight substitution in the order of the program, and ask Mr. Radford, who I understand is to read the address of Mr. Welch, to kindly defer to the Hon. Henry M. Zimmermann, Commissioner of Banking for the State of Michigan.

MR. JOSEPH D. RADFORD: I esteem it a pleasure to step aside in favor of Mr. Zimmermann.

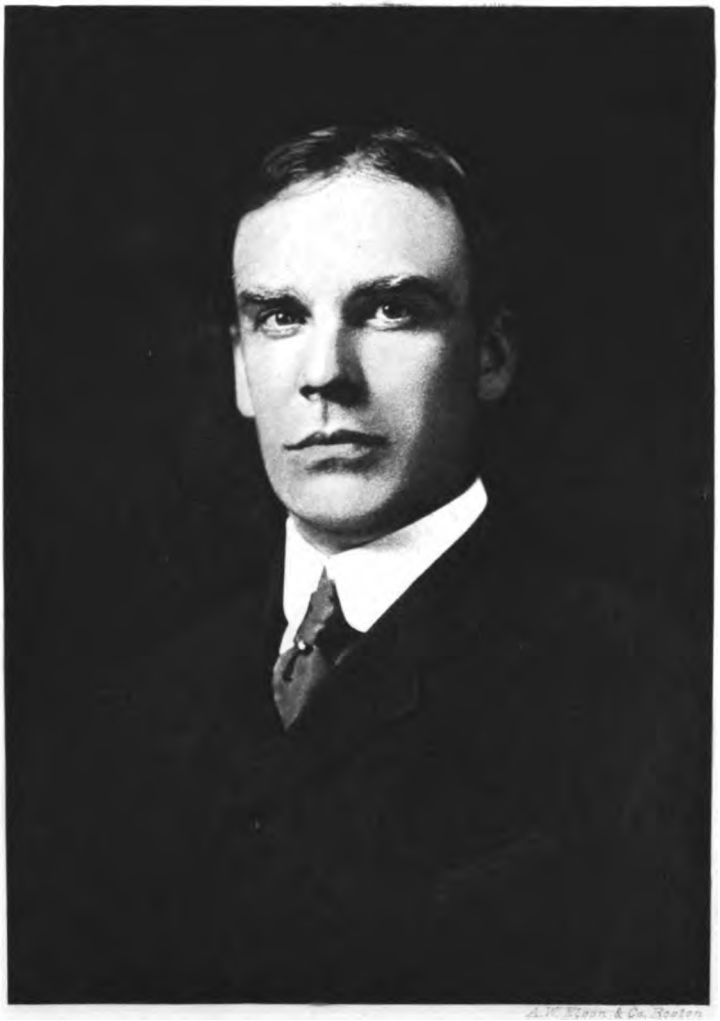
THE PRESIDENT: With your consent, then, we will hear from him whom we consider a commissioner second to none—as we call him, a "live wire"—and not at all afraid of the cars or the size of the locomotive. Mr. Zimmermann, we would be glad to hear from you on the subject of the hour, if you please. (Applause.)

Hon. HENRY M. ZIMMERMANN, of Detroit, Michigan:

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A. W. Elson & Co. Boston

Alfred L. Aiken

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THE SEGREGATION AND SAFEGUARDING OF SAVINGS DEPOSITS

By Hon. H. M. Zimmerman, Commissioner of Banking for Michigan.

Mr. President and Gentlemen of the Savings Bank Section of the American Bankers' Association:

I AM not unmindful of the honor you have conferred upon Michigan bankers, the Banking Department of their State and myself personally, and I would not be at all responsive to my feelings of appreciation did I not at the outset thank you for the very kind invitation which I received through my esteeemed friend, your President, to say some things to you on the subject of the segregation and safeguarding of savings deposits.

I fear that I can say but little, if anything, that may be either new or instructive to you on the subject assigned to me. The splendid work which your Association has already done through the medium of its members—men of the highest talent and attainment in the profession of banking—places one who has not given the subject under consideration the same diligent investigation and mature consideration at great disadvantage in the discussion of this very important subject. If, therefore, anything that I may say shall at all prove worthy of your consideration I shall feel that I have accomplished all that I could possibly hope for. I feel assured that in the end your large experience and knowledge as bankers and the most worthy and commendable purpose of your organization will solve this financial as well as economic question in a manner so that the greatest good to the greatest number will be subserved, reflecting full credit upon the high character of our American bankers.

There has been much discussion within the last year or two on the subject of the insurance of bank deposits, one of the great political parties having incorporated the proposition in its platform. Likewise has there been much argument in favor of postal savings depositories, and the other great political party has incorporated this proposition in its platform, while Congress has had both plans under consideration, but as yet has reached no determination.

What has prompted this agitation? Some have said these were matters of mere political expediency, an appeal to the masses for their votes, and so on. Now, is that really the fact, or have we not drifted from our moorings and, under the trials of a panic, been reminded that perhaps not all of this discussion and agitation has been prompted without good reason?

KINDS OF SAVINGS BANKS.

Originally a bank organized to receive savings deposits was properly and commonly regarded as a philanthropic institution, and its policy was influenced by educational considerations, its object being to promote provident habits and to increase the resources of the laboring classes, *its first concern being the safety of its deposits.* Such a bank was conducted solely in the interests of its depos-

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itors. The banks of this character in America are the "trustee" or "mutual" savings banks located principally in the New England States. This was the characteristic type in England, and, no doubt, accounts for their establishment in the colonial States of this country. That these banks have not been more generally established in the States is, no doubt, due to democratic rather than aristocratic social conditions.

There has grown up in the last quarter of a century in this country another kind of savings bank, commonly called a "stock" savings bank, spreading particularly in the extreme and middle West. This is a corporation having the same function as a mutual savings bank, but it is conducted for the profit of the owners of the capital stock. The depositors receive interest on their deposits at a rate fixed by the directors.

Besides, in the United States there are building and loan associations, savings and loan associations and co-operative banks which, in many of their functions, are practically the same as savings banks.

There are also state banks, national banks and trust companies which now operate what are known as "savings" or "interest" departments, although organized to transact solely a commercial business.

Then, again, in some States—notably Michigan, California, Massachusetts, New Hampshire, Connecticut, Rhode Island, Ohio and Texas—banks may incorporate to transact both a commercial and a savings business, although the statutes of these States prescribe certain limitations on the character of the investments such banks may make with savings funds and require the separation of the commercial and savings business of such banks.

As we look over the history and development of these various institutions can we not see that the deposits of tradesmen, mechanics, laborers, servants, minors and other persons, commonly designated as savings deposits, have been rapidly drifting into commercial channels? The encroachment through the medium of the various and sundry so-called "savings" and "interest" departments in our commercial banks, trust companies, building and loan associations, etc.—now so common everywhere—gives us much evidence of such a condition of affairs. Thus it is not surprising that the insurance of deposits and the postal savings plans have and are now being so vigorously and effectively discussed.

Savings deposits have always been regarded as "trust funds" when left with "trustee" or "mutual" savings banks, and surely should be so regarded, both legally as well as morally, when placed with any other institution. The character of such deposits is certainly not changed, no matter what the character of the corporation or association may be into whose hands they are placed. The investment of such funds in ordinary commercial business risks would not be countenanced by the courts if in the hands of administrators or guardians. Neither should it be countenanced when these funds are in the hands of corporations which are not required by the laws of the state in which they operate to invest them in the most stable securities to be had.

The commercial depositor's money is received under far different circumstances. He expects to leave his money with the bank for convenience and as he may

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need it in his business. It does not represent his "all." His deposit is very frequently made and received by the bank with the express understanding that in consideration of the use of his funds the bank should extend a line of credit to him to carry on his business. A loss to him in case of suspension or failure of the bank does not mean so much in any sense as it does to the savings depositor. The distinction between a savings deposit and a commercial deposit is so apparent and well understood that it requires no elaboration.

The lawmakers of the States which I have mentioned—in which banks may be organized to transact both a commercial and savings business—have recognized this important distinction and have sought to safeguard savings deposits by requiring the banks to segregate such deposits and invest them only in the most stable securities. Michigan, I believe, is conceded to be the pioneer State in the adoption of such legislation.

DISTINCTION NOT UNDERSTOOD.

Though some states have incorporated such provisions in their banking laws, yet it is known that the people as a rule do not understand the distinction between a bank chartered to receive savings deposits and the ordinary bank of discount and deposit or other institution operating a so-called "savings" or "interest" department, maintained clearly in evasion of its chartered functions. It is for that reason that we should go farther, in my opinion, and urge the adoption of a general law in the nation as well as in the states that any institution chartered by either which holds itself out to the public to receive savings deposits should be required to segregate them and invest them in a definite and prescribed manner Thus, in my opinion, many, if not all, of the alleged reasons for the insurance of deposits and the establishment of postal savings depositories would disappear.

We cannot turn back and undo the past, but can urge the adoption of such general laws as shall bring about these much-desired results. In this connection the suggestion may not be out of place that the Monetary Commission might very properly give this subject its very best consideration.

BREAKING AWAY FROM ESTABLISHED PRINCIPLES.

We may disagree with the advocates of both the insurance of deposits and the postal savings plans, but we must admit that we have been gradually breaking away from some of our more conservative and well-established principles, so far, at least, as the safeguarding of our savings deposits are concerned.

This is apparent in the masterly argument of Professor Laughlin, in the July *Scribner's* of last year, in opposition to the insurance of deposits. Though he treated his subject from a purely national standpoint, yet he found occasion to remark:

"Protection for depositors in savings banks (or small private banks) is a little different problem from one dealing with commercial banks. It is for the protection of the saving depositor that government postal banks are suggested as conferring absolute safety."

Again, Professor Kinley, in his able article in opposition to the insurance

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of deposits, which appeared in the March number of *The Review of Reviews* last year, uses this significant paragraph:

"The only kind of deposits for the insurance of which there seems to be any reasonable ground are savings deposits. If it be true, as is generally admittted, that these on the whole represent the hard-won earnings of the working people, public policy requires that they should receive all the security necessary to insure against their loss. This, however, is done by institutions of those States who have proper savings banks—like Massachusetts and New York. *There is something to be done in this direction where savings banks of the mutual type do not exist, but are simply branches of commercial banks.* This, however, is something that cannot be reached by any national law. The deposits of the national banks—the only ones that can be reached by national law—are commercial deposits. These deposits belong to the class in a community that is peculiarly able to take care of itself. These deposits fluctuate rapidly and largely from day to day. They need no special protection, either from the viewpoint of the interest of depositor or the banker."

It is apparent that, while Professor Kinley admits that there seems to be reasonable ground for protecting or guaranteeing savings deposits, he is mistaken in his assumption that such deposits are not accepted by national banks. The Comptroller of the Currency reports that on June 23, 1909, the date of the last call, the savings deposit in the national banks amounted to $380,494,598. Besides, it is well understood that not only the national banks receive these deposits, but State banks, trust companies, private banks and building and loan associations also hold themselves out for their reception, and that a large volume of such deposits are also held by these institutions.

If Professors Laughlin and Kinley are taken as authority on one proposition they should be taken as authority on another. While it may be impracticable or unwise to adopt the insurance of deposits plan or urge the establishment of postal savings depositories, yet it would seem there is an apparent need at least for the segregation and safeguarding of our savings deposits.

OTHERS HAVE RECOMMENDED THE SAFEGUARDING OF SAVINGS DEPOSITS.

I am pleased to endorse what the distinguished now ex-Commissioner of Banking of the State of Massachusetts, Mr. Pierre Jay, said to you a year ago on this subject:

"The more I study this subject the clearer it seems to me that morally and essentially savings deposits wherever deposited are trust funds, and should be invested accordingly. It is also argued by the state banks and trust companies that to be required to invest savings deposits in securities of more established value than mercantile credits will seriously diminish their profits. The answer is, first, that for savings deposits safety rather than large dividends is the essential thing, and, second, that profits will not be so largely diminished as they imagine."

The very able Commissioner of Banking of the State of New York, Mr. Williams, it is evident from his late reports, has given the subject under consideration much thought and attention, and I take pleasure in referring you to the language he employs in this regard:

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"While we may oppose the plan of State or Government insurance or guarantee of deposits, we must sympathize with the desire of the people at large to have their deposits made as safe as they can possibly be made. It is not sufficient for us as bankers merely to oppose this proposition. It is incumbent on us to take steps to make impossible just as nearly as we can the failure of any state or national bank, and we shall fail in our opposition unless we are able to present a plan which will practically accomplish the desired end and at the same time be based on sound business principles. Is it better to regulate your own affairs or to have them regulated for you? Is it better to be compelled by government influences to do what is right or do it of your own initiative?"

I wish to congratulate the Association of Supervisors of State Banks for having last year unanimously recommended the segregation and safeguarding of savings deposits.

I am especially pleased to find that among the officers of your Association you have such ardent advocates of this subject as my good friend Mr. Johnson, your President, and I am pleased to remind you of what he said in part to the Savings Bank Association of the State of New York in an address made by him last May. After referring to the guarantee of deposits and the postal savings plan, he said:

"Each of these questions being prominent in itself, I will pass on without further comment, other than to say that we must meet this popular cry. The mere fact that we have protested publicily and otherwise against both of these prominent features is not sufficient to convince the masses of their undesirability. *We must give them something as good or better, and prove it to them.*"

In fact, these is such an unaminity of opinion on this subject by those who have given it serious thought that it is unnecessary to quote as authority the opinions of others who are high in the profession of banking as well as in authority in supervision over our banks. To me it seems very clear that the advocates of the segregation and safeguarding of savings deposits have proven their case and that the recommendations made are irresistible.

I have just had an intimation that your Committee on Legislation has already concluded to adopt the segregation and safeguarding of savings deposits as its legislative policy. If that be true, then I am pleased to know that the jury has already, in fact, agreed upon its verdict, and thus, so far as you are concerned, the subject would need no further argument.

IN MICHIGAN.

It may be of interest, however, to the members of your Association to know how banks permitted to transact both a commercial and savings bank business are regulated. To those familiar with the statutes requiring the segregation and safeguarding of savings deposits in Michigan, it must be plain indeed that the savings depositors there were the special objects of care and solicitude on the part of the lawmakers, since the statute provides that separate books of account shall be kept, that all investments in the savings departments shall be kept entirely separate and apart from the other business of the bank. Originally

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the law did not provide for the preference of savings depositors, but the law was amended from time to time. In 1893 this provision was inserted evidently after due deliberation and with the plain intent of taking special care of savings depositors.

The reasons for this are quite evident. The lawmakers returned to the original idea or purpose of savings banks, as it was understood in the New England States when the English savings bank plan was adopted. It is apparent that the lawmakers of Michigan were convinced that savings banks should be established to encourage thrift among wage-earners, to offer safe and profitable depositories for their funds, and provide safeguards against loss, since the law expressly provides that savings banks may receive deposits from tradesmen, mechanics, laborers, servants, minors and others. While this enumeration of the persons from whom deposits may be received by savings banks in Michigan may have no particular legal significance in itself, yet it indicates very clearly the character of the business intended for a savings bank. The Michigan law also provides the amount of reserve to be kept on hand, and details how the remainder of the deposits of a savings bank shall be invested, which, for convenience, may briefly be stated as follows:

Fifty-one per cent. of deposits shall be invested as follows:

1. In notes secured by first mortgage on property worth double the value of the loan.
2. Bonds of the United States.
3. Bonds of any city, county, township or village in the United States.
4. Bonds of steam railroad corporations (subject to certain restrictions).
5. Street railway, steamship, gas and electric light and power bonds, under certain restrictions and provided they are approved by the Securities Commission, consisting of the State Treasurer, Attorney-General and Commissioner of Banking.
6. Banks may loan on negotiable paper secured by above classes of securities.

Thirty-four per cent. of savings deposits may be invested in collateral loans with collateral of known marketable value worth ten per cent. more than face of loan; or a portion of this thirty-four per cent. (not exceeding capital and additional stockholders' liability) may be invested in negotiable paper, approved by directors.

Since such investments as these are not readily turned into cash the bank is given the right to provide against sudden calls for money in the savings department. In pursuance of such statute the bank may lawfully adopt a by-law calling for ninety days' notice of withdrawal of savings deposits. On the other hand, in the case of commercial banks, the lawmakers aimed to satisfy the needs of business life and the demands for credit in mercantile transactions. Investments made by banks of this character, it is evident, must be readily convertible into cash. By specific provisions of the statute all commercial deposits are payable on demand without notice, except where there is a special contract with the depositor to the contrary. Real estate investments are not suited to the requirements of commercial banking, since they cannot be readily turned into

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cash, and this statute thus prohibits the commercial banks from investing in real estate securities except in amount not exceeding one-half of the capital stock, and then only when authorized by a two-thirds vote of its board of directors. No limitation is otherwise placed upon the investments which may be made by commercial banks.

These dual functions conferred upon the State banks of Michigan have been taken advantage of by more than ninety per cent. of the banks organized in the State, there being comparatively few strictly commercial banks and strictly savings banks. This must be convincing that the plan operates successfully and to the advantage of both banker and depositor. If we had no such law it is evident that in the smaller communities banking facilities would be seriously handicapped, since in such places if a strictly savings bank were established it would not meet the commercial demands of the locality, and so, on the other hand, if a purely commercial bank were established savings depositors would not have the same advantage or protection as the law intended for such depositors.

In case of failure or dissolution the savings depositors in Michigan have a first lien on the assets of the savings department of the bank, and if these are insufficient then an equal claim with other creditors of the institution on its general assets as well as on the investments of the capital stock and on the stockholders' liability.

The Supreme Court of the State of Michigan has held, in line with the courts of those States in which mutual savings banks are established, namely, that savings deposits constitute a trust fund, and, in Peter vs. Receiver of the City Savings Bank of Detroit, reported in 131 Michigan 322, the court used this significant language:

"So long as it is entirely possible to trace the fund which was invested in these securities as a fund derived from the savings department, we think there is no difficulty in saying that it should be impressed with a trust in favor of the savings depositors."

In Michigan there are now 365 State banks, with a total capital and surplus of $29,467,038. The aggregate of commercial deposits therein is $56,348,000, while savings depositors of the State have to their credit in these institutions $147,708,000.

Thus the lawmakers of Michigan, while recognizing the paramount necessity of safety, stability and permanency in the reception and investment of savings deposits, also kept in mind the first requisite of a commercial bank: ease of negotiation of its investments made from commercial deposits, and, while artisans, mechanics and laborers were contemplated as prospective savings depositors, the business men were contemplated as prospective commercial depositors, and thus the laws were framed to encourage thrift in the one case and to assist trade operations in the other.

CONCLUSION.

In conclusion I wish to congratulate you upon this most successful convention, and especially upon the good work which the Savings Bank Section is doing. I am very grateful to you, indeed, for both your courtesy and the kind attention given me. I thank you. (Applause.)

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THE PRESIDENT: I feel quite sure that the illustration of the practical workings of a subject so important is highly appreciated. On behalf of the Association, we thank you.

While the Speaker was telling us of the workings of this law, I noticed that the chief executive of our Association came in, and I think we should at least accord him the courtesy of calling your attention to our chief, President Reynolds. Won't you say a word of commendation, Mr. Reynolds, as to the work we are trying to do? (Applause.)

PRESIDENT REYNOLDS: Mr. President, Ladies and Gentlemen of the Savings Bank Section: I fear that if I should undertake to commend all the commendable things that this Section is doing, the time which I am able to spare would not permit of my finishing my discourse. I am glad to see the splendid results that are being accomplished, due to your efforts on every hand, and I compliment and congratulate you upon the efficiency shown by the Section in this and past years. I wish to especially thank you for your worthy efforts in the work that you have done in opposition to Postal Savings Banks. Just at this time a great many of our leading journals are strongly in favor of the establishment of Postal Savings Banks, and I think the work done by your Section, and by other members of the Association in general, will have to be continued, if we may hope to succeed in thwarting the establishment of these institutions. As bankers, we can see no reason why they should be established, and I hope we will all continue to register our opposition to them and be active in that opposition. I have listened with a great deal of interest to the paper just read by Mr. Zimmerman, and I am heartily in sympathy with the sentiments expressed therein.

I think I am warranted in saying to you that in a few months there will be introduced in Congress by the leaders of the Finance Committee or the Currency Commission, legislation, or contemplated legislation, which will cover in our national system, so far as savings deposits are concerned, the character of the investment of the funds, and the priority of lien of the investment of those funds. I am confident that in the year you will see a revision of the national banking laws which will bring about this end, in so far as national banks accepting savings deposits are concerned.

I feel I must apologize to you for not being able to be with you through all of your session, but I think you will appreciate that we are all more or less busy in entertaining the bankers, and while it has been a great pleasure to do so, it has nevertheless occupied our time, and as we are to have Mr. Taft with us this morning I must now answer the call of duty elsewhere. I appreciate the opportunity of being with you this morning, and again congratulate you on your

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meeting and the excellent work which your Section is doing. (Applause.)

I omitted for the moment to say that last evening when I went into my room I found a letter from the Postal Savings Bank leader—an open letter to the Executive Council of the American Bankers' Association, addressed to me as President of the Association. Whether or not you gentlemen have seen that letter in the morning papers, I do not know. I assume, since it was stated to be an open letter, that it has been published. I simply call your attention to it I don't know whether it is anything that you want to take action on or not, but I shall refer it at the next meeting of the Council for their attention.

THE PRESIDENT: I might say that the letter has not reached us, nor has it reached my attention yet. If it should, we will dispose of it by referring it to the Postal Savings Bank Committee.

PRESIDENT REYNOLDS: The gist of it is that they call upon the American Bankers' Association to exercise the spirit of patriotism and to favor the Postal Savings Bank establishment for the general good, to their own detriment. I think that is about the gist of the letter.

THE PRESIDENT: We will now have the report of the Executive Committee. Mr. Robinson, gentlemen. (Applause.)

REPORT OF THE EXECUTIVE COMMITTEE

To the Members of the Savings Bank Section, American Bankers' Association:

Upon the adjournment of our Denver meeting, on September 28, 1908, your Executive Committee organized by electing Mr. Edward L. Robinson Chairman and re-electing our worthy Secretary, Mr. William Hanhart, whose allowance was fixed at $1,500 per annum.

A second meeting was held at Briarcliff Lodge, Briarcliff Manor, New York, on May 3 last, and it is gratifying to report that practically all of our members were present and remained throughout the entire session, lasting until after five o'clock.

The several committees of the Section, viz., the Postal Savings Bank Committee, the Committee on Savings Bank Laws, the Membership Committee and the Auditing Committee, made interesting reports of the progress of their work.

The report of the special committee on our proposed new constitution, made to the Denver meeting, was approved and submitted to the Executive Council for its sanction, which was duly bestowed. You will be called upon at this meeting to vote upon the final adoption or rejection of this report. We might say that all the changes made in the old constitution were technical amendments with the view of harmonizing its provisions with those of the parent body. Thirty

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days' formal notice that these amendments will be voted on at this meeting has been forwarded to our members through the columns of the ournal of the American Bankers' Association.

The Secretary will file a report of the expenditures of our Section for the past year, which you will observe are heavier than usual, due mainly to the important and extensive work of our Postal Savings Bank Committee. This committee has prosecuted a vigorous campaign of education on a subject of profound interest to every banker, and, indeed, to every citizen in the land. An appropriation of $4,500 made by the Executive Council at Denver was generously supplemented by a second appropriation of $5,100, made by the Council at its spring meeting at Briarcliff. We have spent $8,736.48, and the balance of our appropriation—$863.52—has been covered back into the general treasury of the Association.

A third meeting was held in these headquarters on Monday of this week, September 13.

The offices of our Section have been moved to the general offices of the Association, 11 Pine street, where our members may find every facility for the transaction of their business while in New York. It is hoped that they will call and become better acquainted with the work of the Section.

The accounts of the Secretary have been audited by Mr. G. Bryon Latimer, who was appointed for that purpose at our Briarcliff meeting.

The day of the annual meeting of our Section has been changed from Monday to Thursday of our convention week. It is hoped that the change may result in an increased attendance and a deeper interest.

The affairs of the Section are prospering; we have gained 113 new members since last year's report—after striking from our list sixty-four banks merged, failed or delinquent. Since 1902 our membership has grown from 500 to 1,636; by another year we should have 2,000. It is not fair, however, to measure results by growth in membership alone. The increasing interest taken by our members and their loyalty are encouraging signs of the times. We have been generously advertised by our book of printed forms—which, by the way, should have a much wider circulation than it already enjoys—and the work of our Postal Savings Bank Committee has attracted to us the attention of the whole country; our other committees have likewise contributed their full share toward widening the sphere of our usefulness. Respectfully submitted,

EDWARD L. ROBINSON,
Chairman.

THE PRESIDENT: Gentlemen, you have heard the report of the Executive Committee—

A MEMBER: I move that the report be received, adopted and filed.

Motion seconded and carried.

THE PRESIDENT: The next is the report of the Secretary, Mr. William Hanhart. (Applause.)

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REPORT OF SECRETARY.

September 16, 1909.

To the President and Members of the Savings Bank Section of the American Bankers' Association:

I beg to report that the membership of our Section on the first of this month amounted to 1,636; last year at this date the membership was 1,523. During the year we have enrolled 177 new members and have lost sixty-four through mergers, failures and non-payment of dues, thus giving us a net increase in membership of 113 members. This increase, while fairly satisfactory, is not what it should be; there is no question but that our membership should be at least 2,000. Many of our vice-presidents have worked energetically and successfully to increase our membership, and I would respectfully urge every one of our members to endeavor to bring in additional members. Please do not forget to mention to your neighbor non-member banks that membership in the Savings Bank Section involves no additional dues beyond the regular annual dues to the general association and that its membership is open to every institution receiving savings deposits, whether mutual or capitalized savings banks, or national and State banks and trust companies with savings departments.

Appropriations amounting to $9,600 were made during the year by the Executive Council of the Association. This amount was larger than usual owing to the extraordinary work and expenses of the Postal Savings Bank Committee. All expenditures were kept within the lowest possible limit, and economy was used in all our expenses.

The following were our expenses during the fiscal year from September 1, 1908, to September 1, 1909:

Printing and stationery	$277.45
Postage	408.00
Stenography and typewriting	756.00
Rent	300.00
Convention expenses	280.95
Allowance of Secretary	1,475.00
Book of Proceedings	980.30
Sundries	71.36
Expenses, Executive Committee	602.66
Expenses, Committee on Postal Savings Banks	3,044.58
Expenses, Committee on Auditing	45.95
Expenses, Committee on Savings Bank Laws	364.64
Expenses, Committee on Membership	88.85
Expenses, Vice-Presidents	40.74
Total	$8,736.48

This leaves an unexpended appropriation of $863.52 reverting back to the general association.

All vouchers for expenses were audited and approved by the chairman of

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the Executive Committee, and, as usual, a special committee has audited the financial accounts of the Secretary.

As regards the book of printed forms, the total sales amount to-day to $7,368.10, the cost so far being $6,032.07, leaving a net balance of $1,336.03. During the year we have sold thirty-five books, and we have now on hand forty-four bound and one hundred unbound books.

On the first of May, last, the offices of the Section were moved to the headquarters of the Association at 11 Pine street, where the library, newspapers, services of stenographer, etc., are always at the disposal of our members, who are invited to call when in New York, and who will always be very welcome.

Very respectfully,

WM. HANHART,
Secretary.

THE PRESIDENT: Gentlemen, you have heard the report of the Secretary; what is your pleasure?

A MEMBER: I move that the report be received and filed.

A MEMBER: Motion seconded.

THE PRESIDENT: It has been moved and seconded that the report of the Secretary, as read, be received and filed. Those in favor will signify the same by saying aye; contrary, no.

THE PRESIDENT: It is so ordered. The next is the report of the Committee on Savings Bank Laws, Mr. Allen W. Johnston, Chairman. Before Mr. Johnston delivers his address, I want to pay special tribute to the time and labor and attention he has given to securing the details that are indispensable to the ultimate solution of the problem that confronts us.

MR. ALLEN W. JOHNSTON, of Schenectady, New York: I thank you. I may say in that connection that the credit is rather due to the people who have given me these details.

REPORT OF COMMITTEE ON SAVINGS BANK LAWS

To the President and Chairman Executive Committee, Savings Bank Section, American Bankers' Association:

That a connected review of the work of the Savings Bank Law Committee of the Savings Bank Section may be had for the time intervening between the Denver meeting of 1908 and the present it seems fitting to briefly refer to the several reports already made.

This committee met on February 15 last in the rooms of the association, and on the following day again, in conference with a number of prominent bankers.

That savings deposits, wherever held, should be segregated and safeguarded was unanimously conceded at this conference. The work of planning a skeleton

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banking law which would effect such safeguarding was placed in the hands of General Counsel Paton, in consultation with the chairman of the Standing Law Committee, with the chairman of the Committee on Protective Laws of the Trust Company Section, and the chairman of the Committee on Savings Bank Laws of the Savings Bank Section—the draft to be submitted at the next meeting.

In furtherance of such plan it was agreed that Secretary William Hanhart and the Chairman, Allen W. Johnston, get in touch with the States which are now lacking laws, that conditions and needs in each State might be known, and also to learn if help could be rendered by this committee.

A letter, a copy of which, together with copies of other circular letters of this committee, is attached to this report, was addressed to the Governors of States and Territories, to banking commissioners and superintendents and various State authorities, setting forth the purpose of this committee and requesting co-operation. Courteous replies were received, and the information thus obtained laid before the General Counsel, Mr. Paton. A part of the co-operation asked for was that the Governors of the various States would, in their discretion, call the attention of legislatures to the savings bank needs which might exist in various States, for improvements and further laws in the interest of the savings depositor.

At the meeting referred to Mr. Paton had prepared and presented a list of States showing generally the condition of savings bank laws, namely: Eighteen States having no savings bank laws; eight States allowing stock banks to be organized with departments for commercial and savings business; other States permitting organizations of stock savings banks; in New England, some of the Middle States and a few of the Western and Southern States trustee savings banks (without stock) were provided for.

It was found that in some States, notwithstanding laws for the organization of trustee savings banks, few, if any, were in operation, and, instead, the savings deposits and savings business was cared for by the commercial banks operating savings departments, without the restrictions which are generally conceded to be a safeguard in the interests of savings depositors.

At the meeting of the Executive Committee at Briarcliff Manor, N. Y., in May last, the action taken, after hearing read the replies to the circular letter of this committee, placed this committee in further communication, by special questions, with many prominent bankers and banking associations throughout the Union.

Replies to the second letter, which were placed before Mr. Paton, evidenced such hearty interest in the work that your committee was encouraged to send a third letter with still more definite questions as to the matter which must be contained in a skeleton banking law.

The sustained interest in the subject, shown by the replies which came from practically every State and Territory in the Union, established a desire on the part of many influential bankers to give their counsel, and any other assistance they can give, for the placing of good laws upon the statutes of every State safeguarding small savings.

Of the hundreds received, the approval of such safeguarding was expressed in every letter, with the exception of two or three.

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It has been manifest at its conferences that this committee has not considered practical a definite law which would be acceptable in its details by all of the various States of the Union, but, rather, information has led the committee to feel that a law safeguarding savings deposits, wherever held, would be acceptable, and it is upon this line that the work of your committee has progressed.

Communication with the various States has proved that the designing of committee work of the character laid out by the Savings Bank Section has been timely.

Not a State has been heard from but which has expressed through its correspondent an interest in the questions involved.

In many States the discussions of savings and other banking laws have in the past year been foremost in councils of the legislatures.

The extent of the inquiries of this committee made necessary by a proposition for the safeguarding of savings deposits, wherever held, has led to much information in its possession which will without doubt prove of value to the other law committees of the American Bankers' Association in their councils.

As so great an interest is centering in the present convention of the American Bankers' Association, your committee has deemed it advisable to await the developments of the informal discussion of the various phases of safeguarding savings deposits, which have lately been brought anew to the attention of State authorities and bankers throughout the Union, feeling assured that the progress already made and that which is in prospect will enable the Law Committee of the Savings Bank Section to report at the spring meeting of the Executive Committee of the Savings Bank Section in 1910 that the draft of a skeleton banking law for the safeguarding of savings deposits is ready for its consideration.

Respectfully submittted,

ALLEN W. JOHNSTON,
Chairman Law Committee, Savings Bank Section.

THE PRESIDENT: Gentlemen, you have heard the report of the Committee on Savings Bank Laws. I think you have been impressed, or should be, with the importance of the task.

A MEMBER: I move that the report be adopted, with a vote of thanks to the Committee.

THE PRESIDENT: Gentlemen, you have heard the motion. Before putting it, however, I would like to call the attention of the members present to the desirability of continuing that committee. They have the matter well in hand, and while I do not believe in any way in perpetuating any committee or any official, this is a matter of great study, and it would take a new committee quite a time to get in position to handle it as well as they can. As I understand the motion, it is that the report of the Committee be received, and that the Committee be continued. Do I hear a second?

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A MEMBER: Motion seconded.

THE PRESIDENT: Are there any comments? Then those in favor of the motion will signify by saying aye; contrary, no. It is so ordered.

THE PRESIDENT: The next is the report of the Committee on Auditing, and that being purely a technical report, with certain cuts and diagrams necessary to explain it going with it, I have the consent of the Chairman of that Committee, I believe, to waive the reading of it and to refer you to the printed report which will be sent to you later, and which will be more effective in your hands than a reading of it here. Is that correct, Mr. Griswold?

MR. GRISWOLD: Quite so.

THE PRESIDENT: Gentlemen, you have heard the disposition of the report of the Committee on Auditing, and with your further permission we will now go through the formality of receiving and filing it.

A MEMBER: I move that the report be received and filed.

Motion seconded and carried.

REPORT OF COMMITTEE ON AUDITING

NEW YORK, September 16, 1909.

To the President and Members of the Savings Bank Section of the American Bankers' Association:

Your Committee on Auditing Savings Banks has since its continuance by you at the last convention, held in Denver, Col., given its attention particularly to the subjects hereinafter set forth. In placing the results of the committee's work before you it is our unanimous hope that this report will meet your approval and that the efforts of our Section toward the complete safeguarding of the funds of depositors in savings banks will be advanced by the adoption, where needed, of the lines of action suggested in this committee's past reports and herein.

The subjects upon which the committee has been deliberating and to which it calls your attention may be classified as follows:

FIRST—Examination and audit by professional accountants or by auditing companies.

SECOND—What are the most suitable periods of the year upon which bond and mortgage interest payments should be due and payable?

THIRD—Proof of income.

FOURTH—Card ledgers.

FIFTH—Postings in depositors' ledgers—"Coupon System."

FIRST—EXAMINATION AND AUDIT BY PROFESSIONAL ACCOUNTANTS OR BY AUDITING COMPANIES.

In our last report this subject was brought to your attention and the recommendation was made that all savings banks able to do so have their books

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and accounts audited by an audit company or by professional outside accountants. "Pass books are the hotbed of defalcation, and the hardest item to audit, owing to the practical impossibility of having all pass books exhibited at bank during the same year, or other reasonable period."

A large bank in New York, which is periodically examined by a firm of accountants, employs the following system in addition to regular auditing: Once every year for a period of a week, or sometimes two weeks, all pass books coming to the bank, either for deposit or withdrawal or entry of interest, are required to be vised by one of these outside accountants then present in the banking rooms, and this accountant or auditor then and there compares the pass book carefully with the ledger account. This, of course, does not bring about the complete comparison of the pass books with all ledger accounts, yet it provides for a fair amount of careful comparisons and appears to have so far proved effective. A complete comparison of all pass book accounts with their respective books is the only known method of absolute proof of the liability of the bank to its depositors.

Massachusetts savings banks are required by law to call in depositors' books for verification once in three years. The time occupied in such verification must be at least one full month, and the method must be approved by the Commissioner. Many banks make it a practice at such times of employing an outside, disinterested, person to receive and compare the books. There are some large banks where the pass books are verified every time they are brought in, and where all the clerks are tellers, and receive deposits, make payments or verify pass books, as occasion may require. Such an arrangement would seem to be an excellent safeguard, for there is no certainty that the pass book will fall into the hands of the same clerk twice in succession, although it is certain that it will be verified by some one each time it is presented. Under this system nothing short of a collusion among *all* the clerks would prevent the discovery of an error on a depositor's book when presented.

In the report of this committee to the convention in 1907 we referred to the plan inaugurated by a New York State savings bank to secure from their depositors a comparison and verification of their pass books with the bank's ledger. The bank referred to writes us as follows in regard to results of their method, and we take pleasure in quoting their letter and drawing the attention of our members of this new system:

"THE SCHENECTADY SAVINGS BANK.

"SCHNECTADY, N. Y., April 5, 1909.

"MR. JOHN C. GRISWOLD,

"Chairman Auditing Committee, Savings Bank Section, A. B. A., Corner Twenty-third Street and Sixth Avenue, New York City, N. Y.

"*My Dear Sir:*—We have your favor of April 3, and take pleasure in complying with your request for some account of the results obtained by the publishing of the detailed statement of this bank for January 1, 1907.

"The immediate result of the printing of the entire list of our depositors' accounts by number and amount of balance was the exciting of an interest in the vicinity of our patronage so great that the *Schenectady Gazette*—which published

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the statement on February 20, 1907, on ten pages of its regular issue—made extra provisions for the demands for the paper on that morning. We had previously advertised in surrounding towns that such a statement would be made.

"While we do not attribute our rapid increase in deposits at that time altogether to this statement, yet it is noticeable that the increase during that year of our deposits was over $700,000, while there were savings banks in our vicinity which fell far short of such an increase. It is, perhaps, as noticeable that at this date, notwithstanding the fluctuations in deposits natural to a savings bank located in an industrial town and subject to the extraordinary depression of business which affected all banks during the past eighteen months, our deposits have fallen off but comparatively little from total of January 1, 1907.

"In what degree this fact is due to the publicity, which seemed to meet with such general approval by our depositors and the public, I am unable to say, but feel assured that our detailed statement worked for our good when there was more or less distrust in the business circles throughout the country.

"Some of the results which appeared at our counter were such as these:

"A well-known citizen had laid aside his pass book years before, but, remembering the number, saw it in our statement, and presented his pass book with a remark that he had supposed the account was balanced. The balance was a considerable amount remaining to his credit.

"The executor of an estate by the publication had his attention called to an account he had neglected. There were several cases of executors and joint accounts which were straightened out by the attention of the depositors being called to their balances through the statement.

"Our bank has received from every part of the Union and from Canada numerous letters of approval and containing requests for information—so many that our treasurer, Mr. A. W. Johnston, issued a circular letter regarding the process of making up the statement, a copy of which I inclose.

"We have letters on file from some of the most eminent business men in the country to the effect that they believe it to be the only complete and satisfactory method for audit of liabilities of a savings bank.

"The advertising results obtained, although great, were not primarily sought for, the direct object being a full audit of both the assets and liabilities of our bank.

"Aside from the publicity and the satisfaction the audit afforded to the public, I believe that it has helped inspire our clerical force with a purpose to keep up the exact balances, which they obtain at each abstract period.

"We are looking forward to a preparation of another such statement three years from the first statement, which will be on January 1 next, it having been deemed by our management that once in three years, owing to the expense and extra work of such statement, would be sufficient for all purposes.

"Yours very truly,

"EVERETT SMITH,

"President."

To audit a bank thoroughly every branch of its work and the work done by,

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and records managed by, every employee and officer must be investigated and proved up. Not only should the records prepared by clerks, bookkeepers, etc., be well scrutinized and checked by competent examiners, but the affairs more closely related to the higher employees, officers and trustees or directors should be minutely gone over to determine if the law is being strictly complied with by such individuals "As a rule, clerks' peculations are of minor importance," has been said, and quite truly, although these must be guarded against as well as the larger.

After such complete checking up the following or some other similar form of attestation, printed on the statement of the bank issued to its depositors and to the public, would no doubt prove acceptable, to wit:

"We have audited the accounts of the treasurer of the ..... Savings Bank during the fiscal year ending ....., and have audited all the general books of accounts, individual ledger, etc., for the said, and we have carefully examined in detail all the assets of the bank, consisting of stocks, bonds, loans on bond and mortgage, notes and other assets, and have counted the actual cash on hand and have compared the bank balances with certificates of the proper officers in banks and trust companies, and hereby certify that they are correctly shown in the above statement, and that all securities were found intact and in their proper places.

".....

"Signature Audit Company or Public Accountant."

readily be made or obtained.

SECOND—LOANS ON BOND AND MORTGAGE.

An interesting question has been raised as to at what dates of the year payments of interest on loans on bond and mortgage may best be made to fall due. In savings banks holding many such loans (some Eastern banks have over 3,000 loans) is it desirable to have this interest all payable at a given date (usually semi-annually), or is it better to arrange loans on bonds and mortgages into classes, interest on each class to mature at periods not touched by the other class? An argument in favor of interest payments being made, say first days of January and July, is that ot those periods interest on deposits is being paid to depositors, and the receipts at same periods of the interest on bonds and mortgages provides the bank with funds which have not been idle to pay its depositors' demands then being made. A drawback to this method is that January 1 and July 1 are the busiest days in the year for savings bank employees, and that practice of this plan necessitates such excessive work within the given few days. Some savings banks make the interest on their loans payable on the anniversary date of the loans, others on the first or fifteenth day of the current month, while others, as an example, pay depositors' interest, say January 1 and July 1, and collect bond and mortgage interest April 1 and October 1. Considering the work called for in attending to fire insurance, taxes, etc., on the properties as required, these two last methods would seem to be preferable, as in practice either would divide the work and spread it, and, besides, thereby posibly saving extra clerk hire, sometimes necessary during the rush consequent

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to payment of interest to depositors and receiving interest on loans on one and the same day. This question is probably of more particular interest to large banks carrying many mortgage loans than it may be to very small institutions, but the subject does affect all.

THIRD—PROOF OF INCOME.

In the many replies received last year to the inquiries sent out by the committee it appeared that in some instances our inquiries on the subject were not thoroughly well understood. Perhaps it might be well to say that "proof of income," which was recommended by the committee, need not necessarily be made as an advance proof, but may be, and is, made by some banks for the elapsed period of six months or one year. The fact is that every savings bank should prove thoroughly its receipts of income by some method that will satisfactorily show those in charge (as well as show to the audit company or accountants) that the whole of the income due the bank on its investments has been really received in cash, and also show what, if any, interest or other income may be in arrears. We speak advisedly on the subject, for some savings banks have actually no proof whatever that their income has all been received at the proper rate and at the proper time.

FOURTH—CARD LEDGERS.

One of the objections by many savings banks, and by the minority of this committee in its last report, to the adoption of the use of card ledgers by savings banks has been the danger of cards being abstracted from the rack, destroyed and replaced with cards on which have been placed figures showing false balances, etc. This objection may be partly, if not entirely, overcome by having (as now is done in many banks) the depositor affix his or her signature on the ledger card at the same time he or she affixes his or her signature on the signature card or book when opening account. Should such ledger card be abstracted and another substituted it would necessitate a forgery of the depositor's signature on the substituted card—"a serious matter." When this "ledger card" is entirely filled in, then at next ensuing transaction (depositor being present) account may be closed out in usual manner (by draft), a new account in same name opened, its proper cards duly signed by depositor, as before, a pass book issued therefor, to which new account will be credited the amount of balance withdrawn from said closed account. Some banks not only take the signature of the depositor on the ledger card, but also the depositor's age, and father's and mother's names. In small banks or small savings departments in banks, the signature and full pedigree, etc., of the depositor may be taken on the top of the ledger card, thus saving some time and cost by dispensing with the other signature and pedigree cards. This last suggestion, it seems to the committee, might be considered by banks having less than 5,000 accounts. Your committee favors the foregoing described method of using card ledgers in which to keep depositors' individual accounts. By the employment of card ledgers time and space are economized without question. With the above method of using card ledgers *correctness* is in some respects guarded more surely than ever before.

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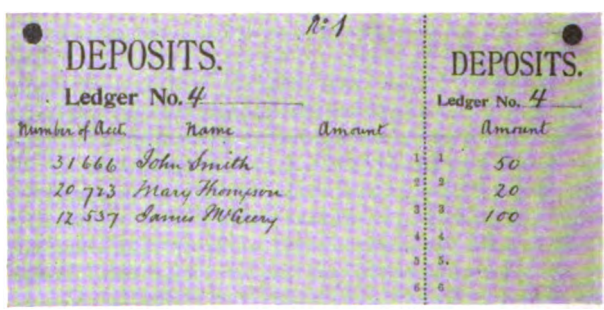
FIFTH—POSTING IN LEDGER, "COUPON SYSTEM."

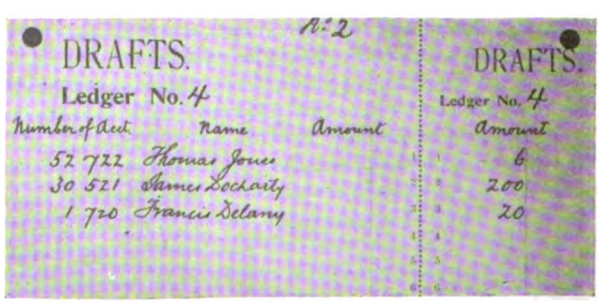
There have been received many inquiries as to the system of reverse or coupon posting. Such system the committee commends to savings banks. For your consideration several printed examples are shown hereinafter which demonstrate in a general way the working of the system.

Examples Nos. 1 and 2 show in reduced form the sheets used on the teller's desk, and report the daily transactions. These sheets are each day delivered to the auditor, who separates the parts where perforated, and next morning hands the larger and unfinished sheets to the bookkeeper, who fills them in as shown examples Nos. 3 and 4, and returns the sheets to the auditor, who thereupon compares the completed sheets with their respective stubs, as shown by examples Nos. 5 and 6, which comparison proves whether or not the postings in the ledger were correctly made in detail as well as in total, and affords a proof of agreement between the cash and the ledger.

It is understood that the postings of the daily transactions in the depositors' ledgers are made in the usual manner, either from tickets or in any other acceptable manner; the following refers only to the proof of such postings.

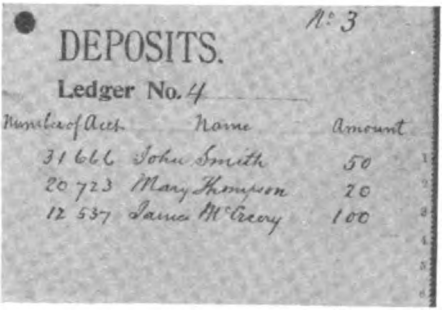
The following forms are used and filled as marked, by the teller:

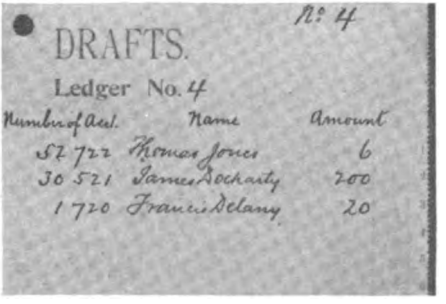




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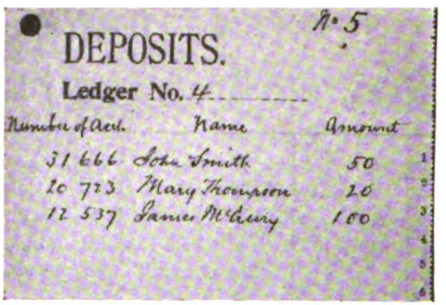
A sheet of each, as above, is used daily for every ledger or section, entry of each transaction being made as above. The right-hand part of the sheet is then detached where punctured and kept by the auditor, who hands the book-keeper the remaining portion of the sheets, and from what they find posted in the ledger they fill the sheets as follows:





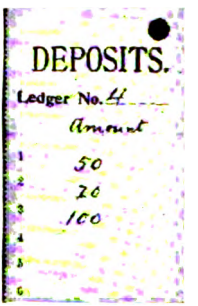
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Then the said sheets are returned to the auditor, who takes the coupons torn off from the complete sheets, places them alongside their respective sheets, returned by the bookkeeper, and compares, as follows:


DEPOSITS. No. 5

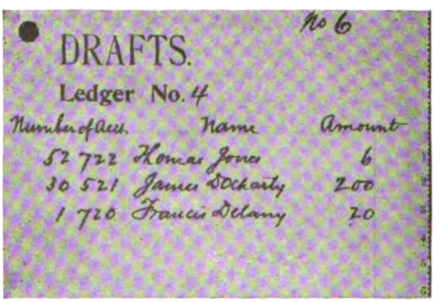
Ledger No. 4

Number of Acct.	Name	Amount	
31 666	John Smith	50	1
20 723	Mary Thompson	20	2
12 537	James McEvoy	100	3
			4
			5
			6


DEPOSITS.

Ledger No. 4

	Amount
1	50
2	20
3	100
4	
5	
6	


DRAFTS. No. 6

Ledger No. 4

Number of Acct.	Name	Amount	
52 722	Thomas Jones	6	1
30 521	James McCarthy	200	2
1 720	Francis Delany	20	3
			4
			5
			6


DRAFTS.

Ledger No. 4

	Amount
1	6
2	200
3	20
4	
5	
6	

Should all entries agree, both as to individual amounts and daily totals, this should be a practical and reliable proof that the daily postings have been correctly made in the ledgers and agree with the cash entries of the same day. The

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duplex system of bookkeeping used much in commercial banks, and most highly commended by eminent authorities for such banks, is of the same nature as the aforesaid coupon system, which the committee has as aforesaid commended to savings banks.

The committee takes this opportunity to say that it will be much pleased at any time to receive from any savings bank suggestions as to improved methods of bookeeping or auditing. We might suggest that savings bank officers having such suggestions to make should forward them to the secretary, and they would be published for the consideration of our members, the names and figures in such communications not to be divulged unless such be perfectly agreeable to the writers thereof.

Respectfully submitted,

JOHN C. GRISWOLD, Chairman.
EDWARD L. ROBINSON.
F. W. JACKSON.
ALBERT I. COUCH.
WM. HANHART, Secretary.

THE PRESIDENT: The next is the report of the Postal Savings Bank Committee. Gentlemen, Mr. Lucius Teter, Chairman. (Applause.)

REPORT OF POSTAL SAVINGS BANK COMMITTEE

By LUCIUS TETER, CHAIRMAN.

MEETINGS.

This committee was continued in service by your action at the convention at Denver last September.

We realized, after carefully considering the discussions in reference to the postal savings bank subject at the convention, that there was very definite work for us to do. Therefore, as soon as was practicable after the convention, we called a meeting of the committee, which was held in the city of New York on November 16, 1908. This meeting was well attended, not only by the members of the committee, but by the executive officers of the Savings Bank Section. A very thorough consideration was given to the entire subject of possible postal savings bank legislation, and the unanimous attitude of your committee was that the most desirable method to be pursued in discouraging such enactments was

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to carry on a thorough and fair-minded campaign of education in reference to the savings bank situation throughout the United States and the relation of the banks to the people.

We, therefore, compiled for circulation a letter addressed to all of the banks in the United States, whether members of the American Bankers' Association or not, and sent with this letter a copy of the then Senate bill introduced by Senator Carter, of Montana; a copy of an address by Mr. E. R. Gurney, of the First National Bank, Fremont, Neb.; copy of an address by the Hon. George E. Roberts, of the Commercial National Bank, Chicago; a press summary to be used by bankers in advising their local papers as to the facts in reference to the situation, and a copy of the report made by your Postal Savings Bank Committee at the Denver Convention. These papers were mailed about November 24, 1908, and were received with interest by the bankers throughout the country. There was such a demand for these circulars from various quarters, including universities, libraries, etc., that five thousand additional copies of the above documents had to be printed.

There was also a meeting of our committee held in the city of Washington February 25, 1909, the committee having been called there to appear before the sub-Committee on Postal Savings Banks of the House of Representatives Committee on the Postoffice and Post Roads, to which hearing reference will be made later.

Different members of your committee have held frequent informal meetings for consultation and have been in constant touch by correspondence. We have also had conference with the executive officers of the American Bankers' Association and have endeavored to work in harmony with its Committee on Federal Legislation.

On February 11, 1909, we sent out 25,000 follow-up letters to the banks of the United States, again calling attention to our subject and asking them to send for circulars if the first ones sent had not reached them or had been used.

HEARING AT WASHINGTON.

The chairman of your committee received an invitation from the Hon. Jesse Overstreet, chairman of the House Committee on the Postoffice and Post Roads, asking the committee to appear before the sub-committee at Washington on February 25, 1909. We accepted the invitation and were received very cordially and given ample opportunity to explain our point of view in reference to the postal savings bank proposition.

We were furnished with several copies of the hearing, but so great was the demand that subsequently we arranged with the government printer for 4,000 additional copies. Copies have been sent to all of the members of the Savings Bank Section and to numerous general inquirers.

STATISTICAL REPORT.

Very early in the year our secretary, Mr. William Hanhart, began the laborious task of compiling as nearly accurate figures in reference to the savings

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deposits throughout the United States as would be possible. He undertook this work, realizing that the figures submitted heretofore gave a very misleading impression as to the volume of savings business in the United States. He found the banking departments of the States very kind in furnishing information. At the suggestion of our committee the Comptroller of the Currency made a call, requesting the totals of savings deposits in national banks. With the figures obtained from these various sources Mr. Hanhart was enabled to prepare a report showing quite accurately the total of savings deposits in the country. His report shows a total of approximately six billions of savings, as against three and one-half billions, which has heretofore been regarded as the total.

Our committee has offered to furnish supplies of these statistics and copies of the Washington hearing at the various State conventions. This offer has been quite generally availed of, and thousands of copies have been distributed to bankers in this way.

THE STATE CONVENTION SEASON.

Your committee very early in the present year realized that the interest manifested by bankers in the question of postal savings bank legislation made it desirable that the subject be discussed quite generally at State bankers' conventions. With the thought in mind of co-operating with the State associations as much as possible in bringing the subject before their delegates, our committee prepared a list of names of men who would accept invitations to speak at State conventions. While we have not accurate information from all the States, we are glad to be able to report that in addition to addresses on the subject at numerous group meetings there were postal savings bank speakers at nineteen State conventions, at all of which conventions great interest was manifested in the subject. At many places the question was discussed on the floor and resolutions condemning possible postal savings bank legislation were adopted.

In connection with this work the committee would like most sincerely to express its appreciation for the loyal services of all those men who have devoted their valuable time to preparing and delivering addresses upon this subject.

THE ATTITUDE OF THE BANKS THROUGHOUT THE COUNTRY.

Our year's experience has proved clearly that the bankers of the country are united in that they do not regard a postal savings bank system necessary; in fact, hold that such legislation would result in injury to the American people.

The bankers, as well as the officers of group and State bankers' associations, have shown by their hearty support and sympathy how much they appreciated the work which the committee has done and expressed themselves as being willing to co-operate heartily in the work of your committee. The attitude of these men has been a constant inspiration to your committee and has made easy a volume of work which otherwise would certainly have been burdensome. We find that the bankers are entirely alive to their responsibilities, and while condemning the idea of postal savings banks they are willing to co-operate actively in the enactment of laws, both national and State, that shall make for better savings facilities and for better banking methods.

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EXPENSES.

The expenses of your committee since September 1, 1908, have been as follows:

Committee meetings	$597.73
Printing and stationery	1,067.22
Postage	1,346.00
Express and sundries	33.63
Total	$3,044.58

You will notice that the chief expenses have been in connection with the large amount of literature that has been circulated. The expenses of speakers at State conventions, etc., have in practically every case been paid by the State associations.

THE PRESENT SITUATION AND THE FUTURE.

The members of your committee are inclined to think that at this date we can say that there has apparently been a great change in sentiment throughout the country in reference to the advisability of passing postal savings bank legislation. In other words, the campaign of education which we started has to a considerable extent had the desired effect in that it has caused multitudes of people to study carefully a question to which they had heretofore given only a superficial attention.

The question of postal savings bank legislation, of course, was not discussed at the recent special session of Congress. We are hoping that the question will be turned over to the Monetary Commission, and fully believe that in the final report of that commission will come promises for a future development of American banking that will assure all the people that legislators and bankers, working together, can take care of the banking needs of the American people.

Your committee is of the opinion that so long as this question is in the public mind you should have a committee on the subject. We suggest that you see to it that a committee be kept in charge of this work.

Your committee has recognized the importance of working in harmony with the Savings Bank Law Committee, realizing that the result of such work as we do must be closely followed up by the work of that committee.

In closing this report our committee wishes especially to thank our secretary, Mr. William Hanhart, for his faithful services during the past year in connection with the enormous volume of correspondence and other exacting duties connected with our committee's work—the volume of correspondence at times reached most unexpected proportions. It is our desire thus to express appreciation for work of the very highest order most loyally done.

Respectfully submitted,
LUCIUS TETER, Chairman.
MYRON T. HERRICK.
F. R. MORISON.
C. LA RUE MUNSON.
CHARLES E. SPRAGUE.
P. LE ROY HARWOOD.
WM. HANHART, Secretary.

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THE PRESIDENT: Gentlemen, you have heard the report of the Postal Savings Bank Committee read by the Chairman of that Committee; what is your pleasure?

A MEMBER: I move that the report be received, with thanks, and that the present Committee be retained for another year. They seem to have performed very efficient service in the last year and they are familiar with the details of the work.

Motion seconded and carried.

MR. BRIGGS, of Denver, Colorado: I may be a little out of order, but I think we ought to express our thanks to the Law Committee and to the Committee on Postal Savings Banks for the excellent work they have done. I think very few of us who have no connection with committee work of this character really appreciate the large amount of time and energy required to accomplish what our committees have accomplished for us during the past year; and to allow them to continue in their work without even a vote of thanks seems to me to look careless and ungrateful, and I am not willing to admit that this body is careless or ungrateful in regard to its committees. I therefore move you that we express to both committees a vote of thanks for the excellent work they have done.

MR P. C. KAUFFMAN, of Tacoma, Washington: I make the same motion. I think it is thoroughly incumbent on the Savings Bank Section to express their thanks to the Committees for the work they have done. I second the motion.

THE PRESIDENT: Gentlemen, you have heard the motion. Motion seconded and carried.

THE PRESIDENT: The committees, as represented by their respective Chairmen, will please convey to the individuals thereof the appreciation of this Section for their splendid work. The next is the report of the Committee on Membership, which the Chairman has requested our secretary to read.

REPORT OF COMMITTEE ON MEMBERSHIP

The Committee on Membership has held two meetings—the first on March 5 and the second on August 11, 1909—and reports a net increase of 113 in the membership of the Section, after deduction of sixty-four banks which have failed, merged or lapsed in their dues.

It was not thought desirable this year, mainly on account of the heavy expenditures for the Postal Savings Bank Committee, to circularize as usual. A circular letter, however, was sent to all the non-member banks of the Association, the cost being defrayed out of the profits accruing from the sale of the book of printed forms, and this resulted in securing sixty-one new members.

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Secretary Farnsworth informs us that 162 new applications, received since the first of September last, stand to the credit of this Section, being traced directly to their solicitation.

Many of our Vice-Presidents have been of great service in increasing the membership in their various States, deserving thanks for their co-operation.

We would recommend that this committee, or a similar one, be elected or re-elected every year, to continue the work which we have only begun, and we would also recommend that the circularization by letters be resumed.

Respectfully submitted,

W. R. CREER,
Chairman.

THE PRESIDENT: Gentlemen, you have heard the report of the Committee on Membership. What is your pleasure?

A MEMBER: I move that it be received and filed. Motion seconded and carried.

THE PRESIDENT: The next is the appointment of the Committee on Nominations. I would like to ask if Mr. Frederick C. Nichols, of Fitchburg, is in the room.

(No response.)

Gentlemen, I will name as a Committee on Nominations Messrs. Clinton T. Rose, of Syracuse, New York; Mr. R. C. Stevenson, of South Bend, Indiana, and Mr. Frank N. Briggs, of Denver, Colorado. The Committee will meet immediately upon the adjournment of this session—this morning's session—and will be pleased to receive from any member present a nomination for any office.

We would particularly urge that you go out of your way to submit a Vice-President for your state; and that you be not at all bashful about naming yourself, if you happen to be the only man here, and you think you are all right. We want men who will work. The assistance that has been given us by the vice-presidents of the respective states has been very valuable, so please see that we get as full a list as possible, and that we be not obliged to turn to the bankers' directory to fill in with.

As you are probably aware, the coming of the President of the United States here to-day has caused certain engagements to be made, and possibly a lessened attendance here at the moment, and I think that in deference to his presence, and in order that our members may have an opportunity of seeing him, that we should facilitate our programme as much as possible. If by continuing our morning session up to 12:30 we will be able to get some of our business out of the way, you can see him and meet him at the public reception at 2 o'clock, and we can resume our meeting here at 2:30.

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Shall we continue our morning meeting as long as possible, and then adjourn to meet at 2:30?

MR. JOSEPH D. RADFORD: If we continue our morning session and carry out the programme as laid down, how long will it take us?

THE PRESIDENT: I do not think we could possibly finish in less than two hours or three hours. There are a great many people here who would like to be heard on different subjects. We have the real estate mortgages to savings banks—two papers, one by Mr. Welch and one by Mr. Creer. Then there is an address by Mr. Rother, as well as one by Mr. Edward B. Carney, and Mr. Edward L. Robinson, as well as the open discussion, which may be quite lengthy. I think we ought to give the members an opportunity to meet the President if possible and do so without seriously curtailing our programme.

MR. RADFORD: I therefore would move you that when we do adjourn we adjourn to meet again at 3 o'clock.

Motion seconded and carried.

MR. EDENS: For the benefit of those members who may wish to attend the ball game this afternoon, the game will not begin until after the arrival of President Taft. It is expected he will leave the Art Institute about 3:15 and reach the ball grounds about 3:45; so those who hold tickets to the ball game will know what time the game will begin—between 3:45 and 4 o'clock.

THE PRESIDENT: Thank you.

THE PRESIDENT: The next in order then is to take up the papers that are to be presented to us. The first one is "Real Estate Loans for Savings Banks and their Amortization." Mr. R. M. Welch, Secretary of the California Bankers' Association, being unable to be present, has asked his good friend, Mr. Joseph D. Radford, to present same for him. I take pleasure in presenting to you Mr. Joseph D. Radford. (Applause.)

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REAL ESTATE LOANS FOR SAVINGS BANKS AND THEIR AMORTIZATION

By R. M. Welch, Cashier of the San Francisco Savings Union, San Francisco, Cal.

FROM the very inception of saving banks, loans on the security of real estate have been regarded as pre-eminently a legitimate and desirable form of investment for the funds of such institutions. In volume they are virtually inexhaustible, and they afford the most remunerative employment that can be found for funds where security is the first essential. Their immobility in time of stress and panic is the only objection that can be advanced against them, and is the reason why a savings bank is forced to limit them to a certain proportion of its assets. It is an interesting incident in the history of one of the oldest, and what is now the largest savings bank in this country, that having invested its funds exclusively in loans on real estate the panic of 1837 found it with nothing but these immobile assets. But, even so, it was able to sustain itself by exchanging certain of its mortgages for municipal bonds, which it in turn hypothecated, thereby obtaining the needed cash. Were savings banks restricted in the employment of their funds to bonds of the class prescribed for them by law their earnings would be wholly inadequate to pay depositors a rate of interest that would be sufficiently attractive to encourage savings.

One of the most potent arguments against the wisdom of a postal savings bank system in the United States is the very reasonable apprehension that it will drain away from localities where needed, and absorb in other forms of investment, funds that would otherwise be available for the development of the realty values of those localities. Realizing this, and further realizing that the rate of interest proposed to be paid by the government will be so trifling when compared with that paid by the savings banks as to discourage deposits at the post offices, friends of the measure are gravely suggesting that the government arrange to lend the postal savings funds on real estate security so that a rate of interest approximately as high as that of the savings banks may be paid. The spectacle of the Government of the United States adding to its already numerous activities that of making loans on real estate to individual borrowers is too absurd to be dwelt upon.

It is a question, however, whether savings banks have not permitted to drift away to another class of institutions loans of a character that have proved exceedingly profitable to those institutions, and which would have conferred on the banks benefits that might be termed cumulative in their value.

There will come to the savings bank two classes of applicants for loans on real property: one the owner of large holdings in city or country seeking funds to improve or add to their holdings and requiring large sums therefor; the other small farmers or city residents with comparatively moderate needs. To the savings bank of vast resources the single loan large in amount appears more desirable than a number of loans aggregating a like amount; the economy of detail is enormous. There is virtually as much detail in the making of a loan

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of $2,500 as one of $25,000, but in making the ten loans the bank has become known to and has added to its clinetele, not alone the ten individual borrowers, but the members of their immediate families and their connections. The savings bank which desires the greatest possible degree of success should seek large individual loans only when it cannot find a sufficient number of smaller borrowers to employ its loanable funds.

There is, however, not to be lost sight of a class of loans as a rule individually large in amount which are exceedingly desirable for savings banks. They are those for building purposes to religious, fraternal, beneficial and social organizations. A loan of such a character renders the bank making it at least known to each member of the organization. Such loans are particularly sought by life insurance corporations as an introduction to the membership of the borrowing organization.

There cannot exist between the great mass of the depositors of a savings bank and the management that degree of acquaintance and community of interest which exists between a commercial bank and its depositors. The latter are to a great extent corporations and men of affairs who have frequent occasion to call on their bank for accommodation. It is unusual to regard the average savings bank depositor as a possible borrower. During the entire period of his dealings with the bank he may never get beyond the receiving or the paying tellers' desks. It is when he becomes an applicant for a loan that the opportunity offers to identify him with the institution as a permanent friend or client. In all probability his account is the nucleus he has been creating for the acquisition of a home, and, having accumulated sufficient for the purchase of the ground, he is now seeking to borrow sufficient to erect the house.

The loan sought in such an instance may be beyond what a savings bank would ordinarily seem warranted in making. It may seem to be more properly within the province of a building and loan association. There is no intention of discrediting the beneficial work of these institutions. They have enabled many an individual of small means to obtain his home who would never have acquired it otherwise. What is in mind is to endeavor to show that instead of sending the depositor to the building and loan association the loan might be made by the bank to the advantage of both itself and the depositor. The methods of the building and loan associations call for a series of payments beginning with the making of the loan, which, within a fixed period, will discharge it, principal and interest. But as the result of these payments will also be to give the borrower certain shares in the association, in the profits of which he will afterward participate, the payments must necessarily extend over a somewhat lengthy period, and aggregate a considerably larger sum than the principal of the loan plus a reasonable rate of interest. In fact, so burdensome do these payments often become that the borrower surrenders the property he has been endeavoring to acquire, and all he has paid, and these defaults, which are not unexpected, prove a great source of profit to the association.

When application is made for a loan of this class there is to be considered first the lot. Is it well selected, worth what the applicant has paid for it?

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What are the surroundings? Is it in a locality where values are likely to enhance rather than depreciate? A very important factor is the street work: is it complete and accepted by the city? Many a homeseeker, lured by what seems cheap property, finds himself ruined by the excessive taxes imposed for street improvements. Next, the character of the applicant. Is he industrious and provident? If a depositor, this will be indicated to a great extent by the frequency and regularity of the deposits to his credit. What is his business or employment? To what extent is it precarious or hazardous? Does he carry some form of life insurance with which his family can clear their home from debt in the event of his death? In these days of industrial and other forms of moderate priced life insurance, the borrower should be urged to make use of this means of assuring his family against the loss of their home. All these points being satisfactorily determined, such a loan may safely be made. There is not lost sight of the added security of fire insurance, which it seems unnecessary to tell an assemblage of savings bank men should be taken, the loss under the policy being made payable to the bank.

But it would be wholly imprudent for a savings bank to make the principal sum of a loan of this character payable at the expiration of a term of years. The improvements necessarily deteriorate from year to year. Even though the upkeep be thorough, in these days of advanced methods of construction and introduction of new facilities and conveniences houses soon become old-fashioned, out of date and undesirable. If there be neglect in the upkeep the deterioration is rapid. Although the amount of the loan may have been confined to the value of the land the improvements represent the margin of security and as they deteriorate the loan becomes less secure. It is to the advantage of the borrower that through the exercise of thrift and industry he free his home from debt as rapidly as he can do so, and it is the duty of the bank as an exponent of economics to inculcate the practice of these virtues.

A plan of repayment should, therefore, be determined on which within a given time will amortize the loan—at least in part, if not as a whole. It is entirely reasonable, too, in view of the additional bookkeeping imposed that a slightly higher rate of interest be charged. The custom usually is to charge one-half of one per cent. per annum higher on the installment loan than on the simple flat loan; but, even so, the borrower gets his money far more cheaply than he could get it under like conditions from any other source.

The form of amortization should preferably be the payment of monthly installments, of which so much as necessary would be applied to pay the month's interest on the balance of principal and the remainder in reduction of the principal sum. In determining what the amount of the installment is to be the borrower should be urged to agree to pay such an amount monthly as would approximate the rental he would have to pay for similar premises for the occupancy of himself and family. We read the repeated suggestion by real estate dealers that the payment of rent be stopped, that the rental money be applied to acquiring a home, and the suggestion is an excellent one. Unhappily, though, too often the payment of rent is stopped through the incurring of debt, and the monthly

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expenditure for the payment only of interest being so much less than was theretofore necessary for the payment of rent, an apparent surplus is created—which is expended in unnecessary indulgences instead of being applied in reduction of the debt.

In some instances the loan may be of such an amount that the attempt to repay it in any reasonable number of monthly installments will prove too burdensome to the person of small means. In such cases the loan may be divided into two notes, one to run for a term of years and for such an amount that the bank would feel warranted in renewing it if it were not paid at its maturity, the other for an amount to be repaid in agreed installments.

One of the principal savings banks in San Francisco, with an especially large line of loans on small parcels of real estate, principally the homes of the debtors, has adopted this plan in remaking such loans and in granting new loans of this character. When the installment note has been discharged the remainder of the debt will in all likelihood be so amply secured that the bank will be quite content to carry it indefinitely, but there is the strong probability that the debtor having formed the habit and having realized the advantages of systematically providing for the payment of his indebtedness will be incited to attack the remainder in a like manner.

The simplest form of monthly installment is the payment of a fixed sum in reduction of the principal and so much as necessary to pay the month's interest on the balance of principal. This is entirely effective and will as thoroughly discharge the debt in the end as any other plan. There is, however, a more scientific plan, and possibly more interesting, by which the payment of so many equal monthly installments will discharge the principal and interest of the debt. The problem is, what sum of money paid monthly will in a given number of months discharge the principal and interest of a certain debt. The solution calls for familiarity with algebraic formulas and the use of logarithms, but it is entirely within the capacity of any competent actuary, or, indeed, any one who has not forgotten his school mathematics. It would be tedious, ineffective and unnecessary to attempt within the limitations of this paper to work out an exemplification of the problem, but for any one who may ask "What is the answer?" it will be said $16.57 paid monthly will in six years discharge a debt of $1,000 with interest at six per cent. per annum. Of the first installment $5 will be applied for interest and $11.57 for principal; of the second, $4.94 will be for interest on the reduced principal and $11.63 for principal—and so it will go on, the amount required each month for interest growing less and the amount applicable to the principal larger, until when the final installment is reached but eight cents will be required for interest and the balance, $16.49, will close the loan. Or a simpler proposition—the accuracy of which can be readily verified—is that twelve monthly installments of $86.07 each will pay a debt of $1,000 with interest at six per cent. per annum. Of the first installment $5, of course, will be applied in payment of the first month's interest on $1,000 and the remainder, $81.07, for principal.

The form of note taken for a loan repayable in a given number of equal monthly installments is as follows:

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"$1,000.00. SAN FRANCISCO, September 1, 1909.

"For value recieved I promise to pay to the ..... Savings Bank, a corporation duly incorporated and doing business as such, or to its order, at its office, and in seventy-two (72) equal monthly installments, each of the amount of sixteen and 57/100 dollars ($16.57), the principal sum of one thousand dollars ($1,000.00), and interest at the rate of one-half of one per cent. per monthly on the monthly decreasing balance of said principal sum which will remain unpaid after the payment of each of the said monthly installments, whereof the first shall be payable on the first day of October, one thousand nine hundred and nine, without grace, and one of the remainder shall be payable on the first day of each and every succeeding month thereafter, without grace, until all are paid.

"And I hereby covenant and agree that each installment, when paid, shall be applied, by the holder hereof, first, so much thereof as shall be required to the payment of interest accrued, as above specified, and next the balance thereof to the repayment of the said principal sum.

"And I hereby promise to pay both principal and interest in United States gold coin, waiving any right which I may have now or hereafter to pay the same in any other currency.

"And I further agree that in case of default in the payment of any of said installments in the manner aforesaid, then such installments shall bear interest from the date of maturity until the date of payment at the rate of one-half of one per cent. per month; and at any time during such default the entire unpaid balance of said principal sum shall become immediately due and payable if the holder of this note shall so elect, and shall bear interest at the rate of one-half of one per cent. per month from the date of maturity of the last paid installment until the whole principal sum and interest shall be paid."

The instrument to secure this note may be either a mortgage or a deed of trust of the real property pledged.

This form of loan was at one time very generally made by the San Francisco savings banks, but gradually fell into disuse—largely as the result of the peculiar working of the mortgage-tax provision of the State constitution. This declared that a mortgage is an interest in the real estate it covers, but directs that it be assessed to the lender, the borrower being credited with a corrsponding amount on the assessed value of the property as a whole. That is, in assessing a piece of encumbered real property the amount of the mortgage is assessed to the lender and the remaining value of the property, if any, is assessed to the owner. The lender was formerly prohibited, under penalty of forfeiture of interest, from contracting for the payment of the mortgage-tax by the borrower. The tax was in reality paid by the borrower, for the lender added to the normal ruling rate of interest the equivalent of the tax, plus a little more for contingencies. This was all very well, except in the case of a loan repayable in frequent installments. The balance of the debt as existing on the first Monday of March in each year was assessed to the lender, and he paid a year's taxes on it, but he did not get a year's interest on that balance, because it was steadily decreasing each month

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through the payment of installments. So the loan repayable in installments fell into disuse among lenders, and another hardship was thereby imposed by the provisions of the State constitution on the very class of persons for whose benefit those provisions were intended.

More recently the prohibition of the agreement between the lender and borrower as to the payment of the mortgage tax has been removed by constitutional amendment, and while the mortgage is yet taxed the borrower agrees to pay the tax, and gets his money at the normal ruling rate of interest. This removes the objection to installment loans noted on the part of lenders, and it is likely that such loans will again come into more general use in California, especially in San Francisco, where loans are needed for rebuilding purposes, often in excess of what is warranted by a conservative estimate of the ground value.

An instance is known where there was needed for the completion of a large and very valuable building—the returns from which were assured once it could be completed for occupancy—the sum of one hundred thousand dollars in excess of what had been estimated and what it had been agreed to lend. The note for this additional one hundred thousand dollars was taken repayable in thirty-six monthly installments of $3,042 each. This is a larger transaction than it is usually contemplated to cover with a note payable in monthly installments; it is merely cited as an instance that the system can be applied with advantage in a large transaction as well as in a small one.

But it is to the small borrower, the home-builder, that the loan repayable in monthly installments of moderate amount is particularly applicable, and if obtained from a savings bank the borrower not only gets his money at a more reasonable cost, but may expect a greater degree of indulgence should misfortune overtake him than could be extended by an association whose rules of forfeiture must be rigidly enforced for the advantage of the general membership. A savings bank may suspend the collection of the monthly installment for a time, being content until more prosperous conditions return with the payment of interest on the remaining balance of principal, or, if the reduction of principal warrants it, may make a new loan for a definite term of years, with the balance of the old loan as the principal sum of the new, thus enabling the debtor to save his property, which, under other conditions, he might have been forced to sacrifice.

It may with certainty be accepted as a general proposition that the greater the number of small borrowers a savings bank has among its clientele the greater will be its degree of popularity and success. (Applause.)

THE PRESIDENT: Gentlemen, you have heard this most interesting paper on a peculiar phase of our business, and before putting the motion I would say to Mr. Radford that on behalf of our Association we know that you will convey our appreciation to Mr. Welch of his efforts.

Gentlemen, you have heard the paper, and I am sure are very much interested in it. At the moment, we have another one similar in

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character, but of a different type, and I think it is quite proper that it should immediately follow. However, before taking up that, and by way of a little momentary intermission, I want to call your attention to the fact that we have with us one of the great bankers of America—a man who in the emergency of the moment retired from professional banking to that of Departmental Governor—I refer to Mr. Clark Williams, Commissioner of Banking of the State of New York. I notice he is here. (Applause.) I would like to introduce you to the gentlemen and him to you, and have him say a word or two to you.

HON. CLARK WILLIAMS, of New York: Mr. President and Gentlemen, it is a great pleasure for me to be with you this morning, and I assure you I take great interest in the matters you are discussing. I will only take a moment of your time, and the burden of my tale is to thank you for the opportunity of meeting you face to face.

We have in the State of New York, as you well know, mutual savings banks. There are 139 of such institutions, with total resources of $1,587,000,000; but, gentlemen, I am very happy to say that they give us less trouble in the matter of supervision than the other characters of financial institutions under our charge, and I dare say that is due to the character of laws which are on our statute books to some extent; but I am convinced that whatever those laws might be, unless it was because of the character of the individuals having in their care the funds of the provident poor—the personal element—there would be opportunity for as much disregard of law in the Savings Bank system as in that of the State Banks and Trust Companies and Building and Loan associations. During this week there has been a convention perhaps of which you have not heard in this city. That convention was of the National Association of Supervisors of Banks. Those earnest, hardworking, underpaid servants of the people, through me, would ask your cooperation as bankers in the different states for a better system of supervision, and perhaps better laws, and I think they have met you in one particular in their declaration of approval of the segregation of savings deposits in state banks and in trust companies. I dare say your President will announce this to you, if he has not done so already; but I bespeak for them, in their earnest efforts for a more satisfactory character of supervision, your hearty cooperation with them to that end, and I speak to the point because you can bring the influence which is necessary upon your legislators and upon the executive. If the funds are not sufficient for the purpose, or if the laws are inadequate, or if there is a general disregard or a lack of appreciation of the necessity for supervision, you, gentlemen, can do more than any one in your respective states to bring about the desired results.

Gentlemen, I thank you for this opportunity of speaking to you

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for a moment, and I cannot help but feel that you—each one of you—should be enjoying an intense satisfaction in the unselfish efforts which you are making for the protection of the moneys of the provident poor. Gentlemen, I thank you. (Applause.)

THE PRESIDENT: We want to assure you, Mr. Williams, that we are heartily in accord with all the movements of your Association, and you can count on our support at all times for the enactment of good and proper laws. There is no question about it.

Now, with this little intermission, we will proceed with the next paper, which is by Mr. Wm. R. Creer, Secretary, Cleveland Savings & Loan Co., Cleveland, Ohio. (Applause.)

MR. WM. R. CREER, of Cleveland, Ohio: Every corporation should have for its function the best of service to the general public. It is not sufficient that a bank shall loan money for the building of a home, and then be content so long as the security is adequate. It should be earnestly and actively engaged in inducing and assisting the home builder to become a home owner in every deed by working out the payment or repayment of the money advanced upon mortgage. A man can step from the sidewalk of the street below to the floor if he is willing to come up a stair at a time. A straight loan is a good way to keep a man in debt if it is made on good security. An installment loan is the easiest plan in the world for getting out of debt, because that is what the man has been doing all his life, paying rent once a month.

A MORTGAGE LOAN FOR HOME-BUYERS

BY WM. R. CREER, SECRETARY CLEVELAND SAVINGS AND LOAN COMPANY, CLEVELAND, OHIO.

IN fire insurance a dwelling house or home is designated a preferred risk. In savings bank mortgages this kind of property should receive the same classification, for where there exists the home-making and home-owning idea the physical condition of the security does not suffer that degree of depreciation as some others, owing to the pride and care of the owners.

There are two criticisms frequently made regarding real estate mortgages; the first, on the part of the bank: (1) Admitting that a mortgage on improved realty is ideal security; it is argued that in times of financial stress it is hard to realize cash from it. (2) The careful person planning to buy or build a home, for the first time, is appalled at the size of the debt involved in the undertaking.

To overcome these objections on both sides of the business transaction the following described plan of installment mortgage has been designed and has proven popular with borrowers.

Conditions differ in various communities and the rate of interest is governed by local demand, so in presenting the plan it is understood that the plan and

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rate are to be adapted to meet local requirements. In fact, its adaptability is one of the attractive features of this form of mortgage contract.

In the following example the interest rate is 7 per cent. for the first 25 per cent. of the loan, 6 per cent. for the next 50 per cent. and 5 per cent. for the last 25 per cent. of the loan. These proportions can be changed as well as the rate of interest.

Take, for the sake of illustration, a loan of two thousand dollars written on this plan, the obligation would read as follows:

"HOMESTEAD, Ill., September 16, 1909.

"The condition of this obligation is such that, whereas the said John Brown and Mary Brown have received the sum of two thousand dollars ($2,000.00) from the Homestead Savings Bank as a loan, for not less than one year from date, and agree to pay interest on said loan, monthly, at the rate of seven per cent. per annum, until the principal of said loan is reduced to $1,500.00, and from that date interest at the rate of six per cent. per annum until the principal is reduced to $500.00, and from that date interest at the rate of five per cent. per annum until said loan is paid in full. During the continuance of said loan they further agree to pay monthly on said loan such additional sum as will, together with the interest aforesaid, amount to not less than the sum of twenty dollars ($20.00) per month, at the office of said bank. The first of said installments payable the fifteenth day of October, 1909, and one of said installments on the fifteenth day of each and every month thereafter, until all of the said loan and interest, up to time of cancellation, is paid. The monthly amounts so paid shall be credited (annually or semi-annually as desired) on said loan as follows: At the expiration of the (annual or semi-annual) period from date of said loan (or on the regular interest dates if desired) so much of the amount so paid during the preceding (year or six months) shall be applied to the payment of interest up to said time, and the balance shall be credited on the principal, the amount remaining due forming a new principal for the succeeding period, on which interest shall be charged as before. When three monthly payments become due and remain unpaid thirty days, then the entire amount of the principal and interest to become due at the option of the bank."

The average person has been a rent-payer before becoming a home-buyer, and this plan follows the line of least resistance by adjusting itself to his former habit. The man who can pay twenty dollars each month would not have one hundred and twenty dollars at the end of six months, in the majority of cases, were the payment deferred until that time. Like rent, only twenty dollars becomes due each month, and there is no apprehension of the whole amount being called at any time. Again the rate is fixed for the entire length of the contract, even though nothing but the minimum amount be paid monthly. After one year the loan may be canceled at any time. Additional payments in sums of one hundred dollars or multiples thereof, may be made at any time, applying directly on the principal, and any amount in addition to the monthly payment can be made at the end of any yearly or half-yearly period. There is a constant incentive on the part of the borrower to reduce the principal in order

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that a lower rate of interest may be obtained. The contract is simple, easily understood, easy to reckon. Every man owes it to his family to own his home free of debt. The savings bank owes it to the citizens of the community to assist them to accomplish this desirable object. An installment loan is an easy way to get out of debt—a "straight" loan makes it easy to stay in debt.

The advantage to the bank of this form of loan is that it removes largely the consideration of the element of depreciation, for the loan is being reduced regularly, and the security is growing better each month. It provides a constant income *each month* from mortgage loans, instead of a large amount once in six months, thus keeping the funds of the bank constantly employed, and furnishes reserve without cost. It enables the bank to make a larger loan with safety than on the "straight" loan plan. If money gets tight the bank simply stops making loans. Experience has shown that a million dollars in mortgages of this form will bring in from $15,000 to $35,000 in cash each month. This, of course, includes extra payments and cancellations; and this income, which can be counted on, will often prevent the calling of good loans in the other form.

In conclusion, while this form is not practical for all cases, it is very desirable for loans on homes. Objection will be raised by some against it, because there is an impression that monthly payment loans are necessarily more expensive. The fact remains that the person who has been paying rent to a landlord monthly and objects to paying a monthly installment in order to own a home would be a questionable risk for any other form of moregage loan. (Applause.)

THE PRESIDENT: I think, gentlemen, you seem to be very much interested in that other phase of our business, which is fast developing, namely, the partial payment and the consequent liquidness of our assets without.

MR. MITCHELL, of Richmond, Va.: I wish to state that the proposition made by the distinguished gentlemen who has just spoken is the most admirable one I have heard of since I have attended the meetings of the Savings Bank Section. I wish, however, to inquire relative to the aggregate amount of interest on the total amount of money loaned, whether or not it would exceed the rate of 6 per cent. I presume that he understands what I mean by that. He starts out, I think, with an interest of 7 per cent, and then graduates down to 5 per cent, and I think that is the most admirable feature of your plan; but I wish to know, Mr. President, whether or not he has figured it out to know whether the profit of a bank would, on the total amount of money loaneo, exceed the amount of 6 per cent interest?

MR. CREER: The answer is very evident, and should be very clear. Ordinarily speaking, some one is apt to think that if we are paying 7 per cent for 25 per cent of a loan, and 6 per cent for

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50 per cent of a loan and 5 per cent for the other 25 per cent, it is an average of 6 per cent, but it is very far from that, because you will notice in this case which I have stated that 7 per cent is paid on the loan when the principal is from $2,000 to $1,500; 6 per cent is paid upon the loan when it is being reduced from $1,500 to $500, and 5 per cent is only paid upon the loan when it is reduced from $500 to nil; therefore, it produces more than 6 per cent. The virtue in the loan is an incentive to reducing, and the safety of the loan is in following the habit of a life of a monthly stipend for a place to live in. (Applause.)

THE PRESIDENT: We have a paper to be read, "Partial Payments Compared with Sinking Funds," by Mr. Robert M. Rother, President of the Hopkins Place Savings Bank, Baltimore, Md. (Applause.)

PARTIAL PAYMENTS COMPARED WITH SINKING FUNDS

BY ROBERT M. ROTHER, PRESIDENT HOPKINS PLACE SAVINGS BANK, BALTIMORE, MD.

THE borrowing of large sums of money for long periods by corporations of every description has reached such large proportions that it is an important question to determine the most advantageous provisions for the liquidation of these loans. That there are serious objections to the sinking fund plan is generally recognized, but the substitute for it—partial payments—finds favor as yet with but few men. Is it because of lack of investigation or indifference, or is it because of a desire to perpetuate a "system" which gives "opportunities"? The fact remains that sinking funds, with all their shortcomings, are provided for in nearly all loans marketed where provisions are made for the liquidation of the debt. This is especially so with States and municipalities where liquidation by a certain period is obligatory by constitutional requirements, and where partial payments can easily be applied.

Generally speaking, the promise of a sinking fund appears to give a proposed issue of bonds a tone of strength and security in the mind of the intending investor, because the ultimate liquidation at maturity of the money borrowed is theoretically assured through its operation.

Few men, however, ask how sinking funds operate. Experience teaches us that they are a doubtful assurance to the lender and an expensive undertaking to the borrower. To have any value at all the provisions for a sinking fund must be conscientiously carried out, and the accumulated funds must be advantageously invested. That the first is not always done is well known, and that the investment of the fund is subject to all sorts of contingencies is self-evident.

However sound in theory a sinking fund may be, its administration cannot

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be placed beyond the pale of human weakness; it always was and always will be an unknown quantity—a speculation.

Sinking funds are under the control of the debtor—the borrowing municipality. If badly invested, misused or squandered they are even dangerous. There are uncertainties in the management of a sinking fund which should receive serious consideration by all public-spirited men. It may be depleted by dishonest or incompetent officials, or by unfriendly legislation. Even with wise management the rate of interest yield cannot be controlled, and when the securities must be sold to obtain the funds with which to pay the debt for which it was accumulated the proceeds may or may not cover the loan.

In England the successive failures of sinking funds made the term almost one of reproach.

A. D. Chandler reports: "There was a fraudulent misappropriation of over $80,000 connected with the Boston sinking fund in 1880, and in 1904 about $290,000 was taken from the sinking fund for current expenses. Chicago sinking funds have been generally used for current expenses. In Mississippi a sinking fund was begun in 1832 with $250,000; in 1839 it amounted to $800,000; in 1848 it had shrunk to $100,000 from bad investments." These are but a few cases of a large number of mismanaged sinking funds.

Another uncertainty of the sinking fund plan is that at the maturity of a loan for which provision has been made, the amount necessary for the loan may have been properly accumulated in the fund, but only a part of the fund will consist of the particular loan to be redeemed; the balance will have been invested in other securities, which must be sold whether conditions are favorable or not to obtain the funds necessary to pay the loan for which it was accumulated.

The partial payment plan is free from these uncertainties. The specific amounts to be paid each year on account of principal and interest are determined in advance, and the liability of the issuing corporation is reduced with every payment made. There is no guessing; it is fixed figures and facts from first to last.

Bonds issued under the sinking fund plan mature on the same date, no matter what the desires of the prospective purchaser may be. If a loan is for thirty years the buyer must bid for the thirty-year bond, or not at all. Under the partial payment plan the bonds mature in from one year to the last year of the life of the loan, and the desires of every intending buyer can be accommodated.

The only way to sink a debt is to pay it, and the safest sinking fund, with no uncertainty, are partial payments. There are no doubts about partial payments. If you owe $1,000 and pay $100 you know the balance due is $900, neither more nor less. This is partial payment. By this method the debt is reduced annually by payments on account of principal, thereby reducing each year the liability and the interest charge.

Compared with the sinking fund plan the partial payment method applied to the same loan costs considerable less in the aggregate, as will be shown by the figures given later on. The results given are brought about by the fact that the gradual extinction of the debt by annual payments operates as if the latter

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were invested at the same rate of interest which the obligation bears. It works automatically without loss of interest. There can be no mismanagement, nor dishonesty, nor manipulation; nor can any unwise or unfriendly legislation interfere.

One of the objections advanced to the partial payment plan is that the earlier payments are too large on account of the large interest payments and a heavy drain on the taxpayers. This only applies to the plan of paying an equal amount of the principal each year; it does not apply to the plans proposed here. The annual charge can be made less from the beginning than the sinking fund requirements would be.

The scheme is flexible and a plan can be worked out to suit almost any condition. The larger the payments on account of principal in the early years the larger the saving in interest on the loan.

The following two plans worked out for a fifty-year four-per-cent. bond issue of $5,000,000 will illustrate the meaning of the above, and it may be proper to say that similar plans may be worked out for any given amount of loan at any rate of interest and for any period:

Year.	Amount on which interest must be paid annually.	Amount of interest to be paid annually.	Amount paid on account of principal annually.	Amount to be raised by taxes annually.
1.....	$5,000,000	$200,000	$33,000	$233,000
2.....	4,967,000	198,680	34,000	232,680
3.....	4,933,000	197,320	35,000	232,320
4.....	4,898,000	195,920	37,000	232,920
5.....	4,861,000	194,440	38,000	232,440
6.....	4,823,000	192,920	40,000	223,920
7.....	4,783,000	191,320	41,000	232,320
8.....	4,742,000	189,680	43,000	232,680
9.....	4,699,000	187,960	45,000	232,960
10.....	4,654,000	186,160	47,000	233,160
11.....	4,607,000	184,280	48,000	232,280
12.....	4,559,000	182,360	50,000	232,360
13.....	4,509,000	180,360	52,000	232,360
14.....	4,457,000	178,280	55,000	233,280
15.....	4,402,000	176,080	57,000	233,080
16.....	4,345,000	173,800	59,000	232,800
17.....	4,286,000	171,440	61,000	232,440
18.....	4,225,000	169,000	64,000	233,000
19.....	4,161,000	166,440	66,000	232,440
20.....	4,095,000	163,800	69,000	232,800
21.....	4,026,000	161,040	72,000	233,040
22.....	3,954,000	158,160	75,000	233,160
23.....	3,879,000	155,160	78,000	233,160
24.....	3,801,000	152,040	81,000	233,040

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25.....	3,720,000	148,800	84,000	232,800
26.....	3,636,000	145,440	87,000	232,440
27.....	3,549,000	141,960	91,000	232,960
28.....	3,458,000	138,320	95,000	233,320
29.....	3,363,000	134,520	98,000	232,520
30.....	3,265,000	130,600	102,000	232,600
31.....	3,163,000	126,520	106,000	232,520
32.....	3,057,000	122,280	111,000	233,280
33.....	2,946,000	117,840	115,000	232,840
34.....	2,831,000	113,240	120,000	233,240
35.....	2,711,000	108,440	124,000	232,440
36.....	2,587,000	103,480	129,000	232,480
37.....	2,458,000	98,320	135,000	233,320
38.....	2,323,000	92,920	140,000	232,920
39.....	2,183,000	87,320	145,000	232,320
40.....	2,038,000	81,520	151,000	232,520
41.....	1,887,000	75,480	157,000	232,480
42.....	1,730,000	69,200	163,000	232,200
43.....	1,567,000	62,680	170,000	232,680
44.....	1,397,000	55,880	177,000	232,880
45.....	1,220,000	48,800	184,000	232,800
46.....	1,036,000	41,440	191,000	232,440
47.....	845,000	33,800	199,000	232,800
48.....	646,000	25,840	207,000	232,840
49.....	439,000	17,560	215,000	232,560
50.....	224,000	8,960	224,000	232,960
		$6,637,800	$5,000,000	$11,637,800

On the sinking fund plan the above loan would require fifty annual payments of $244,327.80 each, a total of $12,216,390—a difference in favor of partial payments of $578,590.

ANOTHER PLAN.

Year.	Amount on which interest must be paid annually.	Amount of interest to be paid annually.	Amount paid on account of principal annually.	Amount to be raised by taxes annually.
1.....	$5,000,000	$200,000	$40,000	$240,000
2.....	4,960,000	198,400	40,000	238,400
3.....	4,920,000	196,800	40,000	236,800
4.....	4,880,000	195,200	42,000	237,200
5.....	4,838,000	193,520	44,000	237,520
6.....	4,794,000	191,760	46,000	237,760
7.....	4,748,000	189,920	48,000	237,920
8.....	4,700,000	188,000	50,000	238,000
9.....	4,650,000	186,000	52,000	238,000

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10.....	4,598,000	183,920	54,000	237,920
11.....	4,544,000	181,760	56,000	237,760
12.....	4,488,000	179,520	58,000	237,520
13.....	4,430,000	177,200	60,000	237,200
14.....	4,370,000	174,800	62,000	236,800
15.....	4,308,000	172,320	64,000	236,320
16.....	4,244,000	169,760	67,000	236,760
17.....	4,177,000	167,080	70,000	237,080
18.....	4,107,000	164,280	72,000	236,280
19.....	4,035,000	161,400	75,000	236,400
20.....	3,960,000	158,400	78,000	236,400
21.....	3,882,000	155,280	80,000	235,280
22.....	3,802,000	152,080	82,000	234,080
23.....	3,720,000	148,800	85,000	233,800
24.....	3,635,000	145,400	87,000	232,400
25.....	3,548,000	141,920	90,000	231,920
26.....	3,458,000	138,320	92,000	230,320
27.....	3,366,000	134,640	95,000	229,640
28.....	3,271,000	130,840	98,000	228,840
29.....	3,173,000	126,920	100,000	226,920
30.....	3,073,000	122,920	104,000	226,920
31.....	2,969,000	118,760	107,000	225,760
32.....	2,862,000	114,480	110,000	224,480
33.....	2,752,000	110,080	115,000	225,080
34.....	2,637,000	105,480	120,000	225,480
35.....	2,517,000	100,680	125,000	225,680
36.....	2,392,000	95,680	130,000	225,680
37.....	2,262,000	90,480	135,000	225,480
38.....	2,127,000	85,080	138,000	223,080
39.....	1,989,000	79,560	142,000	221,560
40.....	1,847,000	73,880	147,000	220,880
41.....	1,700,000	68,000	151,000	219,000
42.....	1,549,000	61,960	155,000	216,960
43.....	1,394,000	55,760	159,000	214,760
44.....	1,235,000	49,400	163,000	212,400
45.....	1,072,000	42,880	167,000	209,880
46.....	905,000	36,200	171,000	207,200
47.....	734,000	29,360	176,000	205,360
48.....	558,000	22,320	181,000	203,320
49.....	377,000	15,080	186,000	201,080
50.....	191,000	7,640	191,000	198,640
		$6,389,920	$5,000,000	$11,389,920

On the sinking fund plan the above loan would require fifty annual payments of $244,327.80, a total of $12,216,390—a difference in favor of partial payments of $826,470.

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The specific advantage of the plans here given is that the payments on account of the principal are so arranged that the taxpayer derives the benefit of the saving at the very beginning, the amounts being graded in such manner that the aggregate sum of principal and interest required each year is less than the amount it would be necessary to pay into a sinking fund including interest.

The first table showing an aggregate saving of $578,590 is so arranged that the saving of $11,576.78 per annum is distributed almost equally each year.

In the second table, which shows a saving of $826,470, the payments of the earlier years are somewhat larger, but even then they are less than the requirements under a sinking fund plan.

That the defects of sinking funds are gradually being recognized is evidenced by the various devices resorted to by a large number of municipalities to reduce their debts by a partial avoidance of them. In some instances partial payments are adopted, but without grading, which is objectionable to the taxpayer. Others reserve the right to redeem at stated periods in the life of the bond, and another resort is to make the bonds optional on a certain date, long before they mature. All are but partial remedies and disadvantageous to the borrower, but will ultimately lead to partial payments applied on scientific principles. (Applause.)

THE PRESIDENT: I am glad to have had Mr. Rother call our attention to not only the economy, but the desirability of this form of bond, because the banker very frequently has much influence in the dictation of the form which municipal bonds shall take. I think it is worthy of your deepest consideration that this form of serial bond—which in other bonds is handled by many of us, and liked very much by us—should have your attention.

Before adjourning, I would like to ask the courtesy of the floor for a moment for our good friend, Mr. Radford, from Los Angeles, who has a personal and an interesting announcement to make.

MR. RADFORD: You are patient and long suffering like all bankers, but I will not bore you to any great extent. I was appointed a committee with Mr. J. M. Elliott, of the First National Bank of Los Angeles, to convey to the convention last year, an invitation for the American Bankers' Association to meet in Los Angeles in 1910, and we were somewhat encouraged then; so we have come back again this year with the same proposition for you. We expect to-morrow to have the opportunity of extending this invitation from the platform in the regular meeting of the Association, and in order to prepare you people somewhat we have brought along a little pamphlet, describing the accommodations which we can offer and the facilities that we have for handling such a convention. These

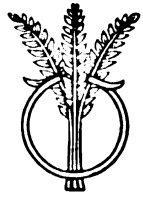
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pamphlets are on the table at the door. They are of a convenient size to go into your pocket, if we get the convention; if not, they are worth nothing. I only hope the convention is going to meet in Los Angeles next year. We have lots of things to show you there, and I am sure that you would be pleased with your selection of our city as a place of meeting. (Applause.)

MR. CREER: I have been asked if I have any printed matter regarding the short paper which I have read. I have none with me. I will say this, that this plan was evolved in our own business and has been in successful operation with us for five years or more, and to you who will write me after my return home I will be pleased to send a pamphlet explaining the modus operandi and also such forms of note and mortgage as we use.

THE PRESIDENT: I will now entertain a motion to adjourn to meet again at 3 o'clock.

A MEMBER: I so move. Motion seconded and carried.



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AFTERNOON SESSION, 3 P. M.

THE PRESIDENT: Gentlemen, you will please come to order. The counter attraction seems to have had its effect upon our attendance, but under the circumstances I think we will have to forgive them, because we all think a great deal of the Chief Executive.

The first in order now is a paper on "Branch Savings Banks," by Mr. Edward B. Carney, Treasurer of the Lowell Institution for Savings, Lowell, Mass. (Applause.)

BRANCH SAVINGS BANKS

BY EDWARD B. CARNEY, TREASURER OF LOWELL INSTITUTION FOR SAVINGS, LOWELL, MASS.

Mr. President and Members of the Savings Bank Section of the American Bankers' Association:

THE Legislature of the Commonwealth of Massachusetts, during the session of 1908, codified, revised and amended the laws relative to savings banks and institutions for savings. Very few of the old laws were stricken out, but a number of new ones were added. One of the important amendments to the statutes was that allowing savings banks to receive deposits outside of the banking rooms. This statute as amended is as follows:

"Such corporation shall carry on its usual business at its banking house only and a deposit shall not be received or payment on account of deposits be made by the corporations or by a person on its account in any other place than at its banking-house, which shall be in the city or town in which the corporation is established; except that the corporation may, with the written permission of and under regulations approved by the commissioner, maintain and establish one or more branch offices or depots, for the receipt of deposits only, in the city or town in which the banking-house is located, or in towns not more than fifteen miles distant therefrom in which there is no savings bank at the time when such permission is given. The annual meeting and meetings of the trustees or board of investment of such corporation may be held at any place in the city or town in which its banking-house is located."

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In compliance with this statute, written permission was given by the Bank Commissioner, July 7, 1908, for the Lowell Institution for Savings to establish and maintain branch offices for the receipt of deposits only at the factories of Abbot & Co., worsted manufacturers, and C. G. Sargent's Sons, makers of wool washing machinery, in the town of Westford, which is ten miles from the city of Lowell, and the first deposit was received July 18, 1908. The operatives in these factories had for many years been depositors in this savings bank, as it offered them better accommodations when they came into the city Saturdays than the other banks did. They formerly depended on the steam railroad for transportation, and the last train left for their homes at five o'clock, but now an electirc car line has been built from Lowell to Westford, so that the time of their departure from the city is not limited as it was.

Each Friday afternoon—which is payday at these factories—one of the clerks of this bank leaves at half-past one on the electric cars, reaches the first of the mills about half-past two and finishes at the last mill shortly after five o'clock. The carfare for the trip is thirty-five cents. For the first few weeks the clerk remained in the office of the superintendent while word was sent to the overseers of the various rooms that the "bank man" was ready to receive deposits. This method did not prove a success, as it was afterward found that an operative seldom went to the office for any other purpose than to receive chastisement, and he, therefore, kept away as much as possible. Another reason offered was that the operative did not want the superintendent or the management to know that he was saving money for fear that his wages might be reduced. A tour of inspection was made through the various rooms, and, after talking with the overseers and many of the operatives under them, it was decided to go directly to the operative at his machine and there solicit deposits. This change proved to be a marked success at once, as in this way we came in personal contact with the very ones to whom the idea of a savings bank had never suggested itself, for those that we reached were the foreigners and the boys and girls. A large per cent. of the unskilled operatives in the New England factories are foreigners, and a personal appeal to them by a representative of a savings bank, with the assurance and approval of the management of the factory, has done more, in our case at least, to gain their confidence in our savings banks than any written guarantee could do. Within a month of the time that we changed to personal solicitation one afternoon the clerk opened two new accounts with Polanders, one for $200 and the other for $100. It is the custom of these foreigners to keep on their person the actual money that they receive, and when a sufficient amount has accumulated to send it to their native land. These are the funds that should be brought into our banks, and in a modest way we have diverted some from their garments to our bank. One operative allowed his deposit to accumulate until it amounted to $7, when he withdrew the full amount. We afterward learned that this was made a test case to satisfy him and his associates that the money given at the factories actually found its way to the bank. He has since opened a new account and has quite a respectable deposit.

For a number of months the boys and girls were very apt to sit in the seats

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of the scornful and laugh at those who made deposits. Talking to them brought no result, but finally a plan was adopted that made eight of them depositors, with the promise that more would become so later. It had been the custom for quite a few years for a certain number of these boys and girls to form themselves into clubs, and each member would deposit weekly twenty-five cents into the treasury of the club. Some member, previously drawn by lot, would get all of the week's deposit, and so each week a different member would receive the deposits. In this way, while the member of the club contributed twenty-five cents each week, once in so often, depending upon the number of members in the club, he would receive a good-sized dividend. This method was very good for saving, but the one who received the week's deposit was quite apt to consider it so much clear gain and spend it at once. Acting upon the suggestion offered by these weekly deposits, two clubs, with four members each, have been started, one of boys and one of girls, to make deposits in the bank each week, and as a special inducement to encourage them to save the members of the board of investment, personally, have offered to give $5 bonus when the deposits on the bank books of each club shall amount to $50. Each member of a club has the privilege of making deposits besides that received from the club, and so receive a greater share of the bonus money when the amount of deposit of the club to which he belongs shall reach $50.

A number of the overseers have taken a special interest in having the operatives under them open accounts and make regular weekly deposits, for with money deposited in a savings bank nearby the operative is more contented with his work. One overseer reports fewer changes among those under him than before we began to receive deposits.

We have heard from a number of individual cases where a good deal of comfort and aid has been possible because there was a bank account, even if a small one, to draw from.

After thus outlining the methods used to solicit deposits it is interesting to note what has been the result:

At the time of the starting of our branch offices these factories, in common with all New England industries, had not recovered from the financial depression that had so recently been felt throughout the whole country. The number of operatives had been reduced and the hours of labor were very much shortened. This condition existed well into October, when full time was re-established, and the number of operatives was gradually increased until the full force was finally taken back. These factories are not large, employing at the most about five hundred, of which number 120 are aliens, coming mostly from the Russian provinces, with a few from the southern European countries. Of these foreigners thirty-three, or about 25 per cent., have become depositors, with a deposit amounting to $3,442, and only one of the accounts has been withdrawn, and that was done because the depositor moved to a Western city.

Deposits have been received during the period of one year every week, except the two weeks previous to Christmas. For the fifty times that we have been to the factories 919 deposits from 156 depositors have been received, amounting to

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$13,196, or an average of $84.58 per depositor per year. Of the 156 depositors 122 have opened new accounts at the factories. About 31 per cent. of the total number of operatives are depositors, and of this number 24 per cent. have become new depositors. The average deposit per week has been $264, with a minimum of $14 and a maximum of $1,786. The largest number of deposits made by one individual was thirty-three, with a deposit amounting to $52. This one case is evidence of the success of the undertaking.

In conclusion, we believe that the benefits derived from the experiment warrant its continuance for three reasons:

First, the spirit of saving and confidence in our savings banks have been brought to the operative; second, the amount of deposits in the savings bank has been healthfully increased, and, third, the operators of these factories have received the benefits derived from those who are more contented since they have become an active part in the great financial system of this country. (Applause.)

Date. 1908.	Number of New Deposits.	Total Number Deposits.	Amount.
July 18	7	8	$27.00
25	4	10	132.00
Aug. 1	5	14	708.80
8	1	5	33.00
15	1	4	14.00
22	1	7	39.00
29	..	11	99.00
Sept. 5	5	10	318.00
12	5	16	271.00
19	1	11	122.00
26	..	6	35.00
Oct. 3	2	10	200.00
10	..	4	45.00
17	4	15	418.00
24	4	13	142.00
31	..	7	46.00
Nov. 7	5	20	246.25
14	1	16	99.00
21	1	13	98.00
28	1	12	78.00
Dec. 5	2	13	164.00
12	3	17	177.75
*19	..	..	.....
*26	..	..	.....

*Bank not opened.

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1909.			
Jan. 2	2	7	147.50
9	3	25	715.50
16	3	19	159.00
23	2	23	229.00
30	2	17	513.50
Feb. 6	5	30	436.50
13	4	25	358.00
20	3	20	145.00
27	3	22	220.00
Mar. 6	4	27	170.25
13	5	25	346.00
20	2	26	228.00
27	3	28	196.00
April 3	1	19	139.00
10	2	31	254.00
17	3	31	1,786.00
24	1	24	166.00
May 1	2	34	493.00
8	3	22	209.00
15	..	24	148.18
22	..	18	110.00
29	2	25	329.50
June 5	5	26	659.00
12	1	18	179.50
19	1	27	260.50
26	4	27	632.00
July 3	1	22	205.00
10	2	35	248.50
Totals	122	919	$13,196.23

THE PRESIDENT: I am quite sure in this case, as in the previous ones, that we have been very much interested.

The next, gentlemen, is what should be in every bank, "The Department of Mercy," by Mr. Edward L. Robinson, Vice-President of the Eutaw Savings Bank of Baltimore, and the most valued member of our official staff. Mr. Robinson, if you please. (Applause.)

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THE DEPARTMENT OF MERCY

By Edward L. Robinson, Vice-President Eutaw Savings Bank of Baltimore, Baltimore, Md.

MOST of the papers presented for consideration at the meetings of our Section are technical in thought and presentation; we do not generally seek an audience wider than our own fraternity and too often leave the public in the dark as to our earnest efforts to serve those who honor us by placing in our hands their hard-earned hoard, expecting confidently to receive "their own with usury" whensoever they will.

We are practical men of affairs, gathering together for the interchange of ideas, for the stimulus of the elbow touch and for the friendly discussion of our mutual problems.

We do not meet in vain if each can carry back to his institution some helpful mode of doing his work a little better than before, and if we can inspire each other with enthusiastic interest in the work to which our lives are devoted; yet, after all, the highest end each should seek is to improve the quality of the service he is rendering his community, and it is with the modest hope of suggesting how this latter end may be accomplished that I have accepted an invitation to prepare a paper on "The Department of Mercy."

At the outset may I define "mercy" as kindness, beneficience, a willingness to help; definitions countenanced by Webster, though the word, as we generally use it, conveys the idea of clemency or compassion.

The best of us and the worst of us have a yearning for something brighter, happier and higher to which we would attain if we knew how, and the world is looking to the strong to help the weak to reach the goal of their endeavor; *herein lies our opportunity.* "*Dum expiro, aspiro*" are the tender words inscribed on a tablet to the memory of a distinguished Southern poet, and they fitly define the buoyant American temperament. It was an Englishman, not an American, who said "optimism is possible only by wearing blinkers"; it was likewise an Englishman who chanted that mournful dirge, "Alas for the rarity of Christian charity under the sun." Surely sentiments such as these are not cherished in the offices of our savings banks, where, though we see much of the seamy side of life, we still retain an unflagging faith in our fellow man and maintain a patient and cheerful optimism.

In our savings banks the Gospel of Push does not crowd out the Gospel of Helpfulness, and it is our nature to "seize the day" for relieving the pain of the world. Considerations of profit are subordinated to the great privilege of lending a hand. The wide range of opportunity for material gain enjoyed by David Harum is forbidden to us; many legitimate avenues of profit and promotion open to the commercial banker are closed to us. We must keep far from the strife of business conquest and content ourselves by playing an

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humbler part; the great opportunity we enjoy is the chance to be useful and faithful to our trust.

We must be guide, philosopher and friend to our clients, and find our compensation in the exercise of all our kindly instincts. We are the peculiar stay of the ignorant, the helper of those who cannot help themselves; from the very nature of our business we "rejoice with those who rejoice and weep with those who weep." We note the air of triumph, the buoyant self-complacency of the one who is keeping his head above water and adding constantly to his "rainy day" fund, and we, too, are glad. Our hearts go out to the one in whose face we see written pain and defeat and who is rapidly losing his foothold through the gradual depletion of his slender savings, and we show him our sympathetic interest, bidding him take heart again. We must confess, though, that many conflicting emotions stir us during the course of the day's work; not all of those who daily throng our counters appeal to our gentler emotions; the selfishness and greed of the human heart are constantly in evidence; deception and knavery of many kinds often tempt us to lose faith in our fellows. There are those, for instance, who habitually hand in less than the amount named as their deposit; there are others who present orders affirming the genuineness of signatures which we know are forgeries; there are still others who constantly seek an unfair advantage of the bank. These occurrences sicken our souls, but the percentage of such transactions is small indeed, and we disregard them when we consider the multitude of those who have a claim upon our more tender side. We train ourselves to be gentle to those who bear the marks of sorrow and bereavement; we try to speak a word of courage to the man who seems to be losing his grip—fighting an uneven battle with forces he cannot master; we try to be tolerant of those who love to tell their fancied troubles—in a word, we must be all things to all men, entering deeply into their heart problems and giving them counsel in their many-sided business relations with the world.

Does it pay? you ask. Yes, it does. After a long experience with many depositors of many minds I can affirm with truthfulness and candor that the average savings bank depositor is responsive to sympathy and good advice. Wise and tactful influence brought to bear upon him often yields the fruit of good citizenship; a little leaven of kindness will leaven a big lump of sunshine for those who have to live with him, for if he can succeed in cultivating the thrifty and frugal instincts I submit that we go far toward establishing the happy and well-ordered home.

"The Department of Mercy" in a savings bank should throw its protecting arms about our unfortunates and incompetents; it should be able to give intelligent and disinterested advice in the investment of money; it should point out the dangers of the financial pestilence which lurks underneath so many magazine articles exploiting schemes of acquiring rapid wealth. It should be able to protect its depositors who are ignorant of the real value of their property, which others, wiser than they, are seeking to buy below its value. It should protect them when tempted to place their little capital in questionable enterprises advertised under "Business Opportunities" in the daily press. It should go farther and warn

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the spendthrift when he is rapidly frittering away the little hoard laid aside for his benefit by the self-denial of his parents. It should be able to reconcile family difficulties; many domestic problems have been aired in our offices—a few at least have been solved; young married folk who find it difficult to make the necessary adjustments (financial and otherwise) during the first year or so of married life, frequently need friendly counsel. Many such as these have been helped over thorny places.

A chapter from my own experience, illustrating the selfishness and unfairness of husbands to their wives in money matters, may be interesting. Money earned through the joint efforts of husband and wife in a little mercantile enterprise was deposited in the name of the husband. He, tiring of the faithful wife, planned to desert her. She made known her trouble to the bank and appealed for justice; payment was refused when demanded by the husband, the bank exercising its legal right to require sixty days' notice. He was advised that his wife claimed a share of the deposit and that she would be given a chance to establish this claim in a court of equity; meantime the fund would be tied up. Rather than test the matter in the courts he weakened in a few days and divided the fund with her equally—a practical case of help extended when needed badly. This occurrence is typical of similar cases, which many of you doubtless can recall.

Let me cite two other illustrations of the way in which savings banks have served their depositors:

A large bank in New York a few years ago advertised for information concerning a depositor whose account had lain dormant for many years; the bank's record indicated that the depositor was a private in a certain company of a certain regiment in the United States Army. A young woman responded to the advertisement, stating that her deceased father bore the advertised name. Patient investigation by the bank's officers established the daughter's claim to the fund, and, better yet, the bank's minute record of the depositor's occupation furnished the missing link in a chain of evidence required to secure a pension to which the daughter was entitled. The arrears alone of this pension represented a sum in excess of $3,000.

The following incident occurred in the office of a large savings bank in the West: A woman in evident distress was about to withdraw $500 from her savings account. The attention of the president was directed to her, and upon inquiry he learned that her son was in trouble in another city; a lawyer had just wired his demand for a fee of $500 before undertaking to defend the young man, and the mother was about to comply. The president advised the woman to allow her deposit to remain undisturbed, stating that he would take up the matter with the bank's correspondent in this other city. The attorney of the latter bank in a few days reported that the offense was a trivial one and easily handled without expense.

Such disinterested acts of kindness are by no means uncommon, and go to show that the whole world is knit together by common ties of brotherhood.

"The Department of Mercy" should aid old and infirm depositors to end their days in suitable institutions. Savings banks may often work in harmony

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with other societies for the betterment of social conditions and will find it possible to be of great mutual assistance.

Many other means of helpfulness will occur to you without further suggestion from me, and I have no doubt that the sort of service to which I have referred is rendered frequently and without ostentation in many of the banks throughout our land. I trust, though, that bringing the subject to your attention in a concrete way may stimulate some to greater activity in this line and open up to others an unexplored field of usefulness.

Having given this imperfect recital of what the savings banks are doing and of their desire to be even more active in good works, may I venture to hope that the public may thus apprehend our lofty aims? Let it be spread abroad in the land that we are in the vanguard of these forces working for the uplift of human kind. Let it be known that we are energetic and faithful in the discharge of our trust and that each of us feels in a true sense his responsibility as his brother's keeper. (Applause.)

THE PRESIDENT: Mr. Robinson, your heart to heart and sympathetic little talk seems to me to be a fitting tribute to the finish of the formalities of the day—that we should pause and pour out our hearts to-day, as evidence that we all have hearts and sympathies, and it seems to me to be very proper. You know, the average banker is rather harshly regarded in the community, and I think it delightful that we should be so reminded of this obligation to our patrons.

MR. H. L. REMMEL, of Little Rock, Arkansas: This is such an unusual paper that I feel like making a motion that this Section extend to its author its thanks. I make that as a motion. Motion seconded and carried.

THE PRESIDENT: We have now reached No. 16 in the order of proceedings, and having heard, first of all, the paper on "The Segregation of Savings Deposits;" next, "The Different Types of Mortgage Loans;" "The Serial Bond," "The Feature of Branch Banks," and the one just closed, and we not being particularly pressed for time, I hope that we will hear from everybody and anybody that has the slightest comment to make, and that any discussion that may be provoked will result in the benefit of all.

Gentlemen, we would be glad to hear from anybody on any subject in our business. Before starting, in case there should be a tendency to tarry a little, let me say that it is customary to limit any remarks to five minutes to one person, and no person to speak more than once on the same subject.

MR. ALLEN W. JOHNSTON: In view of the paper we have just heard, I think it would be an interesting point for the Postal Savings Bank Committee to consider, if they have not already done

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so, as to how many third and fourth class postmasters, in the bustle and hurry of the delivery of mail and the receiving of deposits, would take the time to give the depositor the sympathetic little talk as has been suggested by the paper.

MR. SHEA, of Dayton, Ohio: I hesitate to make any remarks to this assemblage, because of two reasons: first, because it is the first convention that I have attended, and secondly, because I am among the younger men who should sit and listen while the older men drop these words of wisdom. I think we all have been impressed with the papers that have been read here to-day. I know that to me it has been a source of much instruction, but if there was one paper more impressive than the others it was the paper which was read by Mr. Zimmermann on the segregation of savings deposits; and I believe we will all agree that the most pertinent question which is before this body for consideration is as to what measures may be adopted to prevent the establishment of Postal Savings banks; and if the Postal Savings Bank is more injurious to one branch of the banking business than to another, it is certainly more injurious to the Savings Department of the Commercial Bank; and so, I believe it would not be amiss—in fact I would think it most opportune—that this branch of the American Bankers' Association, this Section, make some declaration as to its position with reference to the questions that were discussed to-day, and for that reason I offer this following resolution:

"RESOLVED: By the Savings Section of the American Bankers' Association that we favor legislation requiring all savings funds to be segregated, and limitations placed upon their investment; and giving preference to the savings depositors in the total amount of savings funds over general creditors of the bank."

I offer that resolution to this body.

THE PRESIDENT: Gentlemen, you have heard the resolution offered by Mr. Shea. Is it seconded or supported?

MR. OLLER: I second the motion.

MR. RADFORD: I question very much whether in the last clause of that resolution we are not on dangerous ground, when we refer to creditors in any branch of our business. To a bank doing strictly a savings bank business, it is good—it sounds good, but there are banks all over the United States which are combining the two. I fully believe in the investment of savings funds under the strictest possible construction of the law, but wherever these two come together—the Commercial and Savings Departments—and you make the savings department a preferred creditor, it strikes me you are doing an injustice to the institution that you profess to be anxious to help; and while I stand perfectly with the gentleman all the way

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through, I hesitate a little about that. It might be worded to meet what he wants a little differently, but the way it sounds there it looks to me as though we were getting out where the ice was pretty thin and where it is bound to have a marked effect upon some of us at some time in some place. So, were we to take it just as it stands, I fear that out of justice to my conscience I should vote against it; not because I am not in sympathy with the whole purport of it, but I am a little out of sympathy with that last clause.

MR. REMMEL: I am also in accord with Mr. Radford's views. I think the last clause is very dangerous. I do not think we should give our sanction as a body—should pass a resolution of that kind. I think it would be a very dangerous break; and I say, in all deference to the gentleman and his ideas about the matter, which are very well stated, at the same time I should think it would be a very unwise move on our part for us to indorse that principle, and I trust he can see his way clear to eliminate that part of his resolution.

MR. TETER: I do not want to use a great deal of time for this, and yet it has a very definite bearing upon work that is very near to all our hearts, and we do not want to fumble with it. I think we all agree with the gentleman who made this motion, and I would like to make a suggestion here, if he is willing to have it in the way of a suggestion, and that is this: that he withdraw his resolution for a moment and let him, with the Chairman of our Standing Law Committee, withdraw, and prepare such a resolution as they may agree upon.

Mr. Allen W. Johnston, of Schenectady, has this in mind; he knows all about it; he knows what plans these committees have, and when we go before the public we want to do it in just exactly the way which we all mean to work. This is suggested with no thought at all of defeating the object of the motion, but of getting it in accord with the views of a committee in which we all have much confidence. I make that suggestion, Mr. President.

THE PRESIDENT: With the permission of the mover and the seconder, we will hold the motion over. If you will pardon me, I will make this suggestion. I think our sentiment is that we have no objections to savings deposits being preferred in a departmental institution by the act of segregating the deposits, but we do not want to put it in specific language; and the wording of the Committee resolution originally drawn, and to which we have adhered closely during the whole year, has been that savings deposits be segregated and that their investment be carefully safeguarded, and we have stopped there. In some states, if you will look at the list, you will find that, by enactment, they are preferred; by inference, sometimes, in other places. So, as these gentlemen have said, we must approach this sub-

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ject gingerly. I do not think any of us are averse to the idea. I do not think we have any objection to their being preferred by segregation. We will allow these gentlemen to confer and bring the question up a little later.

MR. DINWIDDIE: I trust the Committee will be careful not to tread on the toes of the savings bank, and the Savings Bank Section. I hear, as I go around among the banks—the savings banks—a dread or a feeling or an opposition to what seems to be an attempt to draw into the national banks a savings department. This segregation proposition never would come up if it was not for that. This Savings Bank Section is almost ceasing to be a Savings Bank Section, while it encourages a line of business in direct competition with the savings bank business and makes it necessary to bring about a segregation of deposits. I dislike to see anything come into this part of the Association that might bring about that thought, and it seems to me that it would be just as well if this resolution were not passed at all; that there be nothing passed in the way of a resolution concerning the segregation of deposits at this time. We know that is what we want; that is what it will come to, but do not let us do anything that will bring about any opposition in the ranks of the savings banks. I move that the resolution at least be referred.

MR. CREER: Mr. Chairman, we want to go carefully and not precipitate trouble for ourselves. I think if Mr. Shea had been thoroughly familiar with the work of the Savings Bank Law Committee, he would not have offered that resolution, and had he paid attention to the report of Mr. Johnston, which stated specifically that they will await the opinions offered at this convention before presenting any definite provisions, he would not have suggested it. Now, then, if this Committee, after all the careful work of past years, are not in a position to offer satisfactory instructions or standard provisions for this matter, it would seem ill-advised for us on the spur of the moment to say that we knew what to do and to pass resolutions covering these points. There is still another important fact which we must bear in mind—that we are a subordinate body of a parent organization, and this Savings Bank Law Committee are working along lines and in cooperation with the Standing Law Committee of the parent body, and if we are ever going to accomplish anything, we are not going to accomplish it, gentlemen, by passing resolutions, but by getting together and after carefully determining what is the proper and best thing to do, having behind us the whole force of the American Bankers' Association. It is not proper or right that we should start something without knowing where we stand on that matter, and therefore, I move you, Mr. President, that this resolution offered by Mr. Shea be referred to the Savings Bank Law Committee.

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Motion seconded and carried.

THE PRESIDENT: Is there any other question that you wish to take up or discuss? If not, it would be in order to hear from the Committee on Nominations. Mr. Rose is the Chairman.

MR. CLINTON T. ROSE, of Syracuse: Mr. President and Gentlemen: I wish to say that in response to the request of the President a number of names have been handed to us as candidates for the posittions of Vice-Presidents in the different states. Still there are several states which have not recommended any name, and I will thank the members from those states to make nominations as I read the list.

We reccommend as follows: For President, MR. WM. R. CREER, of Cleveland, Ohio. (Applause.)

For First Vice-President, MR. EDWARD L. ROBINSON, of Baltimore, Md. (Applause.)

For Members of the Executive Committee, to serve three years: Messrs. HENRY S. HENSCHEN, of Chicago, H. L. REMMEL, of Little Rock, Arkansas, and R. C. STEPHENSON, of South Bend, Ind.

Mr. Stephenson is a member of our Committee, and Mr. Briggs and myself have taken the library of making this nomination at the earnest request of some of the members of the Association.

(Mr. Rose then read the list of nominations for Vice-Presidents.)

MR. ROSE: If we have suggested any names that the delegation on the floor would rather have some one else nominated this report is not yet completed and we are ready for further suggestion.

MR. KAUFFMAN: I move that the secretary be authorized to cast the unanimous vote of this Section for the gentlemen named in that report, and as for the few states that are entitled to a Vice-President, and for which names have not yet been suggested, that the secretary take it up while he is here with some of the representatives of those states, so that the list may be complete, and fill in the proper names for those respective places.

A MEMBER: Motion seconded.

THE PRESIDENT: Before putting the motion, let me ask if there are any other nominations for any office or for any one, or any suggestions to make, objections or corrections? I hear none.

It seems to me that with your approval the matter is now up for a vote. Those in favor will signify by saying aye; contrary, no.

The motion is carried. Mr. Secretary, you are instructed by the Section to cast a unanimous ballot for the gentlemen named in the report of the Nominating Committee.

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THE SECRETARY: I wish to report, Mr. President, that I have cast this ballot in favor of the list read by Mr. Rose, the Chairman.

THE PRESIDENT: It is now in order, gentlemen, to install the officers elected. I take pleasure in retiring and in calling Mr. Creer to the platform and presenting to him, first, the emblem of office, and next, the little power that goes with it, as evidenced by the instrument I hold in my hand. Mr. William R. Creer! (Applause.) In the four years that I have served with Mr. Creer on the Executive Committee, and in committee work, I have found him a most earnest and sincere guardian of the savings of the people, up to date, clever, and I am sure that in him you will find a most worthy and competent presiding officer. Mr. Creer, I take pleasure in retiring and in presenting to you this badge, and in doing so I beg to thank the Association and the Section for the honors that they have conferred on me. I have not cut a large figure in the work, but I have endeavored, as I said to you a year ago, to put upon that work an impress of earnestness that would convince you I was working from a purely unselfish standpoint, and that whatever we did should and must be done for the common good, and that we must recognize the demands of our clients, the people, and meet them upon fair grounds as citizens and not as we are sometimes called, selfish bankers. Thank you very much. (Applause.)

PRESIDENT-ELECT CREER: Mr. President and Gentlemen: Words would fail me if I tried to express to you the keen appreciation of the manner in which you have honored the state of Ohio, which I represent, and my humble self; therefore, I will not attempt to do it. I thank you heartily, one and all, for this great honor which I deeply appreciate.

You have proven that the American Bankers' Association through its Savings Bank Section is magnificently great and splendidly broad, for it can take within its folds all the savings institutions that are preaching the gospel of thrift to the people of the nation, no matter what the style of the corporation or what its name.

It is now my pleasure to ask Mr. Edward L. Robinson to come forth and to introduce him to you as your First Vice-President. (Applause.)

(Mr. Robinson mounted the platform.)

Mr. Robinson, it gives me great pleasure, sir, to hand you the badge of office of the First Vice-President of the Savings Bank Section of the American Bankers' Association. In honoring you, I feel that this Section has honored itself, because with your rich experience, your high ideals and your splendid purposes, you are do-

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ing a great work, not only at home but abroad for all that is best in savings institutions. (Applause.)

FIRST VICE-PRESIDENT-ELECT ROBINSON: Thank your, sir. It is only expected of me, I am sure, gentlemen, to say a very small word. I have already been on my feet long enough to have taxed your patience, but I cannot forbear thanking you for this distinction —one which I shall strive to wear as worthily as I may.

PRESIDENT-ELECT CREER: At the close of this meeting, when we adjourn, there will be held a meeting of the Executive Committee. I trust that the members newly elected are present so that we may have the meeting convened at once and without any delay.

Gentlemen, is there any further business to come before this Section at this time?

MR. TETER: I move you that we now adjourn. Motion seconded and carried.

At a meeting of the Executive Committee, held immediately after adjournment, Mr. Alfred L. Aiken, of Worcester, Mass., was elected Chairman, and Mr. William Hanhart, of New York, was re-elected Secretary.

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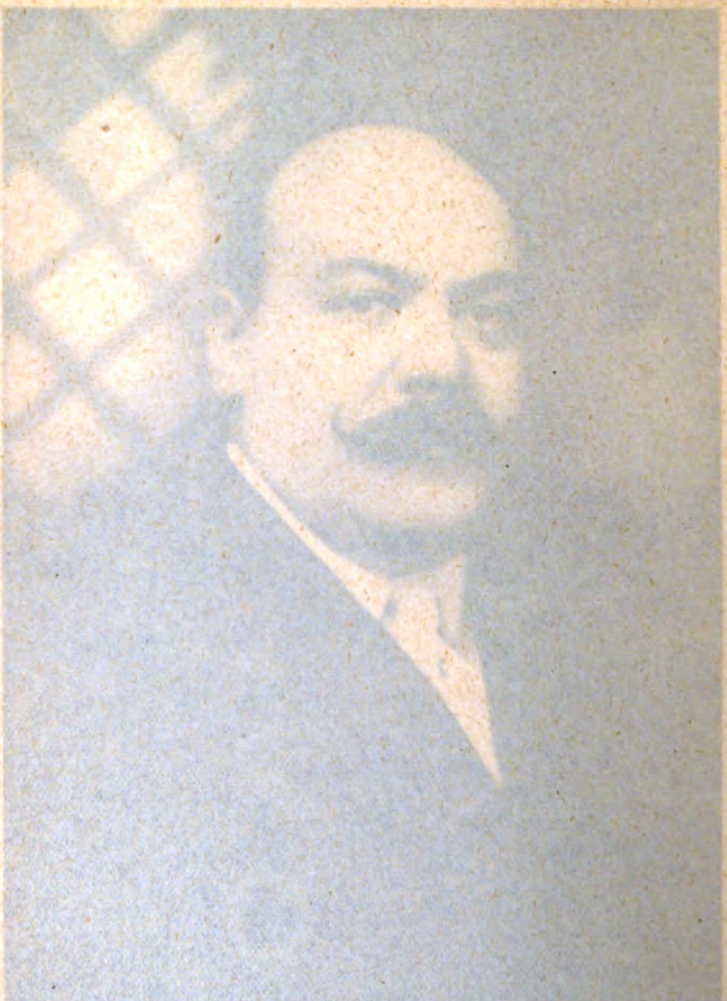


A.W. Elson & Co. Boston

Joel Wexler

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PROCEEDINGS OF
THE THIRD ANNUAL MEETING

CLEARING HOUSE SECTION
AMERICAN BANKERS' ASSOCIATION

BEING THE ELEVENTH ANNUAL MEETING
CONFERENCE OF CLEARING HOUSES

AT CHICAGO, ILLINOIS
WEDNESDAY, SEPTEMBER 15, 1909



COMPILED BY
FRED. E. FARNSWORTH
General Secretary American Bankers' Association
1909

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HISTORY

The inception and inauguration of the movement which resulted in the organization of a Conference of the Clearing Houses of the United States was due to the Michigan Bankers' Association, being the outcome of resolutions passed at its annual convention held at Port Huron, on July 14, 1899, recommending a conference of representatives of the Clearing House Associations in the reserve cities, to consider the unsatisfactory and confused conditions pertaining to collection and exchange charges.

The first conference was held in Cleveland at the time of the Annual Convention of the American Bankers' Association, September, 1899, when a formal organization was effected, and officers elected. The Conference or Executive Committee has met annually since the time of its organization.

At the Conference held in Washington, D. C., October 10, 1905, the organization was formally recognized by the American Bankers' Association in the appointment of a special committee, to which was intrusted the future work of the Clearing House Conference. At the Conference held in St. Louis, Mo., October 16, 1906, amendments to the Constitution and By-Laws, submitted to the American Bankers' Association, were adopted, thereby organizing the Clearing House Section of the American Bankers' Association, and giving the Section representation on the Executive Council of the Association.

At the meeting at Atlantic City, on September 24, 1907, plans were formulated, which under new methods proposed, would reduce certain lines of clerical work in Clearing House Banks to a minimum.

In accordance with this action, the Secretary compiled a list of 389 banks, members of their respective Clearing Houses, in twenty-five cities, which showed the largest total clearings for the year 1907.

In connection therewith was also compiled a system of letters and numbers for cities and Clearing House banks to be used with remittance sheets pertaining thereto. A form of draft was also prepared. As the result of the work of the Section in this direction, the system is now largely in vogue throughout the country and promises to become universal. A plan is also being considered to extend this system to the non-member banks.

The annual meeting at Denver on September 28, 1908, was well attended. The reports of the delegates showed that satisfactory progress had been made in different parts of the country in behalf of various new methods promulgated by the Section.

The Section has been instrumental in creating sentiment in favor of the appointment of Clearing House Examiners, the suppression of the business known as "note kiting," the publication of Clearing House totals, and many other features.

The proceedings of the Conferences, Annual Meetings and Executive Committee meetings have been printed from time to time, both in circular and book form.

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OFFICERS

CLEARING HOUSE SECTION

AMERICAN BANKERS' ASSOCIATION

1909–1910

President

SOL. WEXLER

Vice-President Whitney-Central National Bank, New Orleans, La.

First Vice-President

E. R. FANCHER

Vice-President Union National Bank, Cleveland, O.

Chairman Executive Committee

GEORGE GUCKENBERGER

President Atlas National Bank, Cincinnati, Ohio

Secretary

FRED. E. FARNSWORTH

Eleven Pine Street, New York City

EXECUTIVE COMMITTEE

Term Expiring 1910

GEORGE GUCKENBERGER, President Atlas National Bank, Cincinnati, Ohio

C. G. HUTCHESON, Cashier First National Bank, Kansas City, Mo.

Term Expiring 1911

CHARLES A. RUGGLES, Manager Boston Clearing House, Boston, Mass.

RALPH VAN VECHTEN, Vice-Pres. Commercial National Bank, Chicago, Ill.

Term Expiring 1912

J. M. DONALD, Vice-President Hanover National Bank, New York, N. Y.

C. K. McINTOSH, Vice-President San Francisco National Bank, San Francisco, Cal.

Ex-Officio

SOL. WEXLER, Vice-President Whitney-Central National Bank, New Orleans, La.

E. R. FANCHER, Vice-President Union National Bank, Cleveland, Ohio

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BY-LAWS OF THE CLEARING HOUSE SECTION

SECTION 1. All regularly organized Clearing House Associations shall be eligible to membership in this Section.

SEC. 2. The administration of the affairs of this Section shall be vested in a President and First Vice-President of the Section, and an Executive Committee of six members, who shall serve until their successors are chosen or appointed.

SEC. 3. The President and the First Vice-President shall also be members ex-officio of the Executive Committee.

SEC. 4. The Executive Committee shall select its own Chairman from among its members, and shall also select a Secretary of the Section, who may or may not be a member of the Section.

SEC. 5. The Executive Committee shall, as soon as may be after their organization, divide themselves by ballot into three classes of equal number, designated as the first, second and third class, of which the first class shall remain in office one year, the second class two years, and the third class three years, and at each annual election members of the Executive Committee shall be elected for a term of three years to fill the vacancies of the retiring class.

SEC. 6. The Executive Committee shall have power to fill vacancies until the next annual meeting, and may adopt all necessary rules for the business of this Section.

SEC. 7. The Section shall meet annually at the time of the Convention of the American Bankers' Association, and may be called together at any time by the Executive Committtee. At its annual meetings, Clearing Houses may be represented by one delegate for every five banks members of the Clearing House. Any Clearing House having less than five members shall be entitled to one delegate, but other than this no fractional part of five members shall entitle a Clearing House to an additional delegate.

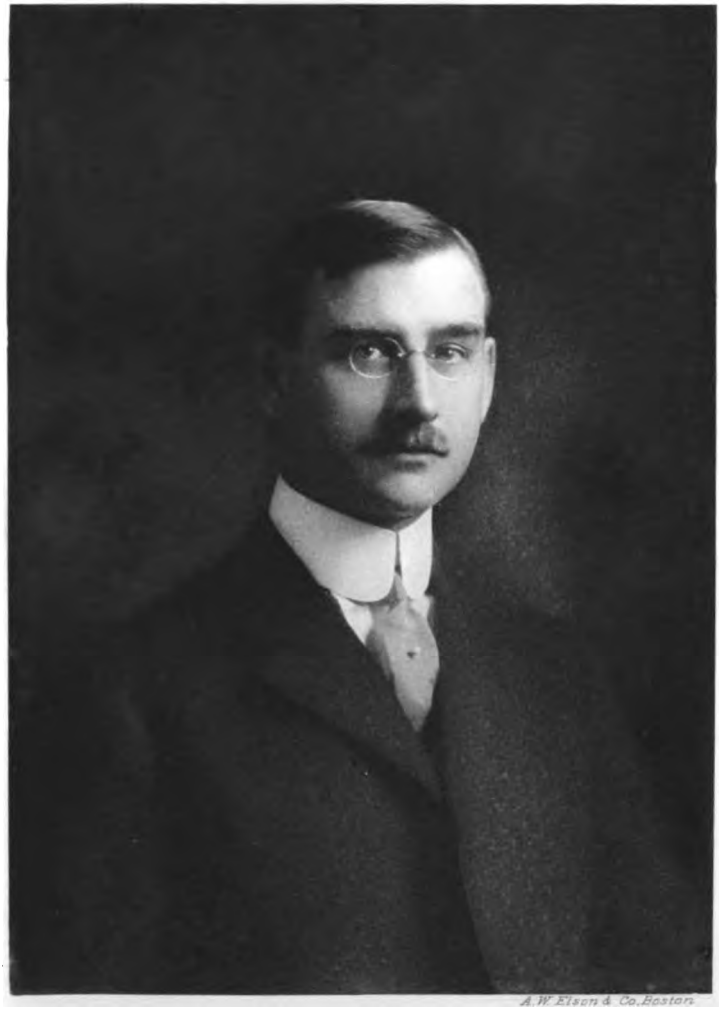
SEC. 8. The Executive Committee may be called together at any time by the Chairman thereof, or, on the request of three members of the Executive Committee, and shall be vested with full power to transact such business as may have been authorized by this Section, or as may be required in furtherance of the interests of the Clearing Houses, and shall also have authority to expend such annual appropriation as may be made for the Section by the Executive Council of the American Bankers' Association.

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THIRD ANNUAL MEETING

CLEARING HOUSE SECTION

AMERICAN BANKERS' ASSOCIATION

CHICAGO, ILLINOIS, September 15, 1909.

The meeting was called to order in the Banquet Hall of the Auditorium Hotel at 10 o'clock A. M. by the President, Mr. E. C. McDougal, President of the Bank of Buffalo, Buffalo, New York.

THE PRESIDENT: The roll call is the first order of business, but as the members are still coming in, we will omit that until later and proceed with the regular order of business.

ANNUAL ADDRESS OF THE PRESIDENT

MR. E. C. MCDOUGAL

Gentlemen: The address of your President is not a review of the work of the year. It is not even an attempt to mention all of the main points covered by the work of the Clearing House Section. Formal reports of the year's work will be presented by your Executive Committee and by your Secretary. I shall confine myself to a very few practical questions which are of special interest.

On the subject of Clearing House Examiners, you will hear from your Executive Committee. You will hear from Clearing Houses in which the system is in force. The introduction of that system is a most valuable reform. Seriously, in good faith, for the purpose of bringing about the fullest possible discussion of this most important subject—I challenge any man to give one sufficient reason why Clearing House Examiners are not imperatively desirable. It is seldom a practice is introduced with merits so universally admitted; cheerfully by many, unwillingly by some, and tacitly by others. A Clearing House Examiner, with the assistance of a Clearing House Committee, is unquestionably superior to the very best examiner from the office of the Comptroller of the Currency, backed by all the authority of that office. Facility of consultation with the members

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of the Clearing House Committee (better judges of local credits than any bureau at Washington possibly can be), open to its own examiner as to no other, so fortifies his judgment that it is as nearly correct as human imperfections allow. More important still; the slightest expression of a wish from the Clearing House Committee to a bank under its jurisdiction must have prompt attention. A delinquent bank may argue for months and even for years with the department of the Comptroller of the Currency. It dare not dally one day with the Clearing House Committee.

I shall touch slightly upon the currency question, mainly to show the fallacy in principle which allows bank notes to be held as reserve. As a basis for argument, let us lay down a principle which experience proves: That gold in a bank's own vault is the only proper reserve; not simply because it is gold, but because nothing else is universally accepted in settlement of debts. At times nothing but gold will satisfy even our own citizens. For proof of this it is not necessary to go further back than 1895 when the United States Government was compelled hurriedly to sell bonds for the sole purpose of buying gold with the proceeds, its own stock of gold having been depleted almost to the vanishing point by holders of greenbacks in this country who demanded gold in exchange. The same apprehension existed during the silver scare of 1896, just one year later. Here is positive proof that even the notes of the United States, which, in public estimation, are superior to the notes of any bank, are not so acceptable as gold. No other metal, no bank note of any of the great banks of the world, no obligation of any nation however rich and powerful is so acceptable. In times of adverse trade, gold must be sent abroad to pay our debts. If all the reserves of all the banks throughout the United States consisted of gold, we should stand this strain very much more easily than we do at present; neither would it cost the banks more to carry gold in their reserves than it costs them to carry notes of other banks. One serious objection to bank notes as reserve is that a debt owing by a bank and represented by its note is made the basis for a line of deposit liabilities of from four to seven times its own value. A bank's liabilities should be based on and protected by actual cash, and not based on—I cannot correctly say "protected by"—the liabilities of another bank. It is not necessary for me to argue with bankers to convince them of the danger of an endless chain of such operations. The trouble with bankers is that often they are governed not by sound banking principles, but by cupidity. A bank officer does not always ask: "Is this right?" "Is it best for all?" but, "Will it yield profit to the particular bank I serve?" So long as such inflation pays and is sanctioned by law, it will continue. No banker will say that notes of the Standard Oil Company, payable on demand, secured by Government bonds, exactly as bank notes are secured, are not fully as good as bank notes. In principle both issues are exactly alike. Whether a bank issues its note, its cashier's check, or its certificate of deposit, payable on demand, or whether by crediting an amount to a depositor on its books, it gives him the right to present his own check, payable on demand, against that credit; its liability is exactly the same. The real transaction

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is this: The bank obligates itself to pay a certain amount on demand. Bank notes, checks, certificates of deposit and depositors' checks against book credits are simply instruments of different methods of enforcing that obligation. The depositor simply uses the most convenient instrument. No banker claims that Standard Oil Company notes are a proper banking reserve. Neither are National Bank notes.

A National Bank in a city in the State of New York recently said to several of the State Banks and Trust Companies in that city: "We expect to take out several hundred thousand dollars' worth of additional circulation. We can pay it out over our own counter but when it goes out it will not stay out. Won't you take, each of you, $50,000 or $100,000 worth of this currency giving us New York Exchange or other currency for it, and keep it locked up in your reserves in order that it may not be presented to us for payment?" Several of the Banks and Trust Companies did so. Such transactions are common. What do you think of them? What would you think of a merchant who should issue his note with the deliberate purpose of evading payment as long as possible? Even banks which profit by such transactions must recognize their danger. The absolute repeal of all State laws permitting Banks, Trust Companies and Savings Banks to carry bank notes in their reserves is the only solution of this problem. This subject should not be approached from the standpoint as to what will help or what will punish banks. The true question is, What will best serve the public? Proper laws having been passed with that object in view, banking machinery will be compelled to adjust itself to the necessities of the public, as it should. The separate States and the United States Government should co-operate for the good of all by making their banking laws uniform. Without such co-operation currency reform cannot be complete. The custom of carrying as reserve notes of the United States Government is equally unsound, but not equally dangerous as the issue is small, and not likely to be increased.

Against a proper currency system is urged the danger of inflation. If a proper reserve, in gold only, be kept, there can be no danger of inflation. No bank can inflate its deposits by keeping its certificates of deposit, its cashier's checks, its drafts and bills of exchange in circulation a moment longer than the necessities of business require. No bank can inflate its deposits by keeping alive its book credits in favor of its depositors if the necessities of business require that they shall draw checks against those credits. Under a sound reserve and currency system no Bank could inflate its note issues by keeping a single note in circulation a moment longer than business necessities might require. Not a bank, but the public, controls the volume of the bank's liabilities to that public. The public is not afraid of the growth of the deposit liabilities of any bank so long as it proportionately increases its reserve. With proper reserve, why should the public be afraid of the growth of a bank's note liabilities, which differ in no essential point from its deposit liabilities?

The inflation we have most reason to fear, and which is encouraged by our dangerous currency and reserve laws, is over-trading. Against this

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practice banks constantly warn their customers. Over-trading was pre-eminently the main cause of the panic of 1907. Our currency and reserve laws were merely contributory causes. They also added to the sharpness of the panic after it was well under way. If a bank receives from a mercantile house periodical statements showing that each year it is increasing its assets and liabilities without proportionately increasing its net capital, the bank regards the condition of that house as becoming dangerous and insists that it curtail its business. At the same time that very bank may be publishing, several times a year, statements showing constantly expanding discount, investment, and deposit lines with practically stationary capital and surplus. These very statements it publishes and points to with pride. It might be argued that because of the peculiarly liquid character of the investments of Banks and Trust Companies it is not dangerous for them to over-trade. Even were their assets as liquid as supposed, that argument might be doubtful, but it is no secret amongst bankers that the very Banks and Trust Companies which pay the most for business, either by offering large rates of interest on deposits or by extending undue lines of credit, in other words, which over-trade, are usually the very ones whose assets are not liquid. To pay high interest rates on deposits a Bank or Trust Company must realize high interest rates on loans. The best loans do not yield the highest rates. The natural tendency is to tie up a great deal of its deposit line in what are commonly called "dead loans," or "fixed investments." This is the most dangerous result of over-trading. Should a lumber dealer buy more lumber than his competitors, paying higher prices than they, thereby accumulating more stock than he needs in his legitimate business; should he then dispose of his stock by forcing it on the market at prices less than those of his competitors, by extending to customers unusually large and long lines of credit, or by stocking them up and "carrying" them, apparently forgetting sound business principles in his desire to do a large volume of business; to make a "bigger" showing, to publish "bigger" statements than his competitor, every banker in this room would condemn his policy. It is just this very policy that Banks and Trust Companies all over this country are following. It is a dangerous policy.

I come now to a point upon which there is considerable difference of opinion; honest difference and difference arising from cupidity. Banks in reserve cities use every effort to attract the balances of other banks. Banks outside of reserve cities are very glad of the opportunity to keep part of their reserves on deposit with banks in reserve cities in order to draw interest upon reserves which otherwise would produce nothing. I reiterate—the only proper reserve is gold in a bank's own vault. I shall not to-day discuss central reserve cities which keep all their reserves in cash in their vaults. I take up the question of secondary reserve cities, the practices concerning which are especially pernicious. A country National Bank must carry a reserve of 15 per cent., at least 6 per cent. of which must be in cash in its own vaults and not more than 9 per cent. may be on deposit with its reserve agents. Suppose a country National Bank with

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a deposit line of $1,000,000. It keeps $60,000 in cash in its own vaults and the balance of the necessary reserve, amounting to $90,000, it deposits with a National Bank in Philadelphia. The reserve which the Philadelphia bank is supposed to carry against this $90,000 deposit is $22,500. Half of this amount, or $11,250, it keeps in cash in its own vaults and half it redeposits with its reserve agent, a National Bank in New York City. Against this deposit the New York bank must keep a reserve of 25 per cent. As New York is a Central Reserve City, all of this 25 per cent., amounting to $2,812.50, must be in cash in vault. Now what actual cash is held as reserve against the country bank's deposit line of $1,000,000? Sixty thousand dollars in cash in the vaults of the country bank, plus $11,250 in cash in the vaults of the Philadelphia bank, plus $2,812.50 in cash in the vaults of the New York bank, a total of $74,012.50, or only a trifle over 7 4-10 per cent. In spite of book-keeping methods and in spite of apparent reserves authorized by law, this is all the actual reserve held against a deposit line of $1,000,000. Figured against the original deposit line, plus the fictitious deposit lines created by redeposits in Philadelphia and New York, the percentage of cash reserve would be still less.

This practice is not confined to National Banks. It prevails in still more dangerous forms among State Banks and Trust Companies. The National Banking Law, while wrong in principle, is not so wrong in principle nor so dangerous in practice as some of our State laws. A National Bank may not carry bank notes as reserve. Many State Banks and Trust Companies may. Surplus deposits of country National Banks flow to local trade centres, because they only are appointed reserve cities. Surplus deposits of National Banks in those centres flow to the largest trade centres because they only are appointed Central Reserve Cities. No National Bank may keep a reserve account with another bank in the same city, nor in any city of the same or of a lower reserve class. A State Bank or Trust Company in Buffalo, N. Y., may keep a reserve account in Buffalo, in any city in the State, large or small, or in any village in the State, providing the reserve agent selected has a capital of at least $200,000, and is approved by the Superintendent of Banks. This is more than unsound. It is ridiculous. Under the National Banking Law only three parties to one chain are possible; a country bank, a bank in a reserve city and a bank in a central reserve city. Under some State laws the following is possible: Ten, twenty or any number of Banks and Trust Companies in the same State, having the requisite capital requirements, can form a chain. No. 1 may deposit $100,000 with No. 2; No. 2 may deposit $100,000 with No. 3 and so on through any number that may be induced to join the combination, the last one, whether it be No. 10 or No. 20 or No. 50, may then deposit $100,000 with No. 1, and the chain is complete. The operation is not illegal. It does not require a dollar of actual cash. It cannot very well be prevented by the State Banking Department, notwithstanding the fact that every dollar of the so-called reserves, amounting perhaps to several million dollars, would be absolutely fictitious. I do not claim that combinations as large in number even as ten have yet been formed. Smaller

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combinations are common. Even where no deliberate attempt to form combinations is made, the natural complications arising from the indiscriminate selection of reserve agents create a veritable maze of interdependent reserve agents, which deposit and redeposit with one another. The widespread disturbances to which such conditions give rise in times of panic, are well known to banks which make and which receive such redeposits. It is scarcely possible to exaggerate the danger of such a practice. Should every bank keep its reserve in cash in its own vaults, it would not be necessary to carry actual cash reserves as large as the theoretical reserves now carried in cash and in reserve accounts. Every dollar of unnecessary reserve is an unnecessary tax on business. In times of actual panic, a reserve of 10 per cent. in actual cash in vault is of more use than a theoretical reserve of 15 per cent., 6 per cent. in vault and 9 per cent. on deposit with reserve agents. Of what use were balances with reserve agents in the panic of 1907? Could an interior bank order its New York, Philadelphia or Chicago correspondent to ship currency and have its orders obeyed?

Do not misunderstand me. I am not against centralization of cash reserves under a proper system. I am dealing with our banking system as it is. Representative E. B. Vreeland, Chairman of the House Committee on Banking and Currency, is working earnestly for currency reform. On September 8th last, before the Pennsylvania Bankers' Association, he delivered an address which shows careful study and intelligent appreciation of many of the weak points of our currency and banking laws. If he be correctly quoted, he said: "I am opposed to the branch-bank system. The branch-bank system will drive any other system with which it competes out of existence. The establishment of the branch-bank system in the United States would, in time, mean the extermination of the small independent bank. This has invariably been its history wherever put in operation. The branch-bank system will drive out every other system, because it can be operated more economically." If so sincere a student of banking and currency, holding so important an office, anxious to do anything in his power to improve conditions, takes such a position, there is very little hope that we will soon have a proper banking system such as every other civilized nation possesses.

An up-to-date manufacturer discards old machinery as soon as he finds better. If, in a short time afterwards, he finds still better, he discards the comparatively new and installs the very latest and best. Such manufacturers distance their less enterprising competitors, and, what is still more important, serve the public better. Banks are only machinery to facilitate business. If our banking machinery is not the best, it should be improved or cast aside. If individual banks cannot serve the public as well as banks with branches, individual banks should go out of business. Wherever the individual interests of bankers conflict with the general interests of the public at large, public interests should prevail. When Mr. Vreeland says: "The branch-bank system will drive out every other system because it can be operated more economically," he practically says that it is better

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than any other system. Is not the public entitled to the best and most economical system?

Whatever individual banks may do, their combined action as represented by Clearing House organizations must stand absolutely for what is sound. Profits must be a secondary consideration. When Clearing Houses were first organized they were intended simply as convenient machinery for the interchange of checks and for the settlement of balances. The growth of the banking system in this country with its consequent changed conditions has from time to time forced upon them new responsibilities. These responsibilities cannot be avoided. The Clearing Houses should broaden out. They should cheerfully accept their new responsibilities. While they should not inconsiderately make innovations, they should not be governed too much by precedent when mature deliberation convinces them of the necessity of action. The most powerful, and perhaps the most conservative Clearing House in the United States recently found it necessary to take most radical steps. It forcibly intervened in the internal administration of several banks. It forced them to drop from their boards certain individuals. It practically usurped authority to which it had no legal right. Its action was recognized as necessary and applauded as worthy of the highest praise by conservative business men throughout this land. The first and highest duty of a banker is not to the bank's stockholders, but to its depositors. The first and highest duty of a Clearing House Association is not to its constituent members, but to the entire community; a duty so sacred that no pressure of individual interests can be pleaded as sufficient excuse for its neglect. The Clearing Houses of the United States of America have it in their power to become the greatest force for good in our banking world. Their combined force can best be conserved and directed through the Clearing House Section of the American Bankers' Association. If that Section does serious practical work; if it clearly discerns and vigorously pursues important practical objects; if, in selecting its officers and committees, it shows no favoritism, but selects with a view to fitness only, banishing all wire pulling and political manœuvring, dangers peculiar to organizations such as ours, which would be its flagrant disgrace; if it does not hesitate unequivocally to promulgate sound principles, even at the risk of offending the most influential banks, members of the most influential clearing houses; if it pursues this policy, tempered always by good judgment and common sense, it will accomplish the main objects of its existence: to raise to the highest possible plane the standard of banking principles and practice; faithfully to serve the public, and in every practical way consistent with that high standard and with that faithful service to promote the material interests of its members. (Applause.)

THE PRESIDENT: The next order of business is the annual report of the Secretary, Mr. Fred. E. Farnsworth.

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ANNUAL REPORT OF THE SECRETARY

Mr. Fred. E. Farnsworth

Mr. President and Gentlemen of the Clearing House Section, American Bankers' Association:

I herewith submit my report for the year from September 28, 1908, to date:

The Executive Committee of the Section held five meetings on the following dates: September 28, 1908, at the close of the annual meeting at Denver; November 30 and December 1, 1908, in New York City; February 15, 1909, at Chicago, and May 3, 1909, at Briarcliff Manor, New York. The business transacted at these meetings will be covered in the report of the Executive Committee.

The records show that there are now 165 Clearing Houses in the United States, 112 of which are members of the Section. A year ago there were 159 Clearing Houses in the country, 97 of which were members of the Section.

Number of Clearing Houses organized during the year.....	6
Gain in membership for the year.....	15

The Clearing Houses which have joined the Section during the past year are as follows:

Altoona, Pa.	Columbus, Ohio	Omaha, Neb.
Austin, Texas	Galveston, Texas	Owensboro, Ky.
Baltimore, Md.	Lawton, Okla.	Pine Bluff, Ark.
Birmingham, Ala.	New Albany, Ind.	St. Paul, Minn.
Chattanooga, Tenn.	New York City	Vicksburg, Miss.

The oldest Clearing House in the Section is New York City, organized in 1853; the youngest is Roswell, New Mexico, organized in 1908.

The system of letters and numbers inaugurated by this Section is growing in favor and being generally adopted. Several cities have also provided a system of numbers for their non-member Banks, and there is a disposition on the part of Transit Departments of the Banks of the larger cities of the country to evolve some method extending this system to their customers.

The follow-up card system which is now in use at the Secretary's office for the compilation of data, regarding the plan for letters and numbers on checks and drafts, is proving of inestimable value, and from these cards we have information as follows:

75 banks have adopted the system.
45 banks promise to adopt it.
34 ask for explanation.
51 have not adopted system.
182 not heard from.

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Geo Cuckenberger

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The Section has carried on a vigorous campaign in advocating the appointment of Clearing House Examiners; and the advantages of the plan have been clearly set forth in many ways—by correspondence from the Secretary's office, and articles in the Journal of the American Bankers' Association. It is conceded that the adoption of the plan would put banking on a higher plane and would be of lasting benefit to the public. The campaign carried on by the Section has certainly created sentiment in favor of the movement, and it is developing day by day. The Clearing House cities in which Examiners are now in vogue are as follows: Chicago, Philadelphia, St. Louis, San Francisco, Minneapolis, St. Paul, Kansas City, and St. Joseph, Mo.; the cities of St. Joseph and Philadelphia having lately fallen into line.

The General Counsel of the American Bankers' Association is preparing a suitable form to be used in the organization of Clearing House Associations, which form the Section will utilize in the establishment of new Associations.

The Section now has under consideration the working out of a plan for a uniform method of reporting the weekly exchanges by all of the Associations of the country, and feels confident that some system of accounting may be evolved which will be generally put into force.

The Section has also started to do all in its power to suppress the business known as "note-kiting" by giving publicity to this business carried on by so-called brokers.

The correspondence of the Secretary's office during the past year has been more than usually heavy in collecting data, following up different lines of work and other matters pertaining to the interest of the Section, Clearing House Associations, and Clearing House Banks, which will be further developed during the coming year.

The following is a financial statement of the Section from September 1, 1908, to August 31, 1909:

RECEIPTS

October 1, 1909—By Appropriation	$2,500.00

DISBURSEMENTS

Special work	$ 75.00	
Buttons	10.00	
Stationery and Printing	274.87	
Stenographer	24.00	
Traveling Expenses	948.90	
Postage	51.86	
Sundries	23.89	1,408.52
Credit balance, September 1, 1909		$1,091.48

The officers and members of the Executive Committee of the Section have not only as a body, but individually, taken a great interest in the

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affairs of the Section, and to them, as well as to the member banks, I wish to voice my appreciation of their loyalty and good-will.

All of which is respectfully submitted.

FRED. E. FARNSWORTH,
Secretary.

A MEMBER: I move you that the report of the Secretary be accepted and filed for record.

MR. J. M. ELLIOTT, of Los Angeles: May I ask the Secretary to add to that list of Clearing Houses that have examiners, the city of Los Angeles. For a good deal more than a year Los Angeles has had a Clearing House Examiner.

THE PRESIDENT: With a great deal of pleasure. Is the motion seconded?

Motion seconded and carried.

THE PRESIDENT: Next in order is the annual report of the Executive Committee, by Mr. E. R. Fancher, of Cleveland, the Chairman of that Committee.

REPORT OF THE EXECUTIVE COMMITTEE

MR. E. R. FANCHER, Chairman

CHICAGO, September 15, 1909.

Mr. President and Gentlemen of the Clearing House Section:

Your Committee has had five meetings during the past year, the first at Denver immediately after the adjournment of the Section meeting, for the purpose of organization; two meetings in New York, November 30 and December 1; in Chicago, February 15, and Briarcliff on May 3, and the last meeting on Monday, September 13, 1909.

The members of the Committee feeling that the Section would be considerably strengthened if some of the important Associations, who were not members, were induced to join, have put forth considerable effort to that end, with the result that during the past year all of the important Associations, with one exception, are now enrolled as members of this Section, and we are quite hopeful that Philadelphia will join in the near future.

A number of important matters have received consideration at the hands of the Committee during the past year, the principal of which I will briefly mention.

System of Letters and Numbers. The system of letters and numbers on

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drafts and checks previously adopted for the use of members of the twenty-five more important Clearing House Associations, has received considerable attention. The advantages of the system have been strongly brought before the various banks in these cities, and it is being generally adopted. Quite recently our Secretary has been in correspondence with the several banks, with the result that 75 now have the system in use; 45 promised to number their drafts and checks when a new supply is ordered, and 51 are rather indifferent to the scheme. It is hoped that most of the latter banks are represented at this meeting, for we are confident that the advantages of this system in the transit department of a large bank will be brought out in the address which Mr. McKay is to favor us with to-day.

During the year the scheme has been broadened by having the non-member banks in the twenty-five cities, numbered, and if the system could be adopted by all banks in the twenty-five cities, the handling of the large volume of checks in the transit departments would be greatly facilitated.

CLEARING HOUSE EXAMINERS

Your Committee realizing the excellent results being brought about by Clearing House Examiners in several of the important cities, has strongly endorsed same, and has conducted an active campaign in the furthering of this movement. Articles have been prepared by prominent bankers, who are familiar with the work, and also by the examiners of several of the cities, which have been published in the JOURNAL of the American Bankers' Association. These have been brought to the attention of the Clearing House members in the more important centers, and have created no little interest in the plan. During the year several of the cities have appointed examiners, and others have the matter under serious consideration. We also learn that examiners have been appointed by Groups in the States of Minnesota and California, with excellent results.

GENERAL FORM OF ORGANIZATION

To assist and encourage the organization of new Clearing House Associations, your Committee has requested the General Counsel of the American Bankers' Association to prepare suitable forms to be used in such organization. These forms can be had upon application to the Secretary.

UNIFORM METHOD OF REPORTING WEEKLY EXCHANGES

This subject is one which has been discussed at all of the meetings held by this Section during the past few years, without anything definite being accomplished up to the present time. At the meeting of the Committee at Briarcliff a Committee was appointed to confer with the editor of the Bradstreet's *Journal*, which compiles and edits the totals each week, to ascertain if the Section could be assured of its co-operation in the adoption of some general scheme for uniformity in reporting totals. The managing editor informed the Committee that they would gladly welcome

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and support any movement looking to that end; that they were cognizant of the different methods which the Associations at the present time have in use; in fact, have weekly called attention to the manner in which some of the Associations reported its totals.

EXCHANGE CHARGES ON CHECKS AND COLLECTIONS

Rules have been adopted by a few Associations during the past year, but no change has occurred in the situation as existing in a number of important cities. We are reliably informed that more or less discussion has been indulged in by members in these Associations and that the majority in some cases are in favor of the adoption of a plan and rules following those in operation at the three important reserve centers. Each year sees some progress in this movement, which seeks to place the cost of handling the country check where it belongs.

THE PRESIDENT: You have heard the report of the Executive Committee. What is your pleasure, gentlemen?

MR. G. P. GRIFFITH, of Cincinnati: I move that it be approved and filed.

Motion seconded and carried.

THE PRESIDENT: We will now have the roll call.

THE SECRETARY: The calling of the roll was delayed on account of the number of members still to come in, as we desired to show as full an attendance as possible.

RESPONSE TO ROLL CALL

ATLANTA, GA.,	J. A. McCord, Vice-President Third National Bank. Robt. J. Lowry, President Lowry National Bank.
AUGUSTA, GA.,	Rufus H. Brown, Mgr. Augusta Clearing House.
BALTIMORE, MD.,	J. R. Edmunds, Vice-President National Bank of Commerce. William Ingle, Vice-President Merchants' National Bank. H. B. Wilcox, President First National Bank.
BOSTON, MASS.,	Chas. A. Ruggles, Mgr. Boston Clearing House. T. P. Beal, Jr., Asst. Cashier Second Nat'l Bank. C. P. Blinn, Jr., Vice-President National Union Bank.
BUFFALO, N. Y.,	E. C. McDougal, President Bank of Buffalo.

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CEDAR RAPIDS, IA.,	Kent C. Ferman, Cashier Cedar Rapids National Bank.
CHATTANOOGA, TENN.,	C. A. Lyerly, President Avenue Bank & Trust Co.
CHICAGO, ILL.,	Ralph Van Vechten, Vice-President Commercial National Bank. August Blum, Vice-Pres. First National Bank.
CINCINNATI, OHIO,	T. J. Davis, Cashier First National Bank. George Guckenberger, Pres. Atlas Nat'l Bank.
CLEVELAND, OHIO,	E. R. Fancher, Vice-Pres. Union National Bank. W. C. Caine, Asst. Cashier The Bank of Commerce, National Association.
COLUMBUS, OHIO,	W. F. Hoffman, Pres. Commercial Nat'l Bank. F. R. Shinn, Cashier Citizens' Savings Bank. S. W. Courtright, Pres. Union National Bank.
DENVER, COLO.,	P. T. Slayback, Asst. Cashier Denver Nat'l Bank.
DES MOINES, IA.,	George E. Pearsall, Cashier Citizens' Nat'l Bank. J. D. Whisenand, Vice-Pres. Central State Bank.
DETROIT, MICH.,	I. B. Unger, Asst. to Pres. Old Detroit National Bank. J. W. Staley, Asst. Cashier First National Bank.
ERIE, PA.,	H. J. Leslie, Pres. Erie Clearing House Asso.
GRAND RAPIDS, MICH.,	Jas. R. Wylie, President National City Bank.
JACKSONVILLE, ILL.,	Frank Elliott, President Elliott State Bank.
JOPLIN, MO.,	A. H. Waite, President Joplin National Bank.
KANSAS CITY, MO.,	C. G. Hutcheson, Cashier First National Bank. Thornton Cooke, Treas. Fidelity Trust Co. J. Thralls, Mgr. Kansas City Clearing House Assn.
LITTLE ROCK, ARK.,	E. T. Reeves, Asst. Cashier, German Nat'l Bank. H. L. Remmel, President Mercantile Trust Co. R. W. Rightsell, Director German Nat'l Bank.
LOS ANGELES, CAL.,	J. M. Elliott, Pres. First National Bank.
MILWAUKEE, WIS.,	Arthur H. Lindsay, Cashier Marine Nat'l Bank. A. G. Schultz, Cashier Germania National Bank.
MINNEAPOLIS, MINN.,	F. A. Chamberlain, President Security Nat'l Bank.
NEW HAVEN, CONN.,	S. Fred. Strong, Vice-Pres. Mechanics' Bank.
NEW ORLEANS, LA.,	Sol. Wexler, Vice-Pres. Whitney-Central National Bank.
NEW YORK CITY,	F. E. Marshall, Pres. Phenix National Bank. J. M. Donald, Vice-Pres. Hanover National Bank. H. A. Smith, Vice-Pres. Nat'l Bank of Commerce. W. G. Nash, Pres. Mercantile National Bank. E. S. Schenck, Pres. National Citizens' Bank.
PEORIA, ILL.,	Frank Trefzger, Pres. Illinois National Bank.

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Pittsburgh, Pa.,	H. S. Zimmerman, Asst. Cashier Mellon Nat'l Bank. J. D. Ayres, Asst. Cashier Bank of Pittsburgh, National Association. Hervey Schumacher, Cashier People's National Bank.
Portland, Ore.,	Benj. I. Cohen, Pres. Portland Trust Co. J. C. Ainsworth, Pres. U. S. National Bank.
Richmond, Va.,	Oliver J. Sands, President American Nat'l Bank. D. W. Durrett, Asst. Cashier Amer. Nat'l Bank.
Rockford, Ill.,	Chandler Starr, Pres. Rockford Clearing House Association.
St. Joseph, Mo.,	C. W. Reihl, Clearing House Examiner.
St. Louis, Mo.,	Walker Hill, Pres. Mechanics' Amer. Nat'l Bank. J. A. Lewis, Cashier Nat'l Bank of Commerce. N. A. McMillan, Vice-Pres. St. Louis-Union Trust Co.
St. Paul, Minn.,	E. H. Bailey, Pres. First National Bank.
San Francisco, Cal.,	C. F. Hunt, Vice-Pres. Anglo and London-Paris National Bank. Irving F. Moulton, Cashier Bank of California. James K. Wilson, President San Francisco Nat'l Bank.
South Bend, Ind.,	Myron Campbell, Cashier South Bend Nat'l Bank.
Spokane, Wash.,	W. D. Vincent, Sec'y and Mgr. Spokane Clearing House Association.
Toledo, Ohio,	R. B. Crane, Vice-Pres. Nat'l Bank of Commerce. W. C. Bond, Cashier Merchants' & Clerks' Savings Bank.
Wichita, Kans.,	L. S. Naftzger, Pres. Fourth National Bank. C. Q. Chandler, Pres. Kansas National Bank.

There were also present Lewis E. Pierson, of New York, Vice-President of the Association, and Thomas B. Paton, of New York, General Counsel of the Association; C. R. McKay, Manager Transit Department, First National Bank, Chicago, Ill.; G. P. Griffith, Vice-President Citizens' National Bank, Cincinnati, Ohio; E. J. Parker, President State Savings Loan & Trust Co., Quincy, Ill., and the following Clearing House Examiners: A. Kains, San Francisco, Cal.; P. M. Kerst, Minneapolis and St. Paul, Minn.; James B. McDougal, Chicago, Ill.; Stanley Young, Kansas City, Mo.

The President: The next in order on the program is an address by Mr. C. R. McKay, Manager of Transit Department, First National Bank, Chicago, on "The Numerical System in the Transit Department."

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THE NUMERICAL SYSTEM IN THE TRANSIT DEPARTMENT

By Mr. C. R. McKay

Mr. Chairman and Gentlemen of the Clearing House Section of the American Bankers' Association:

It is not many years ago since it was the custom for banks to keep a complete description of their out of town items. The name of the drawer, drawee, depositor and amount were registered and some went so far as to keep a record of the dates and numbers of the checks and a list of all the endorsements.

This system was satisfactory enough at first when the volume of items was small, but the items increased so fast that instead of having a man or two to handle them it required a large and carefully systematized department which has come to be known as the Transit Department. This department had a remarkably rapid growth and soon became one of the largest and most important in the bank. It also had the distinction of being the most unpopular with both officials and clerks; with the former on account of its ever increasing expense and constant demands for more help, and with the latter because of its long hours and hard work.

It therefore became necessary to find some means of reducing the labor so that the expenses of the department could be kept within reasonable limits. So, what was then thought to be a radical change was made. The name of the drawer was no longer used in registering and the carbon copy system was introduced. This was the first step and the most difficult as it required much argument and persuasion to convince some of the more conservative officials that the name of the drawer was not essential to obtain duplicates from depositors when checks were lost in the mails. This change in the system was a great success and saved a large amount of unnecessary labor. The items, however, continued to increase so fast that it was not long before the department became larger than ever and a new remedy was needed.

This remedy appeared in the form of a typewriter or billing machine with a tabulating attachment. The amounts were printed in a column by means of a tabulator which spaced automatically.

This marked the introduction of mechanical means for registering.

This system *also* proved to be a time saver as more items could be registered on the machine than could be written by hand in the same length of time. The typewritten letters showed a marked improvement in appearance over those written by hand since the latter were often illegible or so poorly written as to be a constant source of annoyance to the banks which received them.

This method, although an improvement, was still far from satisfactory.

As the letters were not added mechanically many errors occurred in footing which made it difficult to balance the day's work. The thing most to be desired was an adding attachment.

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The typewriter manufacturers and inventors had been at work for some time to supply this improvement and it was not long before several kinds of adding attachments were on the market. When the machines had been equipped with adding attachments it was thought that nothing further could be done to reduce the work or to improve the appearance of the letters. Although the Transit Department was still very large and growing steadily in proportion as the items continued to increase it was regarded as a necessary evil which could only be remedied by a Clearing House agreement to charge exchange on outside items at a rate sufficient to offset the cost of handling them.

It remained for the Hibernia Bank & Trust Co. of New Orleans to take the next important step towards saving labor in the Transit Department. Early in 1908 they introduced a numerical system which enabled them to to write their transit letters on a specially constructed Burroughs adding machine, using numbers only, with special keys for "No Protest" and other instructions. They used batch numbers, and instead of writing the names of depositors they registered the batch numbers. The transit items received from city depositors as well as those from out of town correspondents were balanced in batches and the batch number stamped on each item. In place of writing the name of the drawee banks, Clearing House numbers were used, and for towns which had no Clearing House arbitrary numbers were supplied, the banks being numbered according to seniority. The oldest Bank would be Number One, and so on.

About a year ago the First National Bank of Chicago put in operation a numerical system similar to the one used by the Hibernia Bank & Trust Co. of New Orleans, but with some alteration. While the batch system could be used by most banks for the items received in the mail from country correspondents it did not seem practical to use it for items coming through the receiving tellers in a bank having a large number of tellers. So instead of using the batch system for tellers' items the city depositors were given numbers and each depositor having out of town items was furnished with a numbered endorsement stamp to be used on all items deposited, the batch system being used only for mail items received from correspondents.

The numbers were distributed as follows: Out of the first 100 numbers 75 were reserved for batch numbers for items received from correspondents. The remaining 25 numbers were used for out of town checks received in payment for transit items, a number being given each posting clerk, and for items received from the paying tellers and Foreign Exchange Department or from any source outside of the Receiving Tellers and Mail Department. These numbers to be stamped on the items and a description of the items to be kept in the tellers' books. The remaining numbers up to 10,000 were available for numbering the city depositors. For numbering the drawee banks the Clearing House numbers were used and for non-clearing banks additional numbers were supplied and lists of the numbers sent to correspondents.

At first it was thought necessary to use numbers for drawee banks in

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about 160 of the largest towns and cities but experience proved that it was only necessary to use numbers for banks in the largest banking centers. So the number of towns was reduced to 28. The numbers of drawee banks are now omitted except for banks in these 28 cities.

A special Burroughs split adding machine was constructed with fifteen rows of keys divided into three vertical sections. Beginning at the left, the first section contains four rows of keys for the depositors' numbers, thus permitting the use of numbers up to 10,000. The next section contains three rows of keys for numbers of drawee banks, three figures being necessary to number the New York banks where the numbers run in to the hundreds. This leaves eight rows of keys for the third section, enough to list amounts totalling up to $1,000,000. Two extra keys are added to the machine for "No Protest" and "Wire if not paid" instructions. The number of depositor, number of drawee bank, amount and instructions, are printed simultaneously by one movement of the machine. For items which are collected indirect only the depositors' numbers and amounts of the checks are registered on the adding machine. The name of the towns are written in on the typewriter.

After a year's practical experience in the Transit Department of the First National Bank of Chicago the numerical system has been found satisfactory in every way. Since its adoption there have been less differences in the work and the registering has been more accurate. It has reduced the number of letter clerks from 32 to 22, a saving in labor of over 33 per cent., and has greatly improved the appearance of the transit letters.

There are several systems in use for numbering depositors. Some banks, instead of using batch numbers, supply their out of town correspondents as well as their city depositors with numbered endorsement stamps, using odd numbers for correspondents and even numbers for city depositors, thus doing away with batch numbers entirely. This is doubtless the most satisfactory system for numbering correspondents as well as city depositors. The only objection to it is that it cannot be successfully used by banks having over ten thousand active accounts as the adding machines now in use can only list depositors' numbers as high as 9,999.

As an illustration of the increase in the number of transit items in the last fifteen years, the First National Bank of Chicago had in 1894 a daily average of 2,500 items; in 1899, 5,000; in 1904, 12,000; in 1909, 17,000. These figures do not include items on New York City.

As an evidence of the growth of the numerical system throughout the country the Clearing House Associations of the following cities have adopted a uniform system of numbers for non-clearing banks: Boston, Chicago, Cincinnati, Cleveland, Indianapolis, Minneapolis, New Orleans, St. Paul and St. Louis.

As the numerical system is coming into more general use every day it would be to the advantage of the banks in those cities which have not yet adopted a uniform system for numbering non-clearing banks to do so as soon as possible, for their own, as well as for the convenience of their correspondents, for unless a uniform system is adopted they will receive dif-

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ferent lists of numbers from each of their correspondents who use the numerical system.

Gentlemen, I thank you. (Applause.)

THE PRESIDENT: The next item on the program is an address by Mr. Joseph A. McCord, Vice-President Third National Bank, Atlanta, Georgia, on the subject of "Atlanta's Plan of Collecting Country Checks in Georgia."

ATLANTA'S PLAN OF COLLECTING COUNTRY CHECKS IN GEORGIA

BY MR. JOSEPH A. MCCORD

To the Members of the Clearing House Section, Mr. President and Gentlemen:

The six banks composing the Atlanta Clearing House realizing for some time that exchange was costing them too much, and in casting about to find the cause thereof, came to the conclusion that leaving out of the question collections in other States, Georgia items were showing a clear loss to the Atlanta banks.

In 1908 the Associated Banks of our city paid to the banks in Georgia in the matter of collecting Georgia items the sum of $124,687, while in collecting from out of town or interior banks on checks received from them, only $93,469, thereby entailing a loss of $31,218.

After a full and careful consideration of the entire question, the banks decided to organize a Georgia collection department, grouping all items received by the six banks and sending out under one cover all items on a town or bank where more than one bank existed. In their judgment this would result in a saving in three particulars:

1st. The increased volume of business under one enclosure would give a smaller rate of exchange under the sliding scale in vogue in most towns.

2nd. A decided saving in postage and stationery.

3rd. A reduction and consequent saving in clerical force.

The results have demonstrated the wisdom of the movement, as the cost of collecting Georgia items has been materially reduced, as well as a saving in postage and stationery and reduction in clerical expense.

Below will be found a short, concise statement of the workings of this department so far as the same can be given in a letter.

Copies of the receipts used are enclosed. No. 1 is the receipt that I give each bank for the items sent to us for collecton, and No. 2 for charging back to them the amount outstanding or uncollected.

Our plan is to give each bank a receipt, say on this date, September 10th, payable September 13th, Sunday, intervening. Ordinarily, we make them payable two days in advance, which gives us time to send them out and collect and have them ready to pay on the date mentioned in the

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receipt. If, by reason of distance from Atlanta or failure of the mail to transport it as rapidly and promptly as it ought to, we fail to make the collection by the date mentioned, we then use the charge back receipt for the amount due the bank and this is payable one day in advance.

We are members of the City Clearing House and settle with each bank in full for the amount due them each day. We divide New York Exchange among the banks in proportion to what we owe each one to the whole amount due that day.

For instance, we have six banks in the Clearing House. Say,

No. 1 is due 18 per cent.	No. 4 is due 10 per cent.
No. 2 is due 14 per cent.	No. 5 is due 14 per cent.
No. 3 is due 27 per cent.	No. 6 is due 17 per cent.

For instance, we have $100,000 of New York Exchange. We give to

No. 1 $18,000	No. 4 $10,000
No. 2 14,000	No. 5 14,000
No. 3 27,000	No. 6 17,000

We charge each bank with all checks received on them in payment of collections, irrespective of what the amount may be, as that is a matter that adjusts itself through the City Clearing House, they having a credit for all we are due them that day and are chargeable with what we send up against them.

When we make up our Clearing House items, adding New York Exchange, city checks and return items, the latter being charged to the bank that put them in, we take the difference between the entire amount and the sum received and pay this amount by what we call a "charge-back" ticket, payable the next day, divided among the banks on the same percentage basis that New York Exchange is distributed.

Of course, exchange charges and expenses of running the Clearing House are chargeable to the banks at the end of each month on the percentage basis, each paying its pro rata share according to the amount of business sent up by it during the month. (Applause.)

MR. MCCORD: If there are any questions you desire to ask, I shall be glad to answer them.

MR. J. D. AYRES: What arrangement do you have to protect yourselves in sending the checks direct to the bank on which they are drawn? Under the law, you know, we are supposed to send the check to some other bank.

MR. MCCORD: We have no arrangement; but the banks of Georgia are pretty well known to us, and we are pretty well satisfied with their responsibility; and if there was any weakness, it would be generally known; and so far, we have had no

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trouble along the line mentioned. I believe we have had one failure, and that failure was in a town where there was only one bank; and under the law we were protected by charging the amount to the customer, because we had no other means of collection.

MR. INGLE: You refer to the cash items, of course?

MR. MCCORD: Yes. We are furnished with the names of the banks in the towns that we are sending to, and we usually send them to those banks; but since the system has gone into effect, each one of the banks has asked for the collections of its customers, and they are going to this extent—that where a draft is drawn with a bill of lading attached to be handled in collection, usually the customer requests that it be sent to his bank, where it is drawn, with exchange. Otherwise, we send it to our own correspondent.

If we receive a check and that check goes to protest in the city on which it is drawn, we charge it back to each one of the banks, according to the record of who produced that check.

MR. RUGGLES: You do not receive the checks back from that bank?

MR. MCCORD: No, sir.

MR. INGLE: I take it that the original owner of that check is responsible for it.

MR. MCCORD: Yes.

A MEMBER: Under the law, you have a check on the First National Bank or some bank in the town, and that draft is not eventually paid; the law holds you responsible for having sent the check to the drawee bank, and not some other bank. You are not allowed, under the law, to charge that back to your customer.

MR. MCCORD: That is true.

A MEMBER: And if the customer objects, how do you take care of that?

MR. MCCORD: If you go into the courts and show by the published statements of the bank that you had no knowledge

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or information that it was a weak bank, then it may be charged back. But we are generally in a position to know whether the condition is alright or not. Suppose a bank gets tardy in its remittances; that is an indication that something is wrong, and the manager of the clearing house cuts out sending to that bank and sends them to some other bank.

MR. ELLIOTT: Is the Atlanta Clearing House organized under the law of the State of Georgia, as a corporation, or is it merely an agreement?

MR. MCCORD: Merely an agreement. There is no organization under the laws of the State of Georgia.

A MEMBER: Your country correspondents throughout Georgia, keeping their accounts in Atlanta, doubtless send their checks direct into Atlanta for credit upon receipt.

MR. MCCORD: Yes.

A MEMBER: Upon interest basis?

MR. MCCORD: No, sir. We credit interest only on certain conditions. If an account carries three thousand dollars balance, two per cent.; if the account carries five thousand dollars balance, three per cent. We charge them for the exchange.

A MEMBER: I understand. In making up your estimate of saving under this system, have you considered that you do not charge to them items which you would otherwise send them; thereby reducing the amount of interest you would pay them?

MR. MCCORD: We never did charge them. The banks of Georgia have always maintained that we had no right to charge their account with something they could not anticipate. The old rule was that we sent for collection and return, and the new rule is better because we are only out two days. The Manager told me when I left Atlanta that items sent out this afternoon, ninety-five per cent. of them come in day after to-morrow morning, in time for clearing; and that was not the case under the old system.

A MEMBER: I will ask Mr. McCord if it is not proper to hold out all interest on items while in transit?

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MR. MCCORD: Yes, sir; that is proper.

A MEMBER: Do you follow that rule?

MR. MCCORD: No, sir.

A MEMBER: And you lose the interest while in transit?

MR. MCCORD: Yes.

A MEMBER: Did you estimate approximately the loss of two days' interest in figuring this saving?

MR. MCCORD: Oh, yes; we took that into consideration.

THE PRESIDENT: The next thing on the program is the address of Mr. A. Kains, Clearing House Examiner, San Francisco, California, on "The System of State Clearing Houses in California."

THE SYSTEM OF STATE CLEARING HOUSES IN CALIFORNIA

BY MR. A. KAINS

Mr. Chairman and Gentlemen:

I am asked to say a few words on the subject of the State System of Clearing Houses in California. There is no system in active operation, but if you will bear with me about five minutes, I will tell you why there is no system at present.

Prior to the first of July of this year, State Bank Commissioners regulated banking out there. They were four in number and they were appointed by the Governor—general political appointees—and the salaries paid were not such as would tempt a banker of experience or ability, and consequently, very few of those got on the Board, and in like consequence the examinations were superficial and perfunctory. The financial stringency of 1907 uncovered a very alarming state of affairs in connection with a financial institution, and it was discovered that it had been really insolvent for a number of years due to the fact that its money—a greater part of it, had been lent to a certain clique of men who were interested in speculative ventures on a large scale which had proved a failure; and instead of facing the loss at that time, they hit upon the expedient of advertising for more depositors, paying high rates of interest, and were able to increase their deposits from about two or three million dollars to about ten million dollars, I think they had, when the crisis came. Now, it turns out to-day that not only is the capital and so-called surplus disappearing, but that the stockholders will be extremely lucky if they get much more than fifty cents on the dollar for their claims. This state of affairs naturally

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alarmed the bankers of San Francisco, and after mature deliberation they decided to employ an examiner, which they did, entering into an agreement with him for a thorough examination, once a year at least, of all Clearing House Banks—and this is not a Clearing House proposition; this is an individual agreement with the examiner; and they, on their part, agreed to assist him to the utmost of their ability, notably, in allowing him access to their private information regarding their customers' affairs. This they do on the theory that the examiner—their employe—is the confidential employe of each bank. If the examiner leaves at the end of the period of his contract, he has to agree to stay out of business altogether in San Francisco for a period of years, and he has to keep all information absolutely inviolate. Well, Los Angeles followed suit. Los Angeles immediately employed an able and competent banker on, I think, very much the same terms that obtain in Chicago; and the whole assembly of bankers of California were quite excited, and divided themselves into territorial groups for the purpose of employing an examiner for each Section. Then the Government stepped in—the legislature. They got together and abrogated the whole act and imposed on the people of California a very paternal act, regulating almost everything, and providing, among other things, for a State banking department, at the head of which they appointed a very able man, the Superintendent; and among his various duties, he has to inspect practically seven hundred banks twice a year—about five banks a day. It is provided in the act that the total expenses involved shall not exceed seventy-five thousand dollars. It is really absurd, you know, but it is a great step in advance of the old system, because the old system was perfectly ridiculous. The old inspectors or bank examiners walked in, and really they would find difficulty in balancing the bills and the cash. I don't know that there is anything more to say. That covers the situation as far as it exists out there. Thank you very much. (Applause.)

THE PRESIDENT: The next on the program is an article on the "New System of Examination of State Banks in Minnesota," by Mr. P. M. Kerst, Examiner Minneapolis and St. Paul Clearing Houses.

NEW SYSTEM OF EXAMINATION OF STATE BANKS IN MINNESOTA

BY MR. P. M. KERST

Mr. President and Gentlemen:

The department of Public Examiner was created in Minnesota thirty years ago by legislative enactment. A double duty was given the examiner: 1st, to superintend and examine State banks and other financial

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institutions organized under the laws of the State, and, 2nd, to examine the accounts of State offices and institutions and county offices. He was appointed by the Governor for three years with a salary of $3,500, and the legislature appropriated the munificent sum of $1,000 for clerk hire and office expenses, making a total appropriation of $4,500 for the department in 1878.

In the earlier history of the department the heaviest work of the Public Examiner was the examination of the County officials. Very valuable service was rendered in devising a uniform system of receiving and disbursing taxes, and preventing illegal disbursements. In later years, however, the county offices as a rule have been administered with such general efficiency that losses and irregularities are exceedingly rare.

On account of insufficient legislative appropriation, the department for many years was not in position to provide the necessary force of examiners to cover the field. The law relating to examination of banks required the department to give them at least one examination each year. That was not possible, however, with the meager funds at the disposal of the department and the result was that while one year the banks received the required examination, the next year they would not because the examiners would take up the work of examining State and County offices, for which the law also required an annual examination.

The State Legislature of 1909 made a division of the Public Examiner's, duties leaving to him the examination of State and County offices and institutions and creating a department of banking and providing for the appointment of a Superintendent of Banks.

This law became effective August 1, 1909, at which time the new department was organized and ready for business. The law requires that the Superintendent of Banks shall be a practical banker of not less than five years active experience and he is prohibited from holding any other public office under the State, or under any county, municipality or public institution therein. Neither is he permitted to be a stockholder, director, or an officer of any bank.

The Superintendent is required to exercise a constant supervision, either personally or through the examiners, over the books and affairs of State banks, savings banks, trust companies, building and loan Associations, and other financial corporations doing business within the State. He is required to examine at least twice a year all of the financial institutions and so far investigate the character and value of the assets as to ascertain with reasonable certainty that the values are correctly carried on its books.

He must further investigate the methods of operation and conduct and their systems of accounting, to ascertain whether such methods and systems are in accordance with the law and sound banking principles.

The last legislature has appropriated funds very liberally for the proper conduct of this department, enabling the superintendent to appoint eight regular examiners at a salary of $2,500 a year and such other employees as may be necessary for the assistance of the examiners in the proper discharge of their work.

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The successful enactment of the law establishing in Minnesota a department of banking and the appointment of a Superintendent of Banks must be credited to the Minnesota Bankers' Association and particularly to its officers who worked so energetically and untiringly for its passage.

Prior to the creation of the department of banking, the Public Examiner of the State had only three examiners to cover the entire field of banking, numbering 650 institutions, whereas the Superintendent now has eight regular examiners distributed in as many districts of the State. These districts were set apart with the view of keeping each examiner within the territory assigned to him, so that by frequent examinations he may become thoroughly acquainted with the conduct of the banks and their assets. Each district examiner makes a report to the Superintendent immediately after the completion of an examination with such recommendations and suggestions as may seem advisable.

As at present organized the State Department is well equipped to give most excellent service to the State and to the banks within the State. The system now employed will be somewhat similar to our Clearing House examinations so far as it pertains to the actual examination, in that the examiner remains constantly within a limited territory. This arrangement partially works out the local audit feature which has lately received a great deal of attention from the bankers in our State. We believe the present system of State examinations in Minnesota is a long stride forward to procuring the best and most intelligent examinations. (Applause.)

THE PRESIDENT: The next on the program is the subject of "Clearing House Examinations by Clearing House Examiners." I shall call first upon Mr. James B. McDougal, Clearing House Examiner of the Chicago Clearing House Association.

MR. MCDOUGAL:

Examinations of banks under Clearing House auspices were first inaugurated in the city of Chicago. The local department was established early in 1906 and has been in active operation since June of that year. Since its adoption here St. Louis, Philadelphia, San Francisco, Los Angeles, Kansas City, Minneapolis, St. Paul and St. Joseph have followed our suit. Other cities have the subject under consideration.

The past three years have been marked by a free and general discussion as to the merits of this adjunct to banking machinery, and you have all probably heard or read able addresses by older and wiser heads than the speaker's; men of eminent authority, occupying high executive position. The best of information as to the nature of the work as a whole has therefore already been placed at your disposal. However, as I have been requested to make some comments in the premises, I shall speak briefly on the subject this morning.

The associated banks of Chicago include fifty-eight institutions, of which eighteen constitute the regular membership of the Clearing House Associ-

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ation. The other forty are smaller banks which, under the rules of the Association, are accorded the privilege of clearing through the so-called regular member banks.

The examinations extend to the banks of both classes and are conducted with the aid of six assistants. After each examination a detailed report is prepared in duplicate, setting forth a description of the bank's loans and other assets, making particular mention of accommodations (if any are found outstanding) to officers, directors, or to corporations in which they may be interested, and describing conditions as found in each department. One of these is filed in the vaults of the Clearing House in the custody of the Examiner, and the other is handed to the bank's President for the use of the directors. The individual directors are then notified that the examination has been made, and that a copy of the report has been handed to the President for their use. The purpose is to offer every director opportunity to see the report and to co-operate in maintaining a high standard in his bank.

The detailed report referred to is not examined by the Clearing House Committee unless unusual conditions make it necessary. A special report in briefer form is prepared in every case and read to the Clearing House Committee at meetings called for that purpose. This report, made in the form of a letter, describes in general terms the character of the bank's assets, directs attention to any important irregularities, to any unwarranted conditions, or dangerous tendencies existing, and expresses the Examiner's opinion of the condition of the bank as a whole.

If an examination discloses assets of undesirable nature, carried on the books to an amount exceeding their probable realizable value, it is suggested and insisted upon by the Committee that a proper reduction be made. The rule requiring that all statements rendered to the Clearing House Association, invariably disclose, as nearly as possible, the assets of all banks at a fair realizable value, has been closely adhered to and rigidly enforced. It is a pleasure to acknowledge the co-operation of the executive officers and directors of Chicago banks in the matter of supporting both the Committee and the Examiner in the work at hand. Suggestions and recommendations from the Committee respecting such matters as are subject to criticism, as well as recommendations from the Examiner regarding minor matters, have been generally concurred in and acted upon promptly and cheerfully. This co-operation on the part of the management of the individual banks has contributed much to make the office serve its purpose, viz.: THE ADVANCEMENT OF RIGHT BANKING PRINCIPLES, AND THE MAINTENANCE OF THE HIGHEST STANDARDS POSSIBLE.

That Chicago has been the pioneer in this enterprise has been highly interesting as a concrete expression of a general awakening in all departments of industry and commerce of the country the past few years in the direction of introspection and self-examination. The movement began several years ago with the United States Government itself, which has been aptly alluded to as the greatest business in the world. The habit thus inaugurated has been the forerunner of a tendency to be observed to a greater or less extent in all lines of commercial activity.

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A wise man of the past has said that public education is the only remedy for public distress, and so it goes in modern business life that any improvements in the manner of conducting banking machinery, if they would be permanent or ultimate, must be based on right dealing, both within and without. Healthy business development is always based on moral growth. The great commercial centers of antiquity have faded away into a memory largely because the peoples of those times failed to learn to control themselves and do right by one another.

A distinguished ex-Secretary of State of the Federal Government recently visited South America for the purpose of promoting the interests of the nation which he represented. He met with a cold reception until he had demonstrated that the United States did not wish to swallow alive the people of these Latin countries, but on the other hand only sought supremacy over itself, after which his tour was one of triumph from which must develop a vast increase in business between the two countries.

So the bureau of Chicago Clearing House Examinations has been devised and conducted to enable our Association to be more completely master of its affairs, for its good and the good of the clients which it represents, namely the public.

I could not with propriety undertake to inform you in detail as to accomplishments to date here in Chicago. Nevertheless it has been very gratifying to me to have heard expressions leading me to believe that the Clearing House Association which created this system, is realizing its expectancy of usefulness.

In closing let me state to the representatives of the Clearing House Associations of the United States that in the event of your Associations contemplating the establishment of similar offices, I am willing to respond cheerfully at any time, upon call, with all assistance practicable. (Applause.)

THE PRESIDENT: I will next call upon Mr. Stanley Young, of Kansas City, Missouri, Clearing House Examiner of that city.

MR. YOUNG:

You have heard fully from Mr. McDougal with respect to the methods of examination and reporting in use in Chicago; as these methods do not materially vary in the different centers it is my desire to supplement rather than repeat the particulars he has given you.

It should be borne in mind that no system of examinations can ever afford a complete remedy against defective banking or a guarantee against possibility of insolvency, but it is obvious that the work of a Clearing House Examiner can be made more effective than that of a National Examiner. The latter can usually take action only after mischief has been done; the former can, through the Clearing House Committee, apply an earlier remedy. Whilst the obvious functions of Examiner relate to the prevention of unsound and dishonest methods it is equally his duty to render assistance in the questions which have to be met by every honest and

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competent banker, and it is largely in this way that the local knowledge he is bound to acquire and the time he has at his disposal can be made of service. It has been found possible to place before bankers information relating to borrowers which has led to revision of the lines of credit accorded; and short conferences between individual bankers and the Committee have frequently resulted to the benefit of the individual bank and have led to abandonment of credits or methods the danger or undesirability of which had not previously been recognized by the individual bankers. In this manner future difficulties or dangers have frequently been avoided.

As an aid to this end careful note is kept by the Examiner in Kansas City of all matters bearing upon the credit and operations of all large borrowers; this is effected by card index and other systems and the information gathered is available on request of any member of the Clearing House subject only to such reserve as may be enjoined by the necessity of regarding the matters of each individual bank as confidential. It is unfortunate that it is not yet the recognized custom to require of borrowers the Certificate of Certified Public Accountants granted after audit of their affairs; but much valuable information can be gathered by Clearing House Examiners relating to lines of credit, duplications of lines in different banks, increase of lines requested and how such requests are met by bankers, and many other similar points. It is idle to suppose that an Examiner can furnish all information regarding the immense volume of Commercial paper floated through bankers or brokers, but much valuable local knowledge can be obtained. If uniform statements are taken by all banks, members of the Clearing House, examination and comparison of these can be made, and if a borrower transfers his account owing to promise of larger accommodation investigation can be made to determine the soundness or advisability of the action taken by any bank.

At times the discounts of a bank may include what is practically permanent capital loans to borrower, whether such borrower be a business concern or a country bank and an Examiner has opportunity of noting the totals of such borrowings; it may well be that future co-operation with Examiners of neighboring Clearing Houses could still more effectively control such instances.

Further, in Kansas City a plan of Country Clearing House System is in use whereby country collections are effected in the main through one channel, thus enabling a closer estimate to be made of accommodations granted to country banks, and of the cost and risks to bankers connected therewith.

Examiners should further be ready with suggestions as to all matters of accounting system in each bank; methods may be improved and risk of loss through dishonesty diminished. The work of Examiner does not include an audit of each bank but it is his duty to render all possible assistance in methods; in some respects more can be accomplished by institution of sound system than by the most careful periodic audits.

Briefly, an Examiner's duties are practically unlimited; he has a duty to perform (1) to individual banks in their own internal system and in warning

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them as to any information he has relating to credit of borrowers (2) to the Clearing House in the case of any improper methods of any member (3) to the banks as a whole against attempts to obtain unwarranted credits (4) to the public by promoting sound banking and by rendering difficult the financing of illegitimate schemes thereby increasing the facility of financing legitimate business. (Applause.)

THE PRESIDENT: Mr. C. E. French, Clearing House Examiner of St. Louis, Missouri, is the next on the program.

A MEMBER: Mr. French is not here.

THE PRESIDENT: We will next hear from Mr. Charles W. Reihl, Clearing House Examiner of St. Joseph, Missouri.

MR. REIHL: It occurs to me that if you look over your program you will see three speakers from Missouri on the Clearing House proposition. This will show you that Missouri is living up to her reputation of being the "show me" State.

In conformity with a rule adopted by the St. Joseph Clearing House Association arrangements were made with the firm of Marwick, Mitchell & Company, Chartered Accountants of New York, to make periodical examinations of the banks and trust companies connected with the Association. The actual work of examining these banks began in June.

Under the present arrangement there is to be one examination of each bank during the year, with the privilege of other examinations of any bank where it is found necessary or advisable.

In our work as Examiners of the Clearing House banks we make a thorough examination of all items included in the Resources and every possible effort is made to ascertain the correctness of those on the Liability side of the Statement of Condition.

After the examination is complete a report is prepared. One copy is delivered to the President of the Bank or Trust Company, and another copy is filed with the working papers in the box assigned to the examiners in a safe deposit vault. Under no condition is this report to be used by the Clearing House Committee or the Examiners except in case the Examiner should find the condition of a bank to be such that it required action by the Clearing House Association. When the report is delivered to the President, notice of its delivery is sent to each director and the Examiner sees that an acknowledgment of the notice is received from each director.

A department not usually included in the average examination is that in which the collections are carried. Very few Examiners attempt to check this department because there is no controlling account by which it can be proved. Bankers should early give attention to improving the control of the collection department. Most officers are reasonably certain in regard to the accuracy of all the accounts included in their statement of condition;

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but is there an officer here who feels entirely satisfied with the present control of his collection department? Do you not realize that here is one of the greatest opportunities for defalcation in the whole bank? Those of us who are studying methods for the proper control of the various departments are giving this subject the most serious consideration, and we know that it will not be long before a satisfactory method is secured for effectively controlling this department.

A thorough examination is also prevented by the difficulties the Examiner meets in his attempts to check the securities and negotiable papers that are left with the bank for safe-keeping or as a special deposit. In most banks, the records pertaining to this department are incomplete, if not lacking entirely. Bankers now realize, more than ever before, the need of complete safe-guards for this department and are installing the necessary records.

One feature, in connection with many examinations, that is of value to bankers, is the recommendations made for the improvement in the records and methods of work. Banks and bank clerks sometimes get into ruts in their work. Officers are often too busy with the daily routine of their duties to work out and install the improvements that they know are necessary to perfect their system of accounting. The Examiner should be able to outline for them the best methods. He should not be content with furnishing them stock forms but should study the conditions in each bank, and recommend such systems and forms as the needs of that particular bank require.

Every bank man knows that an examination can not be thorough unless the deposits and the loans and collateral are verified. The St. Joseph Clearing House Association recognizes the importance of such verifications, but as an Association it leaves to the individual banks to decide whether they will or will not have the examination carried that far.

One of the difficulties encountered in verifying the individual deposits is that of securing the pass books. This difficulty is obviated by banks that have installed the statement system. There are many other advantages in this system, but I will not discuss them at the present time as they are entirely without the scope of this paper. I am quite confident that in a few years the statement system will be in general use and then no examination will be considered complete unless the individual accounts are verified.

The great value of Clearing House examinations are becoming more and more apparent each year, not only in their value to the banks individually, but in that they create confidence in the mind of the public concerning the integrity and soundness of the banks connected with the Clearing House. At present the work is in its infancy and there are many problems of great importance confronting the examiners and the Associations which will have to be solved in a spirit of fairness to all concerned. Discussions by bankers and examiners at such meetings as these will tend to bring about a better understanding of the whole subject and help solve the difficulties in a satisfactory manner. (Applause.)

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THE PRESIDENT: Now we will again hear from Mr. P. M. Kerst, on the subject now under consideration.

MR. KERST: Mr. President and Gentlemen, I have the pleasure to again appear before you. I assure you I will not hold you very long.

On February 1, 1907, the Clearing House Association of Minneapolis installed a Special Examiner with one assistant to make examinations of the Clearing House banks and non-member banks which obtain Clearing House privileges through the regular members.

On May 1, 1908, the banks of St. Paul joined with Minneapolis in the arrangement for Clearing House examinations and another assistant examiner was appointed.

The examinations extend to all National, State and Savings Banks and Trust Companies within the Twin Cities and number thirty-eight institutions. As at present constituted, we are able to give each bank two examinations a year. Our work embraces a verification of the assets and liabilities of the bank as reflected by the trial balance, and a thorough investigation into the nature and quality of the assets and collateral, and also includes an examination into the workings of every department of the bank.

The work of analyzing the loans is a very important feature and enough time is spent thereon to enable the Examiner to form a correct opinion of their stability. Having access to all the banks in the community, he is in a position to observe excessive borrowing and unwarranted expansion of liabilities of firms and individuals. The Examiner, by reason of his limited territory and continuous work within that field, is placed in a position to soon acquire knowledge of the standing and strength of the borrowers by continuously consulting their statements of condition and observing their progress. Also, he is in a position to observe the duplication of credits by borrowers at other banks, and if such credits are not warranted by financial strength and other requisites, he will immediately inform the banks where such duplication exists and steps can be promptly taken to effect a reduction of obligations.

During the examination every asset of the bank is listed and carefully scrutinized and every collateral carefully valued. All loans to officers, directors and employees and to corporations in which they are interested are separately noted.

Before the examination is concluded the Examining Committee of the bank, sometimes the entire Board of Directors, is requested to meet with the Examiner for the purpose of going thoroughly over all the assets with the object of familiarizing them fully in reference thereto. This manner of procedure has one distinct advantage in that the matters of the bank have the attention of those directors who are not constantly in touch with the affairs of the bank as are the officers and members of the Discount Committee. (Applause.)

A report of every examination is prepared in duplicate; the original is

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delivered by the Examiner in person to the Board of Directors at a meeting called for that purpose. The report is read and the criticisms, if any, are fully discussed and the recommendations considered. *In this way no Director can complain that he did not have the fullest opportunity to become acquainted with the condition of his bank.*

A minute and detailed report of each examination is not submitted to the Clearing House Committee except when unwarranted conditions prevail which make it necessary for this Committee to be informed thereof. In these cases the Clearing House Committee decides what action shall be taken and also exercises its authority in the proper direction. When an examination discloses a bank to be in a satisfactory condition, such statement by the Examiner suffices, and no detailed report is submitted.

THE PRESIDENT: We are almost through with our program, gentlemen, and if the convention wishes, we can find a way to still further shorten it. Mr. A. Kains, of San Francisco, is on the program also. Is he here?

No response.

MR. E. J. PARKER, Quincy, Ill.: We were all interested yesterday in the statements of the Comptroller; the Clearing House has it in its power to go further than the Comptroller or the State Bank Examiner, or the State Bank Auditor. We can suspend from our membership any bank that is not toeing the mark in the matter of safety. The Comptroller cannot do that. Our remedies are preventive. Those of the Comptroller and the State Auditor are remedial. We had better find that out by our Clearing House examinations before a panic, than to carry a heavy load during and after the panic for weak members. The Clearing House in another way has great power. I think it will come out in the discussion of the Central Bank. If the Central Bank does not establish some agencies why we can say—what did Chicago do in the panic of 1907? They not only issued certificates, but Clearing House checks, which are emergency circulation. We have a greater power in the Clearing House than the great banks of Europe; but the question before us now is, and which I wish to emphasize by the remarks of the Comptroller yesterday, that we can apply the preventive through our Clearing Houses, which are composed of private banks and State banks and not alone National banks. What we want is a preventive rather than a remedy.

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THE PRESIDENT: The next business in order are the nominations and election of the President, Vice-President, and two members of the Executive Committee.

MR. T. J. DAVIS, Cincinnati: I move that the Chair appoint three members to constitute a nominating committee, to report nominations for the officers and the members of the Executive Committee.

Motion seconded and carried.

THE PRESIDENT: The Chair appoints Mr. T. J. Davis of Cincinnati, Mr. J. K. Wilson of San Francisco, and Mr. H. B. Wilcox of Baltimore. Mr. Wilcox is not here. I will substitute for him Mr. Joseph A. McCord of Atlanta.

THE PRESIDENT: The next thing in order is the call of cities. It has been suggested that this be omitted on account of the lateness of the hour. Although I presume there are gentlemen here who have come for the purpose of responding to such call, I would like to know what the pleasure of the meeting is with regard to this matter.

A MEMBER: Let us go right on—get through.

THE PRESIDENT: Well, if there is no objection, the Secretary will read the call of cities.

MR. RALPH VAN VECHTEN, Chicago: It occurs to me, in view of the lateness of the hour, that it would be well to dispense with the call of the cities. I would not want to make a motion to that effect, if anybody is going to object to it, but if there is no objections, I would like to make a motion that the call of cities be dispensed with, with this qualification, that if anybody desires to bring up any special subject which they had in mind bringing up on the call of cities, let it be brought up under the next caption.

A MEMBER: I second the motion.

THE PRESIDENT: It is moved and seconded that the call of cities be dispensed with and that any gentleman who has anything to say, which he would have said under the call of cities, that he bring it up under the next caption of "Questions."

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A MEMBER: If you will substitute "Those cities that have representatives."

THE SECRETARY: I was going to suggest in that connection that if the representative of the city or the Chairman of the delegation will send in or hand in a synopsis of what he would have said, we will have it printed in the published proceedings.

THE PRESIDENT: The Chair is willing to stay until 6 o'clock, if necessary. The meeting must decide this question.

MR. VAN VECHTEN: I will accept the substitute.

THE PRESIDENT: Then the question will be on the substitute, which is to the effect that any gentlemen who have anything to report can hand it to the Secretary and that same will be published in the proceedings.

Motion carried.

The following are the Responses to Call of Cities received by the Secretary:

BOSTON, MASS.

MR. CHARLES A. RUGGLES:

The situation in Boston has progressed somewhat during the past year. In February last the Clearing House Association adopted a system of numbering non-member banks as suggested by the Executive Committee, and sent to all Clearing Houses, and to many banks, copies of the same for use in their transit departments. The lettering and numbering of checks and drafts has been adopted by several of the banks and others are expected to do so in the near future. The question of a Special Examiner has been discussed but has not yet been decided. As regards exchange charges there is nothing new to report, that question having been settled some years ago. Relative to the risk assumed in sending checks for collection to banks upon which they are drawn, as has been the custom under the Boston system, and referred to by Mr. McCord, of Atlanta, it may be of interest to know that during the past ten years in total collections of six thousand millions the loss has been but $1,382. This is certainly a favorable showing and can hardly be used as an argument against our system notwithstanding the question is often asked by parties not familiar with our method of collecting country checks. On the whole, the system is working very smoothly and is satisfactory both to the city banks and to the banks throughout New England.

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CLEVELAND, OHIO

MR. W. C. CAINE:

The situation in Cleveland remains practically the same as it has been for the past few years. An effort has been made during the past year to strengthen our Association by bringing into it as members the four large down town Trust Companies having resources in excess of the resources of all of our Clearing House Members. Committees from the Association and from the Trust Companies have had several meetings, and agreements have been reached on all important points with the exception of the interest rate allowed on bank balances.

The maximum interest rate allowed by our Association is 2½ per cent., and a deposit of $2,500 has been made by each member of our Association with the Clearing House Committee as evidence of good faith that this rule would be strictly adhered to, and it has been since the agreement was entered into several years ago.

The Association's Committee feeling that no modification should be made in this arrangement, for the time being the matter rests. We are, however, hopeful that an arrangement can be worked out which will be satisfactory to all parties thereby greatly strengthening our Association by the admission of four new members. It is opinion that if this is brought about that the matter of a Clearing House Examiner and collection charges will be taken up and something accomplished.

KANSAS CITY, MO.

"THE COUNTRY CLEARING HOUSE"

MR. J. THRALLS:

As a matter of convenience and economy in handling out-of-town cash items the Kansas City Clearing House Association opened, in connection with its Clearing House, a Collection Department, or Country Clearing House as we term it.

This department was opened during the latter part of the month of June, 1905, and at the outset, in order to give the plan a thorough test, items on about three hundred of the most expensive points in our tributary territory were sent to the Country Clearing House for collection. Within a few months the cost of handling these points was reduced 25 per cent., and many of the banks, that had been very slow in making returns, were induced to remit promptly. A reduction of about 30 per cent. being made in the time required to get returns and, consequently, a great saving on the item of interest was made. The territory was extended to cover what is now the State of Oklahoma. In June, 1907, the State of Kansas was included, and in August, 1908, the State of Missouri, so that now the operations of our Country Clearing House covers the States of Missouri, Kansas and Oklahoma, and takes in about three thousand banking institutions. We now send out on the average of eleven hundred letters daily,

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containing an average of ten items each. Our idea is to gradually increase the territory of our Country Clearing House until it covers all territory tributary to or accessible to Kansas City.

Our progress may partially be illustrated by the following statistics:

Amount Collected.	Exchange Cost Per Hundred Dollars.	Total Cost Per Hundred Dollars.
Month of July, 1905, $671,915	21.57c	26.57c.
Month of July, 1906, 1,279,296	13.2	16.8
Month of July, 1907, 2,895,489	13.2	16.2
Month of July, 1908, 3,851,148	12.6	15.
Month of July, 1909, 8,409,023	10.8	12.8

The rate given as total cost includes stamps, stationery and labor.

Our Clearing House rules make it obligatory on the part of our members to send to the Country Clearing House all items on points in the Country Clearing House territory where a cost of 10 cents or over per hundred would be incurred if sent direct, except items on banking institutions that carry deposit accounts with our members, respectively. The operation of our Country Clearing House is very much the same as that of the transit department of a big bank, our Clearing House members being the depositors.

The department is a member of the Clearing House to all purposes except in the matter of government. Arrangements as to rates of exchange, and selection of correspondents are all made by and between the Manager of the Clearing House and the out-of-town bank. The question of law and liability regarding sending items direct to banks on which they are drawn has been made an objection to our plan but we, in our experience, have not suffered a single loss from that source, and the liability in that regard would not be any greater through the Clearing House than it would be if the items were sent out by the members direct. We go on the theory that it would not be good business to send items to a weak institution in a town where there is a strong and well-managed bank, even though the items are drawn on the strong bank and the law provides that they should not be sent to that institution. There are very few courts that would uphold our action, in case of failure, should we send items to the weak institution. There is not a bank of any consequence in the larger cities but what follows the same practice. We use our very best judgment in selecting our correspondents, and believe this question to be of too little importance to quibble over. In case of failures, the Clearing House handles the claim and distributes the proceeds among the several members in the same ratio as the total of their items is to the total of the claim.

Definite arrangements are made with each country bank, and a complete list of all banks with which the Country Clearing House does business, showing the rates, terms, and conditions, is furnished to each member. The Clearing House provides each member with a combination endorsing stamp, which endorses to and for the Clearing House at one application. The items are endorsed and recorded by the bank (member) in the usual way, and are then listed on and attached to what we term foreign slips.

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These slips show name of bank on which items are drawn—Clearing House number of member endorsing same, and date items are sent to the Clearing House. There is a perforation two inches from the bottom of the slip, forming a stub ticket. This stub ticket also shows the name of the bank on which items are drawn, number of Clearing House member, and date items are sent to the Clearing House. When all items have been listed on these slips, the upper portion is totaled and the total is carried to the stub ticket. At the close of business each day the banks bring their items thus prepared to the Clearing House with an adding machine list bearing the member's endorsement and date, and showing the total for the day. These items are received at 4 o'clock P. M., and the Manager issues his check or due bill of the Country Clearing House, payable on the third or fourth day, in lieu of same—it having been estimated that three or four days would be required, on the average, to get returns. These checks are charged against the Country Clearing House in the regular exchanges. All returns are made direct to the Clearing House by draft—refused and protested items being returned with proceeds of the letter in which they were sent forward. These drafts, refused and protested items are distributed among the members through the regular Clearings. The stub tickets are detached and filed at the Clearing House as a record of items received from the several members.

Items of all members, on each town, are consolidated and sent out in one enclosure, thereby effecting a great saving in postage, stationery and labor. Our letters of transmittal are addressed on Addressograph, and items are listed thereon with Burroughs adding machines, which we have had constructed specially for the purpose—two sectors being cut out of the adding mechanism of the machine and the numbers thereon are used to indicate Clearing House number of members, so in listing items on our letter of transmittal we show Clearing House number of bank endorsing items, amount of each member's items, and the total. These letters are returned by the out-of-town bank, when remitting, and one draft is made to cover the total, and the exchange charge is based on the total—which is an immense saving to us, for example, if six members have items on any town and the items of each aggregate only $50, and the rate at the point is 10 cents per hundred dollars, a minimum charge of 10 cents would be made to each bank if items went direct, or a total cost of 60 cents, but, if sent through the Clearing House, the charge would be based on our total and, at the same rate, our cost would be only 30 cents—a saving of 50 per cent., and there would also be a saving of 10 cents in postage, a saving of five remittance letters, five envelopes, and considerable saving of labor, and it is also a saving and convenience to the out-of-town bank, as it is necessary to write just one draft, saves 10 cents postage, and reduces the labor in the way of bookkeeping. Where banks are slow in remitting or any irregularity exists, our members are advised and, where any information is received by any member that would be of benefit to the other members, it is transmitted to the Country Clearing House and, from that source, is accessible to all members—so that the Country Clearing House serves, in a small way, as a Credit Bureau.

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Our expenses, such as stamps, stationery, labor, and other operating expense, are prorated among the several members each month, each member paying in proportion to the amount of their items through the Country Clearing House and, on the matter of exchange, a complete and accurate record is kept. Our paid letters are kept in order and the exchange cost on each letter is divided and charged to the members represented in that particular letter, for example, if we had a letter on Erie, Kansas, showing a total of $600, in which Clearing House member No. 1 had $200; No. 3, $300; No. 20, $100, on which the exchange cost was 30 cents, we would charge No. 1, 10 cents; No. 3, 15 cents and No. 20, 5 cents. At the close of each month the total cost of items handled for each member is assessed against that member, so that the plan is absolutely equitable, each member bearing the exact cost of their own items. We have given the plan a thorough test and know it to be of great value, both to our members and to the banks in our territory.

RICHMOND, VA.

MR. O. J. SANDS:

Clearings of the Richmond Banks for the past five years:

1904	$239,611,040
1905	259,998,233
1906	303,437,211
1907	322,442,412
1908	298,532,561

Clearings for eight months:

	1907	1908	1909
January	$30,286,417	$26,750,601	$31,902,929
February	24,577,761	22,416,252	26,257,159
March	27,039,232	24,387,305	28,135,934
April	26,287,302	23,119,843	27,233,989
May	26,097,921	23,168,650	27,800,277
June	25,307,686	23,873,766	28,677,045
July	28,840,232	25,028,716	31,989,857
August	24,934,496	20,668,113	27,499,355
	$213,371,047	$189,413,246	$229,496,545

Matter of Clearing House Examiner is under consideration by members and some definite action may be taken during coming year.

Charges on outside checks is meeting with opposition by some of larger banks.

SPOKANE, WASH.

MR. W. D. VINCENT:

All banks, members of a Clearing House, make statements that are honest and that give a correct idea of the true condition of the affairs of

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the bank. Collectively, as a Clearing House, these same banks, in a large number of instances, make statements as to the actual volume of business of their community that are extremely misleading, and give amounts for publication that are included in the total business of the nation, from which many make wrong deductions.

One of the mysteries of the machinery of business is the Clearing House. There are many well informed men of affairs, who know but little of Clearing House methods, believing that the weekly totals published through the Associated Press gives the amount of all of the business done by the associated banks for that particular week; and not one in a dozen knows the meaning of "balances."

Banks require honest statements from the public, their borrowers, and give correct statements to the public, their depositors. The Clearing House, the medium between the combined banks and the public, should represent the highest type of commercial honor. The reports of every Clearing House in the United States should be given from a uniform basis of calculation, founded upon absolute honesty.

The American Bankers' Association has accomplished more for the business people of this country, through its efforts for uniform laws, than through any one agency in which its efforts are directed. My belief is that the time has now come when it can, through its Clearing House Section, enforce a uniformity of Clearing House reports that will prove beneficial to all sections of the country, and establish a positive basis for the calculation of the volume of business of the city, state and nation.

The Association has its Protective, Savings, Trust, and Institute Departments under the supervision of our capable Secretary and the direction of competent managers. The Clearing House Section is one of its departments, but has no manager. Would it not be advisable to select a manager —one with wide experience and ability; one with initiative, who could prepare a uniform blank upon which all Clearing House Associations could report; a report that would be sworn to as all bank reports are; with authority to investigate the methods in use in the various cities, and to make such necessary changes required to meet the needs in a uniform report.

It should be his duty to visit every Clearing House in the United States, inaugurate a uniform system of reports and if, in his judgment, the requirements are not complied with, the total business of the particular Clearing House should not be published.

The details of cash settlements of balances, of including items not strictly or honestly Clearing House business, should have careful attention. The JOURNAL of the Association should publish monthly a list of all Clearing Houses that meet all of the required rules, omitting those whose reports are doubtful.

The manager of the Clearing House Section should have authority to call all the members of any Association together, and should state to them at the meeting the changes that should be made, if any, and secure their earnest co-operation in obtaining uniform methods.

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All of us have heard gossip as to "a certain city includes its balances of the day before in to-day's business"; another city "puts its trades for exchange through"; one does this and another does that. By adopting a uniform method a lot of pernicious rivalry between various Clearing House Associations would be eliminated.

The Nominating Committee returned and reported the nomination of the following gentlemen for the positions to be filled:

FOR PRESIDENT

MR. SOL. WEXLER, Vice-President of the Whitney-Central National Bank, New Orleans, Louisiana.

FOR VICE-PRESIDENT

MR. E. R. FANCHER, Vice-President Union National Bank, Cleveland, Ohio.

FOR EXECUTIVE COMMITTEE

MR. J. M. DONALD, Vice-President Hanover National Bank, New York, and

MR. C. K. MCINTOSH, Vice-President San Francisco National Bank, San Francisco.

THE PRESIDENT: Gentlemen, you have heard the report of the Nominating Committee. Are there any other nominations? The Chair wishes to give this meeting the fullest opportunity to make any nominations they please. Are there any other nominations?

MR. MCCORD: I move that the nominations be closed, and that the Secretary cast one ballot.

Motion seconded and carried.

THE SECRETARY: The Secretary casts one ballot for Mr. Sol. Wexler, for President, Mr. E. R. Fancher, for Vice-President; Mr. J. M. Donald and Mr. C. K. McIntosh for members of the Executive Committee.

THE PRESIDENT: The Secretary reports that he has cast the ballot as he has read, and these gentlemen are now declared elected. Mr. Wexler, I take pleasure in congratulating you.

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Mr. Sol. Wexler (President-elect): In accepting the honorable position as President of this Section of the American Bankers' Association, I do so with a full recognition of the honor that has been conferred upon me and of the responsibilities that are incumbent upon the position. I do not think that there is in the entire Association any Section that is of as great importance as the Clearing House Section. I believe that the amount of work to be done and the amount of reforms to be instituted throughout the country at large in the banking business is greater in the Clearing Houses of the country than in any of the other branches of the business. There are four or five different departments of Clearing House work which should receive the earnest consideration of the Clearing House Section during the next year. One of those is that upon which we have heard a number of able addresses this afternoon, and that is the question of Clearing House examinations. I think on that point we are all a unit. Another and highly important one is the question of regulating charges for handling outside items. A great many cities of the country have already passed rules under which they are charging their individual customers a reasonable rate for the work and expense on this class of business, but there has been nothing done as yet that regulates any charge that is imposed by any bank upon other banks. The reason nothing has been done is that each city is fearful of the effect of its action upon other cities. A city like Chicago is not willing to do anything in that line without knowledge of the fact that St. Louis, for instance, in turn, will pursue the same course. New Orleans, for instance, would want the same assurance from St. Louis and Memphis. If all the banks in the country handled all the items of their customers entirely free of charge, it would be an ideal arrangement, and would work out exactly the same result as if each charged a uniform rate. I believe it is almost utopian to expect them to handle it free of charge, but I do think that a uniform rate may be brought about by efforts on the part of State organizations in that direction. I believe that a great deal of work would be eliminated thereby, and that each bank would receive compensation in proportion to the volume of business handled, and the charge could be such that it would not be a burden or embargo upon business, and would be at the same

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time fair compensation for the labor, postage, etcetera consumed in this important branch of the work in the banking business. At the present time it is becoming popular throughout the country to charge for everything. I can recall only a few years back that we had very extensive par lists. These are becoming smaller and smaller all the time. In the Southern cities where rates were a dollar to a dollar and a half, they are rapidly reaching the point of two dollars and a half per thousand. I believe that if each organization would undertake to induce each bank in the State to levy a charge of say one dollar per thousand on all items handled for each other—charge every other bank for the service it performs at that rate, that we will bring about the greatest reform in labor saving methods possible in the banking business. I realize that this cannot be done immediately, but I have brought it up so that you can go home and think it out—consider what are the advantages and disadvantages of the proposition, so that when we meet again we may fully discuss the matter with a degree of intelligence which it merits.

There is another matter of importance, and that is uniformity in the reports of the various clearing houses throughout the country. In order to properly estimate the commerce and the volume of business turned over by the different cities, it is necessary that each city should report its clearings in practically the same manner. At the present time the larger cities are paying their clearings—their differences—to each other in cash or in Clearing House certificates represented by gold. Other cities are paying them in cashier's checks, which are cleared from day to day, thus causing repetition of clearings and also making their volume of business appear greater than actually exists. Other cities are settling by New York or other exchange. These differences in methods should be eliminated. The proper method of handling clearings is that they should be paid for in cash on the date which the clearing takes place. By that means, all cities in the country could accurately report their clearings. In New Orleans, Kansas City and other cities, the method in vogue is this, and I mention it because it is feasible and simple. Each bank deposits on the first of January the equivalent of two per cent. of its deposits with the Clearing House in gold coin or gold certificates. The Clearing House issues for these deposits Clear-

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ing House certificates. This gold coin or gold certificates is deposited in a safety deposit box hired by the Clearing House and charged to the members, none of them having access to it unless all are present. Any member having these certificates can present them to the Clearing House and withdraw the cash. They are equivalent, consequently, to money, and constitute the legal reserve; and they eliminate the transportation of coin through the streets, between the banks. You will find that two per cent. is about the correct figure to answer the purposes of all banks, members of the Clearing Houses doing an ordinary banking business. These are all salient things which we will have to take up. There are many other small matters which, however, I will not dwell on at the present time; and I ask for the coming year that all Clearing Houses of the country will co-operate in an effort to bring about the reforms necessary, and I believe that if we do so, the Clearing House Section of the American Banking Association will be the dominant section of that Association.

MR. WALKER HILL, St. Louis: I would like to have this gentleman stand up (indicating Mr. E. C. McDougal).

MR. HILL: After listening to your address, I am reminded of a story they tell on Bishop Potter, in New York. He went up into a country parish to preach a sermon, and a country parishioner came up and said, "Bishop, I learn something every time I hear you preach. Until to-day I thought that Sodom and Gomorrah were man and wife." I want to say that this is the tenth anniversary of this Association. It was conceived at Detroit, through the Michigan Bankers' Association, and our friend Farnsworth was the father. I hope it has no dam. In 1905 I went to Washington, where we get all our good things, and I found the Clearing House Association with about ten Clearing Houses represented, with no head or tail. It could do nothing because it had no organization. The American Bankers' Association took it under its wing, and it was consummated at St. Louis in 1906. I am glad to see to-day so many cities in the organization, and most of all, I am glad to see that New York has finally come in, because Chicago, St. Louis, Boston and Philadelphia, worked for two years and delayed the organiza-

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tion, because New York city said it was satisfied with itself and would not come in, but it has finally succumbed.

I hold in my hand, "Mr. Has Been" (addressing Mr. E. C. McDougal), a badge of honor. I see you have a hospital badge on you now, but this Section of this Association wants to honor you. I put it on you, believing that it is an honor to wear this badge, and I believe that you will honor it.

MR. E. C. MCDOUGAL: Mr. Hill, Mr. Chairman and Gentlemen, I thank you for this mark of distinction. I have no further speech to make.

THE PRESIDENT: Our Vice-President-elect, of this Section. Mr. E. R. Fancher, is requested to come forward. (Applause.)

PRESIDENT WEXLER: It affords me the greatest pleasure to pin upon your coat this handsome badge, designating you as Vice-President of this Association, a position which you have earned by your worthy and conscientious discharge of your duty as the highest Executive of this Association. I want to say that during my administration I shall have a faithful aide in you, and I am confident that with your co-operation we can make the administration of next year a great success.

MR. E. R. FANCHER: Mr. President and Gentlemen: I have been identified in a way in the work of this Clearing House Section since its organization in St. Louis, as Mr. Hill spoke of. I have been attending its conferences for several years. At that time—at the time of the organization, I was elected on the Executive Committee and have taken a great deal of interest in the work, and it has been a pleasure so to serve; and it will be my earnest effort to continue to do so during the coming year. I thank you gentlemen for the honor. (Applause.)

THE SECRETARY: There are two announcements which I wish to make. If there are any delegates here who were not here when the roll was called, I wish they would come up to the desk and give me their names after adjournment. The new Executive Committee of the Clearing House Section will meet immediately after the adjournment.

THE PRESIDENT: The motion to adjourn is in order.

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A MEMBER: I move that we adjourn.

Motion seconded and carried.

Adjourned.

Immediately after the adjournment of the Clearing House Section, the Executive Committee was called together, every member being present. George Guckenberger, President of the Atlas National Bank, Cincinnati, Ohio, was elected Chairman of the Executive Committee, and Fred. E. Farnsworth re-elected Secretary of the Section.

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CLEARING HOUSE SECTION

Aberdeen, South Dakota.
Akron, Ohio.
Altoona, Pennsylvania.
Atlanta, Georgia.
Augusta, Georgia.
Austin, Texas.
Baltimore, Maryland.
Birmingham, Alabama.
Boston, Massachusetts.
Brunswick, Georgia.
Buffalo, New York.
Cedar Rapids, Iowa.
Charleston, South Carolina.
Chattanooga, Tennessee.
Chester, Pennsylvania.
Chicago, Illinois.
Chillicothe, Missouri.
Cincinnati, Ohio.
Cleveland, Ohio.
Coeur d'Alene, Idaho.
Columbus, Georgia.
Columbus, Ohio.
Davenport, Iowa.
Denver, Colorado.
Des Moines, Iowa.
Detroit, Michigan.
Erie, Pennsylvania.
Eugene, Oregon.
Fall River, Massachusetts.
Flint, Michigan.
Fort Wayne, Indiana.
Fort Worth, Texas.
Fremont, Nebraska.
Galveston, Texas.
Grand Rapids, Michigan.
Harrisburgh, Pennsylvania
Hartford, Connecticut.
Hastings, Nebraska.
Holyoke, Massachusetts.
Indianapolis, Indiana.
Jacksonville, Illinois.
Joplin, Missouri.
Kansas City, Missouri.
Lawton, Oklahoma.
Lexington, Kentucky.
Lincoln, Nebraska.
Little Rock, Arkansas.
Los Angeles, California.
Louisville, Kentucky.
Lowell, Massachusetts.
Macon, Georgia.
Mansfield, Ohio.
Memphis, Tennessee.
Milwaukee, Wisconsin.
Minneapolis, Minnesota.
Mobile, Alabama.
Muskogee, Oklahoma.
Nashville, Tennessee.
New Albany, Indiana.
New Bedford, Massachusetts.
New Haven, Connecticut.
New Orleans, Louisiana.
Newport News, Virginia.
New York, New York.
Oklahoma City, Oklahoma.
Omaha, Nebraska.
Owensboro, Kentucky.
Peoria, Illinois.
Pine Bluff, Arkansas.
Pittsburgh, Pennsylvania.
Port Huron, Michigan.
Portland, Maine.
Portland, Oregon.
Providence, Rhode Island.
Raleigh, North Carolina.
Richmond, Virginia.
Rochester, New York.
Rockford, Illnois.
Roswell, New Mexico.
Sacramento, California.
St. Joseph, Missouri.
St. Louis, Missouri.
St. Paul, Minnesota.
Salt Lake City, Utah.
San Antonio, Texas.
San Jose, California.
San Francisco, California.
Santa Rosa, California.
Savannah, Georgia.
Scranton, Pennsylvania.
Seattle, Washington.
Sedalia, Missouri.
South Bend, Indiana.
Spokane, Washington.
Springfield, Illinois.
Springfield, Missouri.
Stockton, California.
Syracuse, New York.
Tacoma, Washington.
Toledo, Ohio.
Topeka, Kansas.
Tulsa, Oklahoma.
Vicksburg, Mississippi.
Wheeling, West Virginia.
Wichita, Kansas.
Wilkesbarre, Pennsylvania.
Wilmington, Delaware.
Wilmington, North Carolina.
Worcester, Massachusetts.
Youngstown, Ohio.
York, Pennsylvania.
Zanesville, Ohio.

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LIST OF MEMBERS

To December 1, 1909

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LIST OF MEMBERS

To December 1, 1909

Following this list will be found an appendix of New Members from December 1st to date of publication.

In the Journal of the Association is published each month a list of new members and such changes in membership as we are advised of from time to time.

Note:—T. indicates that the institution is enrolled in the Trust Company Section;
S. in the Savings Bank Section;
T.S. in both Sections.
* Represented at the Convention in Chicago.

ALABAMA

Abbeville.....First National Bank.
Albertville.....Bank of Albertville.
Aliceville.....T. Aliceville Bank & Trust Co.
Andalusia.....Bank of Andalusia.
" First National Bank.
Anniston.....Anniston National Bank.*
" First National Bank.
Athens.....Citizens' Bank.
Atmore.....Bank of Atmore.
" T.S. People's Bank & Trust Co.
Bay Minette....Baldwin County Bank.
Bessemer..... Bessemer National Bank.
" Bessemer State Bank.
Birmingham T.S. American Trust & Sav. Bk.*
" T.S. Birmingham Trust & Sav. Co.*
" T. City Bank & Trust Co.
" Commercial State Bank.
" S. First National Bank.*
" S. Jefferson Co. Savings Bank.*
" T.S. Merch & Mech. Tr. & Sav. Bk.
" T.S. People's Savings Bank & Tr. Co.
" Traders' National Bank.
" Otto Marx & Co., Bankers.
" S. Steiner Bros., Bankers.
Boaz.....Farmers' & Merchants' Bank.
Brewton.....Bank of Brewton.
" Citizens' Bank.
Camden.....Camden National Bank.
Carrollton.....Bank of Carrollton.
Cherokee.....Tennessee Valley Bk. (Branch).
Citronelle.....First National Bank.
Collinsville.....Farmers' & Merchants' Bank.
Columbia.....Manufacturers' Bank.
Columbiana .S. Columbiana Savings Bank.
Courtland.....Tennessee Valley Bk. (Branch).
Cuba.....Bank of Cuba.
Decatur.....First National Bank.
" Tennessee Valley Bank.
Demopolis..T.S. City Bank & Trust Co.
" Robertson Banking Co.
Dora.....T. Dora Banking & Trust Co.
Dothan.....Dothan National Bank.
Ensley.....Bank of Ensley.
Eutaw.....First National Bank.
" Merchants' & Farmers' Bank of Greene Co.
Evergreen.....First National Bank.
" People's Bank.
Falkville.....Tennessee Valley Bk. (Branch).
Faunsdale.....Watkins Banking Co.
Fayette.....Fayette County Bank.
Florence.....First National Bank.
" Tennessee Valley Bk. (Branch).
Gadsden.....First National Bank.*
" Gadsden National Bank.
Geneva.....Bank of Geneva.
Georgiana.....Butler County Bank.
Goodwater.....Farmers' & Merchants' Bank.
" Planters' Bank.
Gordo.....Merchants' & Farmers' Bank.
Greenville.....Bank of Greenville.
Guntersville.....Bank of Guntersville.
" Citizens' Bank.
Gurley.....Tennessee Valley Bk. (Branch).

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ALABAMA—*Continued*

Haleyville.....Tennessee Valley Bk. (Branch).
Hartselle.....First National Bank.*
Huntsville.....First National Bank.
" T. Huntsville Bank & Trust Co.
" W. R. Rison Banking Co.
Jasper.....First National Bank.*
La Fayette.....Bank of La Fayette.
Leighton.....Tennessee Valley Bk. (Branch).
Lincoln.....First State Bank.
Linden.....Marengo County Bank.
Livingston.....Bank of Sumter.
Marion.....Marion Central Bank.
Mobile.....Bk. of Mobile, Nat'l Bkg. Assn.
" T. Central Trust Co.
" T. City Bank & Trust Co.*
" First National Bank.
" Leinkauf Banking Co.
" Merchants' Bank.*
" People's Bank.*
" S. Union Savings Bank.
Monroeville.....Monroe County Bank.
Montevallo.....Merchants' and Planters' Bank.
Montgomery....Exchange National Bank.
" First National Bank.
" Fourth National Bank.
" T. Montgomery Bank & Trust Co.
" New Farley National Bank.*
New Decatur.T.S. Commercial Savings Bank & Trust Co.*
" Morgan Co. National Bank.*
Odenville.....Bank of Odenville.
Opelika.....S. Bank of Opelika.
" First National Bank.
Ozark.....First National Bank.
Pell City.....First National Bank.*
Phenix City.....Bank of Phenix City.
Pine Apple.....Bank of Pine Apple.
Prattville....T. Autauga Banking & Trust Co.
" First National Bank.
Repton.....Repton State Bank.
Russellville.....Tennessee Valley Bk. (Branch)
Samson.....People's Bank.
Scottsboro.....Tennessee Valley Bk. (Branch).
Selma.....City National Bank.*
" T. People's Bank & Trust Co.
" Selma National Bank.*
" T.S. Selma Trust & Savings Bank.
Sheffield.....Sheffield National Bank.
Slocomb.....Slocomb National Bank.
Stevenson.....Tennessee Valley Bk. (Branch).
Sylacauga.....First National Bank.
" Merchants' & Planters' Nat. Bk.
Talladega.....Talladega National Bank.
Thorsby.....S. Thorsby Savings Bank.
Town Creek.....Tennessee Valley Bk. (Branch)
Troy.....Farmers' & Merchants' National Bank.
Tuscaloosa.....City National Bank.
" First National Bank.
" T. Merchants' Bank & Trust Co.
Tuscumbia.....Tennessee Valley Bk. (Branch).
" T. Tuscumbia Bank & Trust Co.*
Tuskegee.....Macon County Bank.
Union Springs...Bullock County Bank.
" First National Bank.
" Merchants' & Farmers' Bank.
Uniontown...T. Canebrake Loan & Trust Co.*
" Planters' & Merchants' Bank.
Wetumpka.....Bank of Wetumpka.
" First National Bank.

ALASKA

Cordova.....S. Blum & Co., Bankers.
Fairbanks.....Fairbanks Banking Co.
" First National Bank.
" Washington Alaska Bank.
Juneau.....First National Bank.
" B. M. Behrends, Banker.
Ketchikan.....Miners' & Merchants' Bank.
Nome.....Alaska Bkg. & Safe Deposit Co.
" Miners' & Merch. Bk. of Alaska
" T. Nome Bank & Trust Co.
Seward.....Bank of Seward.
" Brown & Hawkins, Bankers.
Valdez.....Valdez Bank & Merc. Co.
" S. Blum & Co.

ARIZONA

Benson.....Bank of Benson.
Bisbee.....Bank of Bisbee.
" Miners' & Merchants' Bank.
Clifton.....First National Bank.
" T. Gila Valley Bank & Trust Co.
Douglas.....T. Arizona Trust & Banking Co.
Douglas.....Bank of Douglas.
" First National Bank.
Flagstaff.....Arizona Central Bank.
" Citizens' Bank.
Florence.....Bank of Florence.
Gleeson.....Bank of Gleeson.

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ARIZONA—*Continued*

Globe.....First National Bank. *
" T. Gila Valley Bank & Trust Co.
" Globe National Bank.*
" S. Globe Bank & Savings Co.
" Old Dominion Com'l Co.
Holbrook .....Merch. & Stock Growers' Bank.
Jerome.....Bank of Jerome.
Kingman.....Arizona Central Bank (Branch).
Mesa City.....Mesa City Bank.
Morenci.....T. Gila Valley Bank & Trust Co.
Nogales.....S. First National Bank.
Phœnix.....National Bank of Arizona.
" Phœnix National Bank.
" T.S. Union Bank & Trust Co.
" T.S. Valley Bank.*
Prescott.....Bank of Arizona.
Prescott....T.S. Commercial Trust Co.
" Prescott National Bank.
Safford.....Bank of Safford.
" T. Gila Valley Bank & Trust Co.
St. Johns....T. Apache Co. Bank & Trust Co.
Tempe.....Farmers' & Merchants' Bank.
Tombstone.....First National Bank.
Tucson.....Arizona National Bank.
" Consolidated National Bank.
" T. Merchants' Bank & Trust Co.
" T. Southern Ariz. Bk. & Trust Co.
Willcox....T.S. Willcox Bank & Trust Co.
Williams.....Arizona Central Bank, Williams Branch.
Winslow..... .Navajo County Bank.
Yuma.....First National Bank.

ARKANSAS

Altheimer.....Bank of Altheimer.
Amity.....Bank of Amity.
Argenta.....Twin City Bank.
" S. Valley Savings Bank, North Little Rock.
Arkansas City...T.S. The Desha Bk. & Trust Co.*
Atkins.....Bank of Atkins.*
" Merchants' & Farmers' Bank.
Augusta.....T. Bank of Augusta & Trust Co.
Batesville .....First National Bank.*
Beebe... .....Bank of Beebe.
Bentonville.....First National Bank.
Berryville.....Carroll County Bank.
Black Rock.....Bank of Black Rock.
Cabot.....Bank of Cabot.
Calico Rock.....Bluff City Bank.
Camden.....Merchants' & Planters' Bank.
Clarksville.....Bank of Clarksville.
" Johnson County Bank.
Conway.....Bank of Conway.
" Faulkner County Bank.
Cotter.....Baxter County Bank.
Crossett.....Bank of Crossett.
Dardanelle.....Dardanelle Bank.
De Queen..T.S. Farmers' & Merch. Bk. & Tr. Co.
" First National Bank.
Dermott.....Dermott Bank.*
De Witt .....Home Bank.
Edgemont.....Edgemont Bank.
Eldorado.....First National Bank.
England.....Bank of England.
Eureka Springs..Central Bank.
" First National Bank.
Fayetteville ....Arkansas National Bank.
" First Nat'l Bk. of Fayetteville
Forest City.....Bank of Eastern Arkansas.
Fort Smith.....American National Bank.
" T. Arkansas Valley Trust Co.
" First National Bank.*
" Merchants' National Bank.
Gillham.....Bank of Gillham.
Greenwood.....Sebastian County Bank.
Hamburg.....Ashley County Bank.
" Hamburg Bank.
Hampton.....Hampton Bank.
Harrisburg.....Harrisburg State Bank.
Harrison.....Citizens' Bank.
Heber.....Cleburne County Bank.
Helena.....S. Bank of Helena.
" First National Bank.*
" T.S. People's Sav. Bk. & Trust Co.*
Hope.....S. Hempstead County Bank.
" Hope National Bank.
Hot Springs.....Arkansas National Bank.*
" T. Arkansas Trust Co.
" Citizens' National Bank.
" T.S. Security Bank, Hot Spring Savings, Trust & Guaranty Co.
Humphrey.....Merchants' & Planters' Bank.
Jonesboro....T. American Trust Co.
" First National Bank.
Judsonia.....Judsonia State Bank.
Junction City...Citizens' Bank.
Kingsland.....Cleveland County Bank.
Lake Village..T. Chicot Bank & Trust Co.
Leola.....Bank of Leola.
Leslie.....Farmers' Bank.
Little Rock ....Bank of Commerce.*
" Citizens' Investment & Security Co.*

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ARKANSAS—*Continued*

Little Rock.....Exchange National Bank.
" German National Bank.*
" T. Little Rock Trust Co.
" T.S. Mercantile Trust Co.*
" S. People's Savings Bank.
" T. Southern Trust Co.
" T. State Investment & Trust Co.
" S. State National Bank.*
" T.S. Union Trust Co.*
" Parker, Reid & Co.
" W. B. Worthen Co.
Lockesburg ....Bank of Lockesburg.
Lonoke.....Bank of Central Arkansas.
Marianna....S. Bank of Marianna.
" Lee County Bank.
Marshall.....Marshall Bank.
McGehee.....McGehee Valley Bank.
Mena.....First National Bank.
" National Bank of Mena.
Monticello....T. Monticello Bank & Trust Co.
Morrilton.....Citizens' Bank.
Mount Ida.....Montgomery County Bank.
Mulberry.....Bank of Mulberry.
Nashville.....Lesser-Goldman Bank.
" Planters' Bank.
Newark.....First National Bank.
Newport.....T. Arkansas Bank & Trust Co.
" Farmers' Bank of Newport.*
" First National Bank.
Osceola.....Bank of Osceola.
" Citizens' Bank.
Ozark .....Arkansas Valley Bank.
" People's Bank.
Paragould.....Bank of Commerce.
Pine Bluff.....Bank of Pine Bluff.
Pine Bluff.....Citizens' Bank.
" T.S. Cotton Belt Sav. & Trust Co
" Merchants' & Planters' Bank *
" T.S. People's Sav. Bk. & Trust Co.
Plainview.....Bank of Plainview.
Pocahontas.....Randolph County Bank.
Portland.....Portland Bank.
Prairie Grove...First National Bank.
" Home Bank.
Prescott.....S. Bank of Prescott.*
Ravenden Springs Security Bank.
Rector.....Bank of Rector.
Rison.....Bank of Rison.
Rogers.....S. Bank of Rogers.
Russellville.....Bank of Russellville *
" People's Exchange Bank.
Searcy.....People's Bank.
Strong.....Victoria Bank.
Stuttgart.....Bank of Commerce.
Sulphur Springs.Bank of Sulphur Springs.
Texarkana.....Merchants' & Planters' Bank
" State National Bank.*
" T.S. State Savings & Trust Co.
Thornton.....Bank of Thornton.
Tiller.....Bank of Tiller.
Van Buren.....Citizens' Bank.
" First National Bank.*
Waldron.....Bank of Waldron.
" First National Bank.
Walnut Ridge...Lawrence County Bank
Warren.....Merchants' & Planters' Bank.
" Warren Bank.
Wheatley.....Bank of Wheatley.*
Wilmot.....Wilmot Bank.
Yellville.....Miners' & Citizens' Bank.

CALIFORNIA

Alameda.....Alameda National Bank.
" S. Citizens' Bank of Alameda.
Alhambra .....First National Bank.
Alturas.....Bank of Modoc County.*
Anaheim.....First National Bank.
Anderson .....Bank of Anderson.
Antioch.....Bank of Antioch.
Arbuckle.....Bank of Arbuckle.
Arcata.....Bank of Arcata.
Arlington .....Citizens' Bank of Arlington.
Arroyo Grande..Bank of Arroyo Grande.
Artesia.....First National Bank.
Auburn.....Placer County Bank.
Azusa .....First National Bank.
Bakersfield.....Bank of Bakersfield.
" First National Bank.
Bakersfield .....Kern Valley Bank.*
" S. Producers' Savings Bank.
Banning.....Banning State Bank.
Berkeley...T.S. Berkeley Bank of Savings & Trust Co.
" Berkeley National Bank.
" First National Bank.
" S. Homestead Savings Bank
" South Berkeley Bank.
" West Berkeley Bank.
Biggs.....Sacramento Valley Bank
Big Pine.....Agency Inyo County Bank
Bishop .....Inyo County Bank.*
Black Diamond. Contra Costa County Bank
Brawley.....Imperial Valley Bank.
Calexico.....First State Bank.

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CALIFORNIA—*Continued*

Cambria.....Bank of Cambria.
Cedarville.....Surprise Valley Bank.
Centerville.....Bank of Centerville.
Chico.....The Butte County National Bank of Chico.
" First National Bank.
Chino.....Chino State Bank
Chula Vista.....People's State Bank.
Claremont.....First National Bank.*
Cloverdale.....Bank of Cloverdale.
Coalinga.....Bank of Coalinga.
" First National Bank.
Colton.....First National Bank.
Colusa.....Colusa County Bank.
" S. Farmers' & Merchants' Bank of Colusa County.
Compton.....First National Bank.
Concord.....Bank of Concord.
Corona.....Citizens' Bank.
" Corona National Bank.
" First National Bank.
Covina.....Covina National Bank.*
" First National Bank.
Crescent City...Del Norte County Bank.
Cucamonga.....First National Bank.
Delano.....First National Bank.
Dinuba.....First National Bank.
Dolgeville.....Bank of Dolgeville.
Downey.....Bank of Downey.
" Los Nietos Valley Bank.
Dunsmuir.....State Bank of Dunsmuir.
East Auburn....First National Bank.
El Centro.....El Centro National Bank.
" First National Bank.
Elsinore.....Consolidated Bank.
Emeryville.....First National Bank.
Escondido....S. Escondido National Bank.
" First National Bank.
Etna Mills.....Carlock Banking Co.
Eureka.....Bank of Eureka.
" First National Bank.
" Humboldt County Bank.
" S. Savings Bank of Humboldt Co.
Ferndale.....Ferndale Bank.*
Fillmore.....Fillmore State Bank.
Fort Bragg.....Bank of Fort Bragg.
Fort Jones.....Carlock Banking Co.
Fortuna.....Bank of Fortuna.
Fowler.....First National Bank.
Fresno.....Bank of Central California.
" Farmers' National Bank.
" First National Bank.
" Fresno National Bank.
" S. People's Savings Bank.
" Union National Bank.
Fruitvale.....Bank of Fruitvale.
Fullerton.....Farmers' & Merch. Nat'l Bank.
" First National Bank.
Gardena.....T. Gardena Bank & Trust Co.
Gilroy.....Bank of Gilroy.
Glendale.....S. Bank of Glendale.
Glendora.....S. First National Bank.
Gonzales.....Bank of Gonzales.
Grass Valley....Agency of Citizens' Bank.
Half-Moon Bay.S. Bank of Half-Moon Bay.
Hanford.....Farmers' & Merch. Nat'l Bank.
" First National Bank.
" The Old Bank.
Haywards.....Bank of Haywards.
" Farmers' & Merchants' Bank.
Healdsburg...S. Farmers' & Mechanics' Bank.*
" S. Sotoyome Bank.
Hemet.....Bank of Hemet.
" S. Farmers' & Merchants' Bank.
Highgrove.....Bank of Highgrove.
Highland.....First Bank of Highland.
Hollister.....Bank of Hollister.
" First National Bank.
Hollywood...S. First National Bank.
Hueneme.....Bank of Hueneme.
Huntington Bch.First National Bank.
Imperial.....First National Bank.
Kennet.....Bank of Shasta Co. (Branch).
Kerman.....First National Bank.
Kern.....First Bank of Kern.
Kings City.....Monterey Co. Bank (Branch).
La Mesa.....Bank of La Mesa.
Laton.....Laton State Bank.
Lemoore.....Bank of Lemoore.
" First National Bank.*
Lincoln.....Bank of Lincoln.
Lindsay.....First National Bank.
Livermore.....First National Bank.
Lodi.....Bank of Lodi.*
" First National Bank.
Lompoc.....Bank of Lompoc.
" Lompoc Valley Bank.
Long Beach.....City National Bank.
" S. Exchange National Bank.
" First National Bank.
" T.S. Long Beach Savings Bank & Trust Co.
" National Bank of Long Beach.*
Los Angeles.....All Night & Day Bank.
" S. American Savings Bank.
" Bank of Highland Park.
" Bank of Southern California.
" T. Broadway Bank & Trust Co
" S. California Savings Bank.
" S. Central National Bank.

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CALIFORNIA—*Continued*

Los Angeles		Citizens' National Bank.*
"		City & County Bank.
"	T.	Columbia Trust Co.
"		Commercial National Bank.*
"	S.	Equitable Savings Bank.
"		Farmers' & Merch. Nat'l Bank.*
"	S.	Federal Bank of Los Angeles.
"		First National Bank.*
"	S.	German-American Sav. Bank.*
"	S.	Globe Savings Bank.*
"	S.	Home Savings Bank.
"	S.	International Sav. & Exc. Bank.
"		Japanese-American Bank.
"	T.S.	Los Angeles Trust & Sav. Bank.
"	T.S.	Merchants' Bank & Trust Co.
"	T.S.	Merchants' Bank & Trust Co., Union Square Branch.
"	T.S.	Merchants' Bank & Trust Co., Western State Branch.
"		Merchants' National Bank.
"	T.	Metropolitan Bank & Trust Co.
"		National Bank of California.
"		National Bank of Commerce.*
"	S.	Park Bank.
"	S.	Security Savings Bank.*
"	T.S.	The Southern Trust Co.
"		South Side Bank.
"	T.	Title Insurance & Trust Co.
"		Traders' Bank.
"		United States National Bank.*
Los Banos		Bank of Los Banos.
Los Gatos		Bank of Los Gatos.
Loyalton		Sierra Valley Bank.
McCloud		McCloud National Bank.
Madera		Commercial Bank.
"		First National Bank.
Martinez		Bank of Martinez.
Marysville		Decker, Jewett & Co. Bank.
"	S.	Northern Cal. Bank of Savings.
"		The Rideout Bank.
Mayfield	T.	Mayfield Bank & Trust Co.
Merced	S.	First National Bank.
"	S.	Merced Security Savings Bank.
Mill Valley		Bank of Mill Valley.
Modesto		First National Bank.
"	S.	Union Savings Bank.
Monrovia		American National Bank.
"		First National Bank.
"	T.S.	Granite Bank & Trust Co.
"	S.	Monrovia Savings Bank.
Montague		Montague Banking Co.
Monterey	S.	Bank of Monterey.
"	S.	First National Bank.
Mountainview		Bank of Mountainview.
"		Farmers' & Merch. State Bank.
Napa		First National Bank.
"	S.	Napa Savings Bank.
National City		People's National Bank.
Nevada City		Citizens' Bank.
Newman		Bank of Newman.
Newport Beach		State Bank of Newport.
Northoff		Ojai State Bank.
Oakdale		First Nat'l Bank of Oakdale.
Oakland		Bank of Germany.
"		Central National Bank.
"	S.	Farmers' & Merch. Sav. Bank
"		First National Bank.*
"	T.S.	First Trust & Savings Bank.*
"		Harbor Bank.
"	S.	Oakland Bank of Savings.
"	T.S.	Security Bank & Trust Co.
"	S.	State Savings Bank.
"		Syndicate Bank.
"	S.	Union Savings Bank.
"	T.	West Oakland Bk. & Trust Co.*
Ocean Park		First National Bank.
"	S.	Ocean Park Bank.*
Oceanside		Bank of Oceanside.
Ontario		Citizens' Bank.
"		First National Bank.*
Orange		Bank of Orange.
"		First National Bank.
Oroville		Bank of Rideout, Smith & Co
Oxnard		First National Bank.
Pacific Grove		Bank of E. Cooke Smith.
"		Bank of Pacific Grove.
Palo Alto	S.	Bank of Palo Alto.
"	S.	First National Bank.
Pasadena	T.	American Bank & Trust Co.
"		Bank of Commerce.
"		Crown City National Bank.*
"	S.	Crown City Savings Bank.
"		First National Bank.*
"		Pasadena National Bank.*
"	S.	Pasadena Savings & Trust Co
"	S.	San Gabriel Valley Bank.*
"	S.	Union National Bank.*
Petaluma	S.	Bank of Sonoma County.
"		Petaluma National Bank.
"	S.	Petaluma Savings Bank
"		Wickersham Banking Co.
Pinole		Bank of Pinole.
Placerville		Alderson Banking Co.
"		A. Mierson Banking Co.
Pleasanton		Bank of Pleasanton.
Point Richmond		Bank of Richmond.
Pomona		American National Bank.
"	S.	First National Bank.
"	T.S.	Savings Bank & Trust Co.
Portersville		First National Bank.

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CALIFORNIA—*Continued*

Portersville.....Pioneer Bank.
Quincy.....Plumas County Bank.
Red Bluff.....Bank of Tehama County.
Redding.....Bank of Shasta County.
Redlands.....Citizens' National Bank.
" First National Bank.
" Redlands National Bank.
" S. Savings Bank of Redlands.
" S. Union Savings Bank.
Redwood City.T.S. Sav. & Tr. Co. of San Mateo Co.
" S. San Mateo Co. Savings Bank.*
Reedley.....First National Bank.
Riverside.....City National Bank.
" First National Bank.
" National Bank of Riverside.
" T.S. Riverside Savings Bank & Tr. Co.
Roseville.....T. Roseville Banking & Trust Co.
Sacramento.....California National Bank.*
" T. Capital Banking & Trust Co.
" Fort Sutter National Bank.
" Japanese Bank.
" Nat'l Bank of D. O. Mills & Co.
" S. People's Savings Bank.*
" S. Sacramento Bank.
St. Helena.....Bank of St. Helena.*
" Carver National Bank.
Salinas.....First National Bank.
Salinas City.....Monterey County Bank.
" Salinas City Bank.
Salinas.....S. Salinas Valley Savings Bank.
San Bernardino..California State Bank.
" San Bernardino National Bank.
San Diego.....American National Bank.*
" T. Bank of Commerce & Trust Co.
" Blochman Banking Co.
" First National Bank.
" Merchants' National Bank.
" T.S Southern Trust & Savings Bank.
" University Avenue Bank.
San Fernando...San Fernando Valley Bank.
San Francisco...American National Bank. *
" Anglo & London Paris N. Bank.*
" Bank of California.*
" S. Bank of Italy.*
" Bank of San Francisco.
" Canadian Bank of Commerce.
" T. Central Trust Co. of California.
" City & County Bank.
" Crocker National Bank.
" Donohoe-Kelly Banking Co.
" First National Bank.
" S. French-American Bank.
" S. French Savings Bank.
" S. German Savings & Loan Society.
" S. Hibernia Savings & Loan Soc.
San Francisco.S. Humboldt Savings Bank.
" International Banking Corp.
" Italian-American Bank.
" T.S. Marine Trust & Savings Bank.
" S. Mechanics' Savings Bank.
" T. Mercantile Trust Co. of San Francisco.
" Merchants' National Bank.
" Mission Bank.
" T.S. Metropolis Trust & Sav. Bk.
" S. Mutual Savings Bank.
" Pacific Surety Co.
" San Francisco National Bank.*
" S. San Francisco Savings Union.
" S. Savings & Loan Society.
" S. Seaboard National Bank.
" Swedish-American Bank.
" Swiss-American Bank (Branch).
" T. Union Trust Co.
" Wells-Fargo-Nevada Nat'l Bk.
" Western Casualty & Surety Co.
" Western National Bank.
" Yokohama Specie Bank. Ltd.
" N. W. Halsey & Co.
San Jacinto.....First National Bank.
San Jose.....Bank of San Jose.
" S. First National Bank.
" T. Garden City Bank & Trust Co.*
" San Jose Safe Deposit Bank.
" Security State Bank.
San Leandro....Bank of San Leandro.*
San Luis Obispo.Commercial Bank.
" S. San Luis Savings Bank.
" S. Union National Bank.
San Mateo.....San Mateo Bank.
San Pedro.....First National Bank.
" State Bank of San Pedro.
San Rafael...S. Marin County Bank.
Santa Ana.....Commercial Bank.
" First National Bank.*
" S. Orange County Savings Bank.*
Santa Barbara..Central Bank.
" Commercial Bank.
" First National Bank.*
" Santa Barbara Co. Nat'l Bank.
Santa Clara...S. Santa Clara Valley Bank.
Santa Cruz.....Bank of Santa Cruz County.*
" People's Bank.
Santa Maria....Bank of Santa Maria.
" First National Bank.
Santa Monica.S. Bank of Santa Monica.
" Merchants' National Bank.
Santa Paula....Farmers' & Merchants' Bank.
" First National Bank.
" S. Santa Paula Savings Bank.

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CALIFORNIA—*Continued*

Santa Rosa.....Santa Rosa Bank.
" S. Santa Rosa National Bank.
" S. Savings Bank of Santa Rosa.
Selma.....Farmers' Bank.
" First National Bank.
Sonoma.....Sonoma Valley Bank.
Sonora.....First National Bank.
" Tuolumne County Bank.
South Pasadena.First National Bank.
So. San Francisco S. Bk. of So. San Francisco.
Stirling City....Stirling City Bank.
Stockton.....Farmers' & Merchants' Bank of Stockton.*
" First National Bank.
" San Joaquin Valley Bank.
" S. Stockton Savings Bank.
" S. Stockton Savings & Loan Soc.
" Union Safe Deposit Bank
Sunny Vale...S. Bank of Sunny Vale.
Susanville.....Bank of Lassen County.
Tehachapi.....Bank of Tehachapi.
Tulare.....Bank of Tulare.
" First National Bank.
Upland.....Commercial National Bank.
" First National Bank.
Vallejo.....Citizens' Bank.
Vallejo.....S. Vallejo Commercial Bank.
Venice.....Bank of Venice.
Ventura.....Bank of Ventura.
" First National Bank.
Visalia.....Citizens' Bank.
" S. First National Bank.
" National Bank of Visalia.
" S. Visalia Savings Bank.
Watsonville.....Bank of Watsonville.*
" Pajaro Valley Bank.
" Pajaro Valley Savs. & Loan Soc.
Weaverville.....Trinity County Bank.
Wheatland.....Farmers' Bank.
Whittier.....First National Bank.
" S. Home Savings Bank.
" Whittier National Bank.
Williams.....Bank of Williams.
Willits.....Bank of Willits.
Willows.....Bank of Willows
Winters.....Bank of Winters.
" Citizens' Bank.
Woodland.....Bank of Woodland.
" Bank of Yolo.
Yreka.....S. Siskiyou County Bank.
Yuba City.....Farmers' Co-operative Union of Sutter County.

COLORADO

Akron.....Bank of Akron.
Alamosa.....American National Bank.
Amethyst.....Tomkins Bros.
Arriba.....Lincoln State Bank.
Arvada.....First National Bank.
Aspen.....Aspen State Bank.
Ault.....Farmers' National Bank.
" First National Bank.
Boulder.....Boulder National Bank.
" First National Bank.
" T.S. Mercantile Bank & Trust Co.
" National State Bank.
Breckenridge....Engle Bros. Exchange Bank.
Brighton.....Farmers' & Merch. State Bank.
" First National Bank.
Brush.....First National Bank.
" Stockmen's National Bank.
Buena Vista....First National Bank.
Burlington.....Stockgrowers' Bank.
Calhan.....First State Bank.
Canon City.....First National Bank.
Carbondale.....First National Bank.
Castle Rock.....First National Bank.
" State Bank of Castle Rock.
Central City....First National Bank.
Central City....Rocky Mountain National Bank.
Colorado Springs S. Colorado Savings Bank of Colorado Springs.
" Colorado Springs National Bk.
" T. Colorado Title & Trust Co.
" El Paso National Bank.
" Exchange National Bank.
" First National Bank.*
Cortez.....The First Nat'l Bank of Cortez.
" Montezuma Valley Nat'l Bank.
Crested Butte...Bank of Crested Butte.
Cripple Creek...Cripple Creek State Bank.
" First National Bank.
Del Norte.....Bank of Del Norte.
" Rio Grande State Bank.
Delta.....Delta National Bank.
" First National Bank.
Denver.....Capital National Bank.*
" Central National Bank.
" T.S. Central Savings Bk. & Trust Co.
" Colorado National Bank.*
" S. Colorado State & Savings Bank.
" T.S. Continental Trust Co.*
" Denver National Bank.*
" Denver Stock Yards Bank.

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COLORADO—*Continued*

Denver ..... S. Federal State & Savings Bank.*
" First National Bank.*
" T. German-American Trust Co.
" T.S. International Trust Co.*
" S. Interstate Savings Bank.*
" Italian-American Bank.
" State Mercantile Bank.
" T. Union Deposit & Trust Co.
" U. S. National Bank.*
" Ferris & Conaway.
" Wm. Sweet & Co.
" Henry Wilcox & Son.
Dolores ..... J. J. Harris & Co.
Durango ..... First National Bank.
Eagle ..... First National Bank.
Eaton ..... Eaton National Bank.
" First National Bank.
Estes Park ..... Estes Park Bank.
Flagler ..... Flagler State Bank.
Florence ..... First National Bank.
Fort Collins .. T. Commercial Bank & Trust Co.
" First National Bank.
" Fort Collins National Bank.
" Northern Colorado Securities Co.
" Poudre Valley National Bank.
Fort Morgan .... First National Bank.*
" S. Home Savings Bank.
" Morgan County National Bank.
Fowler ..... Fowler State Bank.
Fruita ..... First Bank of Fruita.
Genoa ..... Genoa State Bank.
Georgetown ..... Bank of Clear Creek County.
" Bank of Georgetown.
Glenwood Springs. Citizens' National Bank.
" First National Bank.
Golden ..... Woods & Rubey Nat'l Bank.*
Granada ..... First National Bank.
Grand Junction . Grand Valley National Bank.
" Mesa County National Bank.
" T. Union Trust & Banking Co.
Greeley ..... First National Bank.
" S. Greeley National Bank.
" Union National Bank.
" S. Weld County Savings Bank.
Gunnison ..... First National Bank.
Haxtum ..... Bank of Haxtum.
Hayden ..... Yampa Valley Bank.
Holly ..... First National Bank.
" Holly State Bank.
Holyoke ..... First National Bank.
" Phillips County State Bank.
Hotchkiss ..... Bank of North Fork.
Idaho Springs ... First National Bank.
" Merchants' & Miners' Nat'l Bk.
Johnstown ..... First National Bank.
Julesburg ..... Citizens' Bank.
" First National Bank.
Kersey ..... Kersey State Bank.
Lafayette ..... First National Bank.
" Lafayette Bank.
La Junta ... T.S. Colorado Savings & Trust Co.
" First National Bank.*
" La Junta State Bank.
Lamar ..... Citizens' State Bank.
" First National Bank.
" The Lamar National Bank.
Las Animas ..... First National Bank.
Laveta ..... Laveta Bank.
Leadville ..... American National Bank.
" Carbonate National Bank.
Limon ..... Limon State Bank.
Longmont ..... Farmers' National Bank.
" Emerson & Buckingham.
Louisville ..... Louisville Bank.
Loveland ..... Larimer County Bank.
" Loveland National Bank.
Lyons ..... State Bank of Lyons.
Meeker ..... Bank of Meeker.
" First National Bank.
Monte Vista ..... Bank of Monte Vista.
" First National Bank.
Montrose ..... First National Bank.
" Home State Bank.
" Montrose National Bank.
New Windsor ... Farmers' Nat'l Bk. of Windsor.
" First Nat'l Bank of Windsor.
Palisades ..... Palisades National Bank.
Paonia ..... Fruit Exchange State Bank.
Pueblo ..... First National Bank.
" S. Mercantile National Bank.
" T.S. Pueblo Savings & Trust Co.
" Western National Bank.
Ridgway ..... Bank of Ridgway.
Rifle ..... First National Bank.
Rocky Ford ..... First National Bank.
" Rocky Ford National Bank.*
Saguache ..... Saguache County Bank.
Salida ..... Commercial National Bank.
" First National Bank.
" Merchants' National Bank.
Sedgwick ..... First National Bank.
Seibert ..... Seiberty State Bank.
Silverton ..... First National Bank.
" S. Silverton National Bank.*
Steamboat Springs ..... First National Bank.
Steamboat Springs .... T. Milner Bank & Trust Co.
Sterling ..... First National Bank.
" Logan County National Bank.

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COLORADO—*Continued*

Sulphur Springs. Bank of Grand County.
Telluride.....Bank of Telluride.
" First National Bank.
Trinidad.....S. Commercial Savings Bank.
" First National Bank.
" Trinidad National Bank.
" John Aiello.
Victor.....Bank of Victor.
Victor.....City Bank.
Walden.....North Park Bank.
Walsenburg ....First National Bank.
" Guaranty State Bank.
Westcliffe.....Henry H. Tomkins & Co.
Wray.....Bank of Wray.
Yampa.....Bank of Yampa.

CONNECTICUT

Ansonia.....Ansonia National Bank.
" S. The Savings Bank of Ansonia.
Bridgeport...S. Bridgeport Savings Bank.
" T. The Bridgeport Trust Co.
" City National Bank.
" S. City Savings Bank.*
" Connecticut National Bank.
" First Bridgeport Nat'l Bank.*
" S. Mechanics' & Farmers' Sav. Bk.
" Pequonnock National Bank.
" Bridgeport Land & Title Co.
" Jas. Staples & Co.
" T. L. Watson & Co.
Bristol.....Bristol National Bank.
" T. Bristol Trust Co.
Brooklyn.....S. Brooklyn Savings Bank.
Canaan.....Canaan National Bank.
Chester.....S. Chester Savings Bank.
Clinton.....Clinton National Bank.
Collinsville...T. Canton Trust Co.
Danbury.....City National Bank.*
" Danbury National Bank.
" S. Savings Bank of Danbury.
" S. Union Savings Bank.
Danielson.....Windham County Nat'l Bank.
Deep River.....Deep River National Bank.
" S. Deep River Savings Bank.
Derby.....Birmingham National Bank.
" S. Derby Savings Bank.
" T. Home Trust Co.
East Haddam...National Bank of New England of East Haddam.
Greenwich.....Greenwich National Bank.
" T. Greenwich Trust Co.
Guilford.....S. Guilford National Bank.
Hartford.....Ætna National Bank.*
" American National Bank.
" Charter Oak National Bank.
" City Bank of Hartford.
" T. Conn. Trust & Safe Deposit Co.
" S. Dime Savings Bank.
" Farmers' & Mech. Nat'l Bank.
" T. Fidelity Trust Co.
Hartford.....First National Bank.
" Hartford National Bank.*
" T. Hartford Trust Co.*
" S. Mechanics' Savings Bank.
" National Exchange Bank.
" Phœnix National Bank.
" T. Riverside Trust Co.
" T. Security Co.*
" United States Bank.
" Francis R. Cooley.
" Stedman & Redfield.*
Jewett City...S. Jewett City Savings Bank.
Lakeville.....T. Robbins-Burrall Trust Co.
Litchfield.....First National Bank.
Meriden.....S. City Savings Bank.
" First National Bank.
" Home National Bank.
" Meriden National Bank.
" S. Meriden Savings Bank.
" T. Meriden Trust & Safe Deposit Co.
Middletown.....Central National Bank.
" S. Farmers' & Mechanics' Savings Bank.
" Middlesex Banking Co.
" Middletown National Bank.*
" S. Middletown Savings Bank.
Moodus.....S. Moodus Savings Bank.
Moosup.....E. E. Salisbury.
Naugatuck.....Naugatuck National Bank.
" S. Naugatuck Savings Bank.*
New Britain.T.S. Home Banking & Realty Co
" New Britain National Bank.*
" T. New Britain Trust Co.
" S. The Sav. Bk. of New Britain.
New Hartford S. New Hartford Savings Bank.*
New Haven.....City Bank.
" S. Connecticut Savings Bank.
" First National Bank.
" Mechanics' Bank.*
" Mercantile Safe Deposit Co.
" Merchants' National Bank.
" National New Haven Bank.

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CONNECTICUT—*Continued*

New Haven		National Tradesman's Bank.
"		New Haven County Nat'l Bank.
"	S.	New Haven Savings Bank.
"	T.	New Haven Trust Co.
"		Second National Bank.
"	T.	The Union Trust Co.*
"		Yale National Bank.*
New London	S.	Mariners' Savings Bank.
"		National Bank of Commerce of New London.
"	S.	Savings Bank of New London.
"		Union Bank.
New Milford		First National Bank.
"	S.	New Milford Savings Bank.
Newtown	S.	Newtown Savings Bank.
Norfolk	S.	Norfolk Savings Bank.
Norwalk		Central National Bank.
"		Fairfield County Nat'l Bank.
"	S.	Fairfield County Savings Bank.
"		National Bank of Norwalk.*
"	S.	Norwalk Savings Society.
Norwich	S.	Chelsea Savings Bank.
"	S.	Dime Savings Bank.
"		First National Bank.
"		Merchants' National Bank.
"	S.	Norwich Savings Society.
"		Thames National Bank.
"		Uncas National Bank.
Plainville		First National Bank.
Portland		First National Bank.*
"	S.	Freestone Savings Bank.*
Putnam		First National Bank.
"	S.	Putnam Savings Bank.
Rockville		First National Bank.
"		Rockville National Bank.
Seymour	T.S.	Seymour Trust Co.*
So. Manchester	T.	Manchester Trust & Safe Deposit Co.
South Norwalk		City National Bank.
"	S.	South Norwalk Savings Bank.
"	T.S.	The So. Norwalk Trust Co.*
Southport	S.	Southport Savings Bank.
"	T.	Southport Trust Co.
Stafford Springs		First National Bank.
"	S.	Stafford Savings Bank.
Stamford	S.	Citizens' Savings Bank.
"	T.	Fidelity Title & Trust Co.
"		First National Bank.
"		Stamford National Bank.
"	S.	Stamford Savings Bank.
"	T.	Stamford Trust Co.
Suffield		First National Bank.
Thomaston		Thomaston National Bank.
"	S.	Thomaston Savings Bank.
Thompsonville	T.	The Thompsonville Trust Co.
Torrington		Brooks National Bank.
"	S.	Torrington National Bank.*
"	S.	Torrington Savings Bank.
Wallingford		First National Bank.*
Waterbury		Citizens' National Bank.
"	T.	Colonial Trust Co.
"	S.	Dime Savings Bank.
"		Manufacturers' National Bank.
"		Waterbury National Bank.
"	T.	Waterbury Trust Co.
Westport		First National Bank.
Willimantic		Windham National Bank.
Windsor Locks	T.	Windsor Locks Trust & Safe Deposit Co.
Winsted		First National Bank.*
"		Hurlbut National Bank.
"	S.	Winsted Savings Bank.

DELAWARE

Bridgeville	T.	Baltimore Trust Co.*
Delaware City	S.	Delaware City National Bank.
Dover		First National Bank.
Felton		First National Bank.
Frederica		First National Bank.
Georgetown		First National Bank.
Harrington		First National Bank.
Laurel		People's National Bank.
Lewes		Lewes National Bank.
Milford		First National Bank.
"	T.S.	Milford Trust Co.
Newark	T.S.	Newark Tr. & Safe Deposit Co.
New Castle	T.	New Castle Trust Co.
Newport		Newport National Bank.
Seaford		First National Bank.
Selbyville		Selbyville National Bank.
Wilmington	S.	Artisans' Savings Bank.
"		Central National Bank.
"	T.	Equitable Guarantee & Tr. Co.*
"		Farmers' Bank.
"		First National Bank.
"		National Bank of Delaware.
"		National Bank of Wilmington & Brandywine.
"	T.	North Amer. Bank & Tr. Co.
"	T.	Security Tr. & Safe Deposit Co.
"		Union National Bank.
"	S.	Wilmington Sav. Fund Society.
"	T.	Wilmington Trust Co.*
"		F. D. Lackey & Co.
"		Scott & Co.
Wyoming		First National Bank.

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DISTRICT OF COLUMBIA

Washington.....American National Bank.*
" T. American Security & Trust Co.
" S. Citizens' Savings Bank.
" Columbia National Bank.
" Commercial National Bank.*
" District National Bank.
" S. East Washington Savings Bank.
" Farmers' & Mechanics' National Bank of Georgetown.
" S. Home Savings Bank.
" International Banking Corporation (Washington Branch).
" Lincoln National Bank.
" McLachlan Banking Corp.
" S. Merch. & Mechanics' Sav. Bank.
" S. Merch. & Mech. Sav. Bank, 7th St. Branch.
" S. Merch. & Mech. Sav. Bank, West End Branch.
Washington.....National Bank of Washington.
" National Capital Bank.
" National City Bank.
" National Metropolitan Bank.*
" T.S. National Savings & Trust Co.
" S. Potomac Savings Bank.
" Riggs National Bank.
" Second National Bank.*
" S. Union Savings Bank.
" T. Union Trust Co.
" S. United States Savings Bank.
" T.S. United States Trust Co.*
" T. Washington Loan & Trust Co.
" S. Washington Mech. Savings Bk.
" Bell & Co.
" Crane, Parris & Co.
" W. B. Hibbs & Co.
" Lewis Johnson & Co.
" A. G. Plant & Co.

FLORIDA

Alachua.....Bank of Alachua.
" .....First National Bank.
Apalachicola....First National Bank.
Arcadia.....De Soto National Bank.
" First National Bank.
" State Bank of Arcadia.
Bartow.....Polk Co. National Bank.
Bonifay.....Bank of Bonifay.*
Bradentown....Bank of Bradentown.
" Bank of Manatee.
Brooksville.....Brooksville Banking Co.
" Hernando State Bank.
Chipley.....First National Bank.
Cocoa.....Brevard County State Bank.
Crystal River....Bank of Crystal River.
Dade City.....Bank of Pasco County.
Daytona .....Merchants' Bank, Branch of Volusia County State Bank.
De Funiak Springs.....First National Bank.
Deland .....Volusia County Bank.
Dunnellon.....Bank of Dunnellon.
Eustis.....First State Bank.
Fernandina...S. First National Bank.
Fort Meade.....Bank of Fort Meade.
Fort Myers.....Bank of Fort Myers.
" First National Bank.
Fort Pierce.....Bank of Fort Pierce.*
Gainesville.....Dutton Bank.
" S. First National Bank.
Gainesville.....Gainesville National Bank.
Green Cove Springs.....Bank of Green Cove Springs.
Jacksonville.....Atlantic National Bank.
" Barnett National Bank.*
" Citizens Bank.
" Commercial Bank.*
" Florida National Bank.*
" T.S. Guaranty Trust & Savings Bk.
" T. People's Bank & Trust Co.
" State Bank of Florida.
" T. Realty Title & Trust Co.
" S. Union Savings Bank.
" S. H. Hart, Son & Co., Bankers.
Jasper.....Bank of Jasper.
Jennings.....Bank of Jennings.
Key West.....First National Bank.
" Island City National Bank.
Kissimmee.....State Bank of Kissimmee.
Lake Butler.....Bank of Lake Butler.
Lake City.....First National Bank.
" State Exchange Bank.
Lakeland.....Citizens' Bank.
Largo.....Bank of Largo.
Leesburg.....Citizens' Bank.
" Leesburg State Bank.
Live Oak.....S. Citizens' Bank.
" Live Oak Bank.
Madison.....Citizens' Bank.
" First National Bank.

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FLORIDA—*Continued*

Manatee.....Manatee Banking Co.
Marianna.....First National Bank.
Mayo.....Citizens' Bank.
Melbourne.....Fee & Stewart.
Miami.....Bank of Bay Biscayne.
" S. First National Bank.
Micanopy.....Micanopy Banking Co.
Milton.....First National Bank.
Monticello.....Farmers' & Merchants' Bank.
" Jefferson County State Bank.
Newberry.....Bank of Newberry.
New Smyrna....State Bank of New Smyrna.
Ocala.....Munroe & Chambliss Bank.
Orlando.....T. Orlando Bank & Trust Co.
" State Bank of Orlando.*
Palatka....T.S. East Florida Savings & Trust Co.
" Putnam National Bank.
Palmetto.....Manatee County State Bank.
Pensacola.....American National Bank.
" Citizens' National Bank.
" S. First National Bank.
" Pensacola State Bank.
" People's National Bank.
Perry.....First National Bank.
Quincy.....First National Bank.
" Quincy State Bank.
River Junction..Gadsden County State Bank.
St. Augustine...Comm. Bank of St. Augustine.
" First National Bank.*
" S. People's Bank for Savings.
St. Petersburg...First National Bank.
" National Bank of St. Petersburg.
Sanford.....First National Bank.
" S. People's Bank of Sanford.
Sneads.....Bank of Sneads.
Starke.....Bank of Starke.
" Bradford County Bank.
Tallahassee.....Capital City Bank.
" First National Bank.
Tampa.....American National Bank.
" Bank of Tampa.
" T.S. Citizens' Bank & Trust Co.
" Exchange National Bank.*
" First National Bank.
Tarpon Springs..S. Sponge Exchange Bank.
Titusville.....Indian River State Bank.
Wauchula.....Bank of Wauchula.
W. Palm Beach.Dade County State Bank.
Williston.....Bank of Williston.

GEORGIA

Abbeville.....Bank of Abbeville.
Acworth.....Bank of Acworth.
" S. Lemon Banking Co.
Adairsville.....Bank of Adairsville.
Adel.....Citizens' Bank.
Adrian.....S. Union Savings Bank.
Alapaha.....Bank of Alapaha.
Albany.....Albany National Bank.
" Citizens' First National Bank.
" Exchange Bank.
" Georgia Banking Co.
Americus.....Bank of Commerce.
" Bank of So. Western Georgia.
Arlington.....Bank of Arlington.
Ashburn.....Ashburn Bank.
Athens.....S. Athens Savings Bank.
" T. Citizens' Bank & Trust Co.
" Georgia National Bank.
" S. University Savings Bank.
Atlanta.....American National Bank.
" Atlanta National Bank.
" T. Central Bank & Trust Corp'n.
" Farmers' & Traders' Bank.*
" S. Fourth National Bank.*
" T.S. Georgia Savings Bk. & Tr. Co.
" T.S. Guarantee Trust & Banking Co.
Atlanta.....Lowry National Bank.*
" Third National Bank.*
" T.S. Trust Co. of Georgia.
" S. Union Savings Bank.
" Darwin G. Jones.
" Thomas B. Paine & Co.
Augusta.....Citizens' Bank.
" S. Georgia Railroad Bank.*
" Irish-American Bank.
" Merchants' Bank.*
" National Bank of Augusta.
" National Exchange Bank.
" S. Union Savings Bank.
Bainbridge.....Bainbridge State Bank.
Barnesville.....Citizens' Bank.
Bartow.....Bartow Bank.
Barwick.....Bank of Barwick.
Baxley.....Baxley Banking Co.
" Citizens' Banking Co.
Blackshear.....Blackshear Bank.
Blakely.....First National Bank.
Blue Ridge.....North Georgia National Bank.
Boston.....Merchants' & Farmers' Bank.
Bowdon.....Bank of Bowdon.
Bowman.....Bank of Bowman.
Bremen.....Bank of Bremen.

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GEORGIA—*Continued*

Bronwood		Terrell County Bank.
Brooklet		Bank of Brooklet.
Brunswick	T.	Brunswick Bank & Trust Co.
"	S.	National Bank of Brunswick.*
Buchanan		Haralson County Bank.
Buena Vista	S.	Buena Vista Loan & Sav. Bk.
"		First National Bank.
Buford		Bank of Buford.
Butler		Farmers' & Merchants' Bank.
Byromville		J. S. Byrom & Sons.
Cairo		Citizens' Bank.
Calhoun		Calhoun National Bank.
"		People's Bank.
Camilla		Bank of Camilla.
"		Citizens' Bank.
Carrollton		Carrollton Bank.
"		First National Bank.
Cartersville		Bank of Cartersville.
Cave Spring		Bank of Cave Spring.
Cedartown	S.	Bank of Cedartown.
"		Commercial Bank.
Chauncey		Bank of Chauncey.
Claxton		Claxton Bank.
Clayton		Bank of Clayton.
Columbus	S.	Columbus Savings Bank.
"		Fourth National Bank.
"	S.	Home Savings Bank.
"		National Bank of Columbus.
"		Third National Bank.
Comer		Comer Bank.
Commerce		Northeastern Banking Co.
"		E. B. Anderson.
Conyers		Bank of Rockdale.
Coolidge		Bank of Coolidge.
Cordele		American National Bank.
"		Cordele National Bank.
"		Exchange Bank.
Cornelia		Cornelia Bank.
Covington		Bank of Newton County.
Culloden		Bank of Culloden.
Cumming		Farmers' & Merchants' Bank.
Dallas	S.	Commercial Savings Bank.
Dalton		C. L. Hardwick & Co.*
Danielsville		Bank of Danielsville.
Danville		Bank of Danville.
Davisboro		Merchants' & Farmers' Bank.
Dawson		Dawson National Bank.
Decatur		Bank of Decatur.
Donalsonville		Bank of Donalsonville.
Douglas		Union Banking Co.
Dublin		City National Bank.
"		Dublin Banking Co.
"		First National Bank.
"		Laurens Banking Co.
Dudley		Bank of Dudley.
East Point		Bank of East Point.
Eatonton		Bank of Eatonton.
Elberton		Bank of Elberton.
"		Citizens' Bank.
"		First National Bank.
Fairburn		Fairburn Banking Co.
Fairmount		Bank of Fairmount.
Fitzgerald		Exchange National Bank.
"		First National Bank.
Forsyth		First National Bank.
"	S.	Monroe County Bank.
Fort Gaines		Bank of Fort Gaines.
Fort Valley		First National Bank.
Gainesville		First National Bank.
"		Gainesville National Bank.
"		State Banking Co.
Glenville		Glenville Bank.
Grantville		Bank of Grantville.
Graymont		Bank of Graymont.
Greenville		People's Bank.
Griffin		Griffin Banking Co.
Guyton		Effingham County Bank.
Haddock		Jones County Bank.
Hagan		Bank of Hagan.
Hamilton		Bank of Hamilton.
Harlem		Bank of Harlem.
Hartwell		Farmers' & Merchants' Bank.
"		Hartwell Bank.
Hawkinsville		First National Bank.
Hiram		Bank of Hiram.
Hogansville		Hogansville Banking Co.
"		Merchants' & Farmers' Bank.
Iron City		Citizens' Bank.
Irwinville		Bank of Irwinville.
Jackson		First National Bank.
"		Jackson Banking Co.
Jefferson		First National Bank.
Jeffersonville		Twiggs County Bank.
Jonesboro		Bank of Jonesboro.
Kennesaw		Bank of Kennesaw.
La Grange		La Grange National Bank.
Lake Park		Lake Park Bank.
Lawrenceville	S.	Brand Banking Co.
Leslie		Bank of Leslie.
Lexington		Bank of Lexington.
Locust Grove		Bank of Locust Grove.
Loganville		Farmers' & Merchants' Bank.
Louisville		Bank of Louisville.
"		First National Bank.
Lumpkin		Bank of Lumpkin.
Lyerly		Bank of Lyerly.
McDonough		Bank of Henry County.
"		First National Bank.
Macon	S.	American National Bank
"		Citizens' National Bank.

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GEORGIA—*Continued*

Macon.....Commercial National Bank.*
" Equitable Banking & Loan Co.
" Fourth National Bank.
" S. Macon Savings Bank.
Madison.....Bank of Madison.
" Morgan County Bank.
Marietta.....First National Bank.
" T. Marietta Trust & Banking Co.
Maysville.....Atkins National Bank.
Meigs.....Bank of Meigs.
Milledgeville....Exchange Bank.
" Merchants' & Farmers' Bank.
" Milledgeville Banking Co.
Millen.....Bank of Millen.
Mineral Bluff....Bank of Mineral Bluff.
Molena.....Bank of Molena.
Monroe.....Bank of Monroe.
" Farmers' National Bank.
" Bank of George W. Felker.
Montezuma.....First National Bank.
Moreland.....Moreland Banking Co.
Morven.....Farmers' & Merchants' Bank.
Moultrie.....Citizens' Bank.
" Moultrie Banking Co.
Newnan.....Coweta National Bank.
Ocilla.....Citizens' Bank.
" First National Bank.
Odessadale.....Odessa Bank.
Oglethorpe.....Macon County Bank.
Oliver.....People's Bank.
Palmetto.....Bank of Palmetto.
Parrott.....Bank of Parrott.
Pavo.....Bank of Pavo.
Perry.....Houston Banking Co.
Pinehurst.....Bank of Pinehurst.
Pineview.....Bank of Pineview.
Pitts .....S. Pitts Banking Co.
Poulan.....Bank of Poulan.
Powder Springs..Bank of Powder Springs.
Quitman.....Bank of Quitman.
" First National Bank.
Reidsville....S. Tattnall Bank.
Reynolds.....Farmers' & Merchants' Bank.
Richland.....People's Bank.
Ringgold.....Bank of Ringgold.
Roberta.....Crawford County Bank.
Rocky Ford.....Bank of Rocky Ford.
Rome.....T. American Bank & Trust Co.
" Cherokee Bank.
" First National Bank.
Rossville.....T. Avenue Bank & Trust Co., Rossville Branch.
Royston.....Royston Bank.
Rutledge.....Bank of Rutledge.
Sandersville.....Citizens' Bank.
Sandersville....First National Bank.
" Warthen & Irwin.
Savannah.....Chatham Bank.
" Citizens' & Southern Bank.*
" T. Citizens' Trust Co.
" Commercial Bank.
" Exchange Bank.*
" S. Germania Bank.*
" S. Hibernia Bank of Savannah.*
" Merchants' National Bank.
" National Bank of Savannah.*
" T.S. Oglethorpe Savings & Trust Co.
" T. Savannah Bank & Trust Co.
" T.S. Savannah Trust Co.*
Shellman.....Shellman Banking Co.
Smithville.....Bank of Smithville.
Soperton.....Bank of Soperton.
Sparta.....Bank of Sparta.
" First National Bank.
Spread.....Bank of Spread.
Spring Place....Cohutta Banking Co.
Statesboro.....Bank of Statesboro.
" First National Bank.
Statham.....Bank of Statham.
Summerville....Bank of Commerce.
Summit.....People's Bank of Summit.
Swainsboro.....Bank of Emanuel.
" Citizens' Bank.
Sycamore.....Bank of Sycamore.
Sylvester.....First National Bank.
" Sylvester Banking Co.
Talbotton.....Bank of Talbotton.
" The People's Bank.
Tallapoosa.....Farmers' & Merchants' Bank.
Taylorsville.....Bank of Taylorsville.
Tennille.....Farmers' & Merchants' Bank.
" Tennille Banking Co.
Thomaston...T. Upson Banking & Trust Co.
Thomasville.....Bank of Thomasville.
" First National Bank.
Thomson.....Bank of Thomson.
" First National Bank.
Tifton.....Bank of Tifton.
" First National Bank.
" National Bank of Tifton.
Toccoa.....Farmers' & Merchants' Bank.
" First National Bank.
Unadilla.....Commercial Bank.
Vidalia.....Bank of Vidalia.
Wadley.....Bank of Wadley.
" Jefferson County Bank.
Warrenton.....Citizens' Bank.
" Planters' & Merchants' Bank.
Washington.....Citizens' National Bank.
Watkinsville....Oconee County Bank.

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GEORGIA—*Continued*

Waverly Hall...Citizens' Bank.
Way Cross.....Exchange Bank of Way Cross.
" First National Bank.
Waynesboro....Bank of Waynesboro.
" Citizens' Bank.
" First National Bank.
Whigham.....Bank of Whigham.
Winder.....Winder Banking Co.
" Smith & Carithers.
Woodland.....Woodland Bank.
Wrens.....Bank of Wrens.
" Citizens' Bank.
Zebulon.....Bank of Zebulon.

IDAHO

Albion.....D. L. Evans & Co.
American Falls..First National Bank.
Ashton.....Ashton State Bank, Ltd.
Bellevue.....Bellevue State Bank.
Blackfoot.....Blackfoot State Bank.
" First National Bank.
Boise.....Boise City National Bank.
" Boise State Bank, Limited.*
" First National Bank.
" Idaho National Bank.
" T.S. Idaho Trust & Savings Bank.
Bonners Ferry...First State Bk. of Bonners Ferry.
Bovill.....First State Bank.
Bruneau.....Bruneau State Bank.
Buhl.....T. Buhl Bank & Trust Co.
Burley.....Burley State Bank.
Caldwell.....American National Bank.*
" Caldwell Commercial Bank.
" First National Bank.
Cambridge.....People's Bank.
Coeur d'Alene T. American Trust Co.
" T.S. Coeur d'Alene Bank & Trust Co.
" First National Bank.
Cottonwood.....First National Bank.
Culdesac.....Bank of Culdesac.
" First Bank of Culdesac.
Deary.....Latah County State Bank.
Emmett.....Bank of Emmett.
" First National Bank.
Ferdinand.....Ferdinand State Bank.
Gooding.....First National Bank.
Grangeville.....First National Bank.
" T.S. Grangeville Sav. & Trust Co.
Hagerman.....Farmers' State Bank.
" Hagerman State Bank.
Hailey.....Hailey National Bank.
" Idaho State Bank.
Idaho Falls.....American National Bank.
" Anderson Bros. Bank.
" Farmers' & Merchants' Bank.
" State Bank.
Jerome.....Jerome State Bank.
Kamiah.....State Bank of Kamiah.
Kendrick.....Kendrick State Bank.
Kimberly.....Bank of Kimberly, Ltd.
Lewiston.....Bank of Commerce.*
" First National Bank.*
" T.S. Idaho Trust Co.
" Lewiston National Bank.
Meridian.....Bank of Meridian.
" Meridian Exchange Bank.
Milner.....Milner State Bank.
Montpelier.....Bank of Montpelier.
" First National Bank.
Moscow.....First National Bank.
" T. First Trust Co.
" Moscow State Bank.
Mountain Home.Citizens' State Bank.
" First National Bank.
Mullan.....First National Bank.
Murray.....State Bank of Murray.
Nampa.....S. Bank of Nampa.*
" Citizens' State Bank, Ltd.
" First National Bank.
New Plymouth..Farmers' State Bank.
Nezperce.....Farmers' State Bank.
Oakley.....Oakley State Bank.
Parma.....Parma State Bank, Ltd.
Payette.....First National Bank.
" Payette National Bank.
Pocatello.....S. Bannock National Bank.
" Citizens' Bank, Ltd.
" First National Bank.
Potlatch.....Potlatch State Bank.
Preston.....First National Bank.
" S. Idaho State & Savings Bank.
Rathdrum.....Rathdrum State Bank, Ltd.
Rexburg.....First National Bank.
" Rexburg State Bank.
Rigby.....Anderson Bros. Bank.
" Rigby State Bank.
St. Anthony....Commercial National Bank.
" First National Bank.
" St. Anthony Banking & Tr. Co., Ltd.
St. Maries.....Kootenai County State Bank.
" Lumbermen's State Bank.
Salmon.....S. Citizens' National Bank.
" First National Bank.
" T. Pioneer Bank & Trust Co.

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IDAHO—*Continued*

Sandpoint.....Bonner County National Bank.
" Citizens' State Bank.
" S. First National Bank.
Shelley.....Shelley Banking Co., Ltd.
Shoshone.....First National Bank.
" Lincoln County National Bank.
Soldier.....Camas Prairie State Bank.
Spirit Lake.....Bank of Spirit Lake.
Sugar City.....Fremont County Bank.
Troy.....First Bank of Troy.
Twin Falls.....First National Bank.
Wallace.....First National Bank of Wallace.
" S. State Bank of Commerce.*
" Wallace National Bank.
Weiser.....First National Bank.
" Weiser National Bank.
White Bird.....Salmon River State Bank.

ILLINOIS

Abingdon....S. First National Bank.
Albany.....Albany State Bank.*
Albion.....Albion National Bank.*
" First National Bank.
Aledo.....Aledo Bank.
" First National Bank.*
Algonquin.....Bank of Algonquin.*
Altamont....S. First National Bank.*
Alton.....T.S. Alton Banking & Trust Co.
" Alton National Bank.
" S. Alton Savings Bank.
" Citizens' National Bank.*
" T.S. First Trust & Savings Bank.*
Altona.....Bank of Altona.
Alto Pass.....J. C. Lewis Bank.
Amboy.....First National Bank.*
Anna.....Anna National Bank.*
" First National Bank.
Antioch.....Bank of Antioch.
Apple River....Bank of Apple River.*
Arcola.....First National Bank.*
Arenzville.....First National Bank.
Arlington.....Arlington State Bank.*
Arlington Hgts. S. Arlington Heights State Bk.
Arthur.....First National Bank.
Ashkum.....Ashkum Bank.*
Ashland.....Skiles, Rearick & Co.*
Ashmore.....Corn Exchange Bank.*
Assumption.....Illinois State Bank.*
Astoria.....People's State Bank.
Athens.....Lee Kincaid.
Atlanta.....Atlanta National Bank.*
" People's Bank.*
Atwood.....First National Bank.
Auburn.....Auburn State Bank.
" Farmers' State Bank.
Aurora.....T.S. Aurora Trust & Savings Bank.
" First National Bank.*
" Merchants' National Bank.*
" Old Second National Bank.*
Barry.....First National Bank.
Basco.....S. Basco Bank.
Batavia.....First National Bank.*
Beardstown..S. First National Bank.*
" First State Bank.
Beaverville.....H. Lambert & Son Bank.*
Beecher.....First National Bank.*
Belleville.....S. Belleville Savings Bank.
" S. First National Bank.
Bellflower.....Gooch Bros. & Co.
Belvidere.....First National Bank.
" People's Bank.*
" Second National Bank.
Bement.....First National Bank.
" H. L. Timmons & Co.*
Bensenville...S. Bank of Franzen Bros.
Benton.....Benton State Bank.*
" First National Bank.*
Berwick.....Farmers' State Bank.
Bethany.....Scott's State Bank.
Biggsville.....First National Bank.
Blandinsville....Huston Banking Co.*
Bloomington....First National Bank.
" McLean County Bank.*
" T. People's Bank.*
" S. State National Bank.
" T.S. State Trust & Savings Bank.
Blue Island.....Commercial Bank.
Bluffs.....Bank of Bluffs.*
Bondville.....Bondville Bank.*
Bowen.....Farmers' Bank.*
Braceville.....People's Bank.
Bradford.....Bradford Exchange Bank.
" Phenix Banking Co.
Breese.....Bank of Breese.*
Bridgeport.....First National Bank.*
Brighton.....Blodget Bros & Co.
Buckley.....Buckley Bank.*
Buffalo.....Buffalo Bank.
Bunker Hill.....Bumann & Drew.
Bushnell.....Bank of Bushnell.*
Cairo.....Alexander Co. National Bank.*
" T.S. First Bank & Trust Co.*
Cambridge.....Cambridge State Bank.*

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ILLINOIS—*Continued*

Camp Point.....Camp Point Bank.
" People's Bank.
Canton.....S. Canton National Bank.*
" First National Bank.*
Carbondale.....First National Bank.
Cardiff.....Bank of Cardiff.
Carlinville.....Carlinville National Bank.*
Carlyle .....First National Bank.*
Carmi.....First National Bank.*
" National Bank of Carmi.*
Carrollton.....Carrollton Bank.
" Greene County National Bank.
Carthage.....S. Dime Savings Bank.*
" S. Hancock Co. National Bank.*
Centralia.....Merchants' State Bank.
" Old National Bank.*
Cerro Gordo.....State Bank of Cerro Gordo.
Chadwick.....First National Bank.
Champaign.....Champaign National Bank.*
" Citizens' State Bank.*
" Commercial Bank.
" First National Bank.*
" Illinois Title & Trust Co.*
" Trevett Mattis Banking Co.*
Chandlerville....State Bank of Chandlerville.
Charleston.....First National Bank.*
Chatham.....Caldwell State Bank.*
Chatsworth.....Citizens' Bank.
" Commercial National Bank.*
Cherry.....State Bank of Cherry.*
Chester.....Bank of Chester.
" S. First State Bank.
Chestnut.....Bank of Chestnut.
Chicago....T.S. American Trust & Sav. Bank.*
" Austin State Bank.*
" S. Bank of Montreal Agency.*
" Calumet National Bank.
" Central Hyde Park Bank.
" T.S. Central Trust Co. of Illinois.*
" T.S. Chicago Sav. Bank & Trust Co.*
" T.S. Citizens' Trust & Savings Bank.
" T.S. Colonial Trust & Sav. Bank.*
" Commercial National Bank.*
" Consolidated Casualty Co.*
" Continental National Bank.*
" S. Cook County State Sav. Bank.
" Corn Exchange National Bank.*
" S. Drexel State Bank.*
" Drover's Deposit National Bank.
" T.S. Drovers' Trust & Sav. Bank.
" Englewood State Bank.*
" T. Farwell Trust Co.*
" First National Bank.*
" S. First Nat'l Bk. of Englewood.*
" T.S. First Trust & Sav. Bank.*
.Chicago.....Ft. Dearborn National Bank.*
" S. Glaser Savings Bank.
" Hamilton National Bank.*
" T.S. Harris Trust & Sav. Bank.*
" T. Hibernian Banking Ass'n.*
" T.S. Illinois Trust & Sav. Bank.*
" S. Industrial Savings Bank.
" Kaspar State Bank.*
" S. Krause Savings Bank.
" T.S. Lake View Trust & Sav. Bank.*
" Live Stock Exchange Nat'l Bk.*
" T.S. Merchants' Loan & Trust Co.*
" T.S. Metropolitan Tr. & Sav. Bank.
" Monroe National Bank.*
" National Bank of the Republic.*
" National City Bank.*
" National Produce Bank.*
" T.S. Northern Trust Co.*
" Northern Trust Safe Dep. Co.
" T.S. Northwestern Tr. & Sav. Bank.*
" S. North West State Bank.*
" P. Phillip Bank, 4800 No. Clark St., Sta. Y.
" Prairie National Bank.*
" S. Prairie State Bank.*
" T.S. Pullman Trust & Sav. Bank.*
" Railway Exchange Bank.*
" Roseland Bank.
" S. Roseland State Savings Bank.*
" Security Bank.*
" T.S. Sheridan Trust & Sav. Bank.*
" T.S. State Bank of Chicago.*
" S. State Bank of W. Pullman.*
" T.S. Stockmen's Tr. & Sav. Bank.*
" S. Union Bank of Chicago.*
" S. Union Stock Yards State Bk.*
" T. Union Trust Co.*
" T.S. Western Trust & Sav. Bank.*
" T.S. West Side Trust & Sav. Bank.*
" T.S. Woodlawn Trust & Sav. Bank.*
" Pearsons-Taft Land Credit Co.*
" Chas. C. Adsit.*
" Babcock, Rushton & Co.*
" Finley Barrell & Co.*
" A. G. Becker & Co.*
" Thos. J. Bolger Co., 153 LaSalle St.*
" Bond & Goodwin.*
" Geo. H. Burr & Co.*
" S. B. Chapin & Co., Bankers.*
" H. Claussenius & Co.
" Curtis & Sanger, 218 LaSalle St.*
" Cutter, May & Co., The Rookery.*
" Devitt, Tremble & Co.*

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ILLINOIS—*Continued*

Chicago.....Farson Son & Co., Bankers.*
" Fisk & Robinson, 115 Adams St.
" Foreman Bros. Banking Co.*
" Graham & Sons.*
" Greenbaum Sons.*
" N. W. Halsey & Co., The Rookery.*
" Charles Hathaway & Co., 205 LaSalle St.*
" Frederick W. Hill & Co., 108 LaSalle St.*
" E. C. Holbrook & Corey, 217 LaSalle St.*
" H. T. Holtz & Co., 171 LaSalle St.*
" Kosminski & Yondorf.*
" A. B. Leach & Co.*
" Edwin L. Lobdell & Co.*
" Logan & Bryan, 2 B'd of Trade.
" H. B. Lusch & Co.,125 Monroe St.
" Lyon, Gary & Co.
" McClurey & Co., Bankers.*
" MacDonald, McCoy & Co.
" Jno. P. Marsh & Co., Tribune Bldg.
" Wm. A. Mason & Co.*
" Merrill, Cox & Co.*
" John Nuveen & Co.*
" Peabody, Houghteling & Co., 181 LaSalle St.*
" Porter, Fishback & Co.*
" Wm. A. Read & Co., 240 LaSalle St.*
" W. T. Rickards & Co., 140 Dearborn St.*
" W. L. Rohrer & Co., Marquette Bldg.*
" Short, Stanton & Co., Bankers, First National Bank Bldg.*
" Chas. M. Smith & Co., Bankers.*
" S. W. Straus & Co., Inc.*
" Spencer Trask & Co., Bankers.*
" Trowbridge & Niver Co., First National Bank Bldg.*
" Woodin, McNear & Moore, Bankers.*
Chicago Heights.First National Bank.*
Chillicothe.....First National Bank.*
" Truitt, Matthews & Co.
Christopher.....First National Bank.
Cissna Park.....Iroquois County Bank.
Clarence.....Bank of Clarence.*
Clayton.....Bartlett & Wallace.
Clifton.....First National Bank.*
Clinton.....DeWitt County Nat'l Bank.
Cobden.....First Nat'l Bank of Cobden.
Colchester.....National Bank of Colchester.
Colfax.....J. W. Arnold & Co.
Collinsville.....First National Bank.
" State Bank of Collinsville.*
Columbia.....First National Bank.
Compton.....First National Bank.
Cooksville.....Bank of Cooksville.*
Cornell.....S. Farmers' State Savings Bank.
Crescent City...First National Bank.
Crystal Lake....Citizens' State Bank.*
Cuba.....Farmers' State Bank.
Dahlgren.....Dahlgren State Bank.
Dallas City.....First National Bank.
Danvers.....First National Bank.*
Danville....T.S. American Bank & Trust Co.*
" Danville National Bank.*
" Second National Bank.*
Davis.....Farmers' Bank of Davis.
Decatur.....S. Citizens' National Bank.*
" T. Citizens' Title & Trust Co.*
" Milliken National Bank.*
" National Bank of Decatur.*
" L. Burrows & Co.
De Kalb.....First National Bank.*
De Land.....First National Bank.
" State Bank of De Land.
Delavan.....Baldwin Bank.*
" Tazewell County Nat'l Bank.*
Dixon.....City National Bank.
" S. Union State Bank.*
Dolton.....Dolton State Bank.*
" First National Bank.*
Dongola.....First State Bank.
Donovan.....Bank of Donovan.
Downers Grove..Farmers' & Merchants' Bank.
Dundee.....First National Bank.*
Dunlap.....Dunlap Bank.
Durand.....Durand State Bank.
Dwight.....First National Bank.*
Earlville.....Earlville National Bank.*
" First National Bank.
East Dubuque S. East Dubuque Savings Bank.*
Easton.....Bank of Easton.
East Peoria.....First National Bank.
East St. Louis T. Illinois State Trust Co. Bank.
" Southern Illinois Nat'l Bank.*
" T.S. Union Trust & Savings Bank.*
Edinburg.....Citizens' State Bank.
Edwardsville....Bank of Edwardsville.
" First National Bank.
Effingham.....Effingham State Bank.
Elburn.....Kane County Bank.
Eldorado.....First National Bank.
" C. P. Burnett & Sons.

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ILLINOIS—*Continued*

Elgin.....Elgin National Bank.*
" First National Bank.*
" Home National Bank.*
Elizabeth.....Elizabeth Exchange Bank.
Elkhart.....Elkhart Bank.
Ellisville.....Bank of Ellisville.*
Ellsworth.....Bank of Ellsworth.*
Elmhurst.....Elmhurst State Bank.*
Elmwood.....Clinch, Schenck & Lott.
El Paso.....First National Bank.
" Woodford County Nat'l Bank.*
Elwood.....J. C. Beattie Bank.
Emden.....Farmers' Bank.*
Emington.....Bank of Emington.
Equality.....First National Bank.*
Erie.....First National Bank.*
Eureka.....Farmers' Bank, J. P. Darst & Co.
Evanston....S. City National Bank.*
" S. State Bank.*
Fairbury.....First National Bank.*
Fairfield.....Fairfield National Bank.
Fairmount.....Exchange Bank.*
" Porterfield's Bank.
Farmington.....Bank of Farmington.
" Alfred C. Steenburg & Co.
Findlay.....First National Bank.*
Flanagan.....E. Litchfield & Co.*
Flora.....First National Bank.*
Forest City.....Forest City Bank.
Forrest.....First National Bank.
Forreston.....Forreston State Bank.
Franklin.....Franklin Bank.
Franklin Grove..Franklin Grove Bank.
Freeport.....First National Bank.*
" State Bank of Freeport.*
" C. D. Knowlton Bank.
Fulton.....Fulton Bank.
Galatia.....Bank of Galatia.
Galena.....Galena National Bank.
" Merchants' National Bank.*
Galesburg....S. Bank of Galesburg.
" S. Farmers' & Mechanics' Bank.
" First National Bank.*
" T.S. People's Trust & Savings Bank.
Galva.....S. First National Bank.*
" L. M. Yocum & Co.*
Geneseo....T.S. Central Tr. & Savings Bank.*
Genoa.....Exchange Bank.
" Farmers' State Bank.*
Georgetown....First National Bank.*
Gibson City.....First National Bank.*
Gillespie.....Gillespie National Bank.
Gilman.....First National Bank.*
Glasford.....People's Bank.*
Glen Ellyn.....Glen Ellyn State Bank.*
Grand Chain....Bank of Grand Chain.
Grand Ridge....First National Bank.
Grand Tower...First National Bank.
Granite City....First National Bank.
" S. Granite City National Bank.*
Grant Park..S. Farmers' State & Sav. Bank.*
" T.S. Grant Park Tr. & Sav. Bank.*
Grays Lake.....Merchants' & Farmers' Bank.*
Grayville.....Farmers' National Bank.
" First National Bank.*
Greenfield.....First National Bank.
Greenup.....Greenup National Bank.
Green Valley....Green Valley Bank.*
Greenview.....H. H. Marbold.
Greenville.....State Bank of Hoiles & Son.
Gridley.....State Bank of Gridley.
Griggsville.....Griggsville National Bank.*
Hammond.....State Bank of Hammond.*
Hampshire.....State Bank of Hampshire.*
Hanna City.....Pinkerton Exchange Bank.
Hardin.....Bank of Calhoun County.
Harrisburg.....City National Bank.
" First National Bank.*
" T.S. Saline Trust & Savings Bank.*
Hartsburg.....Bank of Hartsburg.
Harvard.....First State Bank of Harvard.
" Harvard Bank.
Harvey.....S. Bank of Harvey.
" First National Bank.*
Havana.....Havana National Bank.
Henry.....First National Bank.
" Henry National Bank.
Herrin.....First National Bank.*
Highland.....S. First National Bank.*
Highland Park..Highland Park State Bank.*
" D. M. Erskine & Co.*
Hillsboro.....Hillsboro National Bank.
Hinckley.....Hinckley State Bank.*
" H. D. Wagner & Co.
Hinsdale.....Hinsdale State Bank.*
Hoopeston.....Hoopeston National Bank.*
" S. Hamilton & Cunningham.*
Hoyleton.....German State Bank.
Hume.....Hughes Bank.
Huntley.....Bank of Huntley.
Hutsonville.....Hutsonville Bank.
Irving.....Irving National Bank.
Illiopolis.....Farmers' State Bank.
Indianola.....Indianola Bank.
Industry.....Bank of Industry.*
Ipava.....Ipava State Bank.
Iuka.....Holstlaw Bank.
Jacksonville....Ayers National Bank.
" Elliott State Bank.*

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ILLINOIS—*Continued*

Jacksonville...S. Jacksonville National Bank.
" Dunlap, Russel & Co.
" F. G. Farrell & Co.*
Jerseyville.....Jersey State Bank.*
" National Bank of Jerseyville.*
" State Bank of Jerseyville.*
Johnston City...First National Bank.
Joliet.....Citizens' National Bank.
" First National Bank.*
" Joliet National Bank.*
" T.S. Joliet Trust & Savings Bank.*
" Will County National Bank.*
" Munroe Bros. & Co.*
" S. L. Stern & Son.
Jonesboro.....Bank of Jonesboro.
Kankakee.....City National Bank.*
" First National Bank.*
" Legris Brothers' Bank.
Kansas.....First National Bank.*
Kenney.....Bank of Kenney.
Kewanee.....S. First National Bank.
" S. Savings Bank of Kewanee.*
" Union National Bank.
Kings.....Farmers' Bank.
Knoxville.....Farmers' National Bank.
Lacon.....First National Bank.
Ladd.....Farmers' & Miners' Bank.*
LaGrange.....LaGrange State Bank.*
LaHarpe.....First National Bank.*
" LaHarpe State Bank.
LaHogue.....LaHogue Bank.*
Lake Forest....First National Bank.*
" T.S. State Bank of Lake Forest.*
LaMoille.....Norris & Kendall.
Lanark.....Exchange State Bank.
" First National Bank.*
Lansing.....S. Lansing Loan & Savings Bank.
La Rose.....La Rose Bank.
LaSalle.....LaSalle National Bank.*
" LaSalle State Bank.*
Laura.....Bank of Laura.
Lawrenceville...First National Bank.
Leaf River.....Leaf River State Bank.*
Lena.....Citizens' Bank.
" Lena Bank.
Lewistown.....Farmers' State Bank.*
" Lewistown National Bank.*
Libertyville....First National Bank.*
" Lake County National Bank.*
Lincoln.....First National Bank.
" German-American Nat'l Bank.*
" Lincoln National Bank.*
" S. Lincoln State Bank.
Litchfield....S. First State & Savings Bank.*
" T. Litchfield Bank & Trust Co.
Little York.....First National Bank.
Loda.....A. Goodell & Sons Co.*
Lostant.....Farmers' Bank.
Lovington.....Hardware Bank.*
Low Point.....Banta Bros. & Co.
Mackinaw.....First National Bank.
" Mackinaw State Bank.
Macomb.....Union National Bank.*
Magnolia.....Magnolia Bank.
Manhattan.....First National Bank.*
" Manhattan Bank.
Manito.....People's State Bank.
Manteno.....S. Citizens' State Bank.*
" S. Manteno State & Sav. Bank.*
Marengo.....Dairyman's State Bank.
" First National Bank.*
Marion.....T. Citizens' Trust & Banking Co.
Marissa.....First National Bank.
Maroa.....Citizens' Bank.
" Crocker & Co.
Marshall.....Dulaney National Bank.
" Marshall State Bank.
Martinsville.....First National Bank.
" Martinsville State Bank.
Mascoutah.....Gust. J. Scheve.*
Mason.....Mason Exchange Bank.
Mason City.....Farmers' State Bank.*
Mattoon.....First National Bank.
" Mattoon National Bank.*
Maywood...T.S. Maywood Trust & Sav. Bank.*
Mazon.....People's Bank.
McHenry.....Bank of McHenry.*
McLean.....McLean State Bank.
McLeansboro....First National Bank.
" Hamilton County Bank.
McNabb.....Farmers' Bank.*
Media.....Media State Bank.
Melvin.....Ichl & Co.
Mendon.....Mendon Bank.
Mendota.....First National Bank.*
" Germania Bank.
" Mendota National Bank.*
Metropolis.....City National Bank.
" First National Bank.
" National State Bank.*
Middletown.....Farmers' State Bank.*
Milford.....Citizens' Bank.*
" First National Bank.*
Millington.....Bank of Millington.
Millstadt.....First National Bank.*
Minonk.....C. R. Danforth & Co., Minonk Bank.*
Minooka.....Farmers' First National Bank.*
Moline.....T.S. People's Sav. Bank & Tr. Co.*
Monee.....Eastern Will Co. State Bank.

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ILLINOIS—*Continued*

Monica.....Auten & Auten.*
Monmouth.....National Bank of Monmouth.
" Second National Bank.
Morrison.....First National Bank.*
" Leander Smith & Son.*
Mounds.....First State Bank.
Mt. Carmel.....American National Bank.*
" First National Bank.*
Mt. Carroll.....Carroll County Bank.*
" First National Bank.*
" S. First State Savings Bank.
Mount Pulaski..Farmers' Bank.*
" First National Bank.*
Mount Sterling..First National Bank.*
Mt. Vernon.....Third National Bank.*
Moweaqua.....Ayars Bros.
" S. First National Bank.
" V. Snyder & Co.*
Murphysboro....City National Bank.
" First National Bank.
Naperville.....First National Bank.*
" Reuss State Bank.*
Nashville.....Farmers' & Merch. Nat'l Bank.*
" First National Bank.
Nat'l Stock Yds.The Nat'l Stock Yds. Nat'l Bk.*
Neoga.....Cumberland County Nat'l Bk.*
" Neoga National Bank.
Neponset.....W. E. Whaples & Co.
New Athens....Bank of New Athens.
New Boston....State Bank of New Boston.
New Holland....New Holland State Bank.*
Newton.....First National Bank.
New Windsor...C. F. Peterson & Co.
Niantic.....Bank of Niantic.*
Noble.....Bank of Noble.
Nokomis.....S. Farmers' National Bank.
" Nokomis National Bank.*
Oak Park.....Avenue State Bank.
" T.S. Oak Park Tr. & Savings Bank.*
Odell.....State Bank of Odell.*
O'Fallon.....First National Bank.*
Ogden.....Ogden Bank.
Olney.....First National Bank.
" Olney Bank.*
Omaha.....Land Bros. & Co.
Onarga.....Onarga Bank.*
" Egley Bros.*
Oquawka.....First National Bank.*
Orangeville.....Orangeville State Bank.
Orion.....State Bank of Orion.
Ottawa.....First National Bank.*
" S. National City Bank.*
" T. Ottawa Banking & Trust Co.
Palatine.....Palatine Bank of C. H. Patten.*
Palestine.....Farmers' State Bank.*
Palestine.....First National Bank.*
Paris.....Citizens' National Bank.*
" Edgar County National Bank.
" First National Bank.
Patoka.....Bank of Patoka.
Paxton.....First National Bank.*
" Paxton Bank.*
Pearl City.....Pearl City Bank.
Pecatonica.....Pecatonica State Bank.
Pekin.....Farmers' National Bank.
Peoria.....Central National Bank.
" S. Commercial German Nat'l Bk.*
" T.S. Dime Sav. & Trust Co.*
" First National Bank.
" S. Home Savings & State Bank.
" Illinois National Bank.*
" Merchants' National Bank.*
" S. Savings Bank of Peoria.
Peru.....Peru National Bank.
" Peru State Bank.*
Petersburg.....First National Bank.*
Pinckneyville...First National Bank.
" T. Murphy Wall State Bank & Trust Co.
Pittsfield.....Farmers' State Bank.
" First National Bank.
Plano.....First State Bank.
Pleasant Hill....Citizens' Bank.
Polo.....Exchange National Bank.*
" Barber Bros. & Co.
Pontiac.....S. Illinois State Savings Bank.*
" Livingston County Nat'l Bank.*
" National Bank of Pontiac.
" Pontiac State Bank.*
Poplar Grove...Poplar Grove Bank.*
Potomac.....Potomac National Bank.
Prairie Du Rocher.....State Bk. of Prairie Du Rocher.
Princeton.....Citizens' National Bank.
" Farmers' National Bank.
" First National Bank.*
" S. First State Bk. of Princeton.*
Princeville.....Auten & Auten.
Prophetstown:S. Bank of Prophetstown.
" Citizens' Bank.
" S. Farmers' National Bank.*
Quincy.....T.S. Mercantile Trust & Sav. Bank.*
" Quincy National Bank.
" T.S. State Sav., Loan & Trust Co.*
" S. State Street Bank.
Raleigh.....H. L. Burnett & Son.
Ramsey.....Fayette County Bank.
Rankin.....Rankin, Whitham & Co.
Rantoul.....Commercial Bank.

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ILLINOIS—*Continued*

Rantoul.....First National Bank.
Red Bud.....Red Bud Bank.
" T. Red Bud Trust Co.
Ridgefarm.....City National Bank.*
Rio.....Bank of Rio.
Roberts.....Roberts Exchange Bank.*
Robinson.....Farmers' & Producers' Bank.
" First National Bank.
Rochelle.....T. People's Loan & Trust Co.
" Rochelle National Bank.*
" T.S. Stocking Trust & Sav. Bank.*
Rockford.....Forest City National Bank.*
" Manufacturers' Nat'l Bank.*
" T. People's Bank & Trust Co.
" Rockford National Bank.*
" Third National Bank.*
" S. Winnebago National Bank.*
Rock Island....People's National Bank.*
" Rock Island National Bank.
" S. Rock Island Savings Bank.
" State Bank of Rock Island.
Roodhouse.....First National Bank.
Roseville.....State Bank of Roseville.*
Rushville.....Bank of Rushville.*
St. Anne.....Farmers' State Bank.
" First National Bank.*
St. Augustine...Bank of St. Augustine.
St. Charles.....St. Charles National Bank.*
" Jno. Stewart & Co.*
St. David.....Fulton County Bank.*
Saint Elmo.....Fayette County Bank.
Salem.....Salem National Bank.*
" Salem State Bank.
Sandwich.....Sandwich Bank.
" Sedgwick's Bank.
San Jose.....San Jose State Bank.*
Savanna.....Commercial State Bank.
" First National Bank.*
Scales Mound...Scales Mound Banking Co.
Seaton.....State Bank of Seaton.
Seneca.....State Bank of Seneca.*
Shannon.....State Bank of Shannon.
Shawneetown...National Bank of Shawneetown.
Sheffield.....Farmers' State Bank.*
Shelbyville.....Shelby County State Bank.*
Sheldon.....Bank of Sheldon.*
" Citizens' Bank.
Sibley.....Sibley Bank.*
Sidell.....First National Bank.
South Chicago...Merchants' Exchange Bank.
" S. South Chicago Savings Bank.*
Sparland.....Sparland Bank.*
Sparta.....First National Bank.
Speer.....State Bank of Speer.*
Springfield....S. Farmers' National Bank.*
Springfield.....First National Bank.*
" Illinois National Bank.*
" S. Lincoln Bank.
" Ridgeley National Bank.*
" T. Sangamon Loan & Trust Co.*
" Springfield Marine Bank.
" S. State National Bank.
Spring Valley...Spring Valley City Bank.*
Steelville.....Bank of Steelville.
Steger.....Bank of Steger.*
Sterling.....S. First National Bank.*
" Sterling National Bank.
Stillman Valley..Stillman Valley Bank.
Stockland.....J. Sumner & Sons.
Stockton.....Bank of Stockton.
" P. M. Rindesbacher & Co.
Stonington.....First National Bank.
Streator.....Streator National Bank.*
" Union National Bank.
Stronghurst.....First National Bank.
" Stronghurst State Bank.
Sullivan.....First National Bank.
" Merch. & Farmers' State Bank
Sycamore...T.S. Pierce Trust & Savings Bank.*
Table Grove....Farmers' Bank.
Tallula.....Farmers' & Merch. State Bank.
Taylorville.....Farmers' National Bank.*
" First National Bank.*
" J. B. Colgrove & Co.
" H. M. Vandeveer & Co.
Thawville.....Skeels & Thrasher.*
Thebes.....First State Bank.
Thomasboro....First National Bank.
Thomson.....Thomson Bank.
Tiskilwa.....Bank of Tiskilwa.*
Toledo.....First National Bank.
Tolono.....Citizens' Bank.
Toluca.....People's Bank.*
Tonica.....Tonica Exchange Bank.*
Toulon.....Exchange Bank.*
Tremont.....First National Bank.
Trenton.....Trenton Bank.*
Triumph.....First National Bank.
Trivoli.....Bank of Trivoli.
Troy.....Troy Exchange Bank.
Tuscola.....Farmers' & Traders' Bank.
" First National Bank.*
" Bragg, Helm & Co., Bankers.
Urbana.....Busey's Bank.*
Ursa.....Bank of Ursa.
Utica.....Utica Exchange Bank.
Vandalia.....Farmers' & Merchants' Bank.
" First National Bank.
Vermont.....Bank of Vermont.
Victoria.....State Bank of Victoria.

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ILLINOIS—*Continued*

Vienna.....First National Bank.
Viola.....Farmers' Bank of Viola.
Virden.....State Bank of Virden.
Virginia.....Centennial National Bank.*
" Farmers' National Bank.
" Petefish, Skiles & Co.
Warren.....State Bank of Warren.
Warsaw.....Hill-Dodge Banking Co.
Washburn .. S. Washburn Bank.
Washington.....A. G. Danforth & Co.*
Waterloo.....Commercial Bank.
" State Bank of Waterloo.
Watseka.....Citizens' State Bank.*
" First National Bank.*
" T.S. First Trust & Savings Bank.*
Waukegan.....First Nat'l Bank of Waukegan.
" People's Bank of Waukegan.*
Waverly.....First National Bank.*
Wenona.....Hodge Bros.
West Frankfort.First National Bank.
West Point.....State Bank of West Point.*
Westville.....First National Bank.*
Williamsfield....First State Bank Co.
Williamsville....Williamsville Bank of J. I
Prather.
Wilmette.....Wilmette Exchange State Bk.*
Wilmington.....Commercial National Bank.
" First National Bank.
Winnetka....S. Bank of M. K. Meyer.*
Winchester.....Neat, Condit & Grout.*
Witt.....Oland National Bank.
Woodhull.....Farmers' Bank of Woodhull.*
Woodson.....Woodson State Bank.
Woodstock.....American National Bank.*
" Farmers' Exchange Bank.*
" State Bank of Woodstock.*
Wyoming.....Scott, Wrigley & Hammond.*
Xenia.....Orchard City Bank.*
Yates City.....Bank of Yates City.
Zion City.....First State Bank.

INDIANA

Albany.....Albany State Bank.
Albion.....Albion National Bank.
" Farmers' State Bank.
Alexandria.....Alexandria Bank.
Anderson.....Anderson Banking Co.
Andrews.....State Bank of Andrews.*
Atlanta.....Bank of Atlanta.
Attica.....Central National Bank.*
" Farmers' & Merch. State Bank.
Auburn.....City National Bank.
Aurora.....First National Bank.
Batesville.....First National Bank.
Bedford.....S. Citizens' National Bank.*
Berne.....Bank of Berne.
Bloomingdale...Bank of Bloomingdale.
Bloomington....Monroe County State Bank.
Bluffton.....Studabaker Bank.
" Wells County Bank.*
Boonville.....Boonville National Bank.*
" S. Farmers' & Merchants' Nat'l Bk.
" People's Bank.
Borden.....Borden State Bank.
Bourbon.....First State Bank.
Brazil.....First National Bank.*
" Riddell National Bank.
Bremen.....Union State Bank.*
Brookville.....Franklin County National Bank.
" National Brookville Bank.
Brownsburg....Brownsburg State Bank.
" Hunter Bank.
Brownstown....Brownstown State Bank.
Bunker Hill....Farmers' State Bank.
Burlington.....Burlington Bank.
Butler.....Kinsely Bros. & Co.*
Cambridge City.First National Bank.*
" Wayne National Bank.*
Camden.....Farmers' State Bank.
Carlisle.....First National Bank.
" People's State Bank.
Chalmers.....Bank of Chalmers.*
Charlestown....Bank of Charlestown.
Chesterton.....Chesterton Bank.*
Churubusco.....Exchange Bank.
Clay City.....First National Bank.*
Clinton.....First National Bank.
Coatesville.....First National Bank.
Columbia City..Columbia City National Bank
" First National Bank.
" T. Provident Trust Co.
Columbus.....First National Bank.*
" Irwins Bank.
Corydon.....Corydon National Bank.
" First National Bank.
Covington.....Citizens' Bank.
" Covington Bank.
Crawfordsville..Crawfordsville State Bank.
Crown Point....Commercial Bank.*
" First National Bank.*
Culver.....Exchange Bank.
Cumberland.....Cumberland Bank.
Danville.....T. Danville Trust Co.
" First National Bank.

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INDIANA—*Continued*

Decatur.....First National Bank.
" Old Adams County Bank.
Delphi.....Citizens' National Bank.
" E. W. Bowen & Co.*
Dyer.....First National Bank.*
Earl Park.....Earl Park State Bank.
East Chicago....East Chicago Bank.*
" T.S. First Calumet Tr. & Sav. Bank.*
" First National Bank.*
Eaton.....Farmers' State Bank.*
Edinburgh.....Thompson Bank.
Elkhart.....S. St. Joseph Valley Bank.
Elwood.....Citizens' State Bank.
" Elwood State Bank.
" First National Bank.*
Evansville..T.S. American Trust & Sav. Bank.
" Bankers' National Bank.*
" Citizens' National Bank.
" City National Bank.*
" S. Commercial Bank.*
" T.S. Evansville Trust & Sav. Co.
" Mercantile National Bank.
" Old State National Bank.*
" West Side Bank.
Fairmount.....Citizens' Exchange Bank.
" Fairmount State Bank.
Ferdinand.....Ferdinand National Bank.
Flora.....Bright National Bank.*
Fort Wayne....Bank of Wayne.
" Commercial Bank.
" First National Bank.*
" German-American Nat'l Bank.
" Hamilton National Bank.*
" Old National Bank.*
" Nuttman & Co.
Fowler.....First National Bank.*
Franklin.....Citizens' National Bank.
" Franklin National Bank.
Freeland Park...First National Bank.*
Fremont.....Bank of Fremont.
Garrett.....S. Garrett Banking Co.*
" T.S. Garrett Sav., Loan & Trust Co.
Gary.....T.S. Calumet Trust & Savings Bank.
" First National Bank.*
" Gary State Bank.*
" Indiana State Bank.*
" Northern State Bank.
Gaston.....Gaston Banking Co.
Goshen.....City National Bank.
" T. Elkhart County Trust Co.
" State Bank of Goshen.*
Green Castle....Central National Bank.
" T. Central Trust Co.*
Greenfield.....Citizens' Bank.*
" Greenfield Banking Co.
Greensburg.....Citizens' National Bank.*
" Greensburg National Bank.
" Third National Bank.*
Greenwood.....First National Bank.
Hammond.....Citizens' German Nat'l Bank.
" First National Bank.*
" T.S. Lake County Sav. & Trust Co.
Hartford City...Blackford County Bank.*
Howell.....Farmers' & Citizens' Bank.*
Huntingburg....Huntingburg Bank.
Huntington.....Citizens' State Bank.
" First National Bank.*
" Huntington County Bank.
Indiana Harbor.Indiana Harbor State Bank.*
Indianapolis....American National Bank.*
" Capital National Bank.*
" T. Central Trust Co.*
" Columbia National Bank.*
" Continental National Bank.
" T. Fidelity Trust Co.
" Fletcher National Bank.*
" T.S. German-American Trust Co.*
" Indiana National Bank.*
" T. Indiana Trust Co.*
" T.S. Marion Trust Co.*
" Mercantile Banking Co.
" Merchants' National Bank.*
" Meyer-Kiser Bank.
" T. Security Trust Co.
" Union National Bank.*
" T. Union Trust Co.*
" Federal Union Surety Co.
" H. P. Wasson Co. Bank.
" J. F. Wild & Co.
Jamestown.....Citizens' State Bank.
Jeffersonville..S. Citizens' National Bank.
Kempton.....State Bank of Kempton.
Kendallville.....Noble County Bank.*
" Campbell & Fetter.
Kirklin.....First National Bank.
Knightstown....Citizens' National Bank.
Knox.....Farmers' State Bank.
" First National Bank.*
Kokomo.....Citizens' National Bank.
" Howard National Bank.
" T. Kokomo Trust Co.*
Kouts.....Porter County Bank.*
La Fayette.....City National Bank.
" Farmers' & Traders' Bank.*
" First National Bank.
" T. La Fayette Loan & Trust Co.
" Merchants' National Bank.
" National Fowler Bank.*
La Grange.....National Bank of La Grange.
Laporte.....First National Bank.*

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INDIANA—*Continued*

Laporte..... A. P. Andrews, Jr., & Son.
Lebanon.....T. American Trust Co.
" First National Bank.
" Lebanon National Bank.
Liberty.....Union County National Bank.*
Ligonier.....Citizens' Bank.
Logansport.....City National Bank.
" Farmers' & Merch. State Bank.*
" First National Bank.
" Logansport State Bank.
Loogootee.....White River Bank.
Lowell.....Lowell National Bank.
" State National Bank.
Madison.....First National Bank.
" National Branch Bank.
Manilla.....Manilla Bank.
Marion.....First National Bank.
" T.S. Grant Trust & Savings Bank.
" Marion National Bank.*
" Marion State Bank.*
Markle.....Farmers' & Traders' Bank.*
Martinsville.....Citizens' National Bank.
" First National Bank.
Mecca.....Mecca State Bank.
Medaryville.....Medaryville State Bank.
Mellott.....Mellott Bank.
Mentone.....Farmers' Bank.*
Michigan City S. Citizens' Bank.*
" First National Bank.
" S. Merchants' National Bank.*
" T.S. Michigan City Tr. & Sav. Co.
Middletown.....Farmers' State Bank.*
Milroy.....Milroy Bank.
Mishawaka.....First National Bank.*
" T.S. Mishawaka Tr. & Sav. Bank.*
Mitchell.....First National Bank.
Monrovia.....First National Bank.
Monticello.....Monticello National Bank.*
" State Bank of Monticello.*
Montpelier.....Farmers' Deposit Bank.
" First National Bank.
Moores Hill.....Moores Hill State Bank.
Mooresville.....Farmers' Bank.
Morgantown....First National Bank.*
Mt. Vernon.....First National Bank.
" Mt. Vernon National Bank.*
Muncie.....Delaware County Nat'l Bank.*
" Merchants' National Bank.
" Union National Bank.
Napoleon.....Napoleon State Bank.
Nappanee.....First National Bank.*
New Albany....Merchants' National Bank.
" T.S. Mutual Trust & Deposit Co.*
" New Albany National Bank.*
" Second National Bank.*
New Harmony..First National Bank.*
" New Harmony Banking Co.*
New Point .....First National Bank.
Newport.....R. H. Nixon & Co.'s Bank.
Newtown.....Newtown Bank.
Noblesville.....Citizens' State Bank.
North Judson...Farmers' & Merchants' Bank.*
North Vernon...First National Bank.
Oaktown.....Oaktown Bank.
Orleans.....S. Citizens' State Bank.*
" National Bank of Orleans.
Osgood.....Osgood Bank.
" Ripley County Bank.
Otterbein.....State Bank of Otterbein.*
Paoli.....Orange County Bank.*
Paris Crossing...Paris Crossing State Bank.
Parker.....Parker Banking Co.
Patriot.....Patriot Deposit Bank.
Pendleton.....Pendleton Banking Co.
Pennville.....Pennville Bank.
Peru.....Citizens' National Bank.
" S. First National Bank.
" T.S. Peru Trust Company.
" T.S. Wabash Valley Trust Co.
Petersburg.....Citizens' State Bank.
" First National Bank.
Pittsboro.....Pittsboro Bank.
Plymouth.....First Nat'l Bk. of Marshall Co.*
" Plymouth State Bank.*
Portland.....First National Bank.
Poseyville.....Bozeman-Waters Nat'l Bank.*
" First National Bank.
Princeton.....Farmers' Bank.
Redkey.....Bank of Redkey.
Remington.....State Bank of Remington.
Rensselaer.....First National Bank.*
" State Bank.*
Richmond....T. Dickinson Trust Co.*
" S. First National Bank.*
" Second National Bank.
Ridgeville.....Ridgeville State Bank.
Rising Sun.....National Bank of Rising Sun.
" Rising Sun Deposit Bank.
Roann.....Exchange Bank.*
Roanoke.....State Bank of Roanoke.*
Rochester.....First National Bank.
Rockville.....Parke State Bank.
" Rockville National Bank.*
Rushville.....Farmers' Banking Co.
" People's National Bank.*
Russiaville.....First National Bank.
Salem.....Bank of Salem.
" Citizens' State Bank.
Scottsburg.....Scottsburg State Bank.
Seymour.....First National Bank.*

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INDIANA—*Continued*

Sharpsville.....Sharpsville Bank.
Shelbyville.....First National Bank.
" Shelby National Bank.
Sheridan.....First National Bank.
Shipshewanna...Farmers' State Bank.
Shoals.....Martin County Bank.
South Bend.T.S. American Trust Co.*
" Citizens' National Bank.*
" T.S. Citizens' Loan, Trust & Sav. Co.*
" First National Bank.*
" Merchants' National Bank.
" S. St. Joseph County Sav. Bank.*
" South Bend National Bank.*
" T. Union Trust Co.
Spencer.....Beem, Peden & Co.
Spiceland.....Henry County Bank.
Sullivan.....People's State Bank.*
Summitville.....Summitville Bank.
Swayzee.....Farmers' Banking Co., Ltd.
" First National Bank.
Tell City.....Citizens' National Bank.*
" S. Tell City National Bank.*
Terre Haute..T. American-German Trust Co.*
" American State Bank.
" First National Bank.
" McKeen National Bank.
" Terre Haute National Bank.*
" T. Terre Haute Trust Co.
" T. United States Trust Co.*
Thorntown.....State Bank.*
Union City.....Atlas State Bank.
" Commercial National Bank.
Valparaiso.....Farmers' National Bank.*
" State Bank.
Van Buren.....Van Buren Bank.*
Vevay.....First National Bank.
" Vevay Deposit Bank.*
Vincennes.....First National Bank.
" German National Bank.
" Second National Bank.*
Wabash.....Farmers' & Merchants' National Bank.*
" Wabash National Bank.
Warren.....Exchange Bank.
West Lebanon..Central Bank.*
" Farmers' Bank.
W. Terre Haute.State Bk. of W. Terre Haute.*
Westville.....Bank of Westville.
Whiting.....Bank of Whiting.
" First National Bank.
Williamsport....Williamsport State Bank.
Winamac.....Citizens' Bank.*
" First National Bank.*
Winchester.....Farmers' & Merchants' Bank.
" Randolph County Bank.
Wingate.....Farmers' Bank.
Wolcott.....State Bank of Wolcott.*
Worthington....Commercial State Bank.

IOWA

Ackley.....Exchange Bank.*
Adair.....Farmers' Bank.
Afton.....S. Savings Bank of Afton.
Albia.....First National Bank.
Alden.....Bank of Alden.
Algona.....First National Bank.
Alton.....Bank of Northwestern Iowa.
Anamosa.....Anamosa National Bank.
" S. Citizens' Savings Bank.
" S. Niles & Watters Savings Bank.*
Arlington.....First State Bank.
Armstrong.....First National Bank.
" State Bank of Armstrong.*
Audubon.....First National Bank.
Aurelia.....Farmers' & Merchants' Bank.*
Badger.....S. Badger Savings Bank.
Battle Creek..S. Battle Creek Savings Bank.
" S. Maple Valley Savings Bank.
Bedford.....Bedford National Bank.*
" Citizens' Bank.
Belle Plaine.....First National Bank.
Bellevue.....Bank of Bellevue.
Bellevue.....Bank of J. Kelso.
Berlin.....S. German Savings Bank.
Blairstown.....Benton County State Bank.
Blanchard.....First National Bank.
Blockton.....First National Bank.*
Bloomfield.....National Bank of Bloomfield.
Boone.....Boone National Bank.*
Breda.....S. Breda Savings Bank.
Britt.....Citizens' Bank.*
Bronson.....S. Bronson Savings Bank.
Buckingham....Bank of Buckingham.
Burlington...S. Burlington Savings Bank.*
" First National Bank.
" S. German-American Sav. Bank.*
" S. Iowa State Savings Bank.
" Merchants' National Bank.*
" National State Bank.*
Burt.....First National Bank.
Carroll.....German-American Bank.
Casey.....Abram Rutt National Bank.
" S. Citizens' Savings Bank.
Castana.....S. Castana Savings Bank.

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IOWA - *Continued*

Cedar Falls...T. Cedar Falls National Bank.*
" S. Citizens' Savings Bank.*
Cedar Rapids...Cedar Rapids National Bank.*
" S. Cedar Rapids Savings Bank.*
" Commercial National Bank.*
" S. Commercial Savings Bank.*
" Merchants' National Bank.
" S. People's Savings Bank.*
" S. Security Savings Bank.*
Centerville.....Centerville National Bank.*
" First National Bank.*
Chariton.....S. State Savings Bank.*
Charles City....First National Bank.*
" T.S. Security Trust & Sav. Bank.*
Charter Oak....Farmers' State Bank.
Chatsworth...S. Chatsworth Savings Bank.*
Cherokee.....Cherokee State Bank.*
" First National Bank.*
" Steele's Bank.
Chester.....S. German Savings Bank.
Clarinda.....Clarinda National Bank.
" T.S. Clarinda Trust & Sav. Bank.
Clarion.....S. Clarion Savings Bank.*
Clinton.....City National Bank.*
" Clinton National Bank.*
" Merchants' National Bank.*
" T.S. People's Trust & Sav. Bank.*
Colesburg....S. Farmers' Savings Bank.
Colfax.....Citizens' State Bank.*
Coon Rapids....First National Bank.
Correctionville..Bailey State Bank.*
Council Bluffs...City National Bank.*
" Commercial National Bank.*
" S. Council Bluffs Savings Bank.
" First National Bank.
" S. State Savings Bank.
" Charles E. Walters Co.*
Cresco.....Bank of Cresco.
Cushing.....S. Cushing Savings Bank.
Davenport...S. Farmers' & Mech. Sav. Bank.
" First National Bank.*
" S. German Savings Bank.
" Iowa National Bank.*
" S. Scott County Savings Bank.*
" Geo. M. Bechtel & Co.
Davis City.....Farmers' Bank.*
Dayton .....Farmers' State Bank.*
Decorah.....S. Citizens' Savings Bank.*
" Winneshiek Co. State Bank.
Deep River.....First National Bank.
Defiance.....Bank of Defiance.
Denison.....Crawford County State Bank.
Des Moines.....Capital City State Bank.
" Central State Bank.*
" S. Century Savings Bank.*
Des Moines .. .. Citizens' National Bank.*
" S. Commercial Savings Bank.*
" S. Des Moines National Bank.*
" S. German Savings Bank.
" S. Home Savings Bank.*
" T.S. Iowa Loan & Trust Co.*
" Iowa National Bank.*
" T.S. Iowa Trust & Savings Bank.*
" S. Mechanics' Savings Bank.*
" S. People's Savings Bank.
" T. Security Loan & Trust Co.
De Witt .....S. First National Bank.*
Dolliver.....S. Dolliver Savings Bank.
Doon.....First National Bank.*
Drakesville.....Bank of Drakesville.
Dubuque.....Citizens' State Bank.
" First National Bank.
" T.S. German Trust & Savings Bank.*
" T.S. Iowa Trust & Savings Bank.*
" Second National Bank.*
Dunlap.....Dunlap State Bank.
" First National Bank.
Dyersville.....Farmers' State Bank.
" German State Bank.*
Dysart.....S. Dysart Savings Bank.
Eagle Grove....Citizens' State Bank.*
Earlham.....Citizens' State Bank.
Eddyville.....Manning & Epperson State Bk.*
Eldora.....S. Citizens' Savings Bank.
" First National Bank.*
Eldridge.....S. Eldridge Savings Bank.
Elkader.....Elkader State Bank.*
Elliot.....First National Bank.
Emmetsburg....First National Bank.
Estherville.....First National Bank.*
Fairfield.....S. Iowa State Savings Bank.
Farley.....State Bank of Farley.
Farragut.....First National Bank.
Fayette.....State Bank of Fayette.*
Fonda.....First National Bank.
Fontanelle.....First National Bank.
Fort Dodge.....Commercial National Bank.
" First National Bank.
Fort Madison S. Fort Madison Savings Bank.
" German-American Bank.
Garner.....First National Bank.
Garrison.....S. Farmers' Savings Bank.
George.....S. Farmers' Savings Bank.
Gladbrook.....First National Bank.
Glenwood.....Glenwood State Bank.
" Mills Co. National Bank.*
" William M. Lamb, Banker.*
Gowrie.....First National Bank.
Grand Mound.S. People's Savings Bank.*
Granville.....Exchange Bank.

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IOWA—*Continued*

Greenfield.....Adair County Bank.
Grimes.....S. Farmers' Savings Bank.
" S. Grimes Savings Bank.
Grinnell.....Citizens' National Bank.
" S. Grinnell Savings Bank.
" C. W. H. Beyer & Co.
Griswold.....Citizens' Bank.*
Grundy Center..Grundy County National Bank.*
Guthrie Center..Citizens' National Bank.
" First National Bank.*
Halbur.....S. German Savings Bank.
Hampton.....Citizens' National Bank.*
" Franklin County State Bank.
Hardy.....S. People's Savings Bank.
Harlan.....S. Shelby County State Bank.*
Harris.....S. Harris Savings Bank.
Hartley.....First National Bank.
Hawarden.....First National Bank.*
Hawkeye.....First National Bank.*
" First State Bank.*
Hedrick.....First National Bank.
Hepburn.....S. Farmers' Savings Bank.
Hillsboro.....S. Farmers' & Traders' Sav. Bank.*
Holstein.....S. Holstein Savings Bank.*
Hull.....First National Bank.
Humboldt....S. People's State Bank.*
Ida Grove.....Banking House of Anderson, Lipton & Co.
" Baxter, Reed & Co.*
Iowa City.....First National Bank.
" Iowa City State Bank.
Irwin.....Bank of Irwin.
Kamrar.....Farmers' State Bank.
Kanawha.....First National Bank.
Keokuk.....Keokuk National Bank.*
" S. Keokuk Savings Bank.
" S. State Central Savings Bank.
Keystone....S. Farmers' Savings Bank.
" German State Bank.
Kingsley.....Farmers' National Bank.
Kinross.....S. Kinross Savings Bank.
Lacona.....Bank of Lacona.
Lake City.....Citizens' Bank.*
" First National Bank.
Lake Park....S. German Savings Bank.
Lamoni.....S. State Savings Bank of Lamoni.*
Lanesboro....S. Lanesboro Savings Bank.
Lansing.....State Bank of Lansing.
La Porte City...First National Bank.*
" Union State Bank.
Larrabee.....S. Larrabee Savings Bank.
Laurel.....S. People's Savings Bank.
Legrand.....S. Legrand Savings Bank.*
Le Mars.....S. First National Bank.
" S. German-American Sav. Bank.
Letts.....S. Citizens' Savings Bank.*
Lime Springs..S. Exchange State Bank.
Linden.....S. Linden Savings Bank.
Lineville.....Farmers' & Merchants' Bank.
Linn Grove.....First National Bank.
Lisbon.....Stuckslager & Auracher.
Little Sioux..S. Little Sioux Savings Bank.
Livermore.....State Bank of Livermore.
Logan.....First National Bank of Logan.
" S. State Savings Bank.*
Lohrville.....S. Lohrville Savings Bank.
Lone Rock.....Lone Rock Bank.
Lorimor.....Lorimor Bank.
Low Moor....S. Citizens' Savings Bank.
Lyons.....First National Bank.
" S. Iowa State Savings Bank.
Malvern.....First National Bank.*
" Malvern National Bank.
Manchester.....Delaware County State Bank.*
" First National Bank.
Manilla.....First National Bank.
Manning.....Bank of Manning.
Maquoketa...S. American Savings Bank.
" First National Bank.*
Marengo.....First National Bank.
Marion.....Farmers' & Merch. State Bank.*
" First National Bank.
Marshalltown.S. First National Bank.*
" S. The Fidelity Savings Bank.
" Marshalltown State Bank.*
Mason City.....First National Bank.*
" Iowa State Bank.
Mechanicsville S. Helmer & Gortner State Bank.
" S. Mechanicsville Savings Bank.*
Mediapolis.....Citizens' State Bank.
Melvin.....First National Bank.
Minden.....S. German-American Sav. Bank.*
Montezuma.....First National Bank.*
Monticello.....Lovell State Bank.*
" Monticello State Bank.*
Morning Sun....State Bank of Morning Sun.
Morrison.....S. Farmers' Savings Bank.
Moulton.....First National Bank.*
Mt. Pleasant....First National Bank.
" National State Bank.*
Mt. Vernon.....Mt. Vernon Bank.
Moville.....Moville State Bank.
Muscatine....T. Cook, Musser & Co. State Bk. & Trust Co.*
" First National Bank.
" T.S. First Trust & Savings Bank.
" S. German-American Sav. Bank.*
" Hershey State Bank.
Nashua.....A. G. Case & Co.
Neola.....State Bank of Neola.

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IOWA—*Continued*

Nevada.....S. People's Savings Bank.
New Albin...S. New Albin Savings Bank.
Newell.....Bank of Newell.
" Miller & Chaney Bank.
New Hampton. First National Bank.
New Hartford...New Hartford State Bank.
New London....First National Bank.
New Sharon...First National Bank.
" New Sharon State Bank.
Nodaway.....Adams County Bank.
North English S. Farmers' Savings Bank.*
Norway.....First National Bank.
Oakland.....Citizens' State Bank.*
Onawa.....Onawa State Bank.
" Holbrook & Bros.
Onslow.....S. Onslow Savings Bank.
Orange City....Northwestern State Bank.
Osage .....T.S. Home Trust & Savings Bank.
Osceola.....Iowa State Bank.
" Simmons & Co.*
Oskaloosa.....Frankel State Bank.*
" Mahaska County State Bank.
" Oskaloosa National Bank.
Ottumwa.....S. Citizens' Savings Bank.*
" Ottumwa National Bank.*
" S. Wapello County Savings Bank.
Oxford June..S. Oxford Junction Sav. Bank.*
Panora.....Guthrie Co. National Bank.
Paton.....Farmers' State Bank.
Pella.....Citizens' National Bank.*
" Pella National Bank.
Perry.....First National Bank.
" S. People's Savings Bank.*
" S. Perry Savings & Exchange Bk.
Pisgah.....S. Pisgah Savings Bank.
Preston.....First National Bank.*
Primghar.....First National Bank.
Radcliffe.....First National Bank.
Redfield.....State Bank of Redfield.*
Red Oak.....Farmers' National Bank.*
" First National Bank.*
" Red Oak National Bank.*
Reinbeck.....S. First Savings Bank.
" Reinbeck State Bank.
Rembrandt..S. Rembrandt Savings Bank.
Remsen.....First National Bank.
Renwick.....State Bank of Renwick.
Richland.....First National Bank.
Rippey.....First National Bank.
Rockford.....Rockford State Bank.
Rock Rapids..S. First National Bank.
" Lyon County National Bank.*
Rock Valley....First National Bank.
Sabula.....J. Hilsinger & Son Bank.
Sac City.....First National Bank.*
Sac City.....Sac County State Bank.
St. Ansgar.....St. Ansgar Bank.
Sergeant Bluff S. Pioneer Valley Savings Bank.*
Sheffield.....Sheffield Bank.
Sheldon.....First National Bank.
" Sheldon National Bank.*
Shenandoah.....Commercial National Bank.
" First National Bank.*
" Shenandoah National Bank.*
Sibley.....First National Bank.
Sigourney.....First National Bank.
Silver City.....Silver City State Bank.
Sioux City...T. Bennett Loan & Trust Co.*
" T.S. Farmers' Loan & Trust Co.
" First National Bank.*
" S. Live Stock National Bank.*
" Merchants' National Bank.*
" Northwestern National Bank.*
" Security National Bank.*
" S. Woodbury County Sav. Bank.
Sioux Rapids...State Security Bank.
Sloan.....Sloan State Bank.
Smithland....S. Rice's Savings Bank.
" Smithland Bank.
South English...White State Bank.
Spencer.....Citizens' National Bank.*
Springville.....Exchange Bank.*
Stacyville.....Stacyville Bank.
State Centre....First National Bank.
Storm Lake.....Citizens' Bank.*
Strawberry P't..Strawberry Point State Bank.
Sutherland...S. First Savings Bank.*
" Sutherland State Bank.
Swan.....Swan Bank.
Tabor.....State Bank of Tabor.
Terril.....Bank of Terril.
Thor.....S. Thor Savings Bank.
Tipton.....Cedar County State Bank.
" City National Bank.
Traer.....Traer State Bank.
Turin.....Turin Bank.
Udell.....Bank of Udell.
Union.....Citizens' Bank.
Vail.....Traders' Bank.*
Valley June.. S. First Valley June. Sav. Bank
Van Meter.....Van Meter State Bank.
Victor.....S. Farmers' Savings Bank.
Villisca.....First National Bank.
Vinton.....Farmers' National Bank.
" S. People's Savings Bank.
" State Bank of Vinton.
" S. Vinton Savings Bank.
Walker.....S. Exchange State Bank.*
Walnut.....Exchange State Bank.
" German Bank.

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IOWA—*Continued*

Wapello.....Commercial Bank.*
" S. Wapello State Savings Bank.
Washington..S. Citizens' Savings Bank.*
" Farmers' & Merch. State Bank.
" S. Washington Co. Savings Bank.*
" Washington National Bank.
Waterloo.....Black Hawk National Bank.*
" S. Citizens' Savings Bank.*
" Commercial National Bank.*
" Iowa State Bank.*
" Leavitt-Johnson Nat'l Bank.*
" T. Leavitt & Johnson Trust Co.*
Waverly.....First National Bank.*
" State Bank.
Wayland.....S. Wayland Savings Bank.
Webster City...First National Bank.*
Webster City....Hamilton County State Bank.
Wellman.....S. Security Savings Bank.
" S. Wellman Savings Bank.
Wellsburg ...S. Wellsburg Savings Bank.*
Wesley.....First National Bank.
" Security Bank.
What Cheer.....First National Bank.*
Whiting.....Whiting Bank.*
Whittemore.....German-American Bank.
Wilton Junc..S. Farmers' Savings Bank.
" S. Wilton Savings Bank.
Winfield.....Winfield State Bank.
Winthrop.....Winthrop State Bank.
Woodbine.....First National Bank.
" S. Woodbine Savings Bank.
Wyoming.....First National Bank.

KANSAS

Abilene.....Abilene National Bank.
" Citizens' Bank.
Alma.....Commercial National Bank.*
Altoona.....Citizens' State Bank.
Americus.....Americus State Bank.
Ames.....State Bank.
Anson.....Anson State Bank.
Anthony.....Citizens' National Bank.
" First National Bank.
Argentine.....First State Bank.
Arkansas City...Home National Bank.*
" Security State Bank.
" Union State Bank.
Arlington.....Citizens' State Bank.
Ashland.....Citizens' State Bank.
" Stockgrowers' National Bank.
Atchison.....S. Atchison Savings Bank.
" Commercial State Bank.*
" Exchange National Bank.*
" First National Bank.*
Attica.....Attica Exchange Bank.
Baxter Springs..Baxter State Bank.
Belleville.....National Bank of Belleville.
Beloit.....S. First National Bank.*
" German National Bank of Northern Kansas.
Bendena.....Bendena State Bank.
Bern.....State Bank of Bern.
Bison.....Bison State Bank.
Blue Rapids....State Bank of Blue Rapids.
Bonner Springs..First National Bank.
Bronson.....Bank of Bronson.
" Citizens' State Bank.
Bucklin.....Bucklin State Bank.
Buffalo..... State Bank of Buffalo.
Burdick.....Burdick State Bank.
Burlingame.....First National Bank.
Burlington.....Peoples' National Bank.*
Burr Oak.....Jewell County National Bank.
Bushton.....Bushton State Bank.
Caldwell.....Stock Exchange Bank.*
Caney.....Caney Valley National Bank.
Cedar Vale.....Dosbaugh National Bank.
Centralia.....Citizens' State Bank.
" First National Bank.
Chanute.....First National Bank.
Chautauqua.....Citizens' State Bank.
Cheney.....Cheney State Bank.
" Citizens' State Bank.
Cherryvale.....Montgomery Co. Nat'l Bank.
" People's State Bank.
Clay Centre.....People's National Bank.
Clyde.....State Exchange Bank.
Coats.....Coats State Bank.
Coffeyville.....Condon National Bank.
Colby.....Farmers' & Merch. State Bank.
" Thomas County Bank.
Coldwater.....Coldwater National Bank.
Columbus.....Columbus State Bank.
" First National Bank.
Concordia..... Cloud County Bank.
" First National Bank.
Conway Springs..First National Bank.
" State Bank of Conway Springs.
Corning.....Farmers' State Bank.
Council Grove...Council Grove National Bank.
Cuba.....State Bank of Cuba.
Danville.....Danville State Bank.
Delphos.....State Bank of Delphos.
Denton.....Bank of Denton.

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KANSAS—*Continued*

Dodge City.....National Bank of Commerce.
Dorrance.....Citizens' State Bank.
Edgerton.....Edgerton State Bank.
Edna.....First National Bank.
El Dorado.....Farmers' & Merch. Nat'l Bank.
Ellinwood.....Citizens' State Bank.
Ellsworth.....Central National Bank.*
" Citizens' State Bank.
Emporia.... S. Citizens' National Bank.*
" Emporia National Bank.
Englewood.....First National Bank.
" Home State Bank.
Enterprise.....Dickinson County Bank.
Erie.....Allen State Bank.
Eureka.....Eureka Bank.
" First National Bank.
Everest.....Union State Bank.
Fairview.....Fairview State Bank.
Florence.....Florence State Bank.
" Marion County State Bank.
Ford.....Ford State Bank.
Fort Scott.... Citizens' National Bank.
" S. Fort Scott State Bank.*
" Kansas State Bank.
Frankfort.....Citizens' Bank.
Fredonia.....State Bank of Fredonia.
" Wilson County Bank.
Galena.....Citizens' Bank.
" Galena National Bank.
Gardner.....Farmers' Bank.
Garnett.....National Bank of Commerce.
Gem.....Gem State Bank.
Geneseo.....Central State Bank.
Girard.....First National Bank.*
" S. State Bank of Girard.
Glasco.....First National Bank.
Glen Elder.....Glen Elder State Bank.
" Traders' State Bank.
Goodland.....Farmers' National Bank.
" First National Bank.
" Goodland State Bank.
Gorham.....Gorham State Bank.
Great Bend.....Citizens' National Bank.
" J. V. Brinkman Co. Bank.
Greenleaf.....Greenleaf State Bank.
Greensburg.....Farmers' State Bank.
Grenola.....Grenola State Bank.
Gridley.....Gridley State Bank.
Grinnell.....Grinnell State Bank.
Haddam.....Citizens' State Bank.
Halstead.....Farmers' State Bank.
Hamilton.....First National Bank.
Hanover.....S. Hanover State Bank.
Harper.....National Bank of Harper.
" Security National Bank.
Hartford.....Hartford National Bank.
Haven.....Citizens' State Bank.
Hays.....Citizens' State Bank.
" First National Bank.*
Herington.....First National Bank.
Hiattville.....Hiattville State Bank.
Hiawatha.....First National Bank.
" Morrill & Janes Bank.
Highland.....First National Bank.
Hoisington.....People's State Bank.*
Holton.....State Bank of Holton.
Home.....Citizens' State Bank.
Hope.....State Bank of Hope.
Horton.....Bank of Horton.
" First National Bank.*
Howard.....Howard National Bank.
Hoxie.....First National Bank.
" Hoxie State Bank.
Hudson.....Hudson State Bank.
Hutchinson.....Citizens' Bank.
" Commercial National Bank.
" First National Bank.*
" State Exchange Bank.
Independence...Citizens' National Bank.*
" Commercial National Bank.
" First National Bank.
Iola.....Northrop National Bank.
Jennings.....State Bank of Jennings.*
Jetmore.....Citizens' State Bank.
Jewell.....Citizens' State Bank.
" First National Bank.*
Junction City...Central National Bank.
" First National Bank.
Kanorado.....Kanorado State Bank.
Kansas City....Armourdale State Bank of Commerce.
" T. Banking Trust Co.
" Commercial National Bank.*
" Home State Bank.
" Interstate National Bank.*
" T. Kansas Trust Co.*
" People's National Bank.
Kincaid.....Bank of Kincaid.
Kingman.....Farmers' State Bank.
" First National Bank.
Kinsley.....Kinsley Bank.
Kiowa.....Bank of Kiowa.
" First National Bank.
La Cygne.....Linn County Bank.
Larned.....First State Bank.*
" Moffet Bros. National Bank.*
Lawrence.....Merchants' National Bank.
" People's State Bank.
" Watkins National Bank.
Leavenworth...Leavenworth National Bank.*

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KANSAS—*Continued*

Leavenworth....Manufacturers' National Bank.*
" S. Wulfe-Kuhler State Bank.
Lebanon.....Lebanon State Bank.
Lebo.....Lebo State Bank.
Lenexa.....Farmers' State Bank.
Lenora.....Exchange Bank.
Leon.....State Bank of Leon.
Leona.....Farmers' Bank of Leona.
Leonardville....Farmers' & Merch. State Bank.
Lewis.....Lewis State Bank.
Liberal.....Citizens' State Bank.
" First National Bank.
Lincoln.....Lincoln State Bank.
" Saline Valley Bank.
Lindsborg.....Commercial State Bank.
" First National Bank.
Long Island.....Commercial State Bank.
" Farmers' State Bank.
Lorraine.....Lorraine State Bank.
Lost Springs....Lost Springs State Bank.
Louisburg.....Bank of Louisburg.
Lucas.....First National Bank.
Ludell.....Ludell State Bank.
Lyons.....Lyons Exchange Bank.
Macksville.....Macksville State Bank.
Madison.....First National Bank.
" Madison Bank.
Maize.....Maize State Bank.*
Manhattan.....First National Bank.*
" Union National Bank.
Mankato.....Mankato National Bank.
" State Exchange Bank.
Marquette.....Marquette State Bank.
Marysville.....Exchange Bank.
" First National Bank.
McPherson.....Citizens' State Bank.
" McPherson Bank.
" People's State Bank.
" Swedish-German State Bank.
Meade.....First National Bank.
" Meade State Bank.
Medicine Lodge..Citizens' State Bank.
Miltonvale.....Drovers' State Bank.
Minneapolis.....Citizens' National Bank.
Moline.....Moline National Bank.
Monument.....Logan County State Bank.
Morrill.....Farmers' Bank of Morrill.
Mound Ridge...Bank of Mound Ridge.
Mound Valley..Mound Valley State Bank.
Mulberry.....Mulberry State Bank.
Mulvane.....Mulvane State Bank.
Narka.....State Bank of Narka.
Neodesha.....First National Bank.
" Neodesha National Bank
Ness City.....Citizens' National Bank.
Ness City.....National Bank of Ness City.*
Newton.....First National Bank.
" Kansas State Bank.
" Midland National Bank.*
Nickerson.....State Bank.
Norcatur.....Citizens' State Bank.
" First National Bank.
Norton.....First National Bank.*
" First State Bank.
Nortonville.....First National Bank.
Norwich.....Norwich State Bank.
Oberlin.....Farmers' National Bank.
" Oberlin National Bank.
Oketo.....Oketo State Bank.
Olathe.....Patrons' Co-operative Bank.
Olsburg.....Olsburg State Bank.
Oneida.....State Bank of Oneida.
Osborne.....Exchange National Bank
Oskaloosa.....Jefferson County Bank.
Oswego.....C. M. Condon & Co. State Bank.
" Oswego State Bank.
" Deming Investment Co.
Ottawa.....First National Bank.
" Franklin County State Bank.
" People's National Bank.*
" State Bank of Ottawa.*
Overbrook.....First National Bank.
" Kansas State Bank.
Oxford.....Oxford Bank.
Palco.....Palco State Bank.
Paola.....Miami County National Bank.*
" People's National Bank.
Parker.....Farmers' State Bank.
Parsons.....First National Bank.*
" Parsons Commercial Bank.*
" State Bank of Parsons.*
Pawnee Rock...Pawnee Rock State Bank.
Peabody.....First National Bank.
Peck.....State Bank of Peck.*
Penalosa.....Penalosa State Bank.
Perry.....Bank of Perry.
Phillipsburg.....First National Bank.
" Phillips County Bank.
Pittsburg.....First National Bank.
" First State Bank.
" S National Bank of Commerce.*
" National Bank of Pittsburg.
Plains.....Plains State Bank.
Plainville.....First National Bank.*
Potter.....Potter State Bank.
Prairie View...First National Bank.
Pratt.....Citizens' State Bank.
" National Bank of Pratt.
Preston.....State Bank of Preston.
Pretty Prairie...State Bank.

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KANSAS—*Continued*

Purcell	State Bank of Purcell.
Randolph	Citizens' State Bank.
"	State Bank of Randolph.
Ransom	First State Bank.*
Republic	Republic State Bank.
Reserve	Reserve State Bank.
Riley	Riley State Bank.
Rosedale	Rosedale State Bank.
Russell	Farmers' State Bank.
"	Russell State Bank.
Sabetha	Citizens' State Bank.
"	National Bank of Sabetha.*
St. John	First National Bank.
"	St. John National Bank.
Saint Marys	First National Bank.
"	National Bank of St. Marys.
Salina	Farmers' National Bank.
"	National Bank of America.
"	Planters' State Bank.
Savonburg	Savonburg State Bank.
Scammon	Scammon State Bank.
Scandia	Farmers' & Merchants' Bank.*
Scott City	First National Bank.
Sedan	First National Bank.
Sedgwick	Sedgwick State Bank.
Seneca S.	First National Bank.
Severance	Bank of Severance
Shawnee S.	Shawnee State Savings Bank.
Smith Centre	First National Bank.
"	Smith County State Bank.
Soldier	State Bank of Soldier.
South Haven	South Haven Bank.
Spearville	Ford County State Bank.
Spivey	Spivey State Bank.
Stafford	Farmers' National Bank.
Stanley	State Bank of Stanley.
Sterling	Citizens' State Bank.
Stockton	National State Bank.
"	Stockton National Bank.
Summerfield	State Bank of Summerfield.
Tampa	Tampa State Bank.
Topeka	Bank of Topeka.
"	Capital National Bank.
Topeka	Central National Bank.*
"	Merchants' National Bank.*
" T.S.	Prudential Trust Co.
Toronto	First National Bank.
Tribune	First State Bank.
Troy	First National Bank
"	Troy State Bank.
Turon	Farmers' State Bank.
Tyro	Tyro State Bank.
Valley Centre	Valley Centre State Bank.*
Valley Falls	Citizens' State Bank.
"	Kendall State Bank.
Wakeeney	Wakeeney State Bank.*
Waldron	Waldron State Bank.
Walnut	Farmers' State Bank.
Wamego	Wamego State Bank.
Washington	First National Bank.
"	Washington National Bank.
Waterville	Merchants' State Bank.
Webster	Farmers' & Merch. State Bank.
Wellington	Farmers' State Bank.
"	National Bank of Commerce.
"	Security State Bank.
"	Wellington National Bank.
Wheaton	Wheaton State Bank.
White City	Farmers' State Bank.
"	First National Bank.
White Cloud	State Bank of A. Poulet.
Wichita	American State Bank.
"	Fourth National Bank.*
"	Kansas National Bank.*
"	Merchants' State Bank.
"	National Bank of Commerce.
" S.	State Savings Bank.
"	Stock Yards State Bank.
Wilsey	Wilsey State Bank.
Wilson	Wilson State Bank.
Winchester	Bank of Winchester.
Winfield	State Bank.
Winona	Winona State Bank.
Yates Center	Yates Center National Bank.
Zenda	Farmers' State Bank.

KENTUCKY

Alexandria	Bank of Alexandria.
Ashland	Ashland National Bank.
" T.	Merchants' Bank & Trust Co.
Ballard	Ballard County Bank.
Bardwell	Bardwell Deposit Bank.
Beaver Dam	Beaver Dam Deposit Bank.
Bedford	Bedford Loan & Deposit Bank.*
Berea T.	Berea Bank & Trust Co.
Booneville	Owsley County Deposit Bank.
Bowling Green	American National Bank.
Buechel	Bank of Buechel.*
Burlington	Boone County Deposit Bank.
Cadiz	The Cadiz Bank.
Caneyville	Bank of Caneyville.
Carlisle	Deposit Bank.
Catlettsburg	Big Sandy National Bank.

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KENTUCKY—*Continued*

Catlettsburg	Catlettsburg National Bank.
Central City	Central City Deposit Bank.
"	First National Bank.
Clay City	Clay City National Bank.
Cloverport	Breckinridge Bank.
Columbus	Bank of Columbus.
"	Farmers' Bank.
Corydon	Corydon Deposit Bank.
Covington S.	Citizens' National Bank.
"	Farmers' & Traders' Nat'l Bank.
"	First National Bank.
"	German National Bank.*
Danville T.	Boyle Bank & Trust Co.
"	Citizens' National Bank.
"	Farmers' National Bank.
Dixon	Dixon Bank.
Dry Ridge	Farmers' Bank of Equity.
Elizabethtown	First National Bank.
"	Hardin National Bank.*
Elkton	Farmers' & Merchants' Bank.
Falmouth	Pendleton Bank.
Flemingsburg	Deposit Bank.
Frankfort T.	Capital Trust Co.
"	Farmers' Bank.
"	Nat'l Branch Bk. of Kentucky.
"	State National Bank.
Fulton	City National Bank.
"	Farmers' Bank.
"	First National Bank.
Georgetown	First National Bank.
"	Georgetown National Bank.*
Glasgow	Farmers' State Bank.
"	Trigg National Bank.*
Glendale	Glendale Banking Co.
Greenup	First National Bank.
Greenville	First National Bank.
Hardinsburg T.	Bank of Hardinsburg & Tr. Co.*
Harrodsburg	First National Bank.
Hartford	Bank of Hartford.
Hawesville	Hancock Deposit Bank.
Henderson T.	Farmers' Bank & Trust Co.
" S.	Henderson Co. Savings Bank.*
"	Henderson National Bank.*
" T.	Ohio Valley Bank. & Tr. Co.*
"	Planters' State Bank.
" T.	Union Bank & Trust Co.
Hickman	Hickman Bank.
Hopkinsville	First National Bank.
Horse Cave	Farmers' Deposit Bank.
Hyden	Hyden Citizens' Bank.
Irvine	W. T. B. Williams & Sons.
Jeffersontown	Jefferson County Bank.
LaGrange	Oldham Bank.
Lancaster	Citizens' National Bank.
"	National Bank of Lancaster.
Latonia	First National Bank.
Lebanon	Citizens' National Bank.
"	Marion National Bank.
Lexington	Fayette National Bank.
"	First National Bank.
" T.S.	Security Trust Co.
London	First National Bank.
Louisa	First National Bank.
Louisville	American National Bank.*
"	Citizens' National Bank.
" T.S.	Columbia Trust Co.*
" T.	Commercial Bank & Trust Co.*
" T.	Fidelity Trust Co.*
"	First National Bank.*
"	German Bank.
"	German Insurance Bank.*
" T.S.	Ky. Title Sav. Bk. & Tr. Co.
" S.	Louisville Nat'l Banking Co.*
" T.S.	Louisville Trust Co.*
"	National Bank of Kentucky.*
"	Southern National Bank.*
" S.	Third National Bank.*
"	Union National Bank.*
" T.	United States Trust Co.
Ludlow	Farmers' & Mechanics' Bank.
Madisonville S.	Farmers' National Bank.
Maysville	Bank of Maysville, Nat'l Banking Ass'n.
"	First National Bank.
"	State National Bank.
"	Mitchell Finch & Co.'s Bank.*
Midway	Citizens' Bank.
Morganfield	Morganfield National Bank.
" T.	People's Bank & Trust Co.
Mt. Sterling	Montgomery National Bank.
"	Mt. Sterling National Bank.
New Haven	Sylvester Rapier & Co.
Newport	German National Bank.*
"	Newport National Bank.
Nolin	Nolin Banking Co.*
Olive Hill	Olive Hill National Bank.
Owensboro T.	Central Trust Co.
"	First National Bank.
"	National Deposit Bank.
"	Owensboro Banking Co.
Owingsville	Farmers' Bank.
Paducah	American-German Nat'l Bank.
" S.	Citizens' Savings Bank.
"	City National Bank.*
"	First National Bank.
Paintsville	Paintsville National Bank.
Paris	Agricultural Bank.
"	First National Bank.*
"	Geo. Alexander & Co.
Sadieville	Deposit Bank.

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KENTUCKY—*Continued*

Salt Lick.....Salt Lick Deposit Bank.*
Sebree.....S. Sebree Deposit Bank.
Shepherdsville..Bullitt County Bank.
Shelbyville ..T. People's Bank & Trust Co.*
Slaughterville...Farmers' & Merchants' Bank.
Somerset.....Farmers' National Bank.*
" First National Bank.
Sonora.....Bank of Sonora.
Stanford.....Lincoln Co. National Bank.*
Sturgis.....Bank of Sturgis.
" First National Bank.
Uniontown.....Farmers' Bank.
" First National Bank.
Whitesville.....Bank of Whitesville.
Williamsburg...Bank of Williamsburg.
Wilmore.....Wilmore Deposit Bank.
Winchester.....Citizens' National Bank.

LOUISIANA

Abbeville.....Bank of Abbeville.
" First National Bank.
Alexandria.....Commercial Bank.*
" First National Bank.
" Rapides Bank.*
Bastrop..... Bastrop State Bank.
Baton Rouge...Bank of Baton Rouge.*
" First National Bank.*
" Louisiana State Bank.
" T.S. People's Trust & Savings Bank.
Berwick.....Bank of Berwick.
Bienville.....Bank of Bienville.
Boyce.....Bank of Boyce.
Broussard.....Bank of Broussard.
Bunkie.....Citizens' Bank.
" Merchants' & Planters' Bank.*
Campti.....Campti State Bank.
Centreville.....Centreville Bank.
Clinton.....Bank of Clinton.
Colfax.....Bank of Colfax.
Collinston.....Bank of Collinston.
Columbia.....Caldwell Bank.
Cottonport.....Cottonport Bank.
Coushatta.....Bank of Coushatta.
Covington....S. St. Tammany Banking Co. & Savings Bank.
Crowley.....Bank of Acadia.
" Crowley State Bank.*
" First National Bank.
De Ridder.....De Ridder State Bank.
" First National Bank.
Donaldsonville..Bank of Ascension.
" Bank of Donaldsonville.
" People's Bank.
Eunice.....Eunice State Bank.
" First National Bank.
Ferriday.....Ferriday State Bank.
Franklin.....T. Commercial Bank & Trust Co.
Franklinton.....Bank of Franklinton.
Gretna.....S. Bank of Jefferson.*
Gueydan.....Bank of Gueydan.
Hammond.....Bank of Hammond.*
Hammond.....Hammond State Bank.
Haynesville.....Haynesville State Bank.
" Planters' Bank.
Homer.....Homer National Bank
Houma.....Bank of Houma.
" People's Bank.
Jeanerette.....Bank of Jeanerette.
" Citizens' Bank.
Jennings.....First National Bank.
" State National Bank.
Jonesboro.....Jackson Parish Bank
Jonesville.....Catahoula Bank.
Kentwood.....Kentwood Bank.
Labadieville....Bank of Labadie.
Lafayette.....First National Bank.
Lake Arthur....First National Bank.
Lake Charles..S. Calcasieu National Bank.*
" T.S. Calcasieu Trust & Sav. Bank.
" S. First National Bank.*
" S. Lake Charles National Bank.*
Lake Providence.Lake Providence Bank.
Leesville.....Bank of Leesville.
" First National Bank.
Lockport.....Bank of Lockport.
Logansport.....Bank of Logansport.
Mangham.....Mangham State Bank.
Mansfield.....Bank of Commerce.
Mansura.....Mansura Bank.
Marksville.....Avoyelles Bank of Marksville.
Minden.....Bank of Minden.
" Bank of Webster.
Monroe.....Bank of Monroe.
" T.S. Central Savings Bank & Tr. Co.
" Ouachita National Bank.
" T. Union Bank & Trust Co.
Montgomery....Bank of Montgomery.
Morgan City....Bank of Morgan City.
" First National Bank.
Napoleonville...Bank of Assumption.
" Bank of Napoleonville.
Natchitoches....Exchange Bank.*
New Iberia.....New Iberia National Bank

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LOUISIANA—*Continued*

New Iberia	People's National Bank.
"	State National Bank.
New Orleans	S. Bank of Orleans.
"	T. Canal Louisiana Bk. & Tr. Co.
"	Citizens' Bank of Louisiana.
"	T.S. City Bank & Trust Co.
"	T.S. Commercial Germania Trust & Savings Bank.*
"	Commercial National Bank.*
"	T. Cosmopolitan Bank & Trust Co.
"	German-American Nat'l Bank.*
"	T.S. German-American Savings Bank & Trust Co.
"	T. Hibernia Bank & Trust Co.*
"	T.S. Interstate Trust & Banking Co.*
"	Metropolitan Bank.
"	Morgan State Bank.
"	S. New Orleans National Bank.
"	T.S. People's Savings Trust & Banking Co.
"	T. Teutonia Bank & Trust Co.
"	T.S. Third District Savings Bank & Trust Co.
"	S. United States Safe Deposit & Savings Bank.
"	Whitney-Central National Bk.*
"	Isidore Newman & Sons.*
New Roads	Bank of New Roads.
"	First National Bank.
Norwood	Bank of Norwood.
Opelousas	Opelousas National Bank.
"	St. Landry State Bank.*
"	People's State Bank.
Patterson	Bank of Patterson.
"	First National Bank.
Plaquemine	People's Bank.
Pollock	Bank of Pollock.
Ponchatoula	Merchants' & Farmers' Bank.
Port Allen	Bank of West Baton Rouge.
Raceland	Raceland Banking Association.
Rayne	Commercial Bank.
"	Rayne State Bank.
Rayville	Rayville State Bank.*
"	Richland State Bank.*
Ruston	Lincoln Parish Bank.
"	Ruston State Bank.
St. Bernard	Bank of St. Bernard.
St. Francisville	Bank of West Feliciana.
St. Joseph	Bank of St. Joseph.
Shreveport	American National Bank.
"	S. Commercial National Bank.*
"	T.S. Continental Bank & Trust Co.*
"	S. First National Bank.
Tallulah	Tallulah State Bank.*
Thibodeaux	Bank of La Fourche.
"	Bank of Thibodeaux.
Vidalia	Bank of Vidalia.
Washington	Washington State Bank.
Waterproof	Bank of Waterproof.
Welsh	First National Bank.
White Castle	Bank of White Castle.
Winnfield	Bank of Winnfield.*
"	Winn Parish Bank.
Youngsville	Bank of Youngsville.
Zachary	Bank of Zachary.

MAINE

Auburn	S. First National Bank.
"	National Shoe & Leather Bank.*
Augusta	T.S. Augusta Trust Co.
"	Granite National Bank.
"	S. Kennebec Savings Bank.
Bangor	S. Bangor Savings Bank.
"	T. Eastern Trust & Bank Co.
"	First National Bank.
"	Merchants' National Bank.
"	T. Merrill Trust Co.
"	S. Penobscot Savings Bank.
"	Blake, Barrows & Brown.
Bath	Bath National Bank.
"	S. Bath Savings Institution.
"	Lincoln National Bank
"	S. People's Safe Deposit & Savings Bank.
"	Marine National Bank.
Belfast	S. Belfast Savings Bank.
"	City National Bank.
"	T. Waldo Trust Co.
Biddeford	First National Bank.
Booth Bay Harbor	S. First National Bank.
Brunswick	Union National Bank.
Bucksport	Bucksport National Bank.
Calais	Calais National Bank.
"	T. International Tr. & Bkg. Co
Camden	Camden National Bank.
"	Megunticook National Bank
Damariscotta	First National Bank.
Dover	S. Piscataquis Savings Bank.
Ellsworth	Burrill National Bank.
"	T. Union Trust Co.
Farmington	First National Bank.
Fort Fairfield	T. Frontier Trust Co.

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MAINE—*Continued*

Fort Kent	T.	Fort Kent Trust Co.
Gardiner		National Bank of Gardiner.
"	S.	Gardiner Savings Institution.
Greenville	T.	Guilford Trust Co. (Branch).
Guilford	T.	Guilford Trust Co.
Kennebunk	S.	Kennebunk Savings Bank.
"		Ocean National Bank.
Lewiston	T.S.	Lewiston Tr. & Safe Dep. Co.*
Livermore Falls	T.	Livermore Falls Tr. & Bk. Co.
Machias		Machias Banking Co.
Madison	T.	Augusta Trust Co. (Branch).
Millinocket	T.	Millinocket Trust Co.
Norway		Norway National Bank.
Phillips		Phillips National Bank.
Pittsfield		Pittsfield National Bank.
Portland		Canal National Bank.
"		Casco National Bank.
"		Chapman National Bank.
"		Cumberland National Bank.
"	T.S	Fidelity Trust Co.
"		First National Bank.
"	S.	Maine Savings Bank.
"	S.	Portland National Bank.
"	S.	Portland Savings Bank.
"	S.	Portland Sav. Bank (Branch).
Portland	T.	Portland Trust Co.
"	T.	Union Safe Deposit & Trust Co
Richmond		First National Bank.
Rockland		Rockland National Bank.
"	T.	Rockland Trust Co.
Rumford Falls	T.S.	Rumford Falls Trust Co.
"		Rumford National Bank.
Saco	S.	Saco & Biddeford Sav. Inst.*
"		Saco National Bank.
"		York National Bank.
Searsport		Searsport National Bank.
Skowhegan		First National Bank.
"		Second National Bank.
South Berwick		South Berwick National Bank
South Paris	T.	Paris Trust Co.
"	S.	South Paris Savings Bank.
Springvale		Springvale National Bank.
Stockton Spgs.	T.	Stockton Springs Trust Co.
Thomaston		Thomaston National Bank.
Van Buren	T.	Van Buren Trust Co.
Waterville		People's National Bank.
"		Ticonic National Bank.*
"	S.	Waterville Savings Bank.
Wiscasset		First National Bank.
York Village		York County National Bank

MARYLAND

Aberdeen		First National Bank.
Annapolis	S.	Annapolis Savings Institution.
"		Farmers' National Bank.
Baltimore		American Bonding Co.
"	T.	Baltimore Trust & Guar. Co.*
"	S.	Border State Savings Bank.
"	S.	Broadway Savings Bank.
"		Calvert Bank.
"		Canton National Bank.
"	S.	Central Savings Bank.
"		Citizens' National Bank.*
"	T.	Colonial Trust Co.
"		Commercial & Farmers' Nat'l Bank.
"	S.	Commonwealth Bank.
"	T.S.	Continental Trust Co.*
"		Drovers' & Mechanics' Nat'l Bk.
"	S.	Eutaw Savings Bank.*
"		Farmers' & Merch. Nat'l Bank.
"	T.	Fidelity Trust Co.*
"		First National Bank.*
"		German-American Bank.
"		German Bank of Baltimore City.
"	S.	German Savings Bank.
"		Home Bank.
Baltimore	S.	Hopkins Place Savings Bank.*
"	T.	International Tr. Co. of Md.*
"		Maryland National Bank.*
"	S.	Maryland Savings Bank.
"	T.	Maryland Trust Co.
"		Mercantile Bank.
"	T.	Mercantile Trust & Deposit C
"		Merchants' National Bank.*
"	S.	Metropolitan Savings Bank.
"		National Bank of Baltimore.*
"		National Bank of Commerce.*
"		National Exchange Bank.*
"		National Howard Bank.
"		National Marine Bank.*
"		National Mechanics' Bank
"		National Union Bank of Md.
"		Old Town National Bank.
"	S.	Park Savings Bank.*
"	S.	Provident Savings Bank
"	S.	St. James' Savings Bank
"	T.	Safe Deposit & Trust Co. Baltimore.
"	S.	Savings Bank of Baltimore
"		Second National Bank.
"	T.	Security Storage & Trust Co.

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MARYLAND—*Continued*

Baltimore.....Third National Bank.
" T. Union Trust Co. of Maryland.
" Western National Bank.*
" U. S. Fidelity & Guaranty Co.*
" United Surety Co.
" Baker, Watts & Co.
" Alex. Brown & Sons.
" H. C. Brown & Co.
" Colston, Boyce & Co.
" Owen, Daly & Co.
" D. Fahnestock & Co.
" J. Harmanus Fisher & Son.
" Robert A. Fisher & Co.
" Robert Garrett & Sons.
" Hambleton & Co.
" Kummer & Becker.
" Lowndes & Redwood.
" Middendorf, Williams & Co.
" Alex. C. Nelson & Co.
" Gustavus Ober.
" Wm. Schwartz & Sons, Bankers.
" Townsend Scott & Son.*
" Wm. C. Seddon & Co.
" Stein Bros., Bankers.
" Whelan, Duer & Lanahan.
" J. S. Wilson, Jr., & Co.
" Marshall, Winchester & Co.
Barton.....First National Bank.
Bel Air.....Harford National Bank.
" Second National Bank.
Berlin.....First National Bank.
Boonsboro....S. Boonsboro Bank.
Brunswick.....People's National Bank.
" S. The Savings Bank.
Catonsville.....First National Bank.
Centerville.....Centerville National Bank.
Chestertown..S. Chestertown Bank of Maryland.
" S. Kent County Savings Bank.
" Second National Bank.*
Cockeysville....National Bank of Cockeysville.
Crisfield.....Bank of Crisfield.
Cumberland..S. Cumberland Savings Bank.
Cumberland....First National Bank.*
" T. Interstate Trust Co.
" Second National Bank.*
" Third National Bank.
Deals Island... Deals Island Bank of Somerset County.*
Denton.....People's National Bank.
Easton.....Easton National Bank of Md.
" Farmers' & Merch. Nat'l Bank.
" S. The Talbot Bank.
Elkton.....National Bank of Elkton.
Ellicott City....Patapsco National Bank of Ellicott City.*
Ellicott City..T. Washington Trust Co.
Frederick.....Citizens' National Bank.
" Farmers' & Mechanics' Nat'l Bk.
Friendsville.....First National Bank.
Frostburg.....Citizens' National Bank.
" First National Bank.*
Gaithersburg....First National Bank.
Govanstown..T. Suburban Trust & Building Co.
Grantsville.....First National Bank.
Greensboro.....Caroline County Bank.
Hagerstown.....Hagerstown Bank.
" S. Mechanics' Loan & Sav. Inst.
" People's National Bank.
Havre de Grace.First National Bank.
Hyattsville.....First National Bank.
Lonaconing...S. Lonaconing Savings Bank.
Middletown...S. Valley Savings Bank.
Midland.....First National Bank.
Mt. Airy.....First National Bank.
Mt. Savage...S. First National Bank.
New Windsor.S. First National Bank.
North East.....First National Bank.
Oakland.....First National Bank.
" Garrett National Bank.
Pikesville.....Pikesville National Bank.
Port Deposit....Cecil National Bank.
" National Bank of Port Deposit.
Princess Anne.S. Bank of Somerset.*
" People's Bank of Somerset Co.
Queenstown..S. Queenstown Savings Bank.
Rising Sun...S. National Bank of Rising Sun.
Rockville....T. Farmers' Banking & Trust Co.
" Montgomery Co. National Bank.
St. Michaels....Citizens' Bank.
Salisbury.....Farmers' & Merchants' Bank.
" People's National Bank.*
Sandy Spring.S. Savings Institution of Sandy Spring.
Snow Hill.....Commercial National Bank.
" First National Bank.
Sykesville.....Sykesville National Bank.
Taneytown...T. Birnie Trust Co.
" S. Taneytown Savings Bank.
Thurmont.....Thurmont National Bank.
Union Bridge...First National Bank.
" T. Union Bridge Bkg. & Trust Co.
Upper Marlboro...S. First Nat'l Bk. of Southern Md.
Westernport....Citizens' National Bank.
Westminster....Farmers' & Mechanics' Nat'l Bk.
" First National Bank.
" Union National Bank.
" S. Westminster Savings Bank.
White Hall.....White Hall National Bank.
Woodsboro...S. Woodsboro Savings Bank.

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MASSACHUSETTS

Adams		First National Bank.
"	S.	South Adams Savings Bank.
Amesbury		Powow River National Bank.
Amherst		First National Bank.
Andover		Andover National Bank.
"	S.	Andover Savings Bank.
Arlington		First National Bank.
Athol	S.	Athol Savings Bank.
"		Millers River National Bank.
Ayer		First National Bank.*
Baldwinville	S.	Templeton Savings Bank.
Beverly		Beverly National Bank.
"	S.	Beverly Savings Bank.
Boston	T.	American Trust Co.
"		Atlantic National Bank.
"	T.	Bay State Trust Co.
"	T.	Beacon Trust Co.
"	S.	Boston Banking Co.
"		Boylston National Bank.
"	T.	Boston Safe Deposit & Trust Co.
"	T.	City Trust Co.
"	T.	Columbia Trust Co.
"		Commercial National Bank.
"	T.	Commonwealth Trust Co.
"	T.	Dorchester Trust Co., Uphams Corner P. O.*
"	S.	East Boston Savings Bank.
"		Eliot National Bank.*
"	T.	Federal Trust Co.
"		First National Bank.*
"		First Ward National Bank.
"		Fourth National Bank.*
"	S.	Franklin Savings Bank.
"	S.	Institution for Savings in Roxbury and Vicinity.
"	T.	International Trust Co.
"	T.	Liberty Trust Co.
"		Merchants' National Bank.
"		National Bank of Commerce.
"		National Rockland Bank.*
"		National Shawmut Bank.*
"		National Union Bank.*
"		New England National Bank.
"	T.	New England Trust Co.
"	T.	Old Colony Trust Co.
"		People's Nat'l Bk. of Roxbury.*
"	T.	Puritan Trust Co.
"		Second National Bank.*
"		South End National Bank.
"		State National Bank.
"	T.	State Street Trust Co.
"	T.	United States Trust Co.
Boston		Webster & Atlas Nat'l Bank*
"	S.	Wildey Savings Bank.
"		Winthrop National Bank.
"		N. W. Harris & Co.
"		Jose, Parker & Co.
"		Kidder, Peabody & Co.
"		Lee, Higginson & Co.
"		F. S. Moseley & Co. (Br.)
"		E. H. Rollins & Sons.*
"		Weil, Farrel & Co.*
"		R. S. Wentworth.
Brockton		Brockton National Bank.
"		Home National Bank.
Cambridge	T.	Cambridge Trust Co.
"		Charles River National Bank.
"	T.	Harvard Trust Co.
Chelsea	T.	Chelsea Trust Co.
Chicopee		Gaylord-Kendall Co.
Clinton		First National Bank.
Cohasset	S.	Cohasset Savings Bank.
Concord	S.	Middlesex Inst. for Savings.
Conway		Conway National Bank.
East Boston	S.	Sumner Savings Bank.
E. Bridgewater	S.	East Bridgewater Sav. Bank
East Cambridge		Lechmere National Bank.
Easthampton	S.	Easthampton Savings Bank.
East Pepperell		First Nat'l Bank of Pepperell.
Edgartown		Edgartown National Bank.
Fairhaven	S.	Fairhaven Inst. for Savings.
"		National Bank of Fairhaven.
Fall River		Massasoit-Pocasset Nat'l Bank.
"		Metacomet National Bank.
Fitchburg		Fitchburg National Bank.*
"	T.	Fitchburg Safe Dep. & Tr. Co.
"	S.	Fitchburg Savings Bank.*
"		Safety Fund National Bank.*
"		Wachusett National Bank.
Foxboro		Foxboro National Bank.
"	S.	Foxboro Savings Bank.
Franklin	S.	Benjamin Franklin Sav. Bank
Gardner		Westminster National Bank.
Georgetown		Georgetown National Bank.
Gloucester	S.	Gloucester National Bank.
"	T.	Gloucester Safe Dep. & Tr. Co.
Great Barrington		National Mahaiwe Bank.
Greenfield		First National Bank.*
"		Franklin County National Bank
Haverhill	S.	City Five-Cent Savings Bank.
"		First National Bank.
"	S.	Haverhill Savings Bank.
"		Merrimack National Bank.
Hingham	S.	Hangham Inst. for Savings
"		Hingham National Bank.

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MASSACHUSETTS—*Continued*

Holyoke.....City National Bank.
" Hadley Falls National Bank.
" Holyoke National Bank.
" Home National Bank.
" S. Mechanics' Savings Bank.
Hudson.....Hudson National Bank.
" S. Hudson Savings Bank.
Hyde Park.....Hyde Park National Bank.
" S. Hyde Park Savings Bank.
Lawrence.....Bay State National Bank.
" S. Essex Savings Bank.
" Lawrence National Bank.
" S. Lawrence Savings Bank.
" Merchants' National Bank.
Lee.....Lee National Bank.
Leicester.....S. Leicester Savings Bank.
Leominster.....Leominster National Bank.
Lowell.....Appleton National Bank.
" S. City Inst. for Savings.
" S. Lowell Inst. for Savings.*
" T. Lowell Trust Co.
" Old Lowell National Bank.
" S. Traders' National Bank.
" Wamesit National Bank.
" S. Washington Savings Inst.
Lynn.....T. Essex Trust Co.
" S. Lynn Institution for Savings.
" National City Bank.
" National Security Bank.
" T. Security Safe Dep. & Trust Co.
" T. Security Safe Deposit & Trust Co., Market St. Branch.
Malden.....First National Bank.
" S. Malden Savings Bank.
" T. Malden Trust Co.
Mansfield.....First National Bank.
Marblehead.....National Grand Bank.
Marlboro.....First National Bank.*
" S. Marlboro Savings Bank.*
" People's National Bank.*
Methuen.....National Bank of Methuen.
Middleboro.....Middleboro National Bank.
Millbury.....Millbury National Bank.
" S. Millbury Savings Bank.
Milton.....Blue Hill National Bank.
Monson.....Monson National Bank.
" S. Monson Savings Bank.
Nantucket.....Pacific National Bank.
Natick.....Natick National Bank.
New Bedford...First National Bank.
" Mechanics' National Bank.
" Merchants' National Bank.
" T. New Bedford Safe Deposit & Trust Co.
" Sanford & Kelly.
Newburyport...Merchants' National Bank.
Newton.....S. Newton Savings Bank.
Newton Center T. Newton Trust Co.
North Adams.S. Hoosac Savings Bank.
" North Adams National Bank.
Northampton...First National Bank.
" S. Northampton Inst. for Savings.
" Northampton National Bank.
North Easton...First National Bank of Easton.
" S. North Easton Savings Bank.
Orange.....Orange National Bank.*
" S. Orange Savings Bank.
Palmer.....Palmer National Bank.
" S. Palmer Savings Bank.
Pittsfield.....Agricultural National Bank.
" S. City Savings Bank.
" Third National Bank.
Plymouth.....Old Colony National Bank.
" S. Plymouth Five Cents Sav. Bank.
" Plymouth National Bank.
Quincy.....National Granite Bank.
" S. Quincy Savings Bank.
Randolph....S. Randolph Savings Bank.
Salem.....Mercantile National Bank.
" Merchants' National Bank.*
" T. Naumkeag Trust Co.
" S. Salem Five Cents Savings Bk.*
" S. Salem Savings Bank.
Shelburne Falls.Shelburne Falls National Bank.
Somerville.....Somerville National Bank.
" S. Somerville Savings Bank.
South Boston.T. Mattapan Deposit & Trust Co.
South Braintree.S. Braintree Savings Bank.
Southbridge.....Southbridge National Bank.
" S. Southbridge Savings Bank.
So. Framingham.Framingham National Bank.
So. Weymouth..First National Bank.
" S. South Weymouth Savings Bank.
Spencer.....Spencer National Bank.
Springfield...S. Springfield Five Cents Sav. Bk.
" Springfield National Bank.
" Third National Bank.
" T. Union Trust Co.*
" Moody Brothers & Co.
Stockbridge.....Housatonic National Bank.
Taunton.....Machinists' National Bank.
" Taunton National Bank.
" S. Taunton Savings Bank.
Turners Falls...Crocker National Bank.
Uxbridge.....Blackstone National Bank.
Vineyard Haven.Marthas Vineyard Nat'l Bank of Tisbury.
Waltham.....Waltham National Bank.
" S. Waltham Savings Bank.
" T. Waltham Trust Co.

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MASSACHUSETTS—*Continued*

Ware.....Ware National Bank.
Watertown.....Union Market National Bank.
Wellesley.....Wellesley National Bank.
Westborough....First National Bank.
Westfield.....Hampden National Bank.
West Newton...First Nat'l Bk. of W. Newton.*
" S. West Newton Savings Bank.
Weymouth...S. Weymouth Savings Bank.
Whitinsville.....Whitinsville National Bank.
Winchester.....Middlesex County Nat'l Bank
Worcester.....Boston Banking Co., Branch
" Mechanics' National Bank.
" Merchants' National Bank.*
" S. People's Savings Bank.
" S. Worcester Co. Inst. for Savings
" S. Worcester Five Cents Sav. Bk.
" Worcester National Bank.
" T. Worcester Trust Co.

MICHIGAN

Adrian.....S. Adrian State Savings Bank.*
" S. Commercial Savings Bank.*
" S. Lenawee County Savings Bank.
" Waldby & Clay State Bank.*
Albion.....Albion National Bank.
" S. Albion State Bank.
" S. Commercial & Savings Bank.
Alden.....Farmers' & Merchants' Bank.
Allegan.....First National Bank.*
" First State Bank.*
Alma.....S. First State Bank.
Alpena.....S. Alpena County Savings Bank.
" Alpena National Bank.
Ann Arbor....S. Ann Arbor Savings Bank.
" S. Farmers' & Mechanics' Bank.
" First National Bank.
Armada.....S. Armada Savings Bank.
Augusta.....State Bank of Augusta.*
Avoca.....Avoca Bank.
Bad Axe.....State Bank of Frank W. Hubbard & Co.
Barryton.....S. Barryton State Savings Bank.
Battle Creek..S. Central National Bank.*
" S. City Bank.*
" S. Merchants' Savings Bank.*
" Old National Bank.*
Bay City.....Bay City Bank.
" First National Bank.*
" S. People's Savings Bank.
Bear Lake.....Citizens' Bank.
Benton Harbor..Benton Harbor State Bank.*
" S. Farmers' & Merchants' Bank.
Bessemer.....First National Bank.
Big Rapids...S. Big Rapids Savings Bank.
" S. Citizens' State Bank.
Birmingham....Exchange Bank.
Blissfield. ...S. Jipson-Carter State Bank.
Bloomingdale...People's Bank.*
Boyne.....First National Bank. *
Breckenridge.S. First State Savings Bank.
Brighton.....G. J. Baetcke & Co.
Bronson.....S. First State Savings Bank.
Bronson.....L. Rudd & Son.
Brooklyn.....Culver State Bank.
Brown City..S. Citizens' State Sav. Bank.
Buchanan.....Lee Bros. & Co.
Burr Oak.....Burr Oak State Bank.
" First National Bank.
Cadillac.....S. Cadillac State Bank.*
" S. People's Savings Bank
Calumet.....Calumet State Bank.
" First National Bank.
" Merchants' & Miners' Bank.
Carleton.....S. State Savings Bank.
Carson City.....State Bank of Carson City.
Caro.....S. Commercial Savings Bank.*
" S. State Savings Bank.
Cass City.....Cass City Bk. (Auten & Seeley
Cassopolis.....First National Bank.*
Central Lake....First State Bank.
Centreville...S. Wolf Bros.' Bank.
Charlevoix...S. Charlevoix County Bank.
Charlotte.....First National Bank.*
" Merchants' National Bank.
Cheboygan...S. Cheboygan County Sav. Bank
" S. Cheboygan State Bank.
" S. First National Bank.
Clarkston.....E. Jossman State Bank.
Clarksville.....Edwin Nash & Son's Bank.
Clio.....Bank of Chas. H. May & Co.
Coldwater.....Coldwater National Bank.
Coloma.....Bank of Coloma.*
Concord.....Farmers' State Bank.
Constantine.....Commercial State Bank.
" S. First State Bank.
Coral.....State Bank of Montcalm Co
Corunna.....S. Old Corunna State Bank.
Covert.....Bank of Covert.
Crystal Falls....Iron County National Bank
Dearborn.....D. P. Lapham Bank.
Decatur.....Citizens' State Bank.*
Deckerville.....Farmers' State Bank.
" State Bank of Deckerville.
Deerfield.....Deerfield State Bank.

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MICHIGAN—*Continued*

Detroit.....American Exchange Nat'l Bk.*
" S. Central Savings Bank.
" S. Detroit Savings Bank.
" T. Detroit Trust Co.*
" Detroit United Bank.
" S. Dime Savings Bank.*
" S. Dime Savings Bank, Branch, 1174 Jefferson Ave.
" S. Dime Savings Bank,* Branch, 1491 Woodward Ave.
" S. Fairview Sav. Bank.
" First National Bank.*
" S. German-American Bank.*
" T. German-Am. Loan & Trust Co.*
" S. Home Savings Bank.*
" S. Home Savings Bank, Michigan Ave. Branch.
" S. Home Savings Bank, Branch, 466 Gratiot Ave.
" S. Home Savings Bank, Branch, 1217 Gratiot Ave.
" S. Home Savings Bank, Branch, 852 Kercheval Ave.
" S. Michigan Savings Bank.*
" National Bank of Commerce.
" Old Detroit National Bank.*
" S. Peninsular Savings Bank.
" S. Peninsular Savings Bank, Eastern Branch.
" S. Peninsular Savings Bank, Western Branch.
" S. Peninsular Savings Bank, River Street Branch.*
" S. People's State Bank.*
" S. People's State Bank, Gratiot Ave. Branch.
" S. People's State Bank, Michigan Ave. Branch.
" S. People's State Bank, Russell St. Branch.
" S. People's State Bank, Washington Arcade Branch.*
" T. Security Trust Co.*
" T. Union Trust Co.*
" S. United States Savings Bank.*
" S. Wayne County Savings Bank.*
" E. B. Cadwell & Co.
" W. A. Hamlin & Co.
" W. E. Moss & Co.
" H. W. Noble & Co.*
Dowagiac....S. State Savings Bank.*
" Lee Brothers & Co.
Durand.....Shiawassee County Bank.
East Jordan..S. State Bank of East Jordan.
Eaton Rapids...First National Bank.
Eaton Rapids...Michigan State Bank.
Eau Claire.....Exchange Bank.
Elk Rapids...S. Elk Rapids Savings Bank.
Escanaba.....Escanaba National Bank.
" S. First National Bank.
" S. State Savings Bank.
Fairgrove.....Bank of Fairgrove.
Fenton.....S. Commercial Savings Bank.
" S. Fenton State Savings Bank.
Flint.....S. Citizens' Commercial & Sav. Bk.
" S. Genesee County Savings Bank.*
" S. National Bank of Flint.
" T.S. Union Trust & Savings Bank.
Flushing.....People's State Bank.
Fowlerville.....The State Bank.
Frankfort....S. Benzie County State Sav. Bank.
Freeport.....Freeport Banking Co.
Fremont.....S. Fremont State Bank.
" Old State Bank.
Galien.....G. A. Blakeslee & Co.
Gladwin.....M. C. Serafford & Co.*
Gobleville.....Gobleville Exchange Bank.
Grand Haven...Grand Haven State Bank.
" National Bk. of Grand Haven.*
Grand Rapids.S. Commercial Savings Bank.
" Fourth National Bank.
" Grand Rapids National Bank.*
" S. Grand Rapids Savings Bank.
" Kent State Bank of Grand Rapids.*
" T. Michigan Trust Co.
" National City Bank.*
" S. Old National Bank.
" S. People's Savings Bank.*
" Child, Hulswit & Co.*
Greenville....S. Commercial State Savings Bank.
" S. Greenville State Bank.*
Gwinn.....S. Gwinn State Savings Bank.
Hamtramck.....Hamtramck State Bank.
Hancock.....S. First National Bank.*
" S. Superior National Bank.*
Harbor Beach.S. Huron County Savings Bank.
Harrisville....S. Alcona County Savings Bank.
Hart.....First National Bank.
" S. Oceana County Savings Bank.
Hastings.....S. Hastings City Bank.
" Hastings National Bank.
Highland Park..Highland Park State Bank.
Hillsdale.....First National Bank.
Holland.....S. Holland City State Bank.*
Holly.....S. Citizens' Savings Bank.
" S. First State & Savings Bank.
Homer.....S. Calhoun State Bank.
Houghton.....Citizens' National Bank.*
" Houghton National Bank.*

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MICHIGAN—*Continued*

Howard City....O'Donald & Scott.
Howell.....Alex. McPherson & Co.
Hubbell.....First National Bank.
Hudson.....S. Boise State Savings Bank.*
" S. Thompson Savings Bank.
Imlay City.....Chas. Palmer's Banking House.
Ionia.....National Bank of Ionia.
" S. State Savings Bank.
Iron Mountain..Commercial Bank.
" First National Bank.
Iron River.....First National Bank.
Ironwood.....People's Banking Co.
Ishpeming.....Miners' National Bank.
" Peninsula Bank.
Jackson.....Central State Bank.
" S. Jackson City Bank.*
" S. Jackson State Savings Bank.*
" People's National Bank.*
" Union Bank.
Kalamazoo.....City National Bank.
" S. First National Bank.
" S. Home Savings Bank.*
" Kalamazoo National Bank.*
" S. Kalamazoo Savings Bank.*
" Michigan National Bank.
Kalkaska.....S. People's State & Savings Bank.*
Kingston.....Kingston Bank.
Lake City.....Missaukee County Bank.
Lake Linden....First National Bank.*
Lake Odessa....Farmers' & Merchants' Bank.
Lansing.....City National Bank.*
" S. Lansing State Savings Bank.
Lapeer.....First National Bank.
Laurium.....S. State Savings Bank.
Levering.....S. Levering Exchange Bank.
Lowell.....City State Bank.
" Lowell State Bank.
Ludington....S. First National Bank.
" Ludington State Bank.*
Mancelona....S. Antrim County State Sav. Bank.
Manistee.....First National Bank.
" S. Manistee County Savings Bank.
" Sands & Burr.
Manistique.....First National Bank.*
" Manistique Bank.
Marcellus.....S. First State Savings Bank.
" G. W. Jones' Exchange Bank.*
Marine City...S. Marine Savings Bank.*
Marion.....Marion State Bank.
Marquette....S. First National Bank.*
" S. Marquette County Savings Bk.*
" S. Marquette National Bank.*
" E. N. Breitung & Co.*
Marshall.....S. Commercial Savings Bank.
" First National Bank.*
Mendon.....First State Bank.
Menominee.....Commercial Bank.
" S. First National Bank.*
" Lumbermen's National Bank.*
Merrill.....State Bank of Merrill.
Mohawk.....S. Keweenaw Savings Bank.
Monroe.....S. B. Dansard & Sons' State Bank.
" First National Bank.
" S. Monroe State Savings Bank.
Montague.....Farmers' Bank.
Morenci.....First National Bank.
" S. Wakefield State Bank.
Mt. Clemens..S. Citizens' Savings Bank.
" S. Mt. Clemens Savings Bank.*
" S. Ullrich Savings Bank.*
Mt. Pleasant..S. Exchange Savings Bank.
" S. Isabella County State Bank.*
Munising.....First Nat'l Bank of Alger Co.*
Muskegon.....Hackley National Bank.*
" National Lumbermen's Bank.
" S. Muskegon Savings Bank.*
Nashville.....Farmers' & Merchants' Bank.
Negaunee.....First National Bank.*
" Negaunee National Bank.*
Newberry.....Newberry State Bank.
New Haven...S. New Haven Savings Bank.
Niles.....Niles City Bank.*
" Snell & Co.*
North Adams...Citizens' Bank.
North Branch.S. Pioneer Bank.
Northville....S. Lapham State Savings Bank.
" S. Northville State Savings Bank.
Norway.....First National Bank.
Olivet.....Geo. W. Keyes & Son.
Onaway.....S. Onaway State Savings Bank.
Ontonagon.....First National Bank.
Owosso.....S. Citizens' Savings Bank.
" S. Owosso Savings Bank.
" S. State Savings Bank.*
Peck.....S. State Savings Bank.
Pellston.....Pellston City Bank.*
Pentwater.....Gardner T. Sands.
Petoskey.....S. First National Bank.
" S. First State Bank.
Plainwell.....S. Citizens' State Savings Bank.
Pontiac.....S. First Commercial Bank.
Port Huron...S. Commercial Bank.*
" First National Exchange Bank*
" S. W. F. Davidson.
Portland.....S. Maynard-Allen State Bank.
" S. Webber State Savings Bank*
Reed City....S. Commercial Savings Bank.
Reese.....Bank of Reese.
Richland.....Farmers' National Bank.
Richmond.....Richmond Bank.*

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MICHIGAN—*Continued*

Riga.....Farmers' & Merchants' Bank.
Riverdale.....Bank of Riverdale.
River Rouge..S. River Rouge Savings Bank.
Rockland.....First National Bank.
Romeo.....S. Romeo Savings Bank.
Roscommon....Roscommon State Bank.
Saginaw.....Bank of Saginaw.*
" Commercial National Bank.
" S. People's Savings Bank.*
" S. Saginaw County Savings Bank.
" Second National Bank.*
" Geo. L. Burrows & Co.*
St. Charles.....St. Charles State Bank.*
St. Clair.....S. Commercial & Savings Bank.*
St. Ignace.....First National Bank.
Saint John's....Saint John's National Bank.
St. Joseph.....Commercial National Bank.*
" Union Banking Co.
St. Louis.....Gratiot County State Bank.
Saline.....Citizens' Bank.
Saugatuck.....Fruit Growers' State Bank.
Sault St. Marie..S. Central Savings Bank.
" First National Bank.
" S. Sault Savings Bank.*
Scottville.....S. State Savings Bank.
Shelby.....Churchill & Webber.
South Haven....Citizens' State Bank.
" First State Bank.*
South Range..S. South Range Bank.
Springport...S. Springport State Savings Bank.
Stephenson.....Bank of Stephenson.
Sturgis.....National Bank of Sturgis.
Sunfield.....Sunfield Banking Co.
Tecumseh.....Lilley State Bank.
" S. Tecumseh State Savings Bank.
Three Rivers....First National Bank.
" S. First State Savings Bank.*
Traverse City...First National Bank.*
" S. People's Savings Bank.
" S. Traverse City State Bank.*
Union City.....Union City National Bank.*
Unionville.....S. State Savings Bank.
Vassar.....S. State Savings Bank.
Vermontville....Barber State Bank.
Vicksburg....S. First State Bank.
Watervliet.....Parsons & Baldwin.
Wayne.....S. Wayne Savings Bank.
White Pigeon..S. Farmers' Savings Bank.
White Cloud....R. Gannon & Sons.
Whitehall.....State Bank of Whitehall.
Wyandotte...S. First Commercial & Sav. Bank.
" S. Wyandotte Savings Bank.
Yale.....First National Bank.
" S. Yale State Bank.
Ypsilanti.....First National Bank.
" S. Ypsilanti Savings Bank.
Zeeland.....Zeeland State Bank.

MINNESOTA

Ada.....First National Bank.
" First State Bank.
Adams.....First National Bank.
Adrian.....Adrian State Bank.
Aitkin.....Aitkin County State Bank.
" First National Bank.
Albert Lea...S. Albert Lea State Bank.
" Citizens' National Bank.
" First National Bank.*
" Freeborn County State Bank.
Alden.....S. First National Bank.*
Alexandria.....Farmers' National Bank.
" First National Bank.
Anoka.....State Bank of Anoka.
Arco.....Farmers' State Bank.
Argyle.....Farmers' & Merchants' Bank of Argyle.
Atwater.....Security Bank of Atwater.*
Aurora.....State Bank of Aurora.
Austin.....First National Bank.
Bagley.....Clearwater County State Bank.
Balaton.....First State Bank.
Barnesville.....First National Bank.
Barnum.....State Bank of Barnum.
Beltrami.....First State Bank (Polk Co.).
Bemidji.....First National Bank.
" Lumbermen's National Bank.
Benson.....First National Bank.
" Security State Bank.
" Swift County Bank.
Bird Island.....Renville County State Bank.
" State Bank.
Biwabik.....First National Bank.
Blooming Prairie S. First National Bank.
Blue Earth.....Blue Earth State Bank.
" First National Bank.
Bowlus.....First State Bank.
Brainerd.....Citizens' State Bank.*
" First National Bank.
" S. Security State Bank.
Brandon.....Brandon State Bank.
Breckenridge....First National Bank.
Bricelyn.....State Bank of Bricelyn.
Bronson.....Bronson State Bank.*

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MINNESOTA—*Continued*

Brownton.....First State Bank.
Brown Valley...Brown Valley State Bank.
Buffalo.....Oakley State Bank.
" State Bank of Buffalo.
Buffalo Lake...State Bank of Buffalo Lake
Caledonia.....Sprague State Bank.
Callaway.....Citizens' State Bank.
" First State Bank.
Canby.....Bank of Canby.
" First National Bank.
" National Citizens' Bank.
Cannon Falls...Citizens' State Bank.*
" Farmers' & Merch. Nat'l Bank.
Carlton.....First National Bank.
Cass Lake.....First National Bank.
Center City.....Chisago County State Bank.
Chisholm.....First National Bank.
Chokio.....First National Bank.
Clearwater.....Clearwater State Bank.*
Climax.....State Bank of Climax.
Cloquet.....First National Bank.
Coleraine....S. First National Bank.
Cottonwood.....First National Bank.
Crookston.....First National Bank.*
" S. Merchants' National Bank.
" Scandia American Bank.
Danube.....Danube State Bank.
Darfur.....State Bank of Darfur.
Dawson.....Bank of Dawson.
Deer River.....First National Bank.
Deerwood.....State Bank of Deerwood.
Detroit.....First National Bank.
" Merchants' National Bank.
Dodge Center...First National Bank.*
Dover.....First State Bank.
Duluth.....American Exchange Nat'l Bank.
" City National Bank.*
" First National Bank.
" S. Northern National Bank.*
" Julius D. Howard & Co.
" A. R. MacFarlane & Co.
Dumont.....First State Bank.
East Grand Forks.....First National Bank.
" S. First State Bank.
Echo.....State Bank of Echo.
Elbow Lake...S. First National Bank.
Elgin.....First State Bank.
Elk River.....First National Bank.
Ellendale.....Security State Bank.
Ellsworth.....German State Bank.
Emmons.....First National Bank.
Eveleth.....First National Bank.
" Miners' National Bank.
Eyota.....First National Bank.
Fairmont.....Martin County National Bank
Faribault.....Chase State Bank.*
" Citizens' National Bank.
" Security Bank.
Farmington.....The Exchange Bank.
Fergus Falls....Fergus Falls National Bank.*
" First National Bank.
Fertile.....First State Bank.
Foley.....First National Bank.
Fosston.....First National Bank.
Franklin.....State Bank of Franklin.
Frazee.....First National Bank.
Fulda.....First National Bank.
Gilbert.....First National Bank.
Glencoe.....Bank of Glencoe.
Glenwood.....First National Bank.
" Glenwood State Bank.
" Pope County State Bank.
Graceville.....First National Bank.
Grand Marais...Cook County State Bank.
Grand Meadow..Exchange State Bank.
" First National Bank.
Grand Rapids...First National Bank.
Hallock.....Citizens' State Bank.
" First National Bank.
Hanover.....Hanover State Bank.
Harmony.....Harmony State Bank.
Hastings.....First National Bank.
Hawley.....S. First National Bank.
" State Bank of Hawley.
Hector.....State Bank.
Henderson.....Sibley County Bank.
Hendrum.....State Bank of Hendrum.
Herman.....Grant County State Bank.
Heron Lake.....Farmers' State Bank.
" First National Bank.
Hibbing.....Merchants' & Miners' State Bk
Hinckley.....State Bank of Hinckley.
Holdingford.....Farmers' State Bank.
Houston.....Houston State Bank.
Howard Lake...Bank of Howard Lake.
" German-American State Bank
Hutchinson.....Bank of Hutchinson.
" Citizens' Bank.
International Falls.....First National Bank.
" International State Bank.
Jackson.....Brown National Bank.
" First National Bank.
" Jackson National Bank.
Janesville.....Janesville State Bank.
Kandiyohi.....State Bank of Kandiyohi.*
Kasson.....Farmers' State Bank.
" National Bank of Kasson.
Kennedy.....Citizens' State Bank.

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MINNESOTA—*Continued*

Lake Benton....First National Bank.
Lake City.....Citizens' Bank of Lake City.
" Lake City Bank of Minnesota.
Lakefield.....First National Bank.*
Lake Park.....Becker County State Bank.
Lakeville.....Dakota County State Bank.
Lake Wilson....State Bank of Lake Wilson.
Lamberton.....First National Bank.
" State Bank of Lamberton.
Le Roy.....First National Bank.
" First State Bank.*
Le Sueur.....First National Bank.
Lewisville.....Merchants' State Bank.
Lismore.....State Bank of Lismore.
Litchfield.....Bank of Litchfield.
" Farmers' & Merch. State Bank.
Little Falls.....First National Bank.
Little Fork.....First State Bank of Little Fork.
Long Prairie....Bank of Long Prairie.
Louisburg.....Louisburg State Bank.
Lu Verne.....First National Bank.
" Rock County Bank.
Lyle.....First National Bank.*
Madelia.....State Bank of Madelia.
Madison.....First National Bank.
" Madison State Bank.
Magnolia.....Magnolia State Bank.
Mahnomen.....Security State Bank.
Mankato.....First National Bank.
Maple Lake.....Security State Bank.
Marshall.....First National Bank.
" Lyon County National Bank.
Mazeppa.....Bank of Mazeppa.
McIntosh.....Citizens' State Bank.
" First National Bank.
Milaca.....First National Bank.
Minneapolis..S. Farmers' & Merch. Sav. Bank.*
" First National Bank.
" German-American Bank.
" Germania Bank.
" S. Hennepin County Sav. Bank.
" T. Minnesota Loan & Trust Co.*
" Metropolitan National Bank.*
" Minnesota National Bank.*
" Northwestern National Bank.*
" St. Anthony Falls Bank.
" S. Savings Bank of Minneapolis.
" Scandinavian Amer. Nat'l Bk.
" Security National Bank.*
" South Side State Bank.
" S. State Institution for Savings.
" Union State Bank.
" Union Investment Co.
" Geo. B. Lane, Banker.*
" Eugene M. Stevens.*
Minneapolis.....Wells & Dickey Co.
Minnesota Lake.First National Bank.*
Montevideo.....Chippewa County Bank.
Monticello.....State Bank of Monticello.
Moorhead.....First National Bank.
" First State Bank.
" Moorhead National Bank.
Morris.....Morris National Bank.
Morristown.....Morristown State Bank.
New London....State Bank of New London.
New Prague....State Bank of New Prague.
New Richland...State Bank of New Richland.
New Ulm.....Citizens' State Bank.
" State Bank of New Ulm.
New York Mills.First State Bank.
Northfield.....First National Bank.
" Northfield National Bank.
Norwood.....Bank of Norwood.
Olivia.....Olivia State Bank.
" People's First National Bank.
Ortonville.....Citizens' National Bank.
Owatonna.....First National Bank.
" S. National Farmers' Bank.*
Park Rapids....First National Bank.
Pelican Rapids..First National Bank.*
" J. P. Wallace State Bank.
Perley.....First State Bank of Perley.
Pine Island.....Citizens' State Bank.
Pipestone.....First National Bank.
" Pipestone State Bank.
Plainview.....First National Bank.*
" Plainview State Bank.
Preston.....National Bank of Preston.
Princeton.....First National Bank.
" Princeton State Bank.
" Security State Bank.
Proctor.....Proctor State Bank.
Raymond.....First National Bank.
Reading.....State Bank of Reading.
Red Lake Falls..First State Bank.
" S. Merchants' State Bank.
Red Wing.....Bank of Pierce, Simmons & Co
" Goodhue Co. National Bank.
" S. Goodhue Co. Savings Bank.
Redwood Falls..First National Bank.
Renville.....First National Bank.
Rice.....Rice State Bank.
Rochester.....First National Bank.
" First State Bank.
" Union National Bank.
Roseau.....Farmers' & Merch. State Bank.
Royalton.....State Bank of Royalton.
Rush City.....First National Bank.
" State Bank of Rush City.
Rushford.....Rushford State Bank.*

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MINNESOTA—*Continued*

Rushmore.....Rushmore State Bank.
St. Bonifacius...State Bank of St. Bonifacius.
St. Charles.....Citizens' State Bank.*
St. Cloud.....First National Bank.
" Merchants' National Bank.*
" Security State Bank.
St. James.....First National Bank.
" Security State Bank.
St. Michael.....State Bank of St. Michael.
St. Paul.....American National Bank.
" Capital National Bank.*
" First National Bank.*
" Merchants' National Bank.*
" National German-Amer. Bank.*
" T. Northwestern Trust Co.
" Ramsey County State Bank.
" Scandinavian-American Bank.
" Second National Bank.
" T. Security Trust Co.
" S. State Savings Bank.
" Edwin White & Co.*
St. Vincent.....Farmers' & Merch. State Bank.
Sandstone.....First National Bank.
" Quarryman's State Bank.
Sauk Center...First National Bank.*
Sauk Rapids....Benton County State Bank.
Sherburn.....Bank of Sherburn.
" Sherburn National Bank.
Silver Lake.....State Bank of Silver Lake.
Slayton.....First National Bank.
" State Bank of Slayton.
Sleepy Eye.....Farmers' & Merch. State Bk.
" First National Bank.*
" State Bank of Sleepy Eye.
South St. Paul..Stock Yards National Bank.
Spooner.....Security State Bank.
Staples.....First National Bank.
Stephen.....First Nat'l Bank of Stephen.
" Scandia State Bank.
Stephen.....S. State Bank of Stephen
Stewartville.....First National Bank.
Stillwater.....First National Bank.
" Lumbermen's National Bank.
Tenstrike.....Baltrami County State Bank.
Thief River Falls Citizens' State Bank.
" First National Bank.
" People's State Bank.
Tower.....First State Bank.
Twin Valley....First National Bank.
Two Harbors....Commercial State Bank.
Tyler.....First State Bank of Tyler
Verndale.....First National Bank.
Vesta.....State Bank of Vesta.
Virginia.....American Exchange Bank.
Wabasha.....First National Bank.
Wadena.....First National Bank.
" Merchants' National Bank.
Warren.....First National Bank.
" State Bank of Warren.
Warroad.....State Bank.
Waseca.....Farmers' National Bank.
" First National Bank.
Wells.....First National Bank.*
" Wells National Bank.
Wendell.....Farmers' & Merch. State Bank.
Westbrook.....First National Bank.
Wheaton.....National Bank of Wheaton.
Willmar.....First National Bank.
" Kandiyohi County Bank.
Winnebago.....First National Bank.
Winona.....First National Bank.*
" Merchants' Bank.*
" S. Second National Bank.
" Winona Deposit Bank.
" S. Winona Savings Bank.
Worthington....State Bank of Worthington.
Wykoff.....Exchange State Bank.
Zumbrota.....Security State Bank.

MISSISSIPPI

Aberdeen.....Bank of Aberdeen.
" First National Bank.
" T. Monroe Banking & Trust Co.
Amory.....Bank of Amory.
Bay St. Louis...Hancock County Bank.
Biloxi.....Bank of Biloxi.
" People's Bank.
Bond.....Bank of Bond.
Brandon.....Brandon Bank.
Brookhaven...T. Brookhaven Bank & Trust Co.*
" Commercial Bank.
Brooksville.....Bank of Brooksville.
Canton.....Canton Exchange Bank.
Canton.....First National Bank.
" S. Mississippi State Bank.*
Carrollton.....Bank of Carrollton.*
Clarksdale.....Bank of Clarksdale.
Cleveland.....Cleveland State Bank.
Columbia.....Columbia Bank.
" Pearl River Bank.
Columbus.....Columbus Ins. & Banking Co.
" First State Bank.
" Merchants' & Farmers' Bank
Corinth.....T. Corinth Bank & Trust Co.
" Union Bank.*
Crystal Springs..Bank of Commerce.

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MISSISSIPPI—*Continued*

Edwards.....Bank of Edwards.
Ellisville.....Bank of Ellisville.
Fayette.....Jefferson County Bank.
Friars Point....Exchange Bank.
Goodman.....Bank of Goodman.*
Greenville.....Citizens' Bank.
" S. Commercial Savings Bank.
" First National Bank.
" T.S. Greenville Sav. Bk. & Trust Co.
Greenwood.....Delta Bank.
" First National Bank.*
Grenada.....Grenada Bank.
Gulfport.....S. Bank of Commerce.
" First National Bank.
Hattiesburg..S. Citizens' Bank.*
" S. First Nat'l Bank of Commerce.*
" T. Hattiesburg Tr. & Bank. Co.*
Hazelhurst.....Bank of Hazelhurst.
" Merchants' & Planters' Bank.*
Hickory.....Bank of Hickory.
Holcomb.....Bank of Holcomb.
Holly Springs...Bank of Holly Springs.
Houlka.....Bank of Houlka.
Indianola.....Sunflower Bank.
Itta Bena.....Bank of Itta Bena.
Iuka.....Tishomingo Banking Co.
Jackson.....Capital National Bank.*
" Century Banking Co.
" First National Bank.
" Jackson Bank.
" T. Merchants' Bank & Trust Co.*
" T. Mississippi Bank & Trust Co.*
" T. State Bank & Trust Co.*
Kosciusko....T. Merchants' & Farmers' Bank.
Laurel.....T. Commercial Bank & Trust Co.
" S. First National Bank.
Leakesville.....The Bank of Leakesville.
Lexington.....Bank of Lexington.
" T. Merchants' & Farmers' Bank & Trust Co.
Liberty.....Liberty Bank.
Louisville.....Merchants' & Farmers' Bank.
Lucedale.....Bank of Lucedale.
Lumberton...S. First National Bank.
Macon.....Bank of Macon.
" Merchants' & Farmers' Bank.
Magnolia.....Magnolia Bank.
" People's Bank.
Marks.....Riverside Bank.
Mathiston.....Bank of Mathiston.
Meridian.....Citizens' National Bank.*
" First National Bank.*
" T. Guaranty Loan, Tr. & Bkg. Co.
" Merchants' & Farmers' Bank.
" T. Union Bank & Trust Co.*
Moss Point.....Pascagoula National Bank.*
Natchez.....Britton & Koontz Bank.
" First Natchez Bank.*
New Albany....First National Bank.
Newton.....Bank of Newton.*
Okolona.....First National Bank.
" Merchants' & Farmers' Bank.
Osyka.....S. Bank of Osyka.
Pass Christian...Hancock Co. Bank, Pass Christian Branch.
Pontotoc.....First National Bank.
Poplarville.....Citizens' Bank.
" National Bank of Poplarville.
Port Gibson..S. Mississippi Southern Bank.
" Port Gibson Bank.
Prentiss.....Bank of Blountville.
Purvis.....Lamar County Bank.
Rosedale.....Bank of Rosedale.
" Valley Bank.
Sandersville.....National Bank of Poplarville, Sandersville Branch.
" Union & Farmers' Bank.
Scobey.....Citizens' Bank.
Scooba.....Bank of Kemper.
Scranton.....Merchants' & Marine Bank.
Silver Creek.....Merchants' & Planters' Bank.
Summit.....Bank of Summit.
" People's Bank.
Sumner.....The People's Bank.*
Taylorsville.....Smith County Bank.
Tupelo.....Bank of Tupelo.*
" First National Bank.
" T. People's Bank & Trust Co.
Tylertown.....Tylertown Bank.
Vaiden.....Merchants' & Farmers' Bank.
" Vaiden Bank.
Vicksburg.....American National Bank.*
" Citizens' National Bank.*
" T. Delta Trust & Banking Co.
" First National Bank.*
" S. Lincoln Savings Bank.
" Merchants' National Bank.*
" T. Security Bank & Trust Co.
Water Valley...Bank of Water Valley.
" S. Mechanics' Savings Bank.
Waynesboro....Merchants' & Planters' Bank.
Wesson.....Bank of Wesson.
West Point.....Bank of West Point.
" Citizens' Bank.
" First National Bank.
Wiggins.....People's Bank.
Winona.....Bank of Winona.
Woodville.....Citizens' Bank of Wilkinson Co.
Yazoo City.....Bank of Yazoo City.
" T. Commercial State Bk. & Tr. Co.
" First National Bank.

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MISSOURI

Adrian.....Adrian Banking Co.
Albany.....Bank of Albany.
Altamont.....Citizens' State Bank.
Alton.....Bank of Alton.
Amazonia.....Amazonia State Bank.
Amity.....The Bank of Amity.
Amsterdam.....Bank of Amsterdam.
Appleton City...First National Bank.
Ash Grove.....Farmers' Bank.
Ashland.....Bass-Johnston Banking Co.
Augusta.....Bank of Augusta.
Aurora.....Bank of Aurora.
" People's Bank.
Aux Vasse.....Aux Vasse Bank.
Belton.....Bank of Belton.
Bethany.....S. Bethany Savings Bank.
" Harrison County Bank.
Bevier.....State Bank of Bevier.*
Bolivar.....Polk County Bank.
Bonne Terre..T. Farmers' & Miners' Trust Co.
Boonville.....Central National Bank.*
" Farmers' Bank.*
Bowling Green.S.People's Savings Bank.
Braymer.....Bank of Brayiner.*
Breckenridge.S. Breckenridge Savings Bank.
Bronaugh.....C. Brubaker.
Brookfield.....Brownlee Banking Co.
" Linn County Bank.
Browning.....People's Bank.
Bucklin.....Bank of Bucklin.
Buckner.....Bank of Buckner.
Bunceton.....Bank of Bunceton.
" Cooper County Bank.
Butler.....Farmers' Bank of Bates Co.
Callao.....Bank of Callao.
Campbell.....Bank of Campbell.
" First National Bank.
Canton.....First National Bank.
Cape Girardeau..First National Bank.
" T. Southeast Missouri Trust Co.*
" Sturdivant Bank.
Carrollton.....Banking House of Wilcoxson & Co.
Carterville.....First National Bank.
Carthage.....Carthage National Bank.
" Central National Bank.*
" First National Bank.
Caruthersville...Bank of Caruthersville.
" Pemiscot County Bank.*
Centralia.....Bank of Centralia.
" Farmers' & Merchants' Bank.
Charleston.....Charleston Bank.*
" Mississippi County Bank.
Chilhowee.....Chilhowee Bank.
Chillicothe.....Bank of Chillicothe.
" Citizens' National Bank.
Clarksville.....Citizens' Bank.
Clayton.....St. Louis Co. Bank of Clayton
" T. Trust Co. of St. Louis County.
Clinton.....Citizens' Bank.
" Clinton National Bank.
" People's National Bank.
Cole Camp.....Citizens' Bank.
Columbia....T. Boone County Trust Co.
" S. Columbia Savings Bank.
" The Exchange National Bank.
Cosby.....Cosby State Bank.
De Kalb.....De Kalb State Bank.
De Soto.....German-American Bank.
" Jefferson County Bank.
" People's Bank.*
Dexter.....Bank of Dexter.
Doniphan.....Ripley County Bank.
East Lynne.....Farmers' State Bank.
Edgerton.....Bank of Edgerton.*
Eldon.....Bank of Eldon.
Elsberry.....Bank of Lincoln County.
" Elsberry Banking Co.
Eolia.....Bank of Eolia.
Essex.....Farmers' Bank of Essex.
Excelsior Spgs..Clay County State Bank.*
Farber.....Farber Bank.
Fillmore.....Round Prairie Bank.
Florissant.....Citizens' Bank.
Frankford.....Frankford Exchange Bank.
Fulton.....Callaway Bank.*
" Farmers' First National Bank
" S. Home Savings Bank.
" Southern Bank of Fulton.
Gallatin.....Farmers' Exchange Bank.
Garden City....Farmers' Bank.
Gentry.....Bank of Gentry.
Gibbs.....Bank of Gibbs.*
Gilliam.....Gilliam Exchange Bank.
Gilman City....Citizens' Bank of Gilman.
Golden City.....First National Bank.
" Golden City Banking Co.
Grant City.....Citizens' Bank.
" First National Bank.
Green City.....American National Bank.
Greenfield.....R. S. Jacobs Banking Co.
Guilford.....Bank of Guilford.
Hallsville.....Bank of Hallsville.
Hannibal.....Farmers' & Merchants' Bank.*
" Hannibal National Bank.*
" T. Hannibal Trust Co.*

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MISSOURI—*Continued*

Harrisonville....Allen Banking Co.
" Bank of Harrisonville.
" Citizens' National Bank.
Hermann.....S. Hermann Savings Bank.
Higginsville.....American Bank.
" Bank of Higginsville.
Holden.....Bank of Holden.
" Farmers' & Commercial Bank.
Holliday.....Monroe County Exchange Bank.
Hopkins.....Bank of Hopkins.
Hornersville....Bank of Hornersville.
Houston.....Texas County Bank.
Humansville....Farmers' & Merchants' Bank.
Huntsville.....J. M. Hammett Banking Co.
Hurdland.....Farmers' Bank.
Jackson.....S. Cape County Savings Bank.
Jasper.....First National Bank.
Jefferson City T. Central Missouri Trust Co.
" Exchange Bank.
" First National Bank.
Joplin.....Citizens' State Bank.
" T.S. Conqueror Trust Co.*
" Cunningham National Bank.*
" First National Bank.
" Joplin National Bank.*
" Miners' Bank.
Kahoka.....Exchange Bank.
" S. Kahoka Savings Bank.*
Kansas City....Central National Bank.*
" T. Commerce Trust Co.*
" S. Corn Belt Bank.
" T.S. Fidelity Trust Co.*
" First National Bank.*
" Gate City National Bank.*
" German-American Bank.
" Manufacturers' & Mechanics' Bank.
" Mercantile Bank.
" S. Missouri Savings Ass'n Bank.
" Mitchell Banking Co.
" National Bank of Commerce.*
" Nat'l Bank of the Republic.*
" New England National Bank.*
" T. Pioneer Trust Co.
" Produce Exchange Bank.
" Security National Bank.*
" Southwest National Bank.*
" Stock Yards Loan Co.*
" Traders' Nat'l Bank of Kansas City.*
" Union Ave. Bank of Commerce.
" T. United States Trust Co.
" Western Exchange Bank.
" Houston, Fible & Co.
" Thayer-Moore Brokerage Co.
Kansas City....H. P. Wright Invest. Co.*
Kelso.....Farmers' & Merchants' Bank.
Kidder.....Kidder Bank.
King City.....First National Bank.
Kirksville....S. Kirksville Savings Bank.
Kirkwood..T.S. Kirkwood Trust Co.*
La Belle.....S. La Belle Savings Bank.
Lamar.....First National Bank.*
Lancaster.....Schuyler County Bank.*
La Plata.....Bank of La Plata.
" S. La Plata Savings Bank.
Lathrop.....First National Bank.
Lebanon.....Bank of Lebanon.
Leeds.....Leeds National Bank.
Lexington....S. Lexington Savings Bank.
Liberty.....Commercial Bank.
Linn Creek.....Camden County Bank.
" First National Bank.
Lockwood.....Bank of Lockwood.
Louisiana.....Bank of Louisiana.
" Mercantile Bank.
Macon.....State Exchange Bank.
Maitland.....Farmers' Bank.
" People's Bank.
Malden.....Bank of Malden.
Malta Bend.....Bank of Malta Bend.*
Marling.....Bank of Marling.
Marshall.....Bank of Marshall.*
" Bank of Saline.*
" S. Farmers' Savings Bank.*
" Wood & Huston Bank.*
Marthasville....Marthasville Bank.
Maryville.....First National Bank.
" Maryville National Bank.*
Maysville.....Exchange Bank of De Kalb Co
Maywood.....Bank of Maywood.
Memphis.....Citizens' Bank.
" Scotland Co. National Bank.
Mendota.....Putnam County Bank.
Mercer.....Bank of Mercer.
Meta.....Bank of Meta.
Mexico.....T. North Missouri Trust Co.
Miami.....S. Miami Savings Bank.
Milan.....S. First National Bank.
Missouri City...Norton Banking Co.
Moberly.....Bank of Moberly.
Monett.....First National Bank.
Montgomery CityMontgomery County Bank.
Monticello..T.S. Monticello Trust Co.
Morehouse.....Bank of Morehouse.
Morley.....Scott County Bank.
Mound City.....Bank of Mound City.
" Holt County Bank.
Mountain Grove. First National Bank.*
" Mountain Grove Bank.*

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MISSOURI—*Continued*

Napton.....Napton Stock Bank.
Neosho.....Bank of Neosho.
" First National Bank.
New Bloomfield.Bank of New Bloomfield.
New Cambria...New Cambria State Bank.
New Madrid....Commercial Bank.
Odessa.....Bank of Odessa.
" Farmers' Bank.
Oronogo.....Bank of Oronogo.
Orrick.....Citizens' Exchange Bank.
Osborn.....Bank of Osborn.*
Ozark.....Bank of Ozark.
Pacific.....Pacific Bank.
Paris.....Paris National Bank.*
" S. Paris Savings Bank.*
Parkville.....The Park Bank.
Pattonsburg..S. Pattonsburg Savings Bank.
Perryville.....Bank of Perryville.
" Perry County Bank.
Pierce City.....Lawrence County Bank.
" Pierce City National Bank.
Pilot Grove.....Pilot Grove Bank.
Platte City.....Exchange Bank of Platte City.
" Wells Banking Co.
Plattsburg.....First National Bank.
Poplar Bluff....Bank of Poplar Bluff.*
Portland.....Bank of Portland.
Potosi.....Washington County Bank.
Princeton.....Bank of Mercer County.
" Bank of Princeton.
Ridgeway.....First National Bank.
Rockport.....Bank of Atchison County.
" Citizens' Bank of Atchison Co.
" Farmers' Bank of Rockport.*
Rolla.....Merchants' & Farmers' Bank.
" National Bank of Rolla.*
" Rolla State Bank.
Rosendale.....Rosendale Bank.
Rutledge.....Bank of Rutledge.
St. Charles.....Central Bank of St. Charles.
" First National Bank.
" S. Union Savings Bank.
St. Genevieve...Henry L. Rozier.
St. Joseph....T. Bartlett Trust Co.
" Burnes National Bank.
" Drovers' & Merchants' Bank.
" T. Empire Trust Co.
" First National Bank.*
" German-American National Bk.
" Merchants' Bank.*
" T. Missouri Valley Trust Co.
" The Park Bank.
" Tootle-Lemon National Bank.
St. Louis.....American Trust Co.
" Boatmen's Bank.
St. Louis.....Bremen Bank.*
" Broadway National Bank.*
" Central National Bank.*
" Chippewa Bank.
" City National Bank.
" T. Commonwealth Trust Co.
" Franklin Bank.
" German-American Bank.
" S. German Savings Institution.
" International Bank.
" Jefferson Bank.*
" La Fayette Bank.
" Lowell Bank.
" Manchester Bank.
" Mechanics' Amer. Nat'l Bank.*
" Mercantile National Bank.*
" T. Mercantile Trust Co.
" Merchants' Laclede Nat'l Bank.*
" T.S. Mississippi Valley Trust Co.*
" National Bank of Commerce.*
" S. Northwestern Savings Bank.
" T.S. People's Savings Trust Co., University City.
" T.S. St. Louis Union Trust Co.*
" South Side Bank.
" State National Bank.*
" Third National Bank.*
" Washington National Bank.
" American Credit Indemnity Co. of New York.*
" Altheimer & Rawlings Investment Co.
" D. Arthur Bowman.*
" Walter T. Bown & Co.*
" Geo. H. Burr & Co.*
" Wm. R. Compton Bond & Mortgage Co.*
" A. G. Edwards & Sons.
" Francis Bros. & Co.*
" Chas. Hathaway & Co.*
" Little & Hays Invest. Co.*
" McCluney & Co., Bankers.*
" David Leon Solomon & Co.
" G. H. Walker & Co.
" Wernse & Dieckman.
" Whitaker & Co.*
St. Peters.....Bank of St. Peters.
Salem.....Bank of Salem.
" S. Dent County Savings Bank
Salisbury.....S. Salisbury Savings Bank.
Schell City.....Schell City Bank.
Sedalia.....Citizens' National Bank.
" Sedalia National Bank.
" T.S. Sedalia Trust Co.
" Third National Bank.

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MISSOURI—*Continued*

Seneca.....Bank of Seneca.
Shelbina.....Commercial Bank.
Shelbyville.....Shelbyville Bank.
Sikeston.....Bank of Sikeston.
" Citizens' Bank.
Silex.....S. Silex Savings Bank.
Skidmore.....Bank of Skidmore.
Slater.....Farmers' & Merchants' Bank.
Smithville.....Farmers' Bank.
So. St. Joseph...St. Joseph Stock Yards Bank.*
Springfield.....Merchants' National Bank.
" Union National Bank.*
Steelville.....Crawford Co. Farmers' Bank.
" First National Bank.
Stewartsville....First National Bank.
" Stewartsville State Bank.
Sullivan.....Bank of Sullivan.
Sweet Springs...Chemical Bank.
Tarkio.....First National Bank.
" Tarkio Valley Bank.*
Thayer.....Bank of Thayer.
Tina.....Exchange Bank of Tina.
Troy.....S. Farmers' & Mechanics' Sav. Bk.
Union.....Bank of Union.
" Citizens' Bank.
Union Star.....People's Bank.
Unionville.....Marshall National Bank.*
Unionville.....National Bank of Unionville.*
Vandalia.....Vandalia Banking Ass'n.
Versailles.....Bank of Versailles.
Warrensburg...Citizens' Bank.
" Commercial Bank.
" People's National Bank.
Warsaw.....The Bank of Warsaw.
" Osage Valley Bank.
Washington.....Bank of Washington.
" First National Bank.*
Watson.....Watson Banking Co.
Weatherby.....Bank of Weatherby.
Webb City.....Merchants' & Miners' Bank.
" National Bank of Webb City.
" Webb City Bank.
Webster Groves.Bank of Webster Groves.
Wellston.....First National Bank.*
Wellsville.....Commercial Bank.
" Wellsville Bank.
Westboro.....Farmers' Bank.
" People's Bank.
Weston.....Railey & Bro. Banking Co.
West Plains.....First National Bank.
" West Plains Bank.
Willow Springs..Bank of Willow Springs.
Worth.....Bank of Worth.

MONTANA

Anaconda....T. Daly Bank & Trust Co.
" S. Yegen Bros. Savings Bank.
Bainville.....First Bank of Bainville.
Baker.....Baker State Bank.
Basin.....Hewett State Bank.
Bear Creek.....Bear Creek Banking Co.
Belfry.....Bank of Belfry.
Belgrade.....Belgrade State Bank.
Belt.....State Bank of Belt.
Big Timber.....Big Timber National Bank.
" Citizens' State Bank.
Billings.....Austin North Bank.
" Billings State Bank.*
" First National Bank.
" T.S. First Trust & Savings Bank.
" Merchants' National Bank.
" Yellowstone National Bank.*
" S. Yegen Bros., Bankers.
Boulder.....Bank of Boulder.
Bozeman.....Commercial National Bank.
" Gallatin State Bank.
" Nat'l Bank of Gallatin Valley.
Bridger.....Bridger State Bank.
" Amoretti, Barclay & Co.
Butte.....T. Daly Bank & Trust Co.*
" First National Bank.
" T.S. Miners' Sav. Bank & Trust Co.
" Silver Bow National Bank.
" T.S. State Savings Bank.
" W. A. Clark & Bro.
" S. Yegen Brothers.
Chinook.....First National Bank.
Choteau.....Citizens' State Bank.
" Hirschberg Brothers.
Clyde Park.....Citizens' State Bk. of Clyde Pk.
Columbia Falls..Bank of Columbia Falls.
Columbus.....Columbus State Bank.*
" First National Bank.
Conrad.....Pondera Valley State Bank.
Culbertson.....Farmers' & Merchants' Bank.
" First National Bank.
Deer Lodge.....Larabie Bros. & Co., Bankers.
Dillon.....First National Bank.
" S. State Bank of Dillon.
Drummond.....Drummond State Bank.
Ekalaka.....Ekalaka Bank.
Eureka.....Farmers' & Merch. State Bank.
Forsyth.....Bank of Commerce.

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MONTANA—*Continued*

Forsyth.....First National Bank.
Fort Benton....Stockmen's National Bank.
Fromberg.....Clark's Fork Valley Bank.
Gardiner.....S. Yegen Bros., Bankers.
Glasgow.....First National Bank.
" Glasgow National Bank.*
Glendive.....The Exchange Bank.
" S. First National Bank.
" Merchants' National Bank.
Great Falls.....Cascade Bank.
" Conrad Banking Co.
" First National Bank.
" Great Falls National Bank.
Hamilton.....Citizens' State Bank.
" Ravalli County Bank.*
Hardin.....First National Bank.
Harlem.....First National Bank.
Harlowtown....Musselshell Valley Nat'l Bank.
" State Bank of Harlowtown.
Havre.....Citizens' National Bank.
" S. Security State Bank.
Helena.....American National Bank.
" S. Thomas Cruse Savings Bank.
" The National Bank of Montana.
" T.S. Union Bank & Trust Co.*
" H. B. Palmer & Co.
Huntley.....Huntley State Bank.
Ismay.....First National Bank.
Joliet.....Bank of Joliet.
Kalispell.....Conrad National Bank.
" First National Bank.
" S. Kalispell National Bank.*
Kendall.....S. First State Bank.*
Laurel.....Citizens' National.
" Laurel State Bank.
Lewistown...S. Bank of Fergus County.
" T.S. Empire Bank & Trust Co.
" First National Bank.
Livingston.....First State Bank.
" Merchants' Bank.
" National Park Bank.
Malta.....First State Bank.
Manhattan.....Manhattan State Bank.
Melstone.....First Bank of Melstone.
Miles City.....Commercial State Bank.
" First National Bank.*
" S. State National Bank.
Missoula.....First National Bank.*
" T. Missoula Trust & Security Bank.
" Western Montana Nat'l Bank.
Mondak.....Mondak State Bank.
Moore.....First National Bank.
" State Bank of Moore.
Park City.....Park City State Bank.
Philbrook.....First State Bank of Hobson.
Phillipsburg....T. Weinstein & Co.
Plains.....First National Bank.
Plentywood.....Bank of Plentywood.
Pony .....Morris State Bank.
Poplar.....Traders' State Bank.
Red Lodge.....Carbon County Bank.
" Red Lodge State Bank.
Roundup.....Citizens' State Bank.
Sheridan.....Sheridan State Bank.
Sidney.....First National Bank.
Somers.....Bank of Somers.
Stevensville.....First State Bank.
Stockett.....Bank of Stockett.
Terry.....State Bank of Terry.
Three Forks....First National Bank.
Townsend.....State Bank of Townsend.
Twin Bridges...Bank of Twin Bridges.
Twodot.....Tooley, Baxter & Tice.
Victor.....Farmers' State Bank.
Virginia City....Elling State Bank.
" Madison State Bank.
White Fish.....First National Bank.
White Hall.....White Hall State Bank.
White Sulphur Springs.....Anderson-Spencer Bank.
" First National Bank.
Wibaux.....First National Bank.
" First State Bank.

NEBRASKA

Adams.....First National Bank.
Ainsworth.....National Bank of Ainsworth.
Albion.....First National Bank.
Alliance.....Alliance National Bank.
" First National Bank.*
Alma.....Harlan County Bank.
Ansley.....First National Bank.
Arapahoe.....Arapahoe State Bank.*
Arcadia.....Commercial State Bank.
Arcadia.....State Bank of Arcadia.
Arlington.....Arlington State Bank.
" First National Bank.*
Ashland.....Farmers' & Merchants' Bank.
" National Bank of Ashland.
Auburn.....Carson National Bank.
" First National Bank.
Aurora.....First National Bank.
Bancroft.....Citizens' Bank.

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NEBRASKA—*Continued*

Barneston	Bank of Barneston.
Bassett	Commercial Bank.
"	State Bank of Bassett.
Battle Creek	Battle Creek Valley Bank.
Bazile Mills	First National Bank.
Beatrice	First National Bank.*
"	Union State Bank.
Beaver City	First State Bank.
Belvidere	State Bank of Belvidere.
Bertrand	First National Bank.
"	First State Bank.
Big Springs	Farmers' State Bank.
Blair	Banking House of A. Castetter.
"	Blair National Bank.
Bloomfield	Citizens' State Bank.
"	Farmers' & Merch. State Bank.
Bloomington	Bloomington State Bank.
Blue Hill	First National Bank.
Bristow	First National Bank.
Brock	Bank of Brock.*
Broken Bow	Broken Bow State Bank.*
"	Security State Bank.*
Brule	First State Bank of Brule.
Bruno	Bruno State Bank.
Burchard	Bank of Burchard.
Burr	German-American Bank.*
Burwell	First National Bank.
Butte	Citizens' State Bank.
Byron	Farmers' & Merchants' Bank.
Cairo	Cairo State Bank.
Callaway	First National Bank.
Campbell	First National Bank.
Cedar Bluffs	Bank of Cedar Bluffs.
"	Farmers' & Merchants' Bank.
Cedar Rapids	S. S. Hadley Co., Bankers.
Central City	Central City National Bank.
"	Farmers' State Bank.
"	Platte Valley State Bank.
Chadron	Citizens' State Bank.*
"	First National Bank.
Chappell	The Commercial Bank.
Chester	Farmers' Bank.
Clarks	First National Bank.
Coleridge	Coleridge State Bank.
Columbus	Columbus State Bank.
"	First National Bank.
Cornlea	Cornlea State Bank.
Crab Orchard	Bank of Crab Orchard.
Crawford	Commercial State Bank.
"	First National Bank.
Creighton	The Security Bank.
Crete	First National Bank.
Culbertson	The Culbertson Bank.
Danbury	Bank of Danbury.
Dannebrog	Dannebrog State Bank.
David City	Central Nebraska Nat'l Bank.
"	City National Bank.
"	First National Bank.
Dawson	The Dawson Bank.
Daykin	Jefferson County Bank.
Decatur	First National Bank.
Diller	First National Bank.
Dixon	Dixon State Bank.
Doniphan	Bank of Doniphan.
Du Bois	State Bank of Du Bois.
Dunbar	Dunbar State Bank.*
Dunning	Dunning State Bank.
Edgar	Clay County State Bank.
Edison	Bank of Edison.
Elgin	Elgin State Bank.
Emerson	Farmers' State Bank.
Eustis	Pioneer Bank.
Ewing	Ewing State Bank.
Fairbury	First National Bank.
"	Harbine Bank.
Fairfield	Citizens' Bank.
Fairmont	Farmers' State Bank.
Farnam	State Bank.
Fort Calhoun	Washington County Bank.
Franklin	Franklin State Bank.*
Fremont	First National Bank.*
"	Fremont National Bank.
"	S. Security Savings Bank.*
Friend	First National Bank.
"	Merchants' & Farmers' Bank.
Fullerton	First National Bank.
"	Fullerton National Bank.
Garrison	Farmers' & Merchants' Bank.
Geneva	Citizens' Bank.
"	Geneva State Bank.
Gibbon	Commercial Bank of Gibbon.
"	Exchange Bank.
Gordon	First National Bank.
Gothenburg	Citizens' National Bank.*
"	Gothenburg National Bank.*
Grand Island	Commercial State Bank.
"	First National Bank.
"	Grand Island National Bank.
Greeley	First National Bank.
"	Greeley State Bank.
Greenwood	First National Bank.
Gretna	Farmers' & Merchants' Bank.
Haigler	State Bank of Haigler.
Hartington	Farmers' State Bank.
"	Hartington National Bank.*
Harvard	Union State Bank.
Hastings	First National Bank.*
"	German National Bank.
Havelock	Citizens' State Bank.
"	Farmers' & Mechanics' Bank.

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NEBRASKA—*Continued*

Hayes Center . . First National Bank.
Hay Springs . . . . Northwestern State Bank.
Hebron . . . . . First National Bank.
" Thayer County Bank.
Hendley . . . . . Farmers' State Bank.
Herman . . . . . Plateau State Bank.
Hershey . . . . . Bank of Lincoln County.
Hildreth . . . . . The Franklin County Bank of Hildreth.
Holbrook . . . . . Bank of Holbrook.
Homer . . . . . Homer State Bank.
Hooper . . . . . Dodge County Bank.
" First National Bank.
Howe . . . . . Bank of Howe.
Howells . . . . . Colfax County Bank.
Hubbell . . . . . Hubbell Bank.
Humphrey . . . . . Bank of Ottis & Murphy.
Hyannis . . . . . Bank of Hyannis.
Indianola . . . . . State Bank.
Jackson . . . . . Bank of Dakota County.*
Johnson . . . . . First National Bank.
" German National Bank.*
Julian . . . . . The Bank of Julian.
Kearney . . . . . Central National Bank.
" City National Bank.
" Farmers' Bank.
Kennard . . . . . Farmers' & Merchants' Bank.
Kimball . . . . . Bank of Kimball.
" Citizens' State Bank.
Laurel . . . . . Farmers' State Bank.
" Laurel State Bank.
Lawrence . . . . . First National Bank.
Leigh . . . . . Farmers' & Merchants' Bank.*
" Maple Valley State Bank.*
Lexington . . . . . Dawson County National Bank.
" First National Bank.*
" Lexington Bank.
Lincoln . . . . . Central National Bank.*
" First National Bank.*
" T. S. First Trust & Savings Bank.
" T. Lincoln Safe Deposit & Tr. Co.
" National Bank of Commerce.
Lindsay . . . . . Farmers' & Merchants' Bank.
Lodge Pole . . . . . People's Bank.
Long Pine . . . . . Brown County Bank.
Loup City . . . . . First National Bank.
" Loup City State Bank.
Lyons . . . . . Farmers' Bank.
McCook . . . . . Citizens' National Bank.
" First National Bank.
" McCook National Bank.*
Madison . . . . . First National Bank.
" Madsion State Bank.
Malmo . . . . . Farmers' & Merchants' Bank.
Marquette . . . . . First National Bank.
Martinsburg . . . . Martinsburg State Bank.
Mason City . . . . Mason City Banking Co.
Maxwell . . . . . Maxwell State Bank.
Merna . . . . . Bank of Merna.*
" Home Bank.
Miller . . . . . First Bank of Miller.
Minatare . . . . . Minatare Bank.*
Monroe . . . . . Bank of Monroe.
Moorefield . . . . . Bank of Moorefield.
Morrill . . . . . Farmers' & Merchants' Bank.
Nebraska City . . . Merchants' National Bank.
" Nebraska City National Bank.
" Otoe County National Bank.
Nehawka . . . . . Nehawka Bank.
Nelson . . . . . Commercial Bank.
Newport . . . . . Rock County State Bank.
Norfolk . . . . . Citizens' National Bank.
" Nebraska National Bank.*
" Norfolk National Bank.*
North Bend . . . . . National Bank of North Bend.
North Platte . . . First National Bank.
" McDonald State Bank.
Oakland . . . . . Farmers' & Merchants' Bank.
" First National Bank.
Oconto . . . . . Oconto State Bank.
Octavia . . . . . Octavia State Bank.
Odell . . . . . Hinds State Bank.
Ogalalla . . . . . Citizens' Bank.
" Exchange Bank.
Ohiowa . . . . . Home Bank.
Omaha . . . . T.S. City National Bank.*
" Corn Exchange Bank.*
" First National Bank.*
" Merchants' National Bank.*
" Nebraska National Bank.*
" Omaha National Bank.*
" T. Peters Trust Co.*
" United States National Bank.*
" Stull Bros., Bankers.
Ord . . . . . First National Bank.
" Ord State Bank.
Osceola . . . . . First National Bank.
" Osceola Bank.
Overton . . . . . First National Bank.
Oxford . . . . . First National Bank.
Palmer . . . . . Palmer State Bank.
Panama . . . . . Bank of Panama.
Papillion . . . . . Banking House of A. W. Clarke.
Pawnee City . . . . Farmers' National Bank.
" National Bank of Pawnee City.
Paxton . . . . . Commercial State Bank.
Pender . . . . . Pender National Bank.
Pierce . . . . . Pierce County Bank.
Pilger . . . . . Farmers' National Bank.
" First National Bank.

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NEBRASKA—*Continued*

Plainview	Bank of Plainview.
"	First National Bank.
Plattsmouth	Bank of Cass County.*
"	First National Bank.
Pleasanton	Pleasanton State Bank.
Ponca	Bank of Dixon County.
"	Security Bank of Ponca.
Poole	State Bank of Poole.
Prague	Farmers' & Merchants' Bank.
Prosser	Prosser State Bank.
Raymond	Bank of Raymond.
Red Cloud	The State Bank of Red Cloud.
Rising City	Farmers' State Bank.
Rockville	Rockville State Bank.
Rogers	Bank of Rogers.
Rushville	Stockmen's National Bank.
"	Union Bank.
St. Edward	First National Bank.
"	Smith National Bank.
St. Paul	St. Paul State Bank.*
Sargent	First National Bank.
Schuyler	Banking House of F. Folda.
Scottsbluff	First National Bank.
Scribner	The Scribner State Bank.
Seward	State Bank of Nebraska.
Sidney	American Bank.
Silver Creek	Silver Creek State Bank.
South Omaha	Live Stock National Bank.
"	Packers' National Bank.
"	South Omaha National Bank.*
"	Union Stock Yards Nat'l Bank.
Spalding	First National Bank.*
Springfield	American State Bank.*
Springview	Stockmen's Bank.
Stanton	First National Bank.
"	Stanton National Bank.
Staplehurst	Bank of Staplehurst.
Sterling	Farmers' & Merchants' Bank.
Stromsburg	First National Bank.
Superior	First National Bank.
Sutherland	Sutherland State Bank.
Swanton	Bank of Swanton.
Syracuse	First National Bank.
Table Rock	State Bank of Table Rock.
Tekamah	Burt County State Bank.
"	First National Bank.*
Trenton	First National Bank.
Unadilla	Bank of Unadilla.
Union	Bank of Union.
University Place	Citizens' State Bank.
Valentine	First National Bank.
"	Valentine State Bank.
Valley	Valley State Bank.
Valparaiso	Oak Creek Valley Bank.
Vesta	Vesta State Bank.
Virginia	Citizens' State Bank.
Wahoo	Citizens' State Bank.*
"	First National Bank.
"	Saunders County Nat'l Bank.*
Wakefield	Farmers' & Traders' Bank.
"	First National Bank.*
Wallace	Citizens' Security Bank.
Walthill	First National Bank.
Wausa	Commercial Bank of Wausa.
"	Farmers' State Bank.
Wayne	First National Bank.*
"	State Bank of Wayne.
Western	Saline County Bank.
Weston	Farmers' & Merchants' Bank.*
West Point	First National Bank.
"	West Point National Bank.
Wilber	National Bank of Wilber.
Wilcox	First National Bank.
Wilsonville	Wilsonville State Bank.
Winnetoon	First State Bank.
Winside	The Merchants' State Bank.
Wisner	Citizens' National Bank.
"	First National Bank.
Wood Lake	Wood Lake Bank.
Wood River	Citizens' State Bank.
"	First National Bank.
Wymore	City National Bank.
York	City National Bank.
"	First National Bank.

NEVADA

Austin	Bank of Austin.
Carson City	Carson Valley Bank.
Elko	First National Bank.
"	S. Henderson Banking Co.*
Ely	Copper Nat'l Bank of East Ely.*
"	Ely National Bank.
"	First National Bank.
Eureka	Eureka County Bank.
Fairview	Douglas & Jarvis, Bank of Fairview.
Fallon	Churchill County Bank.
Gold Center	T. Tonopah-Goldfield Trust Co.*
Goldfield	First National Bank.
"	John S. Cook & Co.
Las Vegas	First State Bank.
McGill	McGill National Bank.

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NEVADA—*Continued*

Manhattan .....Bank of Manhattan.
Pioneer.....Pioneer Banking Corporation.
Rawhide.....First Exchange Bank.
Reno.....Farmers' & Merch. Nat'l Bank.
" S. Nixon National Bank.
" Washoe County Bank.
Rhyolite.....First National Bank.
Tonopah.....Nevada First National Bank.
" Tonopah Banking Corporation.
Winnemucca....First National Bank.
Yerington.....Lyon County Bank.

NEW HAMPSHIRE

Berlin.....S. Berlin National Bank.
" T.S. Berlin Sav. Bank & Trust Co.
" City National Bank.
Bristol.....First National Bank.
Charlestown....Connecticut River Nat'l Bank.
Claremont.....Claremont National Bank.
Concord.....First National Bank.
" S. Loan & Trust Savings Bank.
" National State Capital Bank.
" S. New Hampshire Savings Bank.
Conway.....S. Conway Savings Bank.
Dover.....Strafford National Bank.
" S. Strafford Savings Bank.
Farmington.....Farmington National Bank.
Hanover .....Dartmouth National Bank.
Hillsboro Bridge.First National Bank.
Keene.....Cheshire National Bank.
" Citizens' National Bank.
" S. Keene National Bank.
Laconia.....Laconia National Bank.
" People's National Bank.
Lakeport.....National Bank of Lakeport.
Lebanon.....National Bank of Lebanon.
Littleton.....Littleton National Bank.
Manchester.....Amoskeag National Bank.*
" First National Bank.
Milford.....Souhegan National Bank.*
Nashua.....Indian Head National Bank.
" T. Nashua Trust Co.
" Second National Bank.
New Market....New Market National Bank.
Peterborough.S. Peterborough Savings Bank.
Plymouth.....Pemigewasset National Bank.
Portsmouth.....First National Bank.
" National Mech. & Traders' Bk.
" New Hampshire National Bank.
" S. Portsmouth Savings Bank.
Rochester.....Rochester Loan & Banking Co.
" Rochester National Bank.
Somersworth....First National Bank.
" Somersworth National Bank.
" S. Somersworth Savings Bank.
Tilton.....Citizens' National Bank.
Whitefield..T.S. Whitefield Sav. Bank & Tr. Co.
Wolfeboro.....Wolfeboro National Bank.
Woodsville.....Woodsville National Bank.

NEW JERSEY

Allentown....S. Farmers' National Bank.
Asbury Park....Asbury Park & Ocean Grove Bk.
" Seacoast National Bank.*
Atlantic City.S. Atlantic City National Bank.
" T. Atlantic Safe Dep. & Trust Co.
" Boardwalk National Bank.
" S. Chelsea National Bank.
" T. Guarantee Trust Co.
" T. Marine Trust Co.
" Second National Bank.
" Union National Bank.
Atlantic Highlands....Atlantic Highlands Nat'l Bank.
Barnegat.....First National Bank.*
Bayonne.....T. Bayonne Trust Co.
" City Bank of Bayonne.
" First National Bank.*
" T.S. Mechanics' Trust Co.*
Belleville.....First National Bank.
Belmar.....First National Bank.
Belvidere.....Warren County National Bank.
Bernardsville....Bernardsville National Bank.
Blairstown...S. First National Bank.
Bloomfield...S. Bloomfield National Bank.
" S. Bloomfield Savings Bank.
" T. Bloomfield Trust Co.
Bloomsbury.....Bloomsbury National Bank.
Boonton.....Boonton National Bank.
Bordentown....Bordentown Banking Co.
Bound Brook.S. Bound Brook National Bank.
" First National Bank.
Bridgeton.....Bridgeton National Bank.*
" Cumberland National Bank.
" T. Cumberland Trust Co.
Burlington...S. Burlington Savings Institution.
" Mechanics' National Bank.

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NEW JERSEY—*Continued*

Butler.....First National Bank.
Caldwell.....Caldwell National Bank.
Califon.....Califon National Bank.
Camden.....T. Broadway Trust Co.
" S. Camden National Bank.
" T. Camden Safe Dep. & Trust Co.
" T.S. Central Trust Co.
" First National Bank.
" National State Bank.
" T. Security Trust Co.
" T. West Jersey Trust Co.
Carlstadt.....Carlstadt National Bank.
Clinton.....Clinton National Bank.
" First National Bank.
Closter.....Closter National Bank.
Collingswood....Collingswood National Bank.
Cranbury.....First National Bank.
Dover.....T. Dover Trust Co.
" National Union Bank.
Dunellen.....First National Bank.
East Orange..T. Essex County Trust Co.
" The People's Bank.
Edgewater.....First National Bank.
" T. Northern New Jersey Trust Co.
Egg Harbor City.Egg Harbor Commercial Bank.
Elizabeth.....The Citizens' Bank.*
" Elizabethport Banking Co.
" National State Bank.
" T. Union County Trust Co.*
Elmer.....First National Bank.
Englewood.....Citizens' National Bank.
" T. Palisades Trust & Guaranty Co.
Flemington.....Flemington National Bank.
" S. Hunterdon County Nat'l Bank.
Fort Lee.....First National Bank.
Frenchtown.....Union National Bank.
Garfield.....S. First National Bank.
Guttenberg.....First National Bank.
Hackensack.....Hackensack National Bank.
" T. The Hackensack Trust Co.
" People's National Bank of Hackensack.
Hackettstown S. Hackettstown National Bank.
" People's National Bank.
Haddonfield....Haddonfield National Bank.
Hamburg.....Hardyston National Bank.
Hammonton..T. Hammonton Trust Co.
" People's Bank.
High Bridge....First National Bank.
Hightstown.....First National Bank.
Hoboken.....First National Bank.
" S. Hoboken Bank for Savings.
" T. Hoboken Trust Co.
" T. Hudson Trust Co. (Branch).
" T. Jefferson Trust Co.
Hoboken.....Second National Bank.
" T. Trust Co. of New Jersey.
" John Steneck & Sons.
Hopewell.....Hopewell National Bank.
Irvington.....The Irvington National Bank
Jamesburg.....First National Bank.
Jersey City...T. Bergen & Lafayette Trust Co.
" T.S. Commercial Trust Co. of N. J.*
" T. The Corporation Trust Co.
" S. Fifth Ward Savings Bank.
" First National Bank.
" T. Greenville Banking & Trust Co.
" S. Hudson City Savings Bank.
" T. Lincoln Trust Co.
" T. Mercantile Trust Co.
" Merchants' National Bank.
" T. N. J. Title Guarantee & Tr. Co.
" T. People's Safe Deposit & Tr. Co.
" S. Provident Inst. for Savings.
" Third National Bank.
" T.S..Union Trust Co. of N. J.
Keyport.....The Keyport Banking Co.
Lakewood.....First National Bank.
" T. Lakewood Trust Co.
" The People's National Bank.
Lambertville....Amwell National Bank.
" S. Lambertville National Bank.
Little Falls.....Little Falls National Bank.
Lodi.....First National Bank.
Long Branch.S. Citizens' National Bank.
" Long Branch Banking Co.
Madison.....First National Bank.
Manasquan.....Manasquan National Bank.
Matawan.....Farmers' & Merch. Nat'l Bank.
Mays Landing...First National Bank.
Medford.....Burlington County National Bank of Medford.
Merchantville...First National Bank.
Metuchen.....Metuchen National Bank.
Milford.....First National Bank.
Millburn.....First National Bank.
Millville.....Millville National Bank.*
Montclair.....Bank of Montclair.
" First National Bank.
" S. Montclair Savings Bank.
" T. Montclair Trust Co.
Moorestown..T. Burlington County Safe Deposit & Trust Co.
" Moorestown National Bank.
Morristown.....First National Bank.
" S. Morris County Savings Bank.
" Morristown Safe Deposit Co.
" T. Morristown Trust Co.*
" National Iron Bank.
Mount Holly....Farmers' National Bank.

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NEW JERSEY—*Continued*

Mount Holly..S. Union National Bank.
Mullica Hill.....Farmers' National Bank.
Neteong.....Citizens' National Bank.
Newark.....American Commercial Bank.
" T. City Trust Co. of Newark.
" Essex County National Bank.
" T. Federal Trust Co.
" T. Fidelity Trust Co.
" S. Franklin Savings Institution.
" T. Ironbound Trust Co.
" Merchants' National Bank.
" National Newark Banking Co.
" National State Bank.
" T. Newark Trust Co.
" S. North Ward National Bank.*
" Union National Bank.
" T. West Side Trust Co.
New Brunswick..S. National Bank of N. J.
" S. New Brunswick Savings Inst.
" T.S. New Brunswick Trust Co.
" People's National Bank.
Newton.....Merchants' National Bank.
" T. Newton Trust Co.
" Sussex National Bank.
Nutley.....Bank of Nutley.
Ocean City...S. First National Bank.
Ocean Grove....Ocean Grove National Bank.
Orange.....Orange National Bank.
" Second National Bank.
Passaic.....T. Hobart Trust Co.
" Merchants' Bank of Passaic.
" Passaic National Bank.
" T. Passaic Tr. & Safe Dep. Co.*
" T. People's Bank & Trust Co.
Paterson.... T. Citizens' Trust Co.
" First National Bank.
" T. German-American Trust Co.
" T. Hamilton Trust Co.
" Paterson National Bank.
" T. Paterson Safe Dep. & Trust Co.
" S. Paterson Savings Institution.
" Second National Bank.
" T. Silk City Safe Deposit & Trust Co.
Paulsboro.....First National Bank.
Pemberton.....People's National Bank.
Pennington.....First National Bank.
Penn's Grove...Penn's Grove National Bank.
Perth Amboy...First National Bank.
" S. Perth Amboy Savings Inst.
" T. Perth Amboy Trust Co.
Phillipsburg..S. Phillipsburg National Bank.
Pitman.....Pitman National Bank.
Plainfield.....City National Bank.
" First National Bank.
" S. Plainfield Savings Bank.
" T.S. Plainfield Trust Co.
Point Pleasant Beach.....Ocean County National Bank.
Princeton....S. First National Bank.
" Princeton Bank.
" S. Princeton Savings Bank.
Rahway.....The Rahway National Bank.
Ramsey.....S. First National Bank.
Raritan.....S. Raritan Savings Bank.
Ridgewood.....The First National Bank.
" T.S. Ridgewood Trust Co.
Riverside.....Riverside National Bank.
Riverton.....Cinnaminson National Bank.
Rockaway.....First National Bank.
Roselle.....First National Bank.
Rutherford.....Rutherford National Bank.
Salem.....City National Bank.
" S. Salem National Banking Co.
Seabright.....First National Bank.
Secaucus.....First National Bank.
Somerville.....First National Bank.
" Second National Bank.
South Amboy..S. First National Bank.
Summit....T.S. Summit Trust Co.
Sussex.....Farmers' National Bank.
Toms River.....First National Bank.
Trenton.....Broad Street National Bank.
" T.S. Mercer Trust Co.
" The Trenton Banking Co.
" S. Trenton Savings Fund Society.
" T.S. Trenton Trust & Safe Dep. Co.
Vincentown.....First National Bank.
Vineland.....Tradesmen's Bank.*
" S. Vineland National Bank.
Washington.....First National Bank.
Weehawken..T. People's Safe Deposit & Trust Co., Branch.
" T. Weehawken Trust Co.
Westfield.....People's National Bank.
" T. Westfield Trust Co.
W. Hoboken..T. Commonwealth Trust Co.
" T. Highland Trust Co. of N. J.
" T.S. Hudson Trust Co.
Westwood.....First Nat'l Bank.
White House Station.....First National Bank.
Wildwood.....Marine National Bank.
Woodbridge....First National Bank.
Woodbury.....First National Bank.
Woodstown.....First National Bank.

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NEW MEXICO

Alamogordo.....Citizens' National Bank.
" First National Bank.
Albuquerque....Bank of Commerce.
" First National Bank.
" T. Montezuma Trust Co.
" S. State National Bank.
Artesia.....First National Bank.
" State National Bank.
Aztec.....Citizens' Bank.
Belen.....First National Bank.
Carrizozo.....Exchange Bank.
Cimarron.....First National Bank.
Clayton.....First National Bank.*
Dawson.....El Paso and Northeastern Co.
Deming.....Bank of Deming.
" Deming National Bank.
Elida.....First National Bank.
Farmington..S. First National Bank.
Gallup.....McKinley County Bank.
Hagerman.....First National Bank.
Hillsboro.....The Sierra County Bank.*
Lake Arthur....First National Bank.
Las Cruces.....Bowman's Bank.*
Las Vegas.....First National Bank.
" San Miguel National Bank.
Magdalena.....Bank of Magdalena.
Melrose.....S. Savings Bank of Melrose.
Raton.....First National Bank.
" National Bank of New Mexico.
" Raton National Bank.
Roswell.....American National Bank.
" Citizens' National Bank.
" First National Bank.
" T. Union Trust Co.
San Marcial.....Bank of San Marcial.
Santa Fe.....First National Bank.
" T.S. United States Bank & Trust Co.
Santa Rosa.....First National Bank.*
Silver City.....American National Bank.*
" Silver City National Bank.
Socorro.....Socorro State Bank.
Springer.....Bank of Springer.
Taiban.....S. Savings Bank of Taiban.
Tucumcari.....First National Bank.*
Willard.....S. Torrance County Savings Bank.

NEW YORK

Adams.....Citizens' National Bank.
" Farmers' National Bank.
Akron.....Wickware National Bank.
Albany.....Albany County Bank.
" S. Albany Exchange Savings Bank.
" T.S. Albany Trust Co.
" First National Bank.*
" S. Home Savings Bank.
" Mechanics' & Farmers' Bank.
" National Commercial Bank.*
" S. National Savings Bank.
" New York State National Bank.
" T. Union Trust Co.*
" Spencer Trask & Co.
Albion.....Citizens' National Bk. of Albion.
" Orleans County National Bank.
Alfred.....University Bank.
Amenia.....First National Bank.
Amityville.....First National Bank.
Andover.....Burrows National Bank.
Angelica.....Bank of Angelica.
Arcade.....Citizens' Bank.
Auburn.....S. Auburn Savings Bank.
" Cayuga County National Bank.
" S. Cayuga County Savings Bank.
" National Bank of Auburn.
" Edwin R. Fay & Sons.
Auburn.....Wm. H. Seward & Co.
Avoca.....Bank of Avoca.
" J. B. Sturdevant.
Bainbridge.....First National Bank.
Baldwinsville...Baldwinsville State Bank.
Ballston Spa....Ballston Spa National Bank.*
Batavia.....Bank of Batavia.
" First National Bank.
Bath.....Farmers' & Mechanics' Bank.
" Geo. W. Hallock, Banker.
Bay Shore.....South Side Bank.
Binghamton....City National Bank.
" First National Bank.
" People's Bank.
Bolivar.....State Bank of Bolivar.
Boonville.....First National Bank.
Brewster.....First National Bank.
" S. Putnam County Savings Bank.
Brockport.....First National Bank.
Brocton.....State Bank of Brocton.
Bronxville....S. Gramatan National Bank.
Brown Station..Ashokan National Bank.*
Buffalo.....S. American Savings Bank.
" Bank of Buffalo.*
" T. Buffalo Loan, Trust & Safe Deposit Co.
" S. Buffalo Savings Bank.

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NEW YORK—*Continued*

Buffalo.....Central National Bank.
" Columbia National Bank.*
" T. Commonwealth Trust Co.*
" S. Erie County Savings Bank.
" T. Fidelity Trust Co.*
" German-American Bank.
" Manufacturers' & Traders' National Bank.*
" Marine National Bank.
" People's Bank.
" Third National Bank.*
" S. Western Savings Bank.
Callicoon.....Callicoon National Bank.
Cambridge.....Cambridge Valley Nat'l Bank.
Camden.....First National Bank.
Campbell.....Bank of Campbell.
Canandaigua....Canandaigua National Bank.*
" McKechnie Bank.
Canton.....First National Bank.
Carmel.....Putnam County National Bank.
Carthage..... Carthage National Bank.
" S. National Exchange Bank.
Castile.....Bank of Castile.
Castleton.....National Exchange Bank.
Catskill.....Catskill National Bank.
" Tanners' National Bank.
Cattaraugus....Bank of Cattaraugus.
Cazenovia.....Cazenovia National Bank.
Champlain.....First National Bank.
Chateaugay.....First National Bank.
Chatham.....State Bank of Chatham.
Cherry Valley...National Central Bank.
Chester.....Chester National Bank.
Churchville.....Briscoe & Tupper.
Cincinnatus.....Bank of Cincinnatus.
Clifton Springs..Ontario National Bank.
Clinton.....Clinton Bank.
Clyde.....Briggs National Bank.
Cobleskill.....Farmers' & Merchants' Bank.
" First National Bank.
Cohoes.....Manufacturers' Bank.
" S. Mechanics' Savings Bank.*
" National Bank of Cohoes.
Cold Spring.....National Bank of Cold Spring-on-Hudson.
Cooperstown .S. Cooperstown National Bank.
" First National Bank.
" Second National Bank.
Corinth.....Corinth National Bank.
Corning.....First National Bank.
" Q. W. Wellington & Co.'s Bank.
Cortland.....S. Cortland Savings Bank.
" First National Bank.
" National Bank of Cortland.
" Second National Bank.
Coxsackie.....National Bank of Coxsackie.
Croton-on-Hudson.....First National Bank.
Cuba.....Cuba National Bank.
" First National Bank.
Dansville.....Citizens' Bank.
" Merch. & Farmers' Nat'l Bank
Delhi.....Delaware National Bank.
De Ruyter.....De Ruyter Banking Co.
Dobbs Ferry....Dobbs Ferry Bank.
Downsville.....First National Bank.
Dryden.....First National Bank.
Dunkirk.....Lake Shore National Bank.
Earlville.....First National Bank.
East Aurora....Bank of East Aurora.
E. Bloomfield...Hamlin & Co.
East Hampton..East Hampton National Bank.
East Worcester..East Worcester National Bank.
Edmeston.....First National Bank.
Ellenville.....First National Bank.
" Home National Bank.
Ellicottville.....Bank of Ellicottville.
Elmira.....T. Chemung Canal Trust Co.
" Merchants' National Bank.
" Second National Bank.
Falconer.....First National Bank.
Farmingdale..S. First National Bank.
Fillmore.....State Bank of Fillmore.
Fishkill.....First National Bank.
Floral Park.....Floral Park Bank.
Forestville.....J. C. Hutchinson & Co.
Franklin.....First National Bank.
Franklinville....Union National Bank.
Fredonia.....T. Citizens' Trust Co.
" National Bank of Fredonia.
Freeport.....First National Bank.
" The Freeport Bank.*
Fulton.....Citizens' National Bank.
" S. First National Bank.
" S. Fulton Savings Bank.
Geneseo.....Genesee Valley National Bank.
Geneva.....First National Bank.
" Geneva National Bank.*
Glen Cove.....Glen Cove Bank.
" Nassau Union Bank.
Glens Falls.....First National Bank.
" T.S. Glens Falls Trust Co.
" Merchants' National Bank.
" National Bank of Glens Falls.
Gloversville.....City Nat'l Bank of Gloversville.*
" Fulton County National Bank.*
Goshen.....Goshen National Bank.
" S. Goshen Savings Bank.
" National Bank of Orange Co.
Gouverneur.....Bank of Gouverneur.

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NEW YORK—*Continued*

Gouverneur.....First National Bank.
Gowanda.....Bank of Gowanda.
Grand Gorge....First National Bank.
Granville.....Granville National Bank.
Greene.....The Juliand Bank.
Greenport.....First National Bank.
Greenwich.....First National Bank.
Griffin Corners..First National Bank.
Groton.....First National Bank.
" Mechanics' Bank.
Hamburg.....Bank of Hamburg.
" People's Bank.
Hamilton.....National Hamilton Bank.
Hammondsport.Bank of Hammondsport.
Hancock.....First National Bank.
Hartwick.....Kinne, Bush & Co.
Hastings-upon-
Hudson.....First National Bank.
Haverstraw.....National Bank of Haverstraw.
" People's Bank.
Herkimer.....First National Bank.
" Herkimer National Bank.*
Hermon.....First National Bank.
Hicksville.....Bank of Hicksville.
Highland Falls..First National Bank.
Hilton.....A. B. & E. E. Fraser.
Holland Patent S. First National Bank.
Holley.....State Exchange Bank.
Honeoye Falls...Bank of Honeoye Falls.
Hoosick Falls...First National Bank.
" People's National Bank.*
Hornell.....First National Bank.
Hudson.....Farmers' National Bank.
" First National Bank.
" National Hudson River Bank.
Huntington.....Bank of Huntington.
" First National Bank.*
Ilion.....Ilion National Bank.
" Manufacturers' National Bank.
Village of
Irvington.....Irvington National Bank.
Islip.....First National Bank.
" First Nat'l Bank of East Islip.
Ithaca.....First National Bank.
" S. Ithaca Savings Bank.
" T. Ithaca Trust Co
" Tompkins Co. National Bank.
Jamestown.....Farmers' & Mechanics' Bank.
" First National Bank.
" S. National Chautauqua Co. Bank.
Johnstown.....Johnstown Bank.
" People's Bank.
Keeseville.....Keeseville National Bank.
Kinderhook.....National Union Bank.
Kingston.....First Nat'l Bank of Rondout.
Kingston.....S. Kingston Savings Bank.
" National Ulster County Bank.
" Rondout National Bank.
" S. Rondout Savings Bank.
" State of N. Y. National Bank.
" S. Ulster County Savings Inst.
Lackawanna....Lackawanna National Bank.
Village of
Lancaster.....Bank of Lancaster.
Larchmont...S. Larchmont National Bank.
Lawrence.....Bank of Lawrence.
Le Roy.....Le Roy National Bank.
Liberty.....Sullivan Co. National Bank.*
Lima.....Bank of Lima.
Lindenhurst....First National Bank.
Little Falls.....National Herkimer Co. Bank.
Little Valley....Cattaraugus Co. Bank.
Locke.....Citizens' Bank.
Lockport.....National Exchange Bank.
" Niagara County National Bank.
Lowville.....First National Bank.
Lyons.....The Gavitt Nat'l Bk. of Lyons.
Malone.....People's National Bank.
Mamaroneck....First National Bank.*
" S. Union Savings Bank.
Marathon.....First National Bank.*
Margaretville....People's National Bank.
Marlboro.....First National Bank.
Massena.....First National Bank.
" Massena Bank.
Mayville.....The State Bank of Mayville.
Mechanicsville..First National Bank.
" Manufacturers' National Bank.
Medina.....Union Bank.
Mexico.....First National Bank.*
Middleburg.....First National Bank.
Middletown.....First National Bank.
" Merchants' National Bank.
" S. Middletown Savings Bank.
" T. Orange County Trust Co.
Milford.....Milford National Bank.
Millbrook....S. Bank of Millbrook.*
Millerton.....Millerton National Bank.
Mineola.....First Nat'l Bank of Mineola.
" Nassau County Bank.
Monroe.....Monroe National Bank.
Montgomery....National Bank of Montgomery.
Monticello.....National Union Bank.
Morris.....First National Bank.
Morristown....Frontier National Bank.
Morrisville.....First National Bank.*
Mt. Kisco.....Mt. Kisco National Bank
Mt. Morris.....Bingham Bros.
" Genesee River National Bank.
Mt. Vernon.....First National Bank.

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NEW YORK—*Continued*

Mt. Vernon.....Mt. Vernon National Bank.*
" T.S. Mt. Vernon Trust Co.*
Newburgh.....Highland National Bank.
" Quassaick National Bank.
New Paltz .....The Huguenot National Bank.
New Rochelle...National City Bank.*
" T. New Rochelle Trust Co.
" S. People's Bank for Savings.*
New York.....Ætna National Bank.*
" American Exchange Nat'l Bank.
" T. Astor Trust Co.
" Audubon Nat'l Bank of N. Y.
" T. Bankers' Trust Co.*
" Bank of America.
" Bank of M. & L. Jarmulowsky.
" Bank of Manhattan Co.*
" Bank of Metropolis.
" Bank of N. Y. Nat'l Bkrs. Ass'n.
" Bank of Washington Heights.*
" Banque Franco-American.
" Battery Park National Bank.
" Bowery Bank.
" T. Broadway Trust Co.*
" Bronx Borough Bank.
" Bronx National Bank.*
" S. Bronx Savings Bank.
" Bryant Park Bank.
" T. Carnegie Trust Co.
" Century Bank of the City of New York.
" S. Citizens' Savings Bank.
" Chase National Bank.*
" Chatham National Bank.*
" Chelsea Exchange Bank.
" Chemical National Bank.
" Citizens' Central Nat'l Bank.*
" Coal & Iron National Bank.*
" Colonial Bank.*
" Columbia Bank.
" T. Columbia Trust Co.*
" T. Commercial Trust Co.
" Corn Exchange Bank.
" Cosmopolitan Bank.
" S. Dollar Savings Bank.*
" S. Dry Dock Savings Institution.
" East River National Bank.
" S. East River Savings Institution.
" S. Empire City Savings Bank.
" T. Empire Trust Co.
" T. Equitable Trust Co.*
" S. European-American Bank.
" S. Excelsior Savings Bank.*
" T. Farmers' Loan & Trust Co.
" Fidelity Bank.
" T. Fidelity Trust Co.*

New York.....Fifth Avenue Bank.
" T. Fifth Avenue Trust Co.
" Fifth National Bank.
" First National Bank.
" Fourteenth Street Bank.
" Fourteenth Street Bank, East Side Branch.
" Fourteenth Street Bank, Ganse-voort Branch.
" Fourth National Bank.
" T. Franklin Trust Co., Manhattan Branch.
" T. Fulton Trust Co. of New York.
" Gallatin National Bank.*
" Garfield National Bank.*
" German-American Bank.
" German Exchange Bank.*
" S. German Savings Bank.
" Germania Bank.
" Germania Bank, First Ave. & 77th St.
" Germania Bank, Third Ave. & 155th St
" The Greenwich Bank, 402 Hudson St.
" The Greenwich Bank, 260 West Broadway.
" The Greenwich Bank, 135 William St.
" T. Guaranty Trust Co.*
" T. Guardian Trust Co.*
" Hanover National Bank.*
" S. Harlem Savings Bank.
" Hungarian-American Bank.
" T. Hudson Trust Co.
" Importers' & Traders' Nat'l Bk.
" The International Bank.
" International Banking Corp.
" Irving National Exchange Bk.*
" S. Irving Savings Institution.
" Italian Savings Bank.
" The Jefferson Bank.
" T. Knickerbocker Trust Co.
" T. Knickerbocker Trust Co., 66 Broadway Branch.
" T. Knickerbocker Trust Co., 125th St. & Lenox Ave. Branch.
" T. Knickerbocker Trust Co., 148th St. & 3rd Ave.
" T. Lawyers' Title Ins. & Trust Co.
" Liberty National Bank.
" Lincoln National Bank.
" Lincoln Safe Deposit Co.
" T. Lincoln Trust Co.
" T. Lincoln Tr. Co., Uptown Office.

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NEW YORK—*Continued*

New York....S. Maiden Lane Savings Bank.
" S. Manhattan Savings Inst.
" T. Manhattan Trust Co.*
" Market & Fulton Nat'l Bank.
" Mechanics' National Bank.*
" Mercantile National Bank.*
" T. Mercantile Trust Co.*
" Merchants' Bank of Canada.
" Merchants' Exchange Nat'l Bk.
" Merchants' National Bank.*
" Metropolitan Bank.
" S. Metropolitan Savings Bank.
" T. Metropolitan Trust Co.
" T. Morton Trust Co.
" Mount Morris Bank.
" T.S. Mutual Alliance Trust Co.*
" T. Mutual Alliance Trust Co., Hanover Sq. Branch.
" Mutual Bank.
" Nassau Bank.
" National Bank of Commerce.*
" Nat'l Butchers' & Drovers' Bk.*
" National City Bank.*
" National Copper Bank.*
" National Park Bank.*
" National Reserve Bank.*
" New Netherland Bank.
" New York County Nat'l Bank.
" New York Produce Exch. Bank.
" New York Produce Exch. Bank, Broadway & 86th St. Branch.
" New York Produce Exch. Bank, Central Park Branch.
" New York Produce Exch. Bank, Columbus Ave. & 93rd St. Br.
" New York Produce Exch. Bank, Harlem Branch.
" New York Produce Exch. Bank, Madison Ave. & 60th St. Br.
" New York Produce Exch. Bank, Manhattanville Branch.
" T. New York Trust Co.
" Night & Day Bank.*
" Nineteenth Ward Bank.
" Northern Bank of New York.*
" Northern Bank of New York, Branch, 4th St. & Broadway.
" Northern Bank of New York, Branch, 23rd St. & 8th Ave.
" Northern Bank of New York, Riverside Branch.
" Northern Bank of New York, Washington Heights Branch.
" Northern Bank of New York, Seventh Ave. Branch.

New York.....Northern Bank of New York, Port Morris Branch.
" Northern Bank of New York, Melrose Branch.
" Northern Bank of New York, Tremont Branch.
" Northern Bank of New York, Williamsbridge Branch.
" S. North Side Savings Bank.
" Pacific Bank.
" People's Bank.
" Phenix National Bank.*
" Plaza Bank.
" Public Bank.
" Seaboard National Bank.*
" Second National Bank.
" Sherman National Bank.
" State Bank.
" S. State Savings Bank of City of New York.
" T. Title Guarantee & Trust Co.
" T. Trust Co. of America.
" T. Trust Co. of America, Colonial Branch.
" Twelfth Ward Bank.
" Twenty-Third Ward Bank.
" S. Union Dime Savings Bank.
" Union Exchange National Bank of New York.
" T. United States Mortgage & Trust Co.
" T. United States Mortgage & Trust Co., West End Office.
" T. United States Mortgage & Trust Co., 275 W. 125th St.
" S. United States Savings Bank.
" T. United States Trust Co.
" T. Van Norden Trust Co.
" T. Van Norden Trust Co., East Side Branch.
" S. Washington Savings Bank.
" T. Washington Trust Co.
" Wells, Fargo & Co.'s Bank.
" S. West Side Savings Bank.
" T.S. Windsor Trust Co.
" T.S. Windsor Trust Co., Downtown Branch.
" Yorkville Bank.
" American Audit Co.
" American Surety Co.
" Audit Co. of New York.
" Bank of Montreal Agency.
" Canadian Bank of Com. Agency.
" Agency Chartered Bk. of India, Australia & China.

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NEW YORK—*Continued*

New York	Agency Hong Kong & Shanghai Banking Corporation.	New York	Handy & Harman.
"	Yokohama Specie Bank Ag'cy.	"	Wm. Hanhart.*
"	Fidelity & Casualty Co.	"	N. W. Harris & Co.
"	Mercantile Safe Deposit Co.	"	Harris, Winthrop & Co.
"	National Surety Co.*	"	Chas. Hathaway & Co.*
"	United States Guarantee Co.	"	Heidelbach, Ickelheimer & Co.
"	Ackermann & Coles.	"	Wm. Herbert & Co.
"	J. F. Allen & Co.*	"	Herrick, Hicks & Colby.
"	J. S. Bache & Co., Bankers.*	"	Herzfeld & Stern.
"	Ball & Whicher.	"	Hodenpyle Wolbridge & Co
"	Lawrence Barnum & Co.	"	Holbrook & Corey.
"	Bayne, Ring & Co.	"	Hollingshead & Campbell.*
"	August Belmont & Co.	"	Chas. I. Hudson & Co.
"	Benedict, Drysdale & Co.	"	Kean, Van Cortlandt & Co.
"	A. H. Bickmore & Co.	"	A. M. Kidder & Co.
"	Blair & Co.	"	R. J. Kimball & Co.
"	Blake Bros. & Co.	"	Udolph Kleybolte Co.
"	Blake & Reeves.	"	Knauth, Nachod & Kuhne.*
"	Bolognesi, Hartfield & Co.	"	Kountze Bros.
"	Simon Borg & Co., Bankers.*	"	Albert Krimmert.
"	Brown Bros. & Co.	"	Kuhn, Loeb & Co.
"	James N. Brown & Co.	"	Ladenburg, Thalmann & Co.
"	Geo. H. Burr & Co.*	"	Laidlaw & Co., Bankers.
"	E. B. Cadwell & Co.	"	William A. Lamson, Banker.
"	Carlide, Mellick & Co.	"	Lathrop, Haskins & Co.
"	S. B. Chapin & Co.	"	Cyrus J. Lawrence & Sons.
"	E. R. Chapman & Co.	"	Lazard Frères, Bankers.
"	Clarke Bros.	"	A. B. Leach & Co.
"	Clarke, Dodge & Co., Bankers.	"	A. S. Leland & Co., Bankers.
"	Henry Clews & Co., Bankers.	"	A. A. Lisman & Co.
"	W. N. Coler & Co., Bankers.	"	Lloyd & Co., Bankers.
"	Jas. B. Colgate & Co., Bankers.	"	Logan & Bryan.
"	Geo. D. Cook & Co.	"	Mackay & Co.
"	Cornwall & Reed.	"	Maitland, Coppell & Co.
"	Geo. S. Crap.	"	Malcom & Coombe.
"	Curtis & Romaine, Bankers.	"	Joseph H. Marcus.
"	Cuyler, Morgan & Co., Bankers.	"	Martin & Co.
"	John H. Davis & Co.	"	Marwick, Mitchell & Co., Bank Auditors.*
"	Day, Adams & Co.	"	J. Edward Mastin & Co.
"	M. E. & J. W. de Aguero.	"	Emerson McMillin & Co.
"	De Haven & Townsend.	"	C. W Maury & Co.
"	Dominick & Dominick, Bankers.	"	Megargel & Co.
"	Edey, Brown & Sanderson.	"	E. S. Mendels, Jr., & Co.
"	J. S. Farlee & Co.	"	William T. Meredith & Co.
"	Farson, Son & Co.*	"	Miller & Co.
"	Harvey Fisk & Sons.	"	Millett, Roe & Hagan.*
"	J. M. Fiske & Co.	"	Moore & Schley.
"	Fisk & Robinson.*	"	J. P. Morgan & Co., Bankers.
"	Chas. Frazier & Co.	"	Morris & Holden, Bankers.*
"	Clinton Gilbert.	"	Charles A. Morse & Co.
"	Goldman, Sachs & Co.	"	Muller, Schall & Co.
"	Hallgarten & Co.	"	John Munroe & Co.
"	Hallawell & Henry.	"	E. Naumburg & Co.*
"	N. W. Halsey & Co.	"	L. A. Norton.

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NEW YORK—*Continued*

New York	J. H. Oliphant & Co., Bankers.
"	Parkinson & Burr.
"	S. H. P. Pell & Co.*
"	F. R. Pemberton.
"	Lionello Perera & Co.
"	J. W. Place & Co.
"	Plympton Gardiner & Co.
"	Popper & Sternbach.
"	Post & Flagg.
"	Potter, Choate & Prentice.*
"	Probst, Wetzlar & Co.
"	Wm. A. Read & Co.*
"	Redmond & Co.
"	Rhoades & Co.
"	C. B. Richard & Co., Bankers.
"	J. B. Russell & Co.
"	William Salomon & Co.*
"	Schafer Bros.
"	Schulz & Ruckgaber, Bankers.
"	J. & W. Seligman & Co.
"	Simmons & Slade.
"	Edward B. Smith & Co.
"	Wm. Alex. Smith.
"	Smith, Heck & Co.
"	Speyer & Co., Bankers.
"	Spitzer & Co.
"	T. W. Stephens & Co.
"	Sternberger, Sinn & Co.
"	Swartwout & Appenzellar.
"	Edward Sweet & Co.
"	Henry Talmadge & Co.
"	Walter C. Teter.*
"	Spencer Trask & Co.
"	Van Schaick & Co.
"	Judson G. Wall & Sons.
"	Watson, Alpers & Co.
"	W. A. Williamson.
"	R. T. Wilson & Co., Bankers.
"	Winslow, Lanier & Co., B'k'rs.
"	Wolf Brothers & Co.
"	G. W. Young & Co.
"	J. G. Zachry & Co.
"	Zimmermann & Forshay.
Brooklyn	Borough Bank of Brooklyn.
"	Broadway Bank.
"	Brooklyn Bank.
"	T. Brooklyn Trust Co.
"	T. Citizens' Trust Co.
"	S. City Savings Bank.
"	S. Dime Savings Bank.
"	S. East Brooklyn Savings Bank.
"	First National Bank.
"	T. Flatbush Trust Co.*
"	T. Franklin Trust Co.
Brooklyn	S. Greater New York Sav. Bank.
"	S. Hamburg Savings Bank.
"	T. Hamilton Trust Co.
"	Home Bank of Brooklyn.
"	S. Home Savings Bank.
"	T. Home Trust Co.
"	T. Kings County Trust Co.
"	T. Long Island Loan & Trust Co
"	Manufacturers' National Bank.
"	Mechanics' Bank.
"	Montauk Bank.
"	Nassau National Bank.
"	T. Nassau Trust Co.*
"	National City Bank.
"	North Side Bank.
"	North Side Bank of Brooklyn, Broadway Branch.
"	North Side Bank of Brooklyn, Bushwick Branch.
"	People's National Bank.*
"	T. People's Trust Co.
"	Prospect Park Bk. of Brooklyn.
"	S. Prudential Savings Bank.
"	S. South Brooklyn Savings Inst.
"	T. Title Guarantee & Trust Co., Manufacturers' Branch.
"	S. Williamsburg Savings Bank.*
"	J. Lehrenkrauss & Sons.
Bayside	Bayside National Bank.
College Point	S. College Point Savings Bank.
Corona	First National Bank.
Far Rockaway	Bank of Long Island.
Flushing	Bank of Long Island.
Jamaica	Bank of Long Island.*
"	First National Bank.
"	T. Queens County Trust Co.
Mariner Harbor	Mariner Harbor Nat'l Bank.
Port Richmond	Port Richmond Nat'l Bank.
Ridgewood	Ridgewood National Bank.
Stapleton	Richmond Borough Nat'l Bank.
"	Stapleton National Bank.
"	S. Staten Island Savings Bank.
Tottenville	Tottenville National Bank.
West New Brighton	S. Richmond County Sav. Bank.
Woodhaven	Woodhaven Bank.
Niagara Falls	Bank of Niagara.
"	T. Niagara Falls Trust Co.
"	Power City Bank.
Northport	Bank of Northport.*
"	First National Bank.
No. Tonawanda	State National Bank of North Tonawanda.
"	Banking House of Benj. L. Rand & Co.*

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NEW YORK—*Continued*

No. Tonawanda		Fred'k Robertson & Co.
Northville		Northville Bank.
Norwich		Chenango National Bank.*
"	S.	National Bank of Norwich.
Norwood		State Bank of Norwood.
Nyack		Nyack National Bank.*
"	T.	Rockland County Trust Co.
Oakfield		Exchange Bank.
Ogdensburg		Ogdensburg Bank.
Olean		First National Bank.
Oneida		National State Bank of Oneida.
"		Oneida Valley National Bank.
Onconta		First National Bank.
"		Wilber National Bank.
Oriskany Falls		First National Bank.
Ossining		First National Bank.
"		Ossining National Bank.
"	S.	Sing Sing Savings Bank.
Oswego		First National Bank.
"		Second National Bank.
Ovid		First National Bank.*
Owego		First National Bank.
"		Owego National Bank.
Oxford		First National Bank.
Oyster Bay		North Shore Bank.
"		Oyster Bay Bank.
Palmyra		First National Bank.
Patchogue		Citizens' National Bank.
"		Patchogue Bank.
"	S.	Union Savings Bank.
Peekskill		Peekskill National Bank.
"	S.	Peekskill Savings Bank.
"		Westchester Co. Nat'l Bank.
Penn Yan		Baldwin's Bank of Penn Yan.
"		Citizens' Bank.
Perry		Citizens' Bank of Perry.
"	S.	First National Bank.
Philadelphia		Bank of Philadelphia.
Philmont		First National Bank.
Plattsburgh		City National Bank.
Pleasantville		Mount Pleasant Bank.
Port Chester		First National Bank.*
"	T.	Mutual Tr. Co. of Westchester County.
Port Henry		Citizens' National Bank.
"		First National Bank.
Port Jefferson		Bank of Port Jefferson.
"		First National Bank.
Port Jervis		First National Bank.
Port Washington		Bank of North Hempstead.
Potsdam		Citizens' National Bank.
"		People's Bank.
Poughkeepsie		Fallkill National Bank.
"		First National Bank.
"		Merchants' National Bank.
Poughkeepsie	S.	Poughkeepsie Savings Bank.
"	T.	Poughkeepsie Trust Co.
Pulaski		Pulaski National Bank.
Red Hook		First National Bank.
Remsen		First National Bank.
Rensselaer		Rensselaer County Bank.
Richfield Spgs.	S.	First National Bank.
Richmondville		Bank of Richmondville.
Rochester		Alliance Bank.
"		Central Bank.
"	T.	Fidelity Trust Co.
"	T.	Genesee Valley Trust Co.
"		Lincoln National Bank.
"	S.	Mechanics' Savings Bank.
"		Merchants' Bank of Rochester.
"	S.	Monroe County Savings Bank.
"		National Bank of Commerce.*
"	S.	Rochester Savings Bank.*
"	T.	Rochester Trust & Safe Dep. Co.
"	T.	Security Trust Co.
"		Traders' National Bank.*
"	T.	Union Trust Co.
"		Ford, Enos & Wolcott.
Rockville Centre		Bank of Rockville Centre.*
"	S.	First National Bank.*
Rome		Farmers' National Bank.
"		First National Bank.
"	S.	Oneida County Savings Bank.*
"	S.	Rome Savings Bank.
Roscoe		First National Bank.*
Roslyn		Bank of Hempstead Harbor.
"	S.	Roslyn Savings Bank.
Roxbury		National Bank of Roxbury.
Rushville		Rushville Banking Co.
Rye		Rye National Bank.
Sag Harbor		The Peconic Bank.
St. Johnsville		First National Bank.
Salamanca		First National Bank.
"	T.	Salamanca Trust Co.
Salem		People's National Bank.
Sandy Hill		People's National Bank.
"		Sandy Hill National Bank.
Saranac Lake		Adirondack National Bank.
"		Saranac Lake National Bank.
Saratoga Springs		Citizens' National Bank.
"		First National Bank.
Saugerties		Saugerties Bank.
Sayville		Oystermen's National Bank.
Schenectady	T.	Citizens' Trust Co.
"		Mohawk National Bank.*
"	S.	Schenectady Savings Bank.*
"	T.	Schenectady Trust Co.
"		Union National Bank.
Schenevus	S.	Schenevus National Bank.
Schoharie		The Schoharie County Bank.

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NEW YORK—*Continued*

Schuylerville....National Bank.
Seneca Falls....Exchange National Bank.
" State Bank of Seneca Falls.
Sharon Springs..First National Bank.
Sherburne.....Sherburne National Bank.
Sherman.....State Bank of Sherman.
Shortsville.....E. D. Mather.
Sidney.....People's National Bank.
" Sidney National Bank.
Silver Creek.....State Bank of Silver Creek.*
Silver Springs...Silver Springs National Bank.
Sinclairville....B. G. Tiffany and Co.
Skaneateles.....National Bank of Skaneateles.
Sodus.....Bank of Sodus.
Southampton...Southampton Bank.
So. Glens Falls..First National Bank.
Southold.....Bank of Southold.
" S. Southold Savings Bank.
Spencerport.....Bank of Spencerport.
Spring Valley...First National Bank.
Springville.....Citizens' National Bank.
Stamford.....National Bank of Stamford.
Stockton.....Lavern W. Lazell & Co.
Stony Brook....Bank of Suffolk County.
Suffern.....Suffern National Bank.
Syracuse.....Commercial National Bank.
" First National Bank.
" Merchants' National Bank.
" National Bank of Syracuse.
" S. Onondaga Co. Savings Bank.*
" T. Syracuse Trust Co.
Tarrytown.....Tarrytown National Bank.
Tonawanda...S. First National Bank.
Troy.....S. Manufacturers' National Bank.
" National City Bank.
" People's Bank.
" T. Security Trust Co.
" S. Troy Savings Bank.
" T. Troy Trust Co.
" Union National Bank.
" United National Bank.
" Bank of D. Powers & Sons.
Trumansburg...First National Bank.
" State Bank of Trumansburg.
Truxton.....Muller & Son, Bankers.
Tully.....S. First National Bank.
Unadilla.....North & Co.
Utica.....T. Citizens' Trust Co.*
" First National Bank.
" Oneida National Bank.
" S. Savings Bank of Utica.
" Second National Bank.
" T. Utica Trust & Deposit Co.*
Victor.....W. A. Higinbotham.
Walden.....National Bank of Walden.
Walton.....First National Bank.
Wappingers Falls Nat'l Bank of Wappingers Falls.
Warsaw.....Bank of Warsaw.*
" Wyoming County Nat'l Bank.
Warwick.....First National Bank.
" S. Warwick Savings Bank.
Waterloo.....First National Bank.
Watertown.....Jefferson County Nat'l Bank.
" S. Jefferson County Savings Bank.
" National Bank & Loan Co.
" National Union Bank.
" Watertown National Bank.
Watervliet.....National Bank of Watervliet.
Watkins.....Farmers' & Merchants' Bank.
Waverly.....The Citizens' Bank.
" First National Bank.
Wayland.....First National Bank.*
Webster.....Jayne & Mason, Bankers.
Wellsville.....First National Bank.
Westfield.....Citizens' Bank of Westfield.
" National Bank of Westfield.
West Hampton Beach.....Seaside Bank.
West Winfield...West Winfield National Bank.
Whitehall.....National Bank of Whitehall.
White Plains....Central Bank of Westchester Co.*
" First National Bank.
" S. Home Savings Bank.
Whitestone.....First National Bank.
Whitesville.....First National Bank.
Whitney Point..First National Bank.
Williamson.....State Bank of Williamson.
Worcester.....Bank of Worcester.
Yonkers.....First National Bank.
" S. People's Savings Bank.
" T. Westchester Trust Co.*
" S. Yonkers Savings Bank.
" Shipman & Co., Bankers.

NORTH CAROLINA

Asheboro.....First National Bank.
Asheville.....American National Bank.
" Battery Park Bank.
" T.S. Citizens' Trust & Sav. Bank.
Asheville....T. Wachovia Loan & Trust Co.
Aurora.....Bank of Aurora.
Beaufort.....Bank of Beaufort.
" T. Beaufort Banking & Trust Co.

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NORTH CAROLINA—*Continued*

Belhaven.....Bank of Belhaven.
Carthage.....Bank of Moore.
Chadbourn.....Bank of Chadbourn.
Charlotte.....T. American Trust Co.
" Charlotte National Bank.
" Commercial National Bank.*
" First National Bank.
" S. Merch. & Farmers' Nat'l Bank.*
" S. Southern Loan & Savings Bank.
Cherryville.....Cherryville Bank.
Clinton.....Bank of Clinton.
Dunn.....Bank of Cape Fear.
" First National Bank.
Durham.....Citizens' National Bank.
" S. Fidelity Bank.*
" First National Bank.
" Mechanics' & Farmers' Bank.
Edenton.....Bank of Edenton.
" Citizens' Bank.
Elizabeth City..First National Bank.
" T.S. Savings Bank & Trust Co.
Elm City.....Toisnot Banking Co.
Enfield.....S. Bank of Enfield.
Farmville.....Bank of Farmville.
Fayetteville.....Fourth National Bank.
" National Bank of Fayetteville.
Gastonia.....S. Citizens' National Bank.
" First National Bank.
Goldsboro.....Bank of Wayne.
Greensboro...T. American Exchange Bank.
" Bank of South Greensboro (Branch).
" T. Greensboro Loan & Trust Co.
" Greensboro National Bank.
Greenville.....Bank of Greenville.
" T. Greenville Banking & Trust Co.
" National Bank of Greenville.
Hamlet.....Bank of Hamlet.*
Henderson...S. Citizens' Bank.*
Hendersonville..Citizens' Bank.
" First National Bank.
Hertford.....Hertford Banking Co.
Hickory.....First National Bank.
" T. Hickory Banking & Trust Co.
High Point.....Commercial National Bank.*
" T. Wachovia Loan & Trust Co.
Hope Mills.....Bank of Hope Mills.
Kings Mountain Kings Mountain Bank.
Kinston.....First National Bank.
" National Bank of Kinston.
Laurinburg.....First National Bank.
" S. State Bank of Laurinburg.
Lenoir.....Bank of Lenoir.
Lexington.....Bank of Lexington.
" The National Bank.
Lincolnton.....County National Bank.
" First National Bank.
Louisburg.....Farmers' & Merchants' Bank.*
" First National Bank.*
Lumberton.....Bank of Lumberton.*
" First National Bank
Madison.....Bank of Madison.
Marion.....First National Bank.
Mocksville.....Bank of Davie.
Morganton.....First National Bank.
Mount Airy.....Bank of Mount Airy.
Murphy.....Bank of Murphy.
New Bern.....National Bank.
" T.S. New Bern Banking & Trust Co.
" S. People's Bank.
Newton.....Shuford National Bank.
Oriental.....Bank of Oriental.
Oxford.....First National Bank.
" National Bank of Granville.*
Plymouth.....Bank of Plymouth.
Raleigh.....Citizens' National Bank.*
" Commercial National Bank.*
" S. Mechanics' Savings Bank.
" T. Raleigh Banking & Trust Co.
" S. Raleigh Savings Bank.
Reidsville.....Bank of Reidsville.
" Citizens' Bank.
Robersonville...Bank of Robersonville.
Rockingham....Bank of Pee Dee.
" S. Richmond County Sav. Bank.
Rocky Mount...Bank of Rocky Mount.
" Planters' Bank.
Rowland.....S. Bank of Rowland.
Roxboro.....Bank of Roxboro.
Salisbury.....First National Bank.*
" Davis & Wiley Bank.
" T. Wachovia Loan & Trust Co
Scotland Neck..Scotland Neck Bank.
Shelby.....First National Bank.
Siler City....T. Siler City Loan & Trust Co.
Smithfield.....Bank of Smithfield.
Spencer.....T. Wachovia Loan & Trust Co.
Statesville.....Commercial National Bank.
" First National Bank.
" T. Statesville Loan & Trust Co.
Tarboro.....Bank of Tarboro.
" First National Bank.
" Pamlico Insurance & B'k'g Co
Thomasville.....Bank of Thomasville.
" First National Bank.
Warrenton.....Bank of Warren.
Washington.....Bank of Washington
" First National Bank.
" T.S. Savings & Trust Co.
Waynesville....First National Bank.

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NORTH CAROLINA—*Continued*

Weldon.....Bank of Weldon.
" First National Bank.
Whiteville.....Bank of Columbus, P. O. Vineland.
Williamston.....Bank of Martin County.
" Farmers' & Merchants' Bank.
Wilmington..T. Atlantic Trust & Banking Co.
" Murchison National Bank.
Wilmington.....Southern National Bank.*
Wilson.....Branch Banking Co.
" First National Bank.*
Windsor.....Bank of Windsor.
Winston-Salem..People's National Bank.
" T.S. Wachovia Loan & Trust Co.*
" S. Wachovia National Bank.

NORTH DAKOTA

Alice.....State Bank of Alice.
Ashley.....First State Bank.
Ayr.....S. Ayr State Bank.
Barlow.....Security State Bank.
Belfield.....First National Bank.
Bisbee.....First National Bank.
Bismarck.....Bismarck Bank.
" First National Bank.
" Merchants' State Bank.*
Bordulac.....Bordulac State Bank.
Bottineau.....Bottineau County Bank.
" First National Bank.
Bowbells.....First State Bank.
Bowesmont.....Bowesmont State Bank.
Bowman.....First National Bank.
Brinsmade.....First National Bank.
Buchanan.....Buchanan State Bank.
Buffalo.....First National Bank.
Buford.....First State Bank.
Buxton.....State Bank of Buxton.
Calvin.....First State Bank.
Cando.....First National Bank.
Carpio.....First National Bank.
Carrington....S. Commercial State Bank.
" First National Bank.
Casselton.....Cass County National Bank.
" S. First National Bank.*
Cavalier.....Merchants' & Farmers' Bank.
Church's Ferry..Church's Ferry Spare Bank.
Cleveland.....Cleveland State Bank.
Clifford.....Clifford State Bank.
Cogswell.....Cogswell State Bank.
Colgate.....Colgate State Bank.
Cooperstown....State Bank of Cooperstown.
Coteau.....First State Bank.
Crary.....First National Bank.
Crete.....Crete State Bank.
Crystal.....First National Bank.
Dazey.....Dazey State Bank.
" Security Bank of Dazey.
Denbigh.....Denbigh State Bank.
Devil's Lake....Devil's Lake State Bank.
" Ramsey County National Bank.
Dickey.....Farmers' & Merch. State Bank
Drayton.....Citizens' Bank of Drayton.
" First National Bank.
Easby.....First State Bank.
Edgeley.....Citizens' State Bank.
Edmore.....First National Bank.
Ellendale.....Farmers' National Bank.
Emerado.....Farmers' Bank.
Fairmount.....Bank of Fairmount.
" First National Bank.
Fargo.....Commercial Bank of Fargo.*
" Fargo National Bank.
" First National Bank.*
" Merchants' National Bank.
" T.S. Northern Trust Co.*
Fessenden.....Farmers' Bank.
" First National Bank.
Fingal.....First National Bank.*
Finley.....First National Bank.
" State Bank of Finley.
Foxholm.....Foxholm State Bank.
Gardner.....State Bank of Gardner.
Garrison.....Citizens' State Bank.
" First State Bank.
Geneseo.....Geneseo State Bank.
Gilby.....Bank of Gilby.
Grafton.....First National Bank.
" Grafton National Bank.
Grand Forks..T. Northwestern Trust Co.
" Union National Bank.
Grandin.....State Bank of Grandin.
Granville.....Granville State Bank.
Hankinson.....Farmers' & Merchants' Bank
" First National Bank.
Hannaford.....First National Bank.
Hannah.....State Bank of Hannah.
Hatton.....First National Bank.
Heaton.....Farmers' State Bank.
Hensel.....State Bank of Hensel.
Hettinger.....First National Bank.
Hillsboro.....First National Bank.
" S. Hillsboro National Bank.
Hope.....First National Bank.

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NORTH DAKOTA—*Continued*

Hope .....Hope National Bank.
Hunter.....Farmers' & Merchants' Bank.
Inkster .....Bank of Inkster.
Jamestown.....Farmers' & Merch. State Bank.
" James River National Bank.
Kempton.....First State Bank.
Kenmare.....Citizens' Bank.
" Farmers' & Merch. State Bank.
" First National Bank.
" Kenmare National Bank.
Kermit.....First State Bank.
Lakota.....People's State Bank.
La Moure.....Farmers' State Bank.*
" First National Bank.
Langdon.....First National Bank.
Lankin.....Citizens' State Bank.
" First State Bank.
Lansford.....First National Bank.
" First State Bank.
Larimore.....The Elk Valley Bank.
" The National Bank of Larimore.
Leeds.....S. Farmers' & Merchants' Bank.
" First National Bank.
" S. Leeds State Bank.
Lehr.....Farmers' & Merchants' Bank.
Leonard.....First State Bank.
Lidgerwood.....First National Bank.
" Lidgerwood National Bank.
Lisbon.....First National Bank.
Litchville.....First National Bank.
Lucca.....S. First State Bank.
McHenry.....First National Bank.
Maddock.....First National Bank.
Mandan.....Farmers' & Merchants' Bank.
" S. First National Bank.
Marion.....First National Bank.
Mayville.....First National Bank.
" Goose River Bank.
Mekinock.....Mekinock State Bank.
Michigan.....Michigan City Bank.
Milnor.....Milnor National Bank.
Milton.....First National Bank.
" State Bank.
Minnewaukan...First National Bank.
Minot.....Minot State Bank.
" Second National Bank.
" Union National Bank.
Mohall.....Mohall State Bank.
Montpelier.....Montpelier State Bank.
Munich.....First National Bank.
Napoleon.....Stock Growers' Bank.
Neche.....Bank of Neche.
New Rockford..Bank of New Rockford.
" Farmers' & Merch. State Bank.
Northwood.....First National Bank.
Norwich.....First State Bank.
Oriska.....State Bank of Oriska.
Osnabrock.....First National Bank.
Page.....Farmers' State Bank.
" First National Bank.
Palermo.....Farmers' & Merch. State Bank.
Park River.....Bank of Park River.
" First National Bank.
Pembina.....Merchants' Bank.
Perth.....Bank of Perth.
Pingree.....Pingree State Bank.
Portal.....First International Bank.
" Portal State Bank.
Portland.....First National Bank.
Reeder.....Farmers' & Merch. State Bank.
" First State Bank.
Reynolds.....State Bank.
Rugby.....Merchants' Bank.
Ruso.....First State Bank.
St. Thomas.....First National Bank.
Sanborn.....First National Bank.
Sentinel Butte...Inter-State Bank of Billings County.
Sharon.....Citizens' State Bank.
Sheldon.....First National Bank.
Sheyenne.....First National Bank.
Souris.....Mouse River Valley Bank.
Spiritwood.....Spiritwood State Bank.
Stanley.....Citizens' State Bank.
" First National Bank.
Starkweather...First National Bank.
Sterling.....Sterling State Bank.
Sykeston.....Sykeston State Bank.
Thompson.....Bank of Thompson.
Tioga.....Tioga State Bank.
Tower City.....First National Bank.
Towner.....Farmers' State Bank of Towner.
" First National Bank.
Turtle Lake.....First National Bank.
Valley City.....Bank of Valley City.
" S. First National Bank.
Wahpeton.....Citizens' National Bank.*
" National Bank.
" People's State Bank.
Wales.....State Bank of Wales.
Walhalla.....Citizens' Bank.
" First National Bank.
Walum.....Farmers' State Bank.
Westhope.....Bank of Westhope.
" First National Bank.
" People's State Bank.
Williston.....Williams County Bank.
Willow City.....First National Bank.
Wimbledon.....First National Bank.
Zeeland.....First State Bank.
" Zeeland State Bank.

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OHIO

Ada.....First National Bank.
Akron.....T.S. Central Saving & Trust Co.
" S. Commercial Savings Bank.
" S. Dime Savings Bank.
" National City Bank.
" S. People's Savings Bank.
" Second National Bank.
Alliance.....Alliance Bank Co.
" T.S. City Savings Bank & Trust Co.
" People's Bank Co.
Antwerp.....Antwerp Exchange Bank.
Arcanum.....First National Bank.
Ashland.....Farmers' Bank.
" First National Bank.*
Ashtabula.....Marine National Bank.
" National Bank of Ashtabula.
Athens.....Bank of Athens.*
" First National Bank.
Atwater.....S. Atwater Savings Bank.
Bainbridge.....Rockhold, Brown & Co.*
" Spargur, Head & Co.
Barberton....S. Barberton Savings Bank Co.
Barnesville.....First National Bank.*
Bellaire.....S. Dollar Savings Bank.*
Bellefontaine....People's National Bank.
Bellevue.....Wright Banking Co.
Bellville.....S. Bellville Savings Bank.
Berea.....Bank of Berea Company.
Bethel.....First National Bank.
Bethesda.....First National Bank.
Beverly.....The Citizens' Bank Co.
Bloomdale.....Exchange Bank.
Bowersville.....The Bowersville Bank.
Bowling Green..First National Bank.
Bridgeport...T. Bridgeport Bank & Trust Co.
" Bridgeport National Bank.
Brookville.....Citizens' Banking Co.
Bucyrus.....S. Bucyrus City Bank.
" S. Farmers' & Citizens' Bank & Savings Co.
" Second National Bank.
Byesville.....First National Bank.
Cadiz.....First National Bank.
" Fourth National Bank.
" Harrison National Bank.
Caldwell.....Noble County National Bank.
Caledonia.....Caledonia Deposit Bank.
Cambridge...S. Cambridge Savings Bank Co.
" Central National Bank.
" Guernsey National Bank.
" National Bank of Cambridge.
Camden.....First National Bank.
Canal Dover....Exchange National Bank.
Canal Dover....First National Bank.
" S. State Savings Bank.
Canal Winchester.Canal Winchester Bank.
Canfield.....Farmers' National Bank.*
Canton.....S. Central Savings Bank.
" S. City National Bank.
" S. Dime Savings Bank Co.*
" First National Bank.
" S. Geo. D. Harter Bank.*
" S. Isaac Harter & Sons' Savings Deposit Bank.*
Cedarville.....Exchange Bank.
Centerburg.....First National Bank.
Chagrin Falls.S. Chagrin Falls Banking Co.
Chardon.....S. Chardon Savings Bank Co.
" First National Bank.
Chicago.....S. Home Savings & Banking Co.
Chillicothe.....Central National Bank.
" Citizens' National Bank.
" First National Bank.
" Ross County National Bank.
Christiansburg...Farmers' & Merchants' Bank.
Cincinnati.....Atlas National Bank.*
" T. Central Trust & Safe Deposit Co.
" T. Cincinnati Trust Co.
" Citizens' National Bank.*
" Commerce & Deposit Bank.*
" S. Court House Savings Bank.*
" East End Bank Co.
" Fifth-Third National Bank.*
" First National Bank.*
" Fourth National Bank.*
" German National Bank.*
" Market National Bank.
" Merchants' National Bank.*
" T. Metropolitan Bank & Trust Co.
" North Side Bank.
" T.S. Queen City Sav. Bk. & Tr. Co.
" Second National Bank.*
" S. Southern Ohio Savings Bank Co.
" T.S. Union Sav. Bank & Trust Co.*
" S. Unity Banking & Savings Co.
" Western German Bank.
" Breed & Harrison.*
" Field, Longstreth & Co.*
" Irwin, Ballman & Co.
" Albert Kleybolte & Co.
" Rudolph Kleybolte & Co.*
" Short, Stanton & Co.*
" Weil, Roth & Co.*
Clarksville.....Farmers' National Bank.
Cleveland.....Bank of Commerce Nat'l Ass'n.*
" T.S. Broadway Sav. & Trust Co.*

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OHIO—*Continued*

Cleveland....S. Brooklyn Sav. & Loan Ass'n.
" Central National Bank.*
" T.S. Citizens' Savings & Trust Co.*
" S. Clark Avenue Savings Bank Co.
" Cleveland National Bank.*
" S. Cleveland Savings & Loan Co.*
" T.S. Cleveland Trust Co.*
" First National Bank.*
" S. Garfield Savings Bank Co.
" S. German-American Sav. Bk. Co.
" T. Guarantee Title & Trust Co.
" T.S. Guardian Savings & Trust Co.*
" T.S. Guardian Savings & Trust Co., Branch.
" T.S. Hough Bank & Trust Co.
" T. Lake Shore Banking & Tr. Co.
" S. Lorain Street Savings Bank.
" National City Bank.
" National Commercial Bank.
" T.S. Pearl St. Savings & Trust Co.
" S. People's Savings Bank Co.
" S. Society for Savings.
" S. South Cleveland Banking Co.
" T.S. State Banking & Trust Co.*
" T.S. Superior Savings & Trust Co.*
" Union National Bank.*
" S. United Banking & Sav. Co.
" T.S. Woodland Ave. Sav. & Trust Co.
" Hayden, Miller & Co.*
" Otis & Hough.*
Cleves.....Hamilton County National Bk.
Clyde.....People's Banking Co.
Coldwater.....People's Bank Co.
College Corner...The Farmers' State Bank.
Columbiana.....First National Bank.
Columbus....T. Capitol Trust Co.
" T.S. Citizens' Trust & Savings Bank.*
" City National Bank.*
" S. Columbus Savings Bank Co.*
" T.S. Columbus Savings & Trust Co.
" Commercial National Bank.*
" Deshler National Bank.
" Hayden-Clinton National Bk.*
" Huntington National Bank.
" S. Market Exchange Bank Co.
" National Bank of Commerce.
" New First National Bank.*
" S. Ohio National Bank.*
" T.S. State Sav. Bank & Trust Co.
" Union National Bank.*
" Caleb L. McKee & Co.
" Claude Meeker, Investments.*
Columbus Grove.Exchange Bank.
" People's Banking Co.
Conneaut....T. Conneaut Mutual Loan & Tr. Co.
Continental.....Continental Bank.
Coshocton.....Commercial National Bank.
" Coshocton National Bank.*
Covington.....Stillwater Valley Bank Co.
Crestline.....Babst Banking House.
" First National Bank.
Creston.....Stebbins Banking Co.
Cuyahoga Falls..S. Cuyahoga Falls Savings Bank.
Cygnet.....S. Cygnet Savings Bank Co.
Dayton.....City National Bank.*
" S. Dayton National Bank.
" T.S. Dayton Savings & Trust Co.*
" Farmers' & Merchants' Bank.
" S. First Savings & Banking Co.*
" Fourth National Bank.
" S. Market Savings Bank.*
" Merchants' National Bank.*
" S. North Dayton Savings Bank.
" Teutonia National Bank.
" Third National Bank.*
" Winters National Bank.
Defiance.....State Bank of Defiance County.
Delaware.....Delaware National Bank.
Delphos.....Commercial Bank.*
" National Bank of Delphos.
Dennison.....Dennison National Bank.
Dresden.....Dresden National Bank.
Dunkirk.....Woodruff National Bank.
East Liverpool..Citizens' National Bank.*
" S. Dollar Savings Bank Co.*
" First National Bank.
" S. Potters Building & Savings Co.
" Potters National Bank.
Eaton.....Preble County National Bank.*
Elyria.....National Bank of Elyria.
" T.S. Savings Deposit Bank & Trust Co.*
Fayette.....Bank of Fayette.
Findlay.....American National Bank.
" S. Buckeye National Bank.
" City Banking Co.
" S. Commercial Bank & Savings Co.*
" First National Bank.
Flushing.....S. Dollar Savings Bank Co.
Forest.....Hardin County Bank Co.
Fostoria.....First National Bank.
" Union National Bank.
Fredericktown..Dan Struble & Son.
Fremont...T.S. Colonial Sav. Bank & Trust Co.
" S. Croghan Bank & Savings Co.*
" First National Bank.
" S. Fremont Savings Bank.
Galion.....Citizens' National Bank.
" First National Bank.
Gallipolis.....First National Bank.

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OHIO—*Continued*

Gallipolis.....Ohio Valley Bank Co.
Garrettsville....First National Bank.
Genoa.....Genoa Banking Co.
Germantown....First National Bank.
Gibsonburg...S. Gibsonburg Banking Co.
Glouster.....The Glouster Bank.
Grand Rapids...Grand Rapids Banking Co.
Greenfield.....Highland County Bank.*
Green Spring....Commercial Bank Co.
Greenville.....Farmers' National Bank.
Greenwich.....First National Bank.
Hamden Junct..Citizens' Bank of Hamden.
Hamilton.....First National Bank.
" S. Hamilton Dime Sav. Bank Co.
" Miami Valley National Bank.*
" Second National Bank.
Harpster.....Harpster Bank.
Hillsboro.....Farmers' & Traders' Nat'l Bank.
" Merchants' National Bank.
Hudson.....National Bank of Hudson.
Ironton.....First National Bank.*
Jackson....T.S. Citizens' Savings & Trust Co.
" First National Bank.
Jamestown.....Farmers' & Traders' Bank.
Jeffersonville .S. Citizens' Bank.
" Farmers' Bank.
Johnstown.....Johnstown Bank.
Kent.....City Banking Co.
" Kent National Bank.*
Kenton.....First National Bank.*
" Kenton National Bank.*
Kinsman.....Kinsman Banking Co.
Lancaster.....Fairfield National Bank.
" Farmers' & Citizens' Bank.
Lebanon.....Citizens' National Bank.*
" Lebanon National Bank.*
Leesburg.....Leesburg Bank.
Leipsic.....Bank of Leipsic.
Lewisburg.....People's Banking Co.
Lima.....First National Bank.
" German-American Bank.
" Old National Bank.
Lodi.....Exchange National Bank.
Logan.....Rempel Nat'l Bank of Logan.
London.....The London Exchange Bank Co.
Lorain.....City Bank Co.
" Lorain Banking Co.
" National Bank of Commerce.
" S. Penfield Ave. Savings Bank.
Loudonville...S. Citizens' Savings Bank Co.
" Farmers' Bank.
Loveland.....Loveland National Bank.
McArthur.....Vinton County National Bank.
McClure.....Durbin Deposit Co.*
McComb.....People's Banking Co.
Madison.....Exchange Bank of Madison.
Manchester.....Bank of Manchester.
Mansfield.....Bank of Mansfield.
" S. Citizens' Savings & Loan Co.
" S. Richland Savings Bank Co.*
Mantua.....First National Bank.*
Marietta.....Citizens' National Bank.
" S. Dime Savings Society.
" First National Bank.*
" German National Bank.
" T. People's Banking & Trust Co.
Marion.....Marion National Bank.
Martins Ferry.S. German Savings Bank Co.
" S. People's Savings Bank.
Massillon.....S. First Savings & Loan Co.
" Union National Bank.
Maumee.....Union Deposit Bank.*
Medina.....Medina County National Bank.
" Old Phenix National Bank.
" S. Savings Deposit Bank Co.
Mendon.....First National Bank.
Miamisburg.....First National Bank.
Middletown.....Oglesby & Barnitz Co.*
Milan.....Milan Banking Co.
Milford.....Milford National Bank.
Millersburg.....Commercial Bank.
Mingo Junction..First National Bank.
Montpelier.....Montpelier National Bank.
Mount Gilead...Mount Gilead National Bank.
Mt. Pleasant....The People's National Bank.
Mt. Sterling.....Citizens' National Bank.*
" First National Bank.*
Mt. Vernon...S. Knox County Savings Bank.
" New Knox National Bank.
Mt. Victory.....Mt. Victory Bank.*
Napoleon.....S. First National Bank.
" Napoleon State Bank.*
Nevada.....Nevada Deposit Bank.
New Bremen....First National Bank.*
New Comerstown.Oxford Bank.
New Lexington..Perry County Bank Co.
New London....New London National Bank.
New Madison...Farmers' Banking Co.
New Philadelphia..Citizens' National Bank.
" Exchange Bank.
" Kaldenbaugh Bank.
Newton Falls...First National Bank.
New Vienna.....New Vienna Bank.
New Washington.Farmers' Exchange Bank.
Niles.....S. Dollar Savings Bank Co.
No. Fairfield..S. North Fairfield Savings Bank.
Norwalk.....Norwalk National Bank.
Norwood.....First National Bank.*
Oak Harbor....First National Bank.

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OHIO—*Continued*

Oakley.....Oakley Bank.*
Orrville.....Orrville National Bank.
" S. Orrville Savings Bank.
Osborn.....Osborn Bank.
Ottawa.....Putnam County Banking Co.
Oxford .....Oxford National Bank.
Paulding.... S. Farmers' Banking Co.*
" Paulding National Bank.
Payne .....Farmers' & Citizens' Bank. Co.
Peebles.....Bank of Peebles.
Perrysburg .....Citizens' Banking Co.
Perrysville.....Perrysville Banking Co.
Piketon.....Piketon National Bank.
Piqua.....Citizens' National Bank.*
" Piqua National Bank.*
Poland.....S. Farmers' Deposit & Sav. Bank.
Pomeroy.....T. Farmers' Bank & Trust Co.
" First City Bank.
" Pomeroy National Bank.
Portage.....Munn Bank.
Portsmou'h T.S. Security Sav. Bank & Tr. Co.
Quaker City....Quaker City National Bank.
Ravenna.....Ravenna National Bank.
" Second National Bank.
Reading.....S. Reading Bank.
Richwood.....Richwood Banking Co.
Ridgeville
Corners....S. State Savings Bank Co.
Rittman.....S. Rittman Savings Bank Co.
Rocky River..S. Rocky River Sav. & Bank. Co.
Sabina.....The Sabina Bank.
St. Clairsville S. Dollar Savings Bank Co.
" First National Bank.
St. Marys.....First National Bank.
Salineville.....Citizens' Banking Co.
Sandusky...T.S. American Banking & Trust Co.*
" Citizens' Banking Co.
" S. Commercial National Bank.*
" Third National Exchange Bank.
Scio.....Farmers' & Producers' Nat'l Bk.
Shanesville.....Exchange Bank.
Shelby.....Citizens' Bank.*
Shiloh.....S. Shiloh Savings Bank Co.
Shreve.....Farmers' Bank.
Sidney.....Citizens' National Bank.
" First National Exchange Bank.
" S. People's Savings & Loan Ass'n.
Somerset.....Somerset Bank.*
Somerton.....First National Bank.
South
Charleston....Bank of South Charleston.
" S. Citizens' Bank.
Spencerville.....Citizens' Bank.
" Farmers' Bank.
Springfield.....Citizens' National Bank.
Springfield.....First Nat'l Bank of Springfield.*
" Mad River National Bank.
" Springfield National Bank.
" S. Springfield Savings Bank.
Steubenville....Commercial National Bank.
" S. Miners' & Mechanics' Bank.
" National Exchange Bank.*
" S. People's National Bank.*
" S. Union Deposit Bank.
Struthers.....S. Struthers Savings & Bank. Co.
Stryker.....Exchange Bank of H. F. Bruns.
Swanton.....Bank of Swanton.
Tiffin.....Commercial National Bank.
" Tiffin National Bank.
Tiro.....Farmers' & Citizens' Bank.
Toledo.....T.S. Commercial Sav. Bank & Tr. Co.
" S. Dime Savings Bank Co.
" East Side Bank Co.
" First National Bank.*
" S. Home Savings Bank Co.*
" S. Market Savings Bank Co.*
" S. Merchants' & Clerks' Sav. Bank.
" National Bank of Commerce.*
" T.S. Ohio Savings Bank & Trust Co.*
" Second National Bank.*
" T.S. Security Sav. Bank & Trust Co.
" T.S. Toledo Sav. Bank & Trust Co.
Toronto.....National Bank of Toronto.*
Troy.....First National Bank.
" Troy National Bank.
Urbana.....Citizens' National Bank.*
Utica.....First National Bank.
Van Wert.....First National Bank.
Vermilion....S. Erie County Banking Co.
Vinton.....Vinton Banking Co.
Wakeman.....The Wakeman Bank Co.
Wapakoneta....First National Bank.
Warren.....Second National Bank.
" Union National Bank.
" Western Reserve Nat'l Bank.
Washington C.H.Commercial Bank.
" People's & Drovers' Bank.
" T.S. Washington Sav. Bk. & Tr. Co.
Wauseon.....S. First National Bank.
" People's State Bank.
Waterville....S. Waterville State Sav. Bank Co.
Waverly.....First National Bank.
Waynesville.....Waynesville National Bank.
Wellington.....First National Bank.
Wellston.....Bank of Wellston.
" First National Bank.*
Wellsville.....People's National Bank.
" S. Perpetual Sav. & Loan Co.
W. Alexandria..Twin Valley Bank.
W. Farmington..Farmers' Banking Co.

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OHIO—*Continued*

West Liberty	Farmers' Banking Co.
Weston	Citizens' Banking Co.
West Unity	West Unity Banking Co.
Whitehouse	Whitehouse Banking Co.*
Wilmington	First National Bank.
Winchester	Winchester Bank Co.
Woodsfield	The First National Bank.
"	Monroe Bank.
Woodstock	Woodstock Bank.*
Woodville	S. Woodville Savings Bank Co.
Wooster	Citizens' National Bank.
"	Wayne County National Bank.
Worthington	S. Worthington Savings Bank.
Xenia	Citizens' National Bank.
"	Xenia National Bank.
Yellow Springs	Miami Deposit Bank.
Youngstown	Commercial National Bank.
"	T.S. Dollar Savings & Trust Co.*
"	S. Equity Savings & Loan Co.
"	First National Bank.*
"	S. Home Savings & Loan Co.
"	Mahoning National Bank.
Zanesville	T.S. American Trust & Sav. Bank.*
"	First National Bank.*
"	Old Citizens' National Bank.
"	S. People's Savings Bank Co.*

OKLAHOMA

Afton	Bank of Afton.
Albion	Bank of Albion.*
Altus	Altus State Bank.
Anadarko	First National Bank.
"	National Bank of Anadarko.
Apache	First National Bank.*
Arapahoe	First National Bank.*
Ardmore	City National Bank.
"	First National Bank.
Bartlesville	American National Bank.
"	Bartlesville National Bank.*
"	First National Bank.*
Beaver City	Bank of Beaver City.
Beggs	Farmers' State Bank.
"	First National Bank.
Billings	Billings State Bank.
Bixby	Farmers' & Merchants' Bank.
Blackwell	First National Bank.
"	State Guaranty Bank.
Boynton	First National Bank.
Braman	Citizens' State Bank.
Broken Arrow	First National Bank.
"	First State Bank.
Cameron	Bank of Cameron.
Carmen	State Guaranty Bank.
Carnegie	Citizens' Bank.
"	Farmers' State Bank.
Cashion	First National Bank.
Centralia	Farmers' & Merchants' Bank.
Cestos	First Bank of Cestos.*
Chant	Farmers' & Merchants' Bank.
Checotah	Commercial Bank.
"	First National Bank.
Cherokee	Alfalfa County National Bank.
"	Bank of Cherokee.
"	First National Bank.*
Cheyenne	Cheyenne State Bank.
Chickasha	Citizens' National Bank.
Chickasha	First National Bank.*
"	T. Oklahoma State Bank.
Claremore	Bank of Claremore.
"	First National Bank.
Cleveland	First National Bank.*
Collinsville	Farmers' & Merchants' Bank.
Cornish	Bank of Cornish.
Covington	Covington State Bank.
Coweta	Farmers' & Merchants' Bank.
Crowder City	Crowder State Bank.
Custer	People's State Bank.*
Dacoma	State Bank of Dacoma.
Davis	First National Bank.
Deer Creek	The Bank of Deer Creek.
Depew	First State Bank.
Douglas	Douglas State Bank.
Duke	Duke State Bank.
Duncan	The Duncan National Bank.
"	First State Bank.
Durant	Durant National Bank.
"	First National Bank.
Edmond	First National Bank.
Eldorado	First State Bank.
El Reno	Citizens' National Bank.*
"	Commercial Bank.*
"	El Reno State Bank.
"	First National Bank.*
Enid	Bank of Enid.*
"	Garfield Exchange Bank.*
"	Oklahoma State Bank.
Eufaula	First National Bank.
Fairfax	The Osage Bank.
Fay	Fay State Bank.
Fort Gibson	Citizens' State Bank.
Frederick	Bank of Commerce.
"	First National Bank.
Garber	Farmers' State Bank.*
Garvin	Bank of Garvin.

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OKLAHOMA—*Continued*

Geary.....State Guaranty Bank.
Guthrie.....Guthrie National Bank.*
" Logan County Bank.*
" National Bank of Commerce.*
" Oklahoma State Bank.*
Harrah.....Harrah State Bank.
Hartshorne.....First National Bank.
Hastings.....Bank of Hastings.
Helena.....Helena State Bank.
Hennessey.....Farmers' & Merchants' Bank.
" First National Bank.
Henryetta.....First National Bank.
Hinton.....Hinton State Bank.
Hitchcock.....First Bank of Hitchcock.
Holdenville.....American National Bank.
" Farmers' State Bank.
Hugo.....First National Bank.
Independence..Bank of Independence.
Jennings.....Jennings State Bank.
Keota.....First National Bank.
Kiefer.....Kiefer State Bank.
Kingfisher.....First National Bank.
" People's State Bk. of Kingfisher.
Kingston.....First National Bank.
Konawa.....Konawa National Bank.
Lahoma.....Bank of Lahoma.
Lamont.....Citizens' Bank.
Lawton.....Citizens' State Bank.
" City National Bank.
" Lawton State Bank.
Lehigh.....Lehigh National Bank.
Lexington.....Farmers' State Guaranty Bank.
Lindsay.....First National Bank.
Luther.....First National Bank.
McAlester....T. McAlester Trust Co.*
McCloud.....First National Bank.
McCurtain.....McCurtain State Bank.
Madill.....First National Bank.
" Madill State Bank.
Manchester.....Citizens' State Bank.
Mangum.....First National Bank.
Marietta.....Farmers' National Bank.
" First National Bank.
" Marietta National Bank.
Marlow.....Bank of Marlow.
" Guaranteed State Bank.
" Marlow State Bank.
Medford.....Grant County Bank.
Miami.....First National Bank.
" T.S. Miami Trust & Savings Bank.
" State Bank of Miami.
Minco.....First National Bank.*
Moore.....Bank of Moore.
Morris.....First National Bank.
Mountain View..Farmers' & Merchants' Bank.
Muskogee....S. Alamo Savings Bank.
" Commercial National Bank.*
" First National Bank.
" Muskogee National Bank.*
" T. Oklahoma Trust Co.*
" T. People's Bank & Trust Co.
Nardin.....Bank of Nardin.
Newkirk.....Eastman National Bank.
" Farmers' State Bank.
" First National Bank.
Noble.....Noble State Bank.
Norman.....First National Bank.
North Enid.....People's Bank.*
Nowata.....First National Bank.
" Nowata National Bank.
" Producers' State Bank.
" T. State Bank & Trust Co.
Okarche.....First Bank of Okarche.
Okeene.....S. Citizens' State Bank.*
Oklahoma City..American National Bank.*
" Farmers' State Bank.*
" First State Bank.*
" Oklahoma City National Bank.
" Oklahoma State Bank.
" Planters' & Mechanics' Bank.
" Security National Bank.*
" State National Bank.*
" Western National Bank.*
Oktaha.....First State Bank.
Pauls Valley....First National Bank.
" National Bank of Commerce.
" Pauls Valley National Bank.
Pawhuska.....Citizens' National Bank.
" First National Bank.
Pawnee.....First National Bank.
Perry.....Bank of Commerce.*
" Exchange Bank.*
" First National Bank.*
Ponca City.....Farmers' State Bank.
Pontotoc.....Bank of Pontotoc.
Poteau.....First National Bank.
" National Bank of Poteau.
Prague.....First National Bank.
Purcell.....T. Purcell Bank & Trust Co.*
Putnam.....First State Bank.
Quinlan.....Quinlan State Bank.
Ramona.....Ramona State Bank.
Ravia.....First State Bank.
Red Rock.....Bank of Red Rock.*
Renfrow.....Bank of Renfrow.
Ringwood.....Bank of Ringwood.
Ripley.....Planters' State Bank.
Roff.....Farmers' Bank.
Rush Springs...First National Bank.
Salisaw.....First National Bank.

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OKLAHOMA—*Continued*

Sapulpa.....Farmers' & Merchants' Bank.
Seiling.....Bank of Seiling.
Shattuck.....First State Bank.
" Guarantee State Bank.
Shawnee.....S. Bank of Commerce.
" Oklahoma State Bank.
" Shawnee National Bank.
So. McAlester.S. American National Bank.*
" City National Bank.*
" First National Bank.
Spencer.....Bank of Spencer.
Spiro.....Choctaw Commercial Bank.
Sterrett.....First National Bank.
Stigler.....First National Bank.
Stillwater.....First National Bank.
" Stillwater National Bank.
Stroud.....First National Bank.
Sulphur.....Bank of Commerce.
" Security State Bank of Sulphur.
Tahlequah.....First State Bank.
Talihina.....First State Bank.*
Tecumseh.....First National Bank.
Tishomingo.....American State Bank.
Tulsa.....Bank of Commerce.
Tulsa.....Central National Bank.*
" Farmers' National Bank.
" First National Bank.
" T. Union Trust Co.
Tuttle.....Bank of Tuttle.
Union.....Bank of Union.
Valliant.....Bank of Valliant.
Vinita.....First National Bank.*
Wagoner.....Citizens' State Bank.
" First National Bank.
Walter.....Walters National Bank.
Wanette.....State National Bank.
Watonga.....Blaine County Bank.
" First National Bank.
Waukomis.....First State Bank.
Waurika.....First National Bank.
" Waurika National Bank.
Wewoka.....Farmers' National Bank.
Wilburton.....First National Bank.
Woodward.....Gerlach Bank.
Wynnewood....First National Bank.
Yale.....Yale State Bank.
Yukon.....Farmers' & Merchants' Bank.
" First National Bank.

OREGON

Albany.....First National Bank.
" J. W. Cusick & Co.
Arlington.....Arlington National Bank.
Ashland.....First National Bank.
" United States National Bank.
Astoria.....S. Astoria Savings Bank.
" First National Bank.
Athena.....First National Bank.
Aurora.....Aurora State Bank.
Baker City...T. Baker Loan & Trust Co.
" Citizens' National Bank.
" First National Bank.
Bandon.....Bank of Bandon.
Bay City.....T. First Bank & Trust Co.
Bend.....T. Central Oregon Bank. & Tr. Co.
" First National Bank.
Brownsville.....Bank of Brownsville.
Burns.....First National Bank.
" Harney County National Bank.
Canby.....T. Canby Bank & Trust Co.
Central Point..Central Point State Bank.
Condon.....Condon National Bank.
" First National Bank.
Coquille.....First National Bank.
Cornelius.....Cornelius State Bank.
Corvallis.....Benton County National Bank.
" S. First National Bank.
Cottage Grove...First National Bank.
Dufur.....Johnston Brothers.
Elgin.....First National Bank.
Enterprise.....Wallowa National Bank.
Estacada.....Estacada State Bank.
Eugene.....S. Eugene Loan & Savings Bank.
" First National Bank.
" Merchants' Bank.
Forest Grove....Forest Grove National Bank.
Fossil.....Steiner & Carpenter.
Glendale.....Glendale State Bank.
Grants Pass.....First Nat'l Bank of So. Oregon.
" T. Grants Pass Banking & Tr. Co.
Grass Valley....Citizens' Bank.
Harrisburg.....First National Bank.
Heppner.....Bank of Heppner.
Hermiston.....First Nat'l Bank of Hermiston.
" T. Hermiston Bank & Trust Co.
Hillsboro.....Hillsboro Commercial Bank.
" J. W. Shute.
Hood River.....Butler Banking Co.*
" S. First National Bank.
" T. Hood River Banking & Trust Co.
Huntington.....Bank of Huntington.
Independence...Independence National Bank.
Ione.....Bank of Ione.
Joseph.....First Bank of Joseph.

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OREGON—*Continued*

Klamath Falls..Klamath County Bank.
La Grande.....La Grande National Bank.
" S. United States National Bank.
McMinnville....McMinnville National Bank.
Marshfield.....First Nat'l Bank of Coos Bay.
Medford.....First National Bank.
" Jackson County Bank.
" Medford National Bank.
Milton.....First National Bank.
Monmouth.....Polk County Bank.
Mosier.....Mosier Valley Bank.
Mt. Angel.....Bank of Mt. Angel.
Myrtle Point....Flanagan & Bennett Bank.
Nehalem.....Nehalem Valley Bank.
Newberg.....United States National Bank.
Newport.....Leese & Searth.
North Bend.....Bank of Oregon.
Nyssa.....Malheur County Bank.
Oregon City..S. Bank of Oregon City.
" First National Bank.
Pendleton....S. American National Bank.
" First National Bank.
Portland.....T. American Bank & Trust Co.
" The Bank of California.
" Branch of the Canadian Bank of Commerce.
" Citizens' Bank.
" The East Side Bank.
" First National Bank.
" German-American Bank.
" S. Hibernia Savings Bank.
" Ladd & Tilton Bank.
" Lumbermen's National Bank.
Portland.....Merchants' National Bank.
" T.S. Merchants' Savings & Trust Co.
" T.S. Portland Trust Co. of Oregon.*
" T.S. Security Savings & Trust Co.
" United States National Bank.*
" S. Ashley & Rumelin.
" Geo. W. Bates & Co.
" G. W. Bates & Co., Williams Ave. Branch.
" Hartman & Thompson.
Prineville.....First National Bank.
Rainier.....State Bank of Rainier.
Roseburg.....Douglas National Bank.
" First National Bank.
Saint Helen.....Columbia County Bank.
St. Johns.....Peninsula Bank.
Salem.....Capital National Bank.
" United States National Bank.*
Scio.....Scio State Bank.
Shaniko.....Eastern Oregon Banking Co.
Sherwood.....Bank of Sherwood.
The Dalles.....First National Bank.
" French & Co.
Tillamook....S. Tillamook County Bank.
Toledo.....Lincoln County Bank.
Troutdale.....Bank of Troutdale.
Union.....First National Bank.
Vale.....United States National Bank.
Wallowa.....Stockgrowers' & Farmers' Nat'l Bank.
Weston.....Farmers' Bank of Weston.
Woodburn.....Bank of Woodburn.
Yoncalla.....Yoncalla State Bank.

PENNSYLVANIA

Addison.....First National Bank.
Albion.....Citizens' Bank.
" First Nat'l Bk. of Albion.
Aliquippa.....First National Bank.
Allegheny....T. Allegheny Trust Co.
" S. Bank of Secured Savings.
" T.S. Dollar Sav. Fund & Trust Co.
" First National Bank.
" German National Bank.
" T.S. Manchester Sav. Bank & Tr. Co.
" S. Ohio Valley Bank.
" T.S. Provident Trust Co.
" T.S. Real Estate Sav. & Trust Co.
" T.S. Workingman's Sav. Bk. & Trust Co.
Allentown.....Allentown National Bank.*
" T. Lehigh Valley Trust & Safe Deposit Co.
Allentown....S. Merchants' National Bank.
Altoona.....T. Central Trust Co.
Ambridge..T.S. Ambridge Sav. & Trust Co.
" First National Bank.
Apollo.....T.S. Apollo Trust Co.
" S. First National Bank.
Ashland.....Ashland National Bank.
" Citizens' National Bank.
Ashley.....First National Bank.
Athens.....Athens National Bank.
" Farmers' National Bank.
Avalon.....Avalon Bank.
Avella.....Lincoln National Bank.
Avoca.....First National Bank.
Avondale.....National Bank of Avondale.
Bangor.....First National Bank.
Bath.....First National Bank.
Beaver.....T.S. Beaver Trust Co.

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PENNSYLVANIA—*Continued*

Beaver.....First National Bank.
Beaver Falls....Farmers' National Bank.
" T. Federal Title & Trust Co.
Beaver Springs..First National Bank.
Bellefonte....T. Bellefonte Trust Co.
" Centre County Banking Co.
" First National Bank.
Belleville.....Belleville National Bank.
Bellevue...T.S. Bellevue Realty Sav. & Tr. Co.
Bellwood.....Bellwood Bank.
Bentleyville....Bentleyville National Bank.
Benton.....Columbia County Nat'l Bank.
Berlin.....First National Bank.
" Philson National Bank.
Berwick....T.S. Berwick Savings & Trust Co.
Berwyn.....Berwyn National Bank.
Bethlehem.....First National Bank.
Blairsville.....Blairsville National Bank.
" First National Bank.
Bloomsburg..S. Bloomsburg National Bank.
" Farmers' National Bank.
" First National Bank.
Blossburg.....Miners' National Bank.
Blue Ball.....Blue Ball National Bank.
Boswell.....First National Bank.
Boyertown.....National Bank of Boyertown.
Braddock....S. Braddock National Bank.
" T. Braddock Trust Co.
" First National Bank.
Bradford.....Bradford National Bank.
" Commercial National Bank.
" First National Bank.
Bridgeport...S. Bridgeport National Bank.
Bridgeville.....First National Bank.
Bristol.....T.S. Bristol Trust Co.
" S. Farmers' National Bank of Bucks County.
Brockwayville...First National Bank.
Brownsville.....Monongahela National Bank.
" National Deposit Bank.*
" S. Second National Bank.
Burgettstown...Washington National Bank.
Butler.....S. Butler County National Bank.*
" T.S. Butler Savings & Trust Co.
" Farmers' National Bank.
" T. Guaranty Safe Dep. & Trust Co.
California.....First National Bank.
" People's Bank of California.
Cambridge Spgs.First National Bank.
Canonsburg..T. Citizens' Trust Co.*
" First National Bank.
Canton.....S. First National Bank.*
Carbondale...S. Carbondale Miners' & Mechanics' Savings Bank.
" S. First National Bank.
Carbondale...S. Liberty Discount & Sav. Bank.
" S. Pioneer Dime Bank.
Carlisle.....Carlisle Deposit Bank.
" T. Farmers' Trust Co.
Carmichaels.....First National Bank.
Carnegie.....Carnegie National Bank.
Carrollton.....First National Bank.
Catasauqua.....National Bank of Catasauqua.
Chambersburg T. Chambersburg Trust Co.
" Nat'l Bank of Chambersburg.
Charleroi.....Bank of Charleroi.
" T.S. Charleroi Savings & Trust Co.
" First National Bank.
Chester.....T. Cambridge Trust Co.
" Chester National Bank.
" Delaware County Nat'l Bank.
" T. Delaware Co. Trust Safe Deposit & Title Ins. Co.
" First National Bank.
" Pennsylvania National Bank.
Chicora.....Millerstown Deposit Bank.
Christiana.....Christiana National Bank.
Clairton.....T. Union Trust Co.
Clarion.....First National Bank.
" Second National Bank.
Claysville.....Farmers' National Bank.
Clearfield.....Clearfield National Bank.
" T. Clearfield Trust Co.
" County National Bank.
Clifton Heights..First National Bank.
Coatesville..T.S. Coatesville Trust Co.
" Nat'l Bank of Chester Valley.
" National Bank of Coatesville.
Cochranton.....First National Bank.
Collegeville...S. Collegeville National Bank.
Conneaut Lake..First National Bank.
Conneautville...Bank of Conneautville.
Connellsville....Citizens' National Bank.
" First National Bank.
" Second National Bank.
" Yough National Bank.
Coudersport.....First National Bank.
Crafton.....First National Bank.
Cresson.....First National Bank.
Curwensville....Curwensville National Bank.
Dallis.....First National Bank.
Danville.....S. Danville National Bank.
" First National Bank.
" People's Bank.
Dawson.....First National Bank.
Delta.....First National Bank.
Donora.....S. Bank of Donora.
" First National Bank.
" T. Union Trust Co.
Doylestown...T. Bucks County Trust Co.

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PENNSYLVANIA—*Continued*

Doylestown.....Doylestown National Bank.
Du Bois.....S. Deposit National Bank.*
" T. Union Banking & Trust Co.*
Dunbar.....First National Bank.
Duncannon.....Duncannon National Bank.
Dunmore.....S. Fidelity Dep. & Discount Bank.
Duquesne....T. Duquesne Trust Co.
" First National Bank.
Dushore.....First National Bank.
East Brady.....People's National Bank.*
East Conemaugh First National Bank.
East Greenville..Perkiomen National Bank.
Easton.....Easton National Bank.*
" T. Easton Trust Co.*
" First National Bank.
" Northampton National Bank.
Ebensburg.....American National Bank.
" First National Bank.
Edwardsville....First National Bank.
Elizabethville...First National Bank.
Elkland.....Pattison National Bank.
Elk Lick.....First Nat'l Bank of Salisbury.
Ellsworth.....National Bank of Ellsworth.
Ellwood City....First National Bank.
Emaus.....Emaus National Bank.
Emlenton....S. First National Bank.
Emporium...S. First National Bank.*
Erie.....T. Erie Trust Co.
" First National Bank.*
" Marine National Bank.
" People's Bank.*
" Second National Bank.*
Evans City.....Citizens' National Bank.
Everett.....Everett Bank.
" First National Bank.
Fairchance.....First National Bank.
Fawn Grove....First National Bank.
Fayette City..S. Citizens' Bank.
" S. Fayette City National Bank.
Fleetwood.....First National Bank.
Ford City.....First National Bank.
Forest City.....Farmers' & Miners' Nat'l Bank.
" S. First National Bank.
Foxburg.....Foxburg Bank.
Franklin.....Exchange Bank of Franklin.
" First National Bank.
" T. Franklin Trust Co.
" Lamberton National Bank.
Fredericksburg..First National Bank.
Fredericktown...First National Bank.
Freeland.....Citizens' Bank of Freeland.
" First National Bank.
Freeport.....S. Farmers' National Bank.
" S. Freeport Bank.
Galeton.....First Nat'l Bank of Galeton.
Galeton.....S. Galeton Banking Co.
Garrett.....S. First National Bank.
Girard.....National Bank of Girard.
Girardville.....First National Bank.
Glen Campbell..First National Bank.
Glen Rock....S. First National Bank.
Greensburg...T. Barclay-Westmoreland Tr. Co
" First National Bank.
" Westmoreland National Bank
Greenville.....First National Bank.
Grove City.....First National Bank.
" Grove City National Bank.
Hanover.....Farmers' State Bank.
" First National Bank.
" S. Hanover Saving Fund Society
Harrisburg.....Allison Hill Bank.
" T. Dauphin Deposit Trust Co.
" East End Bank.
" First National Bank.*
" Harrisburg National Bank.*
" Mechanics' Bank.*
" T. Union Trust Co. of Penn.
Harrisvil.e.....First National Bank.
Hatboro.....Hatboro National Bank.
Hawley.....S. First National Bank.
Hays.....Hays National Bank.
Hazleton.....First National Bank.
" Hazleton National Bank.
" T. Markle Banking & Trust Co.
" T.S. People's Sav. & Trust Co.
Hickory.....Farmers' National Bank.
Holidaysburg...Citizens' National Bank.
Homer City.....Homer City National Bank.
Homestead.....First National Bank.
" Homestead National Bank.
" T.S. Homestead Sav. Bank & Tr. Co.
" T.S. Monongahela Trust Co.
Honesdale.....Honesdale Dime Bank.
" Honesdale National Bank.
" S. Wayne County Savings Bank.
Honeybrook....First National Bank.
Houtzdale.....First National Bank.
Hughesville.....First National Bank.
" Grange National Bank of Lycoming County.
Hummelstown..Hummelstown National Bank.
Huntingdon.....First National Bank.
" Union National Bank.
Irwin.....First National Bank.
Jeannette.....Glass City Union Deposit Bank
" People's National Bank.
Jenkintown.....Jenkintown National Bank.
Jersey Shore....Nat'l Bank of Jersey Shore.
Johnsonburg....Johnsonburg National Bank.
Johnstown.....First National Bank.

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PENNSYLVANIA—*Continued*

Johnstown . . . S. Johnstown Savings Bank.
" T. Johnstown Trust Co.
" Union National Bank.
" United States National Bank.
Kane . . . . . First National Bank.*
" T. Kane Bank & Trust Co.
Kennett Sq. T.S. Kennett Trust Co.
" S. National Bk. of Kennett Square.
Kingston . . . . . S. Deposit & Savings Bank.
Kittanning . . . . . Farmers' National Bank.*
" Merchants' National Bank.*
" National Kittanning Bank.
" Safe Deposit & Title Guar. Co.*
Knoxville . . . . . Knoxville Banking Co.
Lancaster . . . . T. Farmers' Tr. Co. of Lancaster.
" T. Lancaster Trust Co.
" T. People's Tr. Co. of Lancaster.
Landisburg . . . . . Bank of Landisburg.
Langhorne . . . . . People's National Bank.
Lansdale . . . . . Citizens' National Bank.
" First National Bank.
Lansdowne. T.S. Lansdowne & Darby Saving Fund & Trust Co.
Latrobe . . . . . Citizens' National Bank.
" First National Bank.
Lebanon . . . . . First National Bank.
" Lebanon National Bank.*
" People's National Bank.
Leechburg . . . . . Farmers' National Bank.
" First National Bank.
Lewisburg . . . . . Lewisburg National Bank.
Lewistown . . . . . Mifflin County National Bank.
Ligonier . . . . . First National Bank.
" National Bank of Ligonier.
Luzerne . . . . . Luzerne National Bank.
Lyndora . . . . . Lyndora National Bank.
McAdoo . . . . . S. First National Bank.
McClure . . . . . First National Bank.
McDonald . . . . . First National Bank.
McKeesport . . . . City Bank of McKeesport.*
" First National Bank.
" T. McKeesport Title & Trust Co.
" National Bank.
" People's Bank.
" Union National Bank.*
" Joseph Roth & Son.
McKees Rocks T. Chartiers Trust Co.
McSherrystown. . Farmers' Bank.
Mahanoy City . . . First National Bank.
" T. Merchants' Banking Trust Co.
" S. Union National Bank. *
Malvern . . . . . National Bank of Malvern.
Manor . . . . . S. Manor National Bank.
Marianna . . . . . Farmers' & Miners' Bank.
Marienville . . . . . Gold Standard National Bank.
Mars . . . . . Mars National Bank.
Marysville . . . . . First National Bank.
Masontown . . . . . First National Bank.
" Masontown National Bank.
Mauch Chunk. S. Mauch Chunk National Bank.
" T. Mauch Chunk Trust Co.
Meadville . . . . T. Crawford County Trust Co.
" Merchants' National Bank.
" New First National Bank.
Mechanicsburg . . First National Bank.
" Mechanicsburg National Bank.
" Second National Bank.
Media . . . . . Charter National Bank.
" First National Bank.
Mercer . . . . . T. Mercer County Trust Co.
Meshoppen . . . . . First National Bank.
Meyersdale . . . . . Citizens' National Bank.
Middleburg . . . . . First National Bank.
Middletown . . . . . Citizens' National Bank.
Midway . . . . . Midway National Bank.
Mifflintown . . . . . First National Bank.
" Juniata Valley National Bank.
Millersburg . . . . . First National Bank.
Millheim . . . . . Millheim Banking Co.
Millsboro . . . . . First National Bank.
Milton . . . . . First National Bank.*
" Milton National Bank.
Minersville . . . . . First National Bank.
" Union National Bank.
Monessen . . . . . First National Bank.
" T.S. Monessen Savings & Trust Co.
" People's National Bank.*
Monongahela . . . . First National Bank.
" T. Monongahela City Trust Co.*
" Alexander & Co.
Montgomery . . . . First National Bank.
Montoursville . . . First National Bank.
Montrose . . . . . Farmers' National Bank.
" First National Bank.
Mt. Carmel . . . . . First National Bank.
Mount Jewett . . . Mount Jewett National Bank.
Mt. Morris . . . . . Farmers' & Merchants' National Bank,
Mt. Pleasant T.S. Citizens' Savings & Trust Co.
" First National Bank.
Mount Union . . . Central Banking Co.
" First National Bank.
Muncy . . . . . Citizens' National Bank.
" Muncy Banking Co.
Munhall . . . . . First National Bank.
Myerstown . . . . . Myerstown National Bank.
Nanticoke . . . . S. First National Bank.
Natrona . . . . . First National Bank.
Nazareth . . . . . Nazareth National Bank.
" Second National Bank.

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PENNSYLVANIA—*Continued*

New Albany....First National Bank.
New Berlin.....First National Bank.
New Bethlehem..First National Bank.
New Castle.....Citizens' National Bank.
" T.S. Lawrence Savings & Trust Co.
" National Bank of Lawrence Co.
New Freedom...First National Bank.
New Haven.....New Haven National Bank.
New Kensington.First National Bank.
" T. Logan Trust Co.
New Milford....Grange National Bank of Susquehanna County.
Nicholson.....First National Bank.
Norristown.....First National Bank.
" Montgomery National Bank.
" T. Norristown Trust Co.
" T. Penn Trust Co.
North East.....First National Bank.
Oakdale.....First National Bank.
Oakmont.... S. First National Bank.
Oil City.....S. Citizens' Banking Co.
" First National Bank.
" Lamberton National Bank.
" Oil City National Bank.
" T. Oil City Trust Co.
Oley..... .....First National Bank.
Olyphant .....First National Bank.
Osceola Mills ...First National Bank.
Oxford.....Farmers' National Bank.
" National Bank of Oxford.
Parkers Landing.First National Bank.
Parkesburg.....Parkesburg National Bank.
Patton.....First National Bank.
" S. Grange National Bank.
Pen Argyl.....First National Bank.
" Pen Argyl National Bank.
Perkasie.....First National Bank.
Perryopolis.....First National Bank.
Philadelphia..S. Bank of Commerce.
" Bank of North America.*
" S. Beneficial Savings Fund Society of Philadelphia.
" Centennial National Bank.
" Central National Bank.*
" T.S. Chelton Tr. Co. (Germantown).
" T. Colonial Trust Co.
" T. Columbia Ave. Trust Co.
" T. Commercial Trust Co.*
" T. Commonwealth Title Ins. & Trust Co.
" T. Continental Title & Trust Co.
" Corn Exchange National Bank.*
" Eighth National Bank.
" T. Equitable Trust Co.
" T.S. Fairmount Savings Trust Co.
Philadelphia....Farmers' & Mechanics' National Bank.*
" T. Fidelity Trust Co.
" T. First Mortgage Guar. & Tr. Co.
" First National Bank.*
" S. First Penny Savings Bank of Philadelphia.
" Fourth Street National Bank.*
" T.S. Frankford Trust Co.
" Franklin National Bank.*
" T. Franklin Tr. Co. of Philadelphia.
" T. German-American Title & Trust Co.
" T.S. Germantown Trust Co.
" Girard National Bank.*
" T. Girard Trust Co.*
" T. Guarantee Tr. & Safe Dep. Co.
" T.S. Hamilton Trust Co.
" T. Holmesburg Tr.Co.(Holmesburg).
" T. Independence Trust Co.
" T.S. Industrial Tr., Title & Sav. Co.
" T.S. Integrity Title Insurance Trust and Safe Deposit Co.
" Kensington National Bank.
" T. Land Title & Trust Co.
" T. Logan Trust Co.
" S. Manayunk National Bank.
" T. Manayunk Trust Co.
" Manufacturers' National Bank.
" Market Street National Bank.*
" Merchants' National Bank.*
" T. Merchants' Trust Co.
" National Bank of Germantown.
" Nat'l Bank of North Liberties.
" Ninth National Bank.*
" Northern National Bank.
" T. Northern Trust Co.
" T. North Philadelphia Trust Co.
" Northwestern National Bank.
" T. Pelham Trust Co.
" T. Pa. Co. for Ins. of Lives & Granting Annuities.
" Penn. National Bank.*
" Philadelphia National Bank.*
" S. Philadelphia Sav. Fund Society.
" T. Philadelphia Trust, Safe Deposit & Insurance Co.*
" Quaker City National Bank.
" T. Real Estate, Title Ins. & Tr. Co.
" T. Real Estate Trust Co.
" Ridge Avenue Bank.
" T. Rittenhouse Trust Co.
" T.S. Safety Banking & Trust Co.
" S. Savings Fund Society of Germantown.

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PENNSYLVANIA—*Continued*

Philadelphia		Second National Bank.
"		Sixth National Bank.
"		Southwark National Bank.
"		Southwestern National Bank.
"	S.	Theodore Starr Savings Bank.
"	T.	Tacony Trust Co.
"		Tenth National Bank.
"		Textile National Bank.
"		Third National Bank.
"		Tradesmen's National Bank.
"	T.S.	Tradesmen's Trust Co.
"	T.	Trust Co. of North America.
"		Union National Bank.*
"	T.	The Union Trust Co.
"		Western National Bank.
"	S.	Western Savings Fund Society.
"	T.	Wayne Junction Trust Co.
"	T.	West End Trust Co.
"	T.S.	West Phila. Title & Trust Co.
"		H. F. Bachman & Co.
"		Chas. D. Barney & Co.
"		Chas. H. Bean & Co.
"		Thos. A. Biddle & Co.
"		Bioren & Co.
"		Bodine, Son & Co.*
"		Brown Bros. & Co.*
"		Cassatt & Co.
"		Chandler Bros. & Co.*
"		E. W. Clark & Co.
"		Cramp, Mitchell & Shober.*
"		Drexel & Co.
"		Emory Freed & Co.
"		Ervin & Co.
"		Geo. Farquhar & Co.
"		Charles Fearon & Co.
"		Robert P. Field & Co.*
"		Forrest & Co.
"		H. L. Gaw & Co.
"		Robert D. Ghriskey & Co.
"		Graham & Company.
"		Henry & West.
"		Geo. A. Huhn & Sons.
"		Kurtz Bros.
"		R. T. Martin & Co.
"		Montgomery, Clothier & Tyler.*
"		W. H. Newbold Son & Co.
"		Parrish & Co.
"		F. Paxson & Co.
"		Pfaelzer & Co.
"		Walter L. Ross & Co.
"		Sailer & Stevenson.
"		Chas. Smith & Sons.
"		Edward B. Smith & Co.
"		Winthrop Smith & Co.
"		J. W. Sparks & Co.
Philadelphia		Isaac Starr & Co.
"		Howard M. Swab.
"		Townsend Whelen & Co.
"		Sydney L. Wright.
Philipsburg	S.	First National Bank.
"		Moshannon National Bank.
Pitcairn		First National Bank.
Pittsburgh		Allegheny Valley Bank.
"		All Nations Deposit Bank.
"	S.	Anchor Savings Bank.
"		Arsenal Bank.
"		Bank of Pittsburgh, N. A.*
"	S.	City Deposit Bank.
"	T.	Colonial Trust Co.
"		Columbia National Bank.*
"		Commercial National Bank.
"		Diamond National Bank.
"	S.	Diamond Savings Bank.
"	S.	Dollar Savings Bank.
"		Duquesne National Bank.*
"	T.S.	East End Savings & Trust Co.
"		Exchange National Bank.*
"		Farmers' Deposit Nat'l Bank.*
"		Federal National Bank.
"	T.	Fidelity Title & Trust Co.*
"		First National Bank.*
"		Fourth National Bank.*
"	T.S.	Franklin Savings & Trust Co.
"		German National Bank.
"	S.	German Savings & Dep. Bank.
"	S.	Germania Savings Bank.
"	T.S.	Guarantee Title & Trust Co.*
"		Homewood People's Bank.
"	S.	Iron & Glass Dollar Sav. Bank.
"		Keystone National Bank.*
"		Liberty National Bank.
"		Lincoln National Bank.
"		Marine National Bank.
"		Mellon National Bank.*
"		Monongahela National Bank.*
"		National Bank of Western Pa.*
"	T.S.	Oakland Savings & Trust Co.
"		Park Bank.
"		Pennsylvania National Bank.
"	S.	Pennsylvania Savings Bank.
"		People's National Bank.*
"	S.	People's Savings Bank.*
"	T.	People's Trust Co.
"	S.	Pittsburgh Bank for Savings.*
"	T.	Pittsburgh Trust Co.
"	T.	Potter Title & Trust Co.
"	T.	Real Estate Trust Co. of Pittsburgh.*
"	T.	Safe Deposit & Trust Co.
"	T.S.	St. Clair Sav. & Tr. Co. (Knoxv.).

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PENNSYLVANIA—*Continued*

Pittsburgh.....Second National Bank.*
" T. South Hills Trust Co.
" T. South Side Trust Co.
" Third National Bank.
" Union National Bank.
" S. Union Savings Bank.
" T. Union Trust Co.
" United States National Bank.
" Washington National Bank.
" T.S. West End Sav. Bank & Tr. Co.
" S. Western Savings & Dep. Bank.
" Darr & Moore.
" Geo. B. Hill & Co.
" J. S. & W. S. Kuhn, Inc.*
" A. E. Masten & Co.
" Morris Brown & Co.
" Robinson Bros.
" R. J. Stoney, Jr.
" H. P. Taylor & Co.
Pittston.....First National Bank.
" S. Miners' Savings Bank.
" S. People's Union Savings Bank.
Pleasant Unity..Pleasant Unity National Bank.
Plumville.....First National Bank.
Plymouth.....First National Bank.
" Plymouth National Bank.
Point Marion...First National Bank.
Port Allegheny..Citizens' National Bank.
" First National Bank.
Portland.....Portland National Bank.
Port Royal.....Port Royal Bank.
Pottstown.....Tri-County Banking Co.
Pottsville.....Pennsylvania National Bank.
" Safe Dep. Bank of Pottsville.
" T. Schuylkill Trust Co.
" Union Safe Deposit Bank.
Punxsutawney..Punxsutawney National Bank.
Quakertown....Quakertown National Bank.
Quarryville.....Farmers' National Bank.
" Quarryville National Bank.
Reading.....T. Berks County Trust Co.
" T. Colonial Trust Co.
" Farmers' National Bank.
" First National Bank.
" Keystone National Bank.
" National Union Bank.
" Penn National Bank.
" T.S. Pennsylvania Trust Co.
" Reading National Bank.
" T. Reading Trust Co.
" Schuylkill Valley Bank.
Renovo.....First National Bank.
Reynoldsville...First National Bank.
Ridgway.....Elk County National Bank.
" Ridgway National Bank.
Ringtown.....First National Bank.
Rochester.....First National Bank.
Rockwood.....First National Bank.
Roscoe.....First National Bank.
Royersford..T.S. Royersford Trust Co.
Rural Valley....Rural Valley National Bank.
Saint Clair.....Citizens' Bank.
Saint Marys.....Saint Marys National Bank.
Saxton.....First National Bank.
Sayre.....S. First National Bank.
" National Bank of Sayre.
Scenery Hill....First National Bank.
Schuylkill Haven.First National Bank.
Schwenksville...National Bank of Schwenksville
Scottdale.....First National Bank.
" Scottdale Bank.
Scranton.....S. County Savings Bank.
" Dime Deposit & Discount Bank.
" First National Bank.
" Keystone Bank.
" T. Lackawanna Tr. & Safe Dep. Co.
" S. Merchants' & Mechanics' Bank.
" North Scranton Bank.
" People's National Bank.
" Providence Bank.
" S. Scranton Savings Bank.
" T. Scranton Trust Co.*
" South Side Bank.
" Third National Bank.
" Traders' National Bank.
" Union National Bank.*
" West Side Bank.
" Title Guaranty & Surety Co.*
" Brooks & Co., Bankers.
Selins Grove....First National Bank.
Sellersville.....Sellersville National Bank.
Sewickley.....First National Bank.
Shamokin.....National Bank of Shamokin.
Sharon.....First National Bank.
" S. McDowell National Bank.
" Merchants' & Mfgs. Nat'l Bank.
Sharpsburg...T. Citizens' Deposit & Trust Co.
" First National Bank.
" Sharpsville National Bank.
Sheffield.....Sheffield National Bank.
Shenandoah.....First National Bank.
Shingle House...First National Bank.
Shippensville....First National Bank.
Siegfried.....Cement National Bank.
Slatington.....Citizens' National Bank.
" National Bank of Slatington.
Slippery Rock...Citizens' National Bank.
" First National Bank.
Smethport...T. Hamlin Bank & Trust Co.
" Grange Nat'l Bk. of McKean Co

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PENNSYLVANIA—*Continued*

Smithfield.....First National Bank.
Smithton.....First National Bank.
Somerset.....Farmers' National Bank.
" S. Somerset County Nat'l Bank.*
Souderton.....Union National Bank.
So. Bethlehem..South Bethlehem Nat'l Bank.
" S. South Side Banking Co.
" T.S. E. P. Wilbur Trust Co.
South Sharon..T. Colonial Trust Co.
Spangler.....First National Bank.
Spartansburg...Grange National Bank.
Springdale .....Springdale National Bank.
State College....First National Bank.
Steelton.....People's Bank.
" Steelton National Bank.
Strasburg.....First National Bank.
Stroudsburg....First National Bank.
Sunbury.....First National Bank.
" T. Sunbury Tr. & Safe Dep. Co.
Susquehanna....City National Bank.
" First National Bank.
Sutersville.....First National Bank.
Swarthmore.....Swarthmore National Bank.
Swineford.....First National Bank.
Tamaqua.....Tamaqua National Bank.
Tarentum....S. National Bank of Tarentum.
" People's National Bank.
" T.S. Tarentum Sav. & Trust Co.
Tidioute.....Grandin Bros.
" S. Tidioute Savings Bank.
Tioga.....Grange National Bank.
Tionesta.....Citizens' National Bank.
" Forest County National Bank.
Titusville.....Commercial Bank.
" Second National Bank.
Towanda.....First National Bank.
Trafford City...First National Bank.*
Troy.....First National Bank.*
" S. Grange National Bank.
Tunkhannock...Citizens' National Bank.
" Wyoming National Bank.
Turtle Creek....First National Bank.
Tyrone.....Farmers' & Merch. Nat'l Bank.
" First National Bank.
Union City.....National Bank of Union City.
Uniontown.....First National Bank.
" National Bank of Fayette Co.
Vanderbilt.....First National Bank.
Vandergrift.....Citizens' National Bank.
" T.S. Vandergrift Sav. & Trust Co.
Verona.....First National Bank.
Wampum.....First National Bank.
Warren.....First National Bank.
" S. Warren Savings Bank.
" T. Warren Trust Co.
Washington..S. First National Bank.
" T. Real Estate Trust Co.*
" T.S. Washington Trust Co.
Wayne.....T. Wayne Title & Trust Co.
Waynesboro..S. Bank of Waynesboro.
" Citizens' National Bank.
" S. People's National Bank.
Waynesburg....People's National Bank.
" T. Union Deposit & Trust Co.*
Weatherly.....First National Bank.
Webster.....S. First National Bank.
Wellsboro.....First National Bank.*
" T.S. Tioga County Sav. & Trust Co.
W. Chester.T.S. Chester County Trust Co.
" S. Dime Savings Bk. of Chester Co.*
" T. Farmers' & Mechanics' Trust Co.
" First National Bank.
" National Bank of Chester Co.*
W. Elizabeth..S. First National Bank.
West Grove.....National Bank of West Grove.
West Newton...Farmers' & Merchants' Bank.
" First National Bank.
West Pittston...West Side Bank.
Wilcox.....J. L. Brown Banking Co.
Wilkes-Barre..S. Anthracite Savings Bank.
" Dime Deposit & Discount Bk.*
" First National Bank.
" Luzerne County National Bank.
" S. People's Bank.*
" Second National Bank.
" South Side Bank.
" S. Wilkes-Barre Dep. & Sav. Bank.
" Wyoming National Bank.
" T. Wyoming Valley Trust Co.
Wilkinsburg....Central National Bank.
" First National Bank.
Williamsburg...First National Bank.
Williamsport....First National Bank.
" Lycoming National Bank.
" T. Northern Central Trust Co.*
" S Savings Inst. of Williamsport.*
" T. Susquehanna Trust and Safe Deposit Co.*
" West Branch National Bank.*
" Williamsport National Bank.
Wilmerding.....East Pittsburg National Bank.
" Wilmerding National Bank.
Wilson.....First National Bank.
Winburne.....Bituminous National Bank.
Windber.....Citizens' National Bank.
" T. Windber Trust Co.
Wyoming....S. First National Bank.
Yardley.....Yardley National Bank.
York.....Drovers' & Mech. Nat'l Bank.
" First National Bank.

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PENNSYLVANIA—*Continued*

York.....T. Security Title & Trust Co.
" Western National Bank.
" York County National Bank.*
" York National Bank.
York.....T.S. York Trust Co.
Youngsville...S. Youngsville Savings Bank.
Zelienople.....First National Bank.

RHODE ISLAND

Bristol.....T. Industrial Trust Co. (Branch).
Centreville.....Centreville National Bank of Warwick.
E. Greenwich.T. Union Trust Co. (Branch).
Greenville.....National Exchange Bank.
Hope Valley....First Nat'l Bank of Hopkinton.
Narragansett Pier.....T. Wakefield Trust Co. (Branch).
Newport.....S. Aquidneck National Bank.
" T. Industrial Tr. Co. of Providence.
" National Exchange Bank.
" Newport National Bank.
" T. Newport Trust Co.
" S. Savings Bank of Newport.
" Union National Bank.
Pascoag.....T. Industrial Tr. Co. of Providence.
Pawtucket...T. Industrial Trust Co.
" T.S. Slater Trust Co.
" S. Pawtucket Inst. for Savings.*
" S. Providence County Sav. Bank.
Phenix.....T. Phenix Trust Co.
Providence.....Atlantic National Bank.*
" Blackstone Canal Nat'l Bank.
" High Street Bank.
" T. Industrial Trust Co.
" T. Industrial Trust Co., Mechanics' Branch.
Providence....Mechanics' National Bank.
" Merchants' National Bank.
" National Bank of Commerce.
" National Exchange Bank.
" T. Rhode Island Hospital Tr. Co.*
" T. Union Trust Co.
" T. Union Tr. Co., Olneyville Br.
" United National Bank.
" Westminster Bank.
" Davis & Davis.
" A. P. Miller, Jr.
" Richardson & Clark.
" F. S. Stranahan & Co.*
" Lewis H. Tappan & Co.
Slatersville.....First Nat'l Bank of Smithfield.
Wakefield....T. Wakefield Trust Co. (South Kingston).
Warren.....T. Industrial Trust Co.
Westerly.....T. Industrial Tr. Co. of Providence.
" T. Washington Trust Co.
Wickford....T. Industrial Tr. Co. of Providence.
Woonsocket..T. Industrial Tr. Co. of Providence.
" National Globe Bank.
" S. People's Savings Bank.
" Producers' National Bank.
" S. Producers' Savings Bank.
" S. Woonsocket Inst. for Savings.

SOUTH CAROLINA

Abbeville.....National Bank of Abbeville.
Aiken.....Bank of Aiken.
Anderson.....Bank of Anderson.
" Farmers' & Merchants' Bank.
" People's Bank.
Bamberg.....Bamberg Banking Co.
" S. People's Bank.
Barnwell.....Bank of Barnwell.
Batesburg.....Citizens' Bank.
" First National Bank.*
Beaufort.....People's Bank.
Bennettsville....Bank of Marlboro.
Bishopville.....Bank of Bishopville.
" S. The People's Bank.
Blackville.....Bank of Blackville.
Branchville.....Bank of Branchville.
Camden.....Bank of Camden.
" S. First National Bank.
Carlisle.....Bank of Carlisle.
Charleston.....Bank of Charleston, National Banking Association.
" S. Commercial Savings Bank.
" S. Dime Savings Bank.
" S. Enterprise Bank.
" T.S. Exchange Banking & Trust Co.
" S. Germania Savings Bank.
" People's National Bank.
" S. Security Savings Bank.
" T. South Carolina Loan & Tr. Co.
" S. State Savings Bank.
Cheraw.....S. Bank of Cheraw.
" Merchants' & Farmers' Bank.

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SOUTH CAROLINA—*Continued*

Chester.....Commercial Bank.
" People's Bank.
Clio.....Bank of Clio.
Clover.....Bank of Clover.
Columbia.....Bank of Columbia.
" Carol na National Bank.
" T.S. Columbia Sav. Bank & Tr. Co.*
" S. National Loan & Exchange Bk.*
" Palmetto National Bank.*
" The State Bank.
Conway.....Bank of Conway.
" Bank of Horry.
Converse.....S. Converse Savings Bank.
Darlington.....Bank of Darlington.
" S. County Savings Bank.
Darlington C. H. People's Bank.
Dillon.....The Bank of Dillon.
" People's Bank.
Edgefield.....Bank of Edgefield.
" Farmers' Bank.
Florence.....Bank of Florence.
" The Farmers' & Mechanics' Bk.
" People's Bank.
Fountain Inn.. Bank of Fountain Inn.
Gaffney.....S. Merchants' & Planters' Bank.
" National Bank of Gaffney.
Georgetown...S. Bank of Georgetown.*
" People's Bank.
Greenville.....American Bank.
" Bank of Commerce.
" People's Bank.
" S. Piedmont Sav. & Invest. Co.
Greenwood...S. Bank of Greenwood.
" S. National Loan & Exchange Bank of Greenwood.
Greers.....Bank of Greers.
Hampton.....Bank of Hampton.
Hartsville.....Bank of Hartsville.
Inman.....Bank of Inman.
Johnston.....Bank of Johnston.
Jonesville.....Bank of Jonesville.
Kingstree.....Bank of Kingstree.
" Bank of Williamsburg.
Lancaster.....Bank of Lancaster.
" First National Bank.
Latta.....Bank of Latta.
Laurens.....S. Bank of Laurens.
" Lucas Savings Bank.
Lowndesville....Lowndesville Banking Co.
McCormick.....Bank of McCormick.
Manning.....Bank of Manning.
Marion.....Farmers' & Merchants' Bank.
Mullins.....Bank of Mullins.
Newberry.....Commercial Bank.
" National Bank of Newberry.
Ninety-Six.....Bank of Ninety-Six.
" Cambridge Bank.
Orangeburg.....Bank of Orangeburg.
" S. Edisto Savings Bank.
" People's Bank.
Pelzer.....S. Chicora Savings Bank.
Prosperity.....Bank of Prosperity.
Rock Hill.....National Union Bank.
Spartanburg....Bank of Spartanburg.
" Central National Bank.*
" First National Bank.
" S. Merchants' & Farmers' Bank.
Summerville....Bank of Dorchester.
Sumter.....Bank of Sumter.
" T. Farmers' Bank & Trust Co.
" First National Bank.
" S. Sumter Savings Bank.
Taylors.....Bank of Taylors.
Timmonsville...Bank of Timmonsville.
" The Citizens' Bank.
Union.....T. Nicholson Bank & Trust Co.
Walhalla.....Bank of Walhalla.
Westminster....Westminster Bank.
Whitmire.....Wm. Coleman & Co., Bankers.
Williamston.....The Bank of Williamston.
Woodruff.....The Bank of Woodruff.

SOUTH DAKOTA

Aberdeen.....Aberdeen National Bank.*
" T. Brown Bros.' State Bank & Trust Co.
" T.S. Citizens' Trust & Savings Bank.
" First National Bank.
" S. First State Savings Bank.
Alexandria.....First National Bank.
Andover.....Citizens' State Bank of Andover.
Ardmore.....Ardmore State Bank.*
Armour.....Armour State Bank.
Armour.....Citizens' State Bank.
Artesian.....Security State Bank.
Ashton.....Ashton State Bank.
Avon.....Avon German Bank.
Belle Fourche...Butte County Bank.
" First National Bank.
Beresford....S. Beresford State Bank.*
" Security State Bank.
Big Stone City..Gold & Co. State Bank.
Blunt.....Hughes County Bank.

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SOUTH DAKOTA—*Continued*

Bowdle.....Bank of Bowdle.
Bradley.....State Bank of Bradley.
Britton.....First National Bank.
Brookings.....First National Bank.
Bryant.....Merchants' Bank.*
Camp Crook....Little Missouri Bank.
Canova.....People's State Bank.
Canton.....Farmers' State Bank.
" S. First National Bank.
" Lincoln County Bank.
Castlewood....Citizens' State Bank.
" S. First National Bank.
Cavour.....First State Bank.
Centerville.....Bank of Centerville.
Chamberlain....Bank of Chamberlain.
" Brule National Bank.
" Chamberlain State Bank.
Clark.....Clark County National Bank.*
" Security Bank.
Clear Lake.....First National Bank.
Colman.....First National Bank.
Conde.....Conde Bank.
Crandall.....Crandall State Bank.
Crocker.....Farmers' State Bank.
Custer.....Custer County Bank.
" First National Bank.
Deadwood..T.S. Black Hills Trust & Sav. Bank.
" S. First National Bank.*
Dell Rapids....First National Bank.
Egan.....First National Bank.
Elkton.....First National Bank.
Eureka.....German Bank.
Faulkton.....Merchants' Bank of Faulkton.
Flandreau.....First National Bank.
" Flandreau State Bank.
" Moody County Bank.
Fort Pierre...S. Stock Growers' Bank.*
Frederick.....First National Bank.
Gann Valley....Bank of Buffalo County.
Garreston.....First National Bank.
Gettysburg....First National Bank.
" Potter County Bank.
Gregory.....First National Bank.
" Gregory National Bank.
Groton.....Brown County Banking Co.
" First National Bank.
Hecla.....First State Bank.
Herreid.....State Bank.
Highmore.....Bank of Highmore.
Hill City.....Hill City Bank.
Hoven.....Hoven State Bank.
Howard.....First National Bank.
Hudson.....Hudson State Bank.
Humboldt....S. Farmers' Bank.
Hurley.....Bank of Hurley.
Huron.....City National Bank.*
" S. First National Bank.
" James Valley Bank.
" National Bank of Huron.
Ipswich.....Bank of Ipswich.*
Iroquois.....Farmers' & Merchants' Bank.
Java.....First State Bank.
Lake Preston...Bank of Lake Preston.*
" S. Merchants' Exchange Bank.
Langford.....Commercial State Bank.
Lead.....S. First National Bank.
Lemmon.....First National Bank.
Lennox.....Exchange Bank.
Letcher.....First National Bank.
Madison.....Banking House of Mackay Bros.*
" First National Bank.
" Lake County Bank.
" Madison State Bank.
Mellette.....State Bank of Mellette.
Midland.....Bank of Midland.
Milbank.....First National Bank.
" Merchants' National Bank.
Miller.....First National Bank.
Mitchell.....S. Commercial & Savings Bank.
" Western National Bank.
Mobridge.....Farmers' State Bank.
" Mobridge State Bank.
Montrose.....Montrose Bank.
" S. Security State Bank.
Murdo.....First State Bank.
" Murdo State Bank.
Newark.....Citizens' State Bank.
Oacoma.....Citizens' State Bank.
Onida.....Farmers' Bank.
Orient.....Orient State Bank.
Ortley.....S. State Savings Bank.
Parkston.....German-American Bank.
Philip.....First State Bank.
Pierpoint.....First State Bank.
Pierre.....First National Bank.
" National Bank of Commerce.
" Pierre National Bank.
Ramona.....People's State Bank.
" Ramona State Bank.
Rapid City....First National Bank.
" Pennington County Bank.
Redfield.....German-American Nat'l Bank.
" Merchants' Bank.
" Redfield National Bank.
Rockham.....State Bank of Rockham.
Roswell.....State Bank of Roswell.
Rutland.....S. Farmers' Savings Bank.
Salem.....Commercial State Bank.
Scotland.....Bon Homme County Bank
Seneca.....State Bank of Seneca.

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SOUTH DAKOTA—*Continued*

Sioux Falls	S. Minnehaha National Bank.
"	T. State Banking & Trust Co.
"	Sioux Falls National Bank
"	S. Sioux Falls Savings Bank.
Sisseton	Citizens' National Bank.
"	First National Bank.
South Shore	S. First National Bank.
Spearfish	American National Bank.
"	Bank of Spearfish.
Springfield	First National Bank.*
Sturgis	Meade County Bank.
Summit	First State Bank.
Tea	S. Farmers' Savings Bank.
Twin Brooks	State Bank of Twin Brooks.
Tyndall	First National Bank.
"	Security Bank of Tyndall.
Vale	Belle Fourche Valley Bank.
Valley Springs	Minnehaha County Bank.
Veblen	Veblen State Bank.
Vermilion	Vermilion National Bank.
Volga	First State Bank.
Wagner	Commercial State Bank.
Wasta	Bank of Wasta.
Watertown	Citizens' National Bank.*
"	First National Bank.
Waubay	First National Bank.
"	State Bank of Waubay.
Webster	Farmers' & Merch. Nat'l Bank.
"	First National Bank.*
"	Security Bank.
Wentworth	Wentworth Bank.
Wessington Spgs.	First National Bank.
"	Wessington Springs State Bank.
White Lake	First National Bank.
White Rock	Citizens' State Bank.
"	S. First National Bank.
Whitewood	Whitewood Banking Co.
Winfred	State Bank of Winfred.
Woonsocket	Citizens' National Bank.
Yankton	American State Bank.
"	Dakota National Bank.
"	First National Bank.*

TENNESSEE

Alamo	Bank of Alamo.
Alexandria	Bank of Alexandria.
Athens	First National Bank.
Bolivar	Bank of Bolivar.
Bristol	First National Bank.
Brownsville	First National Bank.
Centreville	First National Bank.
Chattanooga	American National Bank.*
"	T. Avenue Bank & Trust Co.
"	S. Chattanooga Savings Bank.
"	Citizens' National Bank.*
"	First National Bank.*
"	Hamilton National Bank.*
"	T.S. Hamilton Trust & Savings Bk.
"	T. Security Bank & Trust Co.
Clarksville	S. First National Bank.
"	T.S. First Trust & Savings Bank.
"	Northern Bank of Tennessee
Cleveland	Cleveland National Bank.
Collierville	Bank of Collierville.
Columbia	Maury National Bank.
"	Phœnix National Bank.
Cookeville	Bank of Cookeville.
Covington	Tipton County Bank.*
Crossville	Bank of Crossville.
Dayton	T. Dayton Bank & Trust Co.
Decherd	First National Bank of Franklin County.
Dickson	Citizens' National Bank.
Dover	T. Dover Bank & Trust Co.
Dyer	Bank of Dyer.
"	Farmers' & Merchants' Bank.*
Dyersburg	Citizens' Bank.
"	First National Bank.
Etowah	First National Bank.
Fayetteville	T. Farmers' Bank & Trust Co.
"	First National Bank.
Franklin	Harpeth National Bank.
Gallatin	First National Bank.
Greenfield	Fruit Growers' Bank.
"	Greenfield Bank.
Halls	Bank of Halls.*
Harriman	First National Bank.
Henning	Farmers' & Merchants' Bank.
Humboldt	Bank of Humboldt.
"	Merchants' State Bank.
Huntingdon	Bank of Huntingdon.
Jackson	First National Bank.
"	Second National Bank.*
"	T.S. Union Bank & Trust Co.*
Jamestown	Bank of Jamestown.
Johnson City	Unaka National Bank.
Jonesboro	T. The Banking & Trust Co.
Knoxville	City National Bank.
"	East Tennessee National Bank.
"	Holston National Bank. *
"	T.S. Knox County Bank & Trust Co.*
"	T.S. Knoxville Banking & Trust Co.*
"	T.S. Mechanics' Bank & Trust Co.
"	Third National Bank.*

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TENNESSEE—*Continued*

Knoxville.....Union Bank.
La Grange ...S. La Grange Savings Bank.
Lawrenceburg...First National Bank.*
Little Lot....T. Little Lot Bank & Trust Co.
Loudon.....Bank of Loudon.
Lynchburg.....Farmers' Bank.*
McKenzie.....Bank of McKenzie.
Madisonville....Bank of Madisonville.
Martin.....City National Bank.
" The Martin Bank.
" People's Bank.
Maryville.....Bank of Blount County.
Memphis...T.S. Bank of Commerce & Trust Co.*
" T. Central Bank & Trust Co.*
" T. Chickasaw Bank & Trust Co.
" T.S. Commercial Tr. & Sav. Bank.*
" S. Continental Savings Bank.
" First National Bank.
" T.S. Germania Sav. Bank & Tr. Co.
" T.S. Manhattan Sav. Bank & Tr. Co.
" Mercantile Bank.
" National City Bank.
" S. North Memphis Savings Bank.
" T.S. People's Sav. Bank & Tr. Co.*
" T. Security Bank & Trust Co.
" T.S. Solvent Sav. Bank & Trust Co.
" State National Bank.
" T. Union & Planters' Bk. & Tr. Co.*
" T.S. Union Sav. Bank & Trust Co.*
" T.S. United States Tr. & Sav. Bank.*
" Martin & Raine, Bankers, Inc.
Milan.....Farmers' State Bank.
Milan.....Milan Banking Co.
Morristown.....City National Bank.
Mt. Pleasant....First National Bank.
Nashville.....American National Bank.*
" First National Bank.*
" T.S. First Savings Bank & Trust Co.*
" Fourth National Bank.*
" T. Nashville Trust Co.
" T.S. Union Bank & Trust Co.
" Thos. Plater & Co.
" Thos. W. Wrenne & Co.
Newbern.....Farmers' & Merchants' Bank.*
Newport.....Merchants' & Planters' Bank.
Paris.....Commercial Bank.
Pulaski.....Citizens' National Bank.
" T. Commercial Bank & Trust Co.
" National People's Bank.
Robbins.....T. Robbins Bank & Trust Co.
Rockwood.....First National Bank.*
" T. Rockwood Bank & Trust Co.
Selmer.....First National Bank.
Sevierville.....Bank of Sevierville.
Shelbyville.....Farmers' Bank.
Somerville.....Fayette County Bank.*
So. Pittsburg....First National Bank.
Sweetwater.....Bank of Sweetwater.
Tiptonville.....Lake County Bank.
Trenton.....The Exchange Bank.
Tullahoma...S. First National Bank.
" Traders' National Bank.
Union City.....First National Bank.*
" Third National Bank.

TEXAS

Abilene.....Citizens' National Bank.
" Commercial National Bank.
" Farmers' & Merch. Nat'l Bank.
Albany.....First National Bank.
Alice.....Alice State Bank.
Alvarado.....Alvarado Banking Co.
Amarillo ....T. Amarillo Bank & Trust Co.
" Amarillo National Bank.
" First National Bank.*
" National Bank of Commerce.*
Arlington.....Citizens' National Bank.
Atlanta.....First National Bank.
Austin.....American National Bank.
" Austin National Bank.
" T. Citizens' Bank & Trust Co.
Laird.....First National Bank.
" Home National Bank.
Ballinger.....First National Bank.
Bartlett.....First National Bank.
Bastrop.....Citizens' State Bank.
Bay City.....T. Bay City Bank & Trust Co.
" First National Bank.
Beaumont.....American National Bank.
" Commercial National Bank.*
" First National Bank.
" Gulf National Bank.*
Benjamin.....First National Bank.
Big Springs.....First National Bank.
Boerne.....Boerne State Bank.
Bonham.....Fannin County National Bank.
Brady.....Brady National Bank.
" Commercial National Bank.
Brandon.....Brandon Banking Co.
Bronte.....S. First State Bank.
Brownsville..T. Brownsville Bank & Trust Co.
Brownwood.....Brownwood National Bank.
" Coggin & Ford Co.
Bryan.....City National Bank.

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TEXAS—*Continued*

Burkburnett....First National Bank.
Calvert.....Calvert State Bank.
Canyon.....Canyon National Bank.
" First National Bank.*
Carthage.....First National Bank.
Childress.....City National Bank.
Clarksville.....Red River National Bank.*
Cleburne.....Farmers' & Merchants' Nat'l Bk.
" National Bank of Cleburne.
Clifton.....First National Bank.
Coleman.....Farmers' State Bank.
Collinsville...S. First National Bank.
Colorado.....Colorado National Bank.
Columbus.....Simpson Bank.
" R. E. Stafford & Co.
Comfort.....Comfort State Bank.
Corpus Christi...Corpus Christi National Bank.*
" First State Bank.
Corsicana.....First National Bank.
Crockett.....First National Bank.
Cuero.....Buchel National Bank.
" T. First State Bank & Trust Co.
" H. Runge & Co., Bankers.
Dalhart.....Dalhart National Bank.
" First National Bank.
Dallas.....American Exchange Nat'l Bk.*
" City National Bank.*
" Commonwealth National Bank.*
" T.S. Dallas Trust & Savings Bank.
" T. Guaranty State Bank & Tr. Co.
" Trinity National Bank.*
Dayton.....Dayton State Bank.
Denison.....T. Denison Bank & Trust Co.
" S. National Bank of Denison.
" State National Bank.*
Denton.....Exchange National Bank.
" First National Bank.
Devine.....Adams National Bank.
Eagle Lake.....Eagle Lake State Bank.
Eagle Pass.....First National Bank.*
El Campo.....State Bank of El Campo.
El Dorado.....El Dorado State Bank.
" First National Bank.
Elgin.....Elgin National Bank.
" Merch. & Farmers' State Bank.
El Paso.....American National Bank.*
" City National Bank.
" First National Bank.*
" National Bank of Commerce.
" State National Bank.
Ennis.....Citizens' National Bank.
Falfurrias.....Falfurrias State Bank.
Farmersville....Farmers' & Merch. Nat'l Bank.
Farwell.....First National Bank.
Flatonia.....First National Bank.
Forney.....Farmers' National Bank.
Fort Worth.....American National Bank.*
" T. Continental Bank & Trust Co.
" Farmers' & Mechanics' Nat'l Bk.
" First National Bank.*
" Fort Worth National Bank.*
" State National Bank.
" Traders' National Bank.*
Fredericksburg..Bank of Fredericksburg.
" Citizens' Bank.
Friona.....First State Bank.
Gainesville.....First National Bank.
" First State Bank.
" German-American State Bank.
" Lindsay National Bank.
Galveston.....First National Bank.
" Galveston National Bank.
" T.S. Texas Bank & Trust Co.
" Adoue & Lobit, Bankers.
" Hutchings, Sealy & Co.
" S. Ed. McCarthy & Co.
" W. L. Moody & Co., Bankers.
Garland.....National Bank of Garland.
Gonzales.....Farmers' National Bank.
" T. Gonzales State Bank & Tr. Co.
Gordon.....First National Bank.
Grand Falls.....First State Bank.
Groveton.....First National Bank.
Hallettsville....Lavaca County National Bank.
" Rosenberg Bros.' Bank.
Hallville.....First State Bank.
Hereford.....Western National Bank.
Hico.....First National Bank.
" Hico National Bank.
Higgins.....First National Bank.
Hillsboro.....Citizens' National Bank.
" Sturgis National Bank.
Honey Grove...First National Bank.
" Planters' National Bank.
Houston.....American National Bank.
" T. Bankers' Trust Co.
" T.S. Central Bank & Trust Co.
" Commercial National Bank.
" First National Bank.*
" T. Houston Land and Trust Co.
" Lumbermen's National Bank.
" Merchants' National Bank.*
" South Texas National Bank.
" T.S. Texas Trust Co.*
" T. Union Bank & Trust Co.
Hubbard.....First National Bank.
Huntsville.....Gibbs National Bank.
" Huntsville State Bank.
Itasca.....First National Bank.
Jacksboro.....First National Bank.

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TEXAS—*Continued*

Jasper ..... First National Bank.
Jefferson ..... Rogers National Bank.
Junction ..... Junction State Bank.
Kemp ..... First National Bank.
Kosse ..... Merchants' & Farmers' Bank.
Ladonia ..... First National Bank.
La Grange ..... First National Bank.
" ..... Jno. Schumacher State Bank.
Lampasas ..... First National Bank.
" ..... People's National Bank.
Lancaster ..... Banking House of R. P. Henry.
Laredo ..... T. First State Bank & Trust Co.
" ..... Laredo National Bank.
" ..... Milmo National Bank.
Liberty ..... Liberty County Bank.
Lindale ..... First National Bank.
Llano ..... Home National Bank.
" ..... Llano National Bank.
Lockhart ..... First National Bank.
" ..... Lockhart National Bank.
Lufkin ..... Angelina County National Bank.
" ..... Lufkin National Bank.*
Luling ..... T. Lipscomb Bank & Trust Co.
" ..... Luling State Bank.
McGregor ..... First National Bank.
Madisonville ..... First National Bank.
Manor ..... Farmers' National Bank.
Marshall ..... First National Bank.
" ..... State Bank of Marshall.
Memphis ..... First National Bank.
Menardville ..... Bank of Menard.
Meridian ..... First National Bank.
Mexia ..... First National Bank.
Midlothian ..... First National Bank.
Miles ..... Miles National Bank.
" ..... Runnels County National Bank.
Mineola ..... First National Bank.
Mineral Wells ..... Bank of Mineral Wells.
Moody ..... First National Bank.
Morgan ..... First National Bank.
Myra ..... Bank of Myra.
Navasota ..... First National Bank.
New Boston ..... First National Bank.
Newton ..... Newton County Bank.
Nixonville ..... Nixon State Bank.
No. Fort Worth ..... Stockyards National Bank.*
Orange ..... First National Bank.
" ..... Orange National Bank.
Overton ..... Farmers' & Merchants' Bank.
Palestine ..... Palestine National Bank.
" ..... Robinson Bros., Bankers.
Paris ..... First National Bank.
Pecos ..... Pecos Valley Bank.
Pilot Point ..... Pilot Point National Bank.
Plano ..... Farmers' & Merch. Nat'l Bank.
Plano ..... Plano National Bank.
Port Arthur ..... First National Bank.
" ..... Merchants' State Bank.
Richardson ..... The Citizens' State Bank.
Richmond ..... J. H. P. Davis & Co., Bankers.
Roby ..... First National Bank.
Rockdale ..... First National Bank.
Rockport ..... First National Bank.
Rockwall ..... Citizens' National Bank.
" ..... Farmers' National Bank.
Rotan ..... First National Bank.
Rowena ..... First State Bank.
San Angelo ..... First National Bank.
" ..... T. San Angelo Bank & Trust Co.*
" ..... Western National Bank.
San Antonio ..... Alamo National Bank.
" ..... T. American Bank & Trust Co.*
" ..... City National Bank.
" ..... S. Emmet Bank.
" ..... Frost National Bank.
" ..... Lockwood National Bank.
" ..... National Bank of Commerce.
" ..... T. San Antonio Loan & Trust Co.*
" ..... San Antonio National Bank.
" ..... T. State Bank & Trust Co.*
" ..... T. Union Trust Co.
" ..... F. Groos & Co., Bankers.
" ..... D. Sullivan & Co., Bankers.
San Augustine ..... First National Bank.
San Diego ..... San Diego State Bank.
San Marcos ..... First National Bank.
Santa Anna ..... First National Bank.
Santo ..... First National Bank.
Schulenburg ..... First National Bank.
Sealy ..... Citizens' State Bank.
" ..... Sealy National Bank.*
Seguin ..... First National Bank.
Shamrock ..... Farmers' & Merch. State Bank.
Sherman ..... Merch. & Planters' Nat'l Bank.
Smithville ..... First National Bank.
" ..... First State Bank.
Stephenville ..... First National Bank.
Sulphur Springs ..... City National Bank.
" ..... First National Bank.
Sweetwater ..... First National Bank.
" ..... Thos. Trammell & Co.
Temple ..... First National Bank.
Texarkana ..... Texarkana National Bank.
Thorndale ..... First National Bank.
Toyah ..... Citizens' State Bank.
Troy ..... Citizens' Exchange Bank.
Tulia ..... T. Tulia Bank & Trust Co.
Tyler ..... Citizens' National Bank.
" ..... Jester National Bank.
Valley Mills ..... First National Bank.

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TEXAS—*Continued*

Venus.....Farmers' & Merch. Nat'l Bank.
" First National Bank.
Vernon.....Herring National Bank.
" Waggoner National Bank
Victoria.....First National Bank.
" A. Levi & Co., Bankers.
Waco.....First National Bank.
" Provident National Bank.
" Waco State Bank.
Waelder.....Farmers' State Bank.
Waller.....German-American Bank.
Waxahachie....Citizens' National Bank.
" T. State Bank & Trust Co.
Wharton.....Wharton National Bank.
Whitesboro.....City Bank of Whitesboro.
Wichita Falls...City National Bank.
Windom.....Bank of Windom.
Winnsboro.....First National Bank.
Wolfe City.....Wolfe City National Bank.
Yorktown.....First State Bank.

UTAH

Bingham Canyon Bingham State Bank.
Bountiful.....Bountiful State Bank.
Brigham City...First National Bank.
Cedar City.....Bank of Southern Utah.
Coalville.....First National Bank.
Heber City...S. Bank of Heber City.
Hyrum.....Hyrum State Bank.
Kaysville.....Barnes Banking Co.
Layton.....S. First National Bank.
Lehi.....Utah Banking Co.
Logan.....Cache Valley Banking Co.
" S. First National Bank.*
Morgan.....First National Bank.
Murray.....First National Bank.
Nephi.....First National Bank.
Oasis.....State Bank of Oasis.
Ogden.....Commercial National Bank.*
" First National Bank.
" S. Ogden Savings Bank.
" S. Ogden State Bank.
" S. Pingree National Bank.
" S. Utah National Bank.
Park City....S. First National Bank.*
Payson.....S. Payson Exchange Savings Bank.
Price.....First National Bank.
Provo City.....Farmers' & Merchants' Bank.
Richfield.....James M. Peterson Bank.
St. George....S. Bank of St. George.
Salt Lake City S. Continental National Bank.
" Deseret National Bank.*
" S. Deseret Savings Bank.*
" Merchants' Bank.
" National Bank of Republic.*
" T. Salt Lake Security & Trust Co.*
" State Bank of Utah.
" Utah National Bank.
" T.S. Utah Savings & Trust Co.
" T.S. Zion Sav. Bank & Trust Co.
" Walker Bros.' Bank.
" McCornick & Co., Bankers.
Spanish Fork...First National Bank.
Springville.....Springville Banking Co.
Tremonton.....Cole Banking Co.
West Jordan....Jordan State Bank.

VERMONT

Barre.....T.S. Barre Savings Bank & Trust Co.
" T.S. Granite Sav. Bank & Trust Co.
" National Bank of Barre.
" S. People's National Bank.
Bellows Falls T. Bellows Falls Trust Co.
" Nat'l Bank of Bellows Falls.
Bennington.....Bennington Security Co.
" First National Bank.
Bethel.....National White River Bank.
Bradford.....Bradford National Bank.
Brandon.....Brandon National Bank.
" First National Bank.
Brattleboro...T. Brattleboro Trust Co.
" People's National Bank.
Brattleboro.....Vermont National Bank.
" S. Vermont Savings Bank.
Bristol.....First National Bank.
Burlington...S. Burlington Savings Bank.
" T. Burlington Trust Co.*
" T. Chittenden Trust Co.
" Howard National Bank.
Chelsea.....National Bank of Orange Co.
Chester.....S. Chester Savings Bank.
Derby Line.....National Bank of Derby Line.
Enosburg Falls T.S. Enosburg Falls Sav. Bank & Trust Co.
Fair Haven.....First National Bank.
Hardwick..T.S. Hardwick Sav. Bank & Tr. Co.

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VERMONT—*Continued*

Ludlow....T.S. Ludlow Sav. Bank & Trust Co.
Manchester Centre.....Factory Point National Bank.
Montpelier.....First National Bank.
" Montpelier National Bank.
" T.S. Montpelier Sav. Bank & Tr. Co.
Morrisville..T.S. Union Sav. Bank & Trust Co.
Newport.....S. National Bank of Newport.
" T. Orleans Trust Co.
No. Bennington..First National Bank.
Northfield....S. Northfield Savings Bank.
Orwell.....First National Bank.
Poultney.....First National Bank.
Proctor ...T.S. Proctor Trust Co.
Randolph.....Randolph National Bank.
Rutland.....Baxter National Bank.
" Clement National Bank.
Rutland.....Rutland County Nat'l Bank.
" S. Rutland Savings Bank.
St. Johnsbury...First National Bank.
" S. Passumpsic Savings Bank.
Vergennes.....National Bank of Vergennes.
Wells River.....National Bank of Newbury.
" S. Wells River Savings Bank.
White River Junction.....Hartford National Bank.
" Nat'l Bank of White River June.
" S. White River Savings Bank
Wilmington...S. Wilmington Savings Bank.
Windsor.....State National Bank.
" S. Windsor Savings Bank.
Winooski....T. Champlain Trust Co.
" S. Winooski Savings Bank.
Woodstock.....Woodstock National Bank.

VIRGINIA

Accomac.....Thos. W. Blackstone, Banker.
Alexandria.....Alexandria National Bank.
" Citizens' National Bank.*
" First National Bank.
" Burke & Herbert, Bankers.
Amelia.....Farmers' & Merchants' Bank.
Amherst.....Bank of Amherst.*
Appalachia.....First National Bank.
Appomattox....Bank of Appomatox.
Berkley.....Merchants' & Planters' Bank.
Blackstone.....Citizens' Bank.
" First National Bank.
Big Stone GapT. Interstate Finance & Trust Co
Bowling Green..Caroline County Bank.
Boyce.....Boyce State Bank.
Boydton.....Williams & Goode, Bankers.
Boykins.....S. Meherrin Valley Bank.
Bristol.....Bank of Bristol.
" Dominion National Bank.
Buchanan.....Bank of Buchanan.
Buena Vista....People's Bank.
Burkeville.....Farmers' & Merchants' Bank.
Charlottesville...Albemarle National Bank of Charlottesville.
" Jefferson National Bank.
" People's National Bank.
Chase City.....First Nat'l Bank of Chase City.
Clarksville.....Planters' Bank.
Clifton Forge...Clifton Forge National Bank
" First National Bank.
Clintwood.....Dickenson County Bank.
Coeburn.....First National Bank.
Columbia.....State Bank of Columbia.
Covington.....Citizens' National Bank.*
Covington.....Covington National Bank.
" S. Covington Savings Bank.
Culpeper.....Culpeper National Bank.
" Second National Bank.
Damascus.....Bank of Damascus.
Danville.....First National Bank.
" Johnston & Cheek, Bankers.
Dendron.....Bank of Dendron.
Drakes Branch..State Bk. of Charlotte Co., Inc.
Dublin.....Bank of Dublin.
Eagle Rock.....Eagle Rock Bank.*
East Radford...Farmers' & Merchants' Bank.
Emporia.....First National Bank.
" S. Greensville Bank.
" Merchants' & Farmers' Bank.
Esmont.....Esmont National Bank.
Farmville.....Planters' Bank.
Fincastle.....Bank of Fincastle.
Franklin.....Merchants' & Farmers' Bank.
" S. Vaughan & Co., Bankers.
Fredericksburg..Conway, Gordon & Garnett. National Bank.
" Farmers' & Merch. State Bank.
" Nat'l Bank of Fredericksburg.
Fries.....T. Washington Banking & Tr. Co.
Front Royal....Front Royal National Bank.
Gate City.....First National Bank.
Glade Spring....Bank of Glade Spring.
Graham.....Bank of Graham.
Gordonsville..T. Virginia Safe Dep. & Trust Corp.
Hampton.....Bank of Hampton.
" First National Bank.
" Merchants' National Bank.
" Boyenton & Co., Bankers.

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VIRGINIA—*Continued*

Harrisonburg..S. Rockingham National Bank.
Honaker.....New Garden Bank.
Hot Springs....Bath County National Bank.*
Jarratt.....Bank of Jarratt.
Keller.....S. Bank of Keller, Inc.
Kenbridge.....Bank of Lunenburg.
La Crosse.....Bank of La Crosse, Inc.
Lawrenceville...Bank of Lawrenceville.
Leesburg.....People's National Bank.
Louisa.....Bank of Louisa.
Luray.....First National Bank.
Lynchburg...S. American National Bank.
" First National Bank.
" Lynchburg National Bank.
" National Exchange Bank.
" People's National Bank.
Manassas....S. National Bank of Manassas.
" People's National Bank.
Marion.....Marion National Bank.
Marshall.....Bank of Marshall.
Martinsville....First National Bank.
" People's Bank.
Middletown....Middletown State Bank.
Mt. Jackson....People's Bank.
Narrows.....First State Bank.
New Market....Citizens' Bank.
Newport News..Citizens' & Marine Bank.
" First National Bank.
" T. Powell Trust Co.
" Schmelz Bros., Bankers.
Norfolk.....Bank of Norfolk.
" S. Citizens' Bank.
" Marine Bank.
" Mercantile Bank, Inc.
" S. Merchants' & Mechanics' Savings Bank.
" S. National Bank of Commerce.
" T.S. Norfolk Bank for Sav. & Trusts.*
" Norfolk National Bank.*
" T. People's Bank & Trust Co.
" Seaboard Bank, Inc.
" T. Union Trust & Title Corp.
" T. Virginia Bank & Trust Co.
Norton.....Citizens' Bank.
" First National Bank.
Onancock.....First National Bank.
Onley.....Farmers' & Merch. Nat'l Bank.
Orange.....National Bank of Orange.
Pamplin City...State Bank of Pamplin.
Parksley.....Parksley National Bank.
Pearisburg.....First National Bank.
Petersburg.....The National Bank.*
" S. Petersburg Savings & Ins. Co.*
" Virginia National Bank.*
Phœbus.....Bank of Phœbus.
Portsmouth.....Bank of Portsmouth.
" Bank of Tidewater.
" Merchants' & Farmers' Bank.
Pulaski City....People's Bank.
Purcellville.....Purcellville National Bank.*
Radford.....T. Radford Trust Co.
Richmond....S. American National Bank.*
" T. Bank of Commerce & Trusts.*
" Bank of Richmond.
" S. Capital Savings Bank.
" S. City Bank.
" Commonwealth Bank.
" S. First National Bank.
" Main Street Bank.
" S. Mechanics' Savings Bank.*
" S. Merchants' National Bank.*
" S. National Bank of Virginia.
" National State Bank.*
" S. Planters' National Bank.
" S. Savings Bank Grand F. U. O. True Reformers.
" S. Savings Bank of Richmond.
" S. St. Luke Penny Savings Bank.
" T. Virginia Trust Co.
" West End Bank.
" Commercial Guarantee Co.
" Branch, Cabell & Co.
" Thos. Branch & Co., Bankers.
" Davenport & Co., Bankers.
" Henry S. Hutzler & Co., Bkrs.
" Scott & Stringfellow.
" John L. Williams & Sons, Bkrs.
Roanoke.....City National Bank.
" First National Bank.
" S. National Exchange Bank.*
Rosslyn.....Arlington National Bank.
Saint Paul.....Saint Paul National Bank.
Salem.....Farmers' National Bank.
" T. Salem Loan & Trust Co.
Scottsville.....Fidelity Bank.
Smithfield.....Bank of Smithfield.
South Boston...Bank of South Boston.
" First National Bank.
" Planters' & Merch. Nat'l Bank.
Staunton.....S. Farmers' & Merchants' Bank.
" National Valley Bank.
Stephens City...People's Bank.
Strasburg.....Massanutten National Bank.
" S. People's National Bank.
Suffolk.....Bank of Suffolk.
" Farmers' Bank of Nansemond.
" Merchants' & Truckers' Bank.
Troutville.....Farmers' & Canners' Bank of Botetourt County.
Virginia Beach..Bank of Princess Anne.

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VIRGINIA—*Continued*

Warrenton.....Fauquier National Bank.
Warsaw.....Northern Neck State Bank.
Waverly.....Bank of Waverly.
Williamsburg...Peninsula Bank.
Winchester.....Shenandoah Valley Nat'l Bank.
Wise.....Wise County Bank.
Woodstock.....Shenandoah National Bank.

WASHINGTON

Aberdeen.....Aberdeen State Bank.
" United States National Bank.
" Hayes & Hayes, Bankers.
Albion.....Albion State Bank.
Almira.....Almira State Bank.
" Pioneer State Bank.
Anacortes.....Bank of Commerce.
" Citizens' Bank.
Asotin.....Bank of Asotin County.
" E. Baumeister & Co.
Auburn.....Auburn State Bank.
" Christopher, Knickerbocker & Howard.
Bellingham.....Bellingham National Bank.
" First National Bank.
Bremerton.....First National Bank.
Brewster.....First National Bank.
Bridgeport.....Bridgeport State Bank.
Burlington.....Skagit State Bank.
Castle Rock.....Castle Rock Bank.
Centralia.....T. Union Loan & Trust Co.
Chehalis.....Chehalis National Bank.
" S. Security State Bank.
" S. Coffman, Dobson & Co.
Chelan.....Miners' & Merchants' Bank.
Cheney.....National Bank of Cheney.
" Security National Bank.
Chewelah.....First National Bank.
Clarkston.....First National Bank.
" State Bank of Clarkston.
Cle Elum.....Cle Elum State Bank.
Colfax.....Colfax National Bank.
" Colfax State Bank.
" T.S. First Savings Bank & Trust Co. of Whiteman County.
Colville.....Bank of Colville.
" T. Colville Loan & Trust Co.
" First National Bank.
Conconully.....Commercial Bank.
Connell.....Connell National Bank.
Coulee City.....Coulee State Bank.
Creston.....Creston State Bank.
Davenport.....Davenport National Bank.
" S. Lincoln County State Bank.
Deer Park.....First State Bank.
Douglas.....Douglas State Bank.
Edison.....Farmers' & Merchants' Bank.
Edwall.....Bank of Edwall.
Elberton.....A. R. Metz, Private Bank.
Ellensburg...S. Bank of Ellensburg.
" Farmers' Bank.
" S. Washington National Bank.
Endicott.....Bank of Endicott.
Everett.....S. Bank of Commerce.
" T.S. Everett Trust & Savings Bank.
" First National Bank.
Farmington.....Bank of Farmington.
Ferndale.....Ferndale State Bank.
Friday Harbor..San Juan County Bank.
Garfield.....Bank of Garfield.
" First State Bank.
Georgetown.....Citizens' Bank.
Glenwood.....Chas. R. Spencer, Private Bank.
Goldendale.....State Bank of Goldendale.
Granite Falls....Granite Falls State Bank.
Harrington.....Bank of Harrington.
" First National Bank.
" Harrington State Bank.
Hatton.....Farmers' State Bank.
Hoquiam.....First National Bank.*
" S. Lumbermen's Bank.
Issaquah.....Bank of Issaquah.
Kahlotus.....Bank of Kahlotus.
Kalama.....Cowlitz County Bank.
Kelso.....First National Bank.
" Kelso State Bank.
Kennewick.....First International Bank.
" First National Bank.
Kent.....State Bank of Kent.
Krupp.....Farmers' Bank.
LaConner.....W. E. Schricker & Co.
Lamont.....Lamont State Bank.
Leavenworth.S. TumWater Savings Bank.
Lind.....Bank of Lind.
" First National Bank.
Lynden.....Lynden State Bank.
Mabton.....Mabton Bank.
Malden.....Farmers' & Merch. State Bank.
Mansfield.....Mansfield State Bank.
Marysville.....Marysville State Bank.
Medical Lake...First National Bank.
Molsom.....Commercial Bank.
Monroe.....First National Bank.
" Monroe National Bank.

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WASHINGTON—*Continued*

Montesano	Montesano National Bank.
Mt. Vernon	First National Bank.
"	Mt. Vernon State Bank.
Newport	First National Bank.
"	Security State Bank.
Northport	Northport State Bank.
North Yakima	Farmers' & Merchants' Bank.
" S.	First National Bank.
"	Yakima National Bank.
" T.	Kakima Trust Co.
"	Yakima Valley Bank.
Oakesdale	Commercial State Bank.
"	National Bank of Oakesdale.
Odessa	First National Bank.
"	Odessa State Bank.
Okanogan	First National Bank.
Olympia	Capital National Bank.
"	Olympia National Bank.
Omak	Omak State Bank.
Oroville	Bank of Oroville.
"	First National Bank.
Outlook	Outlook State Bank.
Palouse	The National Bank.
"	Security State Bank.
Pasco	Bank of Pasco.
" S.	First National Bank of Pasco.
Pine City	Wilmer, Dwyer & Stone, Bkrs.
Port Orchard	Kitsap County Bank.
Port Townsend	First National Bank.
"	Merchants' Bank.
Prescott	First State Bank.
Prosser	Citizens' State Bank.
Pullman	First National Bank.*
"	Pullman State Bank.
Puyallup	Citizens' State Bank.
"	Puyallup State Bank.
Quincy	First National Bank.
Ralston	Bank of Ralston.
Raymond T.	Raymond Trust Co.
"	Willapa Harbor State Bank.
Reardan	Reardan Exchange Bank.
Renton T.S.	Union Sav. & Tr. Co. (Branch).
Republic	Bank of Republic.
"	Ferry County State Bank.
Ritzville	First National Bank.
"	German-American State Bank.
"	Pioneer National Bank.
Riverside	Okanogan State Bank.
Rockford	Coey Banking Co.
Rosalia	Bank of Rosalia.
"	Whitman County National Bk.
Roslyn	Cle Elum State Bank (Branch).
St. John	St. John State Bank.
Seattle T.S.	American Sav. Bank & Trust Co.
"	Bank of California.
Seattle	Canadian Bank of Commerce.
" S.	First National Bank.
"	Fremont State Bank.
" S.	Green Lake State Bank.
"	Japanese Commercial Bank.
"	Metropolitan Bank.
"	National Bank of Commerce.
" T.	Northern Bank & Trust Co.
" T.S.	Northwest Tr. & Safe Dep. Co.
" S.	People's Savings Bank.
"	Puget Sound National Bank.
" S.	Scandinavian American Bank.
"	Seattle National Bank.
" S.	State Bank of Seattle.
" T.	Title Trust Co.
" T.S.	Union Savings & Trust Co.
" T.S.	Union Savings & Trust Co., Ballard Branch.
"	University State Bank.
" T.	Washington Trust Co.
" S.	Dexter, Horton & Co., Bankers.*
Sedro-Woolley	C. E. Bingham & Co., Bankers.
Shelton	State Bank.
Snohomish	Com. Bank of Snohomish Co.
"	First National Bank.
South Bend	First International Bank.
Spangle	State Bank of Spangle.
Spokane	Exchange National Bank.*
" S.	Fidelity National Bank.
"	National Bank of Commerce.
" T.	Northwest Loan & Trust Co.
" S.	Old National Bank.*
" S.	Scandinavian-American Bank.
" T.S.	Spokane & Eastern Trust Co.*
"	Traders' National Bank.
" T.	Union Trust Co.
" T.	Washington Trust Co.
Sprague	J. F. Green & Co., Inc.
Stevenson	Bank of Stevenson.
Sumner	State Bank of Sumner.
Sunnyside	The Sunnyside Bank.
Tacoma	Bank of California.
" T.S.	Fidelity Trust Co.*
"	National Bank of Commerce.
" S.	Pacific National Bank.*
" S.	Puget Sound Savings Bank.
"	Scandinavian American Bank (Branch).
Tekoa	Citizens' State Bank.
"	Tekoa State Bank.
Tenino	State Bank of Tenino.
Toppenish	First National Bank.
"	Traders' Bank.
Twisp	Commercial Bank.
Uniontown	Farmers' State Bank.

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WASHINGTON—*Continued*

Uniontown.....Fidelity State Bank.
Vancouver.....Commercial Bank.
" Vancouver National Bank.
Waitsburg.....Exchange Bank.
" First National Bank.
Walla Walla..S. Baker-Boyer National Bank.*
" J. L. Elanis Bank.
" First National Bank.
" S. Third National Bank.
Wapato.....First National Bank.
Washtucna.....First National Bank.
Waterville.....Douglas County Bank.
" S. Waterville Savings Bank.
Wenatchee.....Columbia Valley Bank.
" Farmers' & Merchants' Bank.
" First National Bank.
White Bluffs....First Bank of White Bluffs.
White Salmon...White Salmon Valley Bank.
Wilbur.....Farmers' State Bank.
" State Bank of Wilbur.
Winlock.....Bank of Winlock.
Woodland.....Woodland State Bank.

WEST VIRGINIA

Alderson.....First National Bank.
Amos.....Farmers' & Merchants' Bank.
Belington.....Citizens' National Bank.
Beverly.....Beverly Bank.
Bluefield.....First National Bank.*
" Flat Top National Bank.
Bramwell.....Bank of Bramwell.
Bridgeport.....Bridgeport Bank.
Bruceton Mills..Bruceton Bank.
Buckhannon....Traders' National Bank.
Ceredo.....First National Bank
Charleston.....Capital City Bank.*
" S. Charleston National Bank.
" Citizens' National Bank.
" Elk Banking Co.
" Glenwood Bank.
" T. Kanawha Banking & Trust Co.
" Kanawha National Bank.
" Kanawha Valley Bank.*
Charlestown.....National Citizens' Bank.
Chester.....First National Bank.
Clarksburg.....Empire National Bank.
" Merchants' National Bank.
" Union National Bank.
Clendenin....S. First National Bank.
Davis.....National Bank of Davis
Durbin.....Bank of Durbin.
Elkins.....T. Davis Trust Co.
" Elkins National Bank.
Elm Grove.....First National Bank.
Fairmont.....First National Bank.
" S. Home Savings Bank.
" National Bank of Fairmont.
" People's Bank.
Fayetteville.....Bank of Fayette.
Gary.....Gary National Bank.
Gassaway.....Bank of Gassaway.
Gauley Bridge...Bank of Gauley.
Glenville.....Kanawha Union Bank.
Grafton.....Grafton Bank.
Grafton....T.S. Grafton Banking & Trust Co.*
" S. Merchants' & Mechanics' Savings Bank.
Hamlin.....Lincoln National Bank.
Hinton.....First National Bank.
Huntington.T.S. American Bank & Trust Co.
" Central Banking Co.
" First National Bank. *
" Huntington National Bank.
" T.S. Union Sav. Bank & Trust Co.
Hurricane.....Putnam County Bank.
Keyser.....First National Bank.
" People's Bank.*
Kingwood.....Kingwood National Bank.
Lewisburg.....Bank of Greenbrier.
" Bank of Lewisburg.
Littleton.....Bank of Littleton.
Logan.....First National Bank.
" Guyan Valley Bank.
Mannington.....First National Bank.
" S. Exchange Bank.
Marlinton.....Bank of Marlinton.
Martinsburg..S. Bank of Martinsburg.
" Citizens' National Bank.
" Merchants' & Farmers' Bank.
Matoaka.....Bank of Matoaka.
Middlebourne...Bank of Middlebourne.
Milton.....Bank of Milton.
Monongah.....First National Bank.
Montgomery....Montgomery National Bank.
Moorefield.....South Branch Valley Nat'l Bk.
Morgantown....Bank of Monongahela Valley.
" Second National Bank.
Moundsville.....First National Bank.
" Marshall County Bank.
" Mound City Bank.
Newburg.....First National Bank.
New Martinsville First National Bank.
North Fork.....First Nat'l Bank of North Fork.
Oak Hill.....Merchants' & Miners' Bank.

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WEST VIRGINIA—*Continued*

Parkersburg....Central Banking & Security Co.
" First National Bank.
" Parkersburg National Bank.
" T. Union Trust & Deposit Co.
" S. Wood County Bank.*
Parsons.....Tucker County Bank.
Petersburg.....Grant County Bank.
Philippi.....Citizens' National Bank.
" People's Bank of Philippi.
Piedmont.....Davis National Bank.
" First National Bank.
Pineville.....First National Bank.
Point Pleasant S. Merchants' National Bank.
" Point Pleasant National Bank.
Princeton.....Princeton Banking Co.
Ravenswood....Jackson County Bank.
" McKinley & Co., Bankers.
Richwood.....First National Bank.
" T. Richwood Banking & Trust Co.
Ripley.....Valley Bank.
Ronceverte.....First National Bank.
" Ronceverte National Bank.
St. Marys.....Pleasants County Bank.*
Salem.....S. First National Bank.
" Merchants' & Producers' Bank.
Shinnston.....Farmers' Bank.
Sistersville.....People's National Bank.
Sistersville....S. Tyler County Bank.
Spencer.....Roane County Bank.
Sutton.....First National Bank.
Terra Alta.....First National Bank.
Thurmond.....National Bank of Thurmond.
" T. New River Banking & Trust Co.
Tunnelton.....Tunnelton Bank.
Walton.....The Poca Valley Bank.
Wayne.....Wayne County Bank.
Webster Springs.First National Bank.
Welch.....McDowell County Nat'l Bank.
Weston.....Bank of Weston.
" Lewis County Bank.*
" National Exchange Bank.
Wheeling.....Bank of the Ohio Valley.*
" S. Center Wheeling Savings Bank.
" T.S. Dollar Savings & Trust Co.
" German Bank of Wheeling.
" S. Mutual Savings Bank.
" National Bank of West Va.*
" National Exchange Bank.*
" S. Quarter Savings Bank.
" T. Security Trust Co.
" Howard Hazlett & Son, Bkrs.
White Sulphur
Springs.....Bank of White Sulphur Springs.
Williamstown...Williamstown National Bank.

WISCONSIN

Algoma.....Bank of Algoma.
Alma.....First National Bank.
Alma Center....Alma Center State Bank.
Amery.....Bank of Amery.
" Farmers' & Merch. State Bank.
Amherst.....International Bank.*
Antigo.....S. Fidelity Savings Bank.
" First National Bank.*
" Langlade National Bank.
Appleton.....S. Citizens' National Bank.*
" Commercial National Bank.
" S. First National Bank.
Arcadia.....Bank of Arcadia.
Ashland.....Ashland National Bank.*
" Northern National Bank.*
Augusta.....Augusta State Bank.
Baraboo.....Bank of Baraboo.
" First National Bank.
Barneveld.....Barneveld State Bank.
Barron.....Bank of Barron.
Bayfield.....First National Bank.*
Beaver Dam....Old National Bank.
Belleville.....Belleville State Bank.
" Citizens' State Bank.
Beloit.....S. Beloit State Bank.*
" Second National Bank.*
" L. C. Hyde & Brittan Bank.
Benton.....Benton State Bank.
Berlin.....First National Bank.*
Black River
Falls.....First National Bank.
" Jackson County Bank.
Blanchardville...Blanchardville State Bank.
Bloomington....Woodhouse & Bartley Bank.*
Brillion.....S. First National Bank.
Bruce.....S. Lumbermen's State Bank.*
Burlington...S. Bank of Burlington.*
" Meinhardt Bank.
Butternut.....Ashland County Bank.
Cadott.....Citizens' State Bank.
Cambridge.....Bank of Cambridge.
" International Bank.
Casco.....Bank of Casco.
Cazenovia.....State Bank.
Cedarburg.....Farmers' & Merchants' Bank.
Chilton.....Chilton National Bank.*
Chippewa Falls..First National Bank.
" Lumbermen's National Bank.

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WISCONSIN—*Continued*

Chippewa Falls..Northwestern State Bank.
Clintonville.....First National Bank.
Colby.....Colby State Bank.
Colfax.....Bank of Colfax.*
Coloma.....People's Bank of Coloma.
Columbus....S. Farmers' & Merch. Union Bk.*
" First National Bank.*
Crandon .....First National Bank.
Cumberland.....Island City State Bank.*
Darlington.....Citizens' National Bank.
" First National Bank.
Deer Park.....State Bank of Deer Park.
Delavan.....Citizens' Bank.
" Bank of E. Latimer & Co.
De Pere.....State Bank of De Pere.
" S. The National Bank.
Downing.....Bank of Downing.
Durand.....Bank of Durand.
" State Bank of Durand.
Eagle.....Bank of Eagle.
East Troy.....State Bank of East Troy.
Eau Claire...T. Eau Claire Loan & Trust Co.*
" S. Eau Claire National Bank.*
" S. Eau Claire Savings Bank.*
" S. Union National Bank.*
" S. Union Savings Bank.
Edgerton.....First National Bank.
" Tobacco Exchange Bank.
Eland.....S. Eland State Bank.
Elkhart Lake...Bank of Elkhart Lake.
Elkhorn.....First National Bank.
" State Bank of Elkhorn.
Elk Mound.....Bank of Elk Mound.
Ellsworth.....Bank of Ellsworth.
Elroy.....State Bank of Elroy.
Evansville.....Bank of Evansville.*
Fairchild.....First National Bank.*
Fall River.....First State Bank.
Florence.....State Bank of Florence.
Fond Du Lac.S. Cole Savings Bank.*
" S. Commercial National Bank.*
" First National Bank.
" Fond Du Lac National Bank.*
Fort Atkinson...Citizens' State Bank.*
Fox Lake.....State Bank of Fox Lake.*
Galesville.....Bank of Galesville.
Glenwood.....First State Bank.
Grand Rapids.S. First National Bank.
" Wood County National Bank.
Grantsburg.....First Bank of Grantsburg.
Green Bay.....Bank of Green Bay.
" Citizens' National Bank.*
" Farmers' Exchange Bank.
" Kellogg National Bank.
" McCartney National Bank.
Greenwood.....Greenwood State Bank.
Hartford.....First National Bank.*
Hartland.....Bank of Hartland.
Hayward.....First National Bank.
Hillsboro.....Hillsboro State Bank.
Horicon.....S. Horicon State Bank.*
Hudson.....Bank of Hudson.*
" First National Bank.
Hurley.....Iron Exchange Bank.
Hustisford.....Hustisford State Bank.
Janesville.....Bower City Bank.
" First National Bank.
" S. Merchants' & Savings Bank.*
Johnson Creek..Mansfield's Bank.
Kaukauna.....Bank of Kaukauna.
" First National Bank.*
Kenosha.....First National Bank.*
" S. Merchants' & Savings Bank.
" T. Northwestern Loan & Tr. Co.*
Kiel.....State Bank of Kiel.
Kilbourn.....Kilbourn State Bank.
La Crosse.....Batavian National Bank.*
" National Bank of La Crosse.
" S. Security Savings Bank.
" State Bank.
Ladysmith.....State Bank of Ladysmith.*
La Farge.....Bank of La Farge.
Lake Geneva..S. First National Bank.
Lake Nebagamon Bank of Lake Nebagamon.
Littlechute.....Bank of Littlechute.
McFarland.....McFarland State Bank.
Madison.....Bank of Wisconsin.
" Capital City Bank.
" T. Central Wisconsin Trust Co.
" First National Bank.*
Manitowoc...T. East Wisconsin Trustee Co.
" S. Manitowoc Savings Bank.*
" S. The National Bank.*
Marinette.....Farmers' & Merchants' Bank.
" First National Bank.*
" Stephenson National Bank.*
Marion.....First State Bank.
Markesan.....Markesan State Bank.
Marshfield.....American National Bank.
" First National Bank.
Mauston.....Juneau County Bank.
" State Bank of Mauston.
Mayville.....State Bank of Mayville.
Mazomanie.....People's State Bank.
Medford.....First National Bank.
" State Bank of Medford.
Mellen.....Mellen State Bank.
Menasha.....Bank of Menasha.*
" First National Bank.*
Menomonie...S. First National Bank.

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WISCONSIN—*Continued*

Menomonie.....Schuette & Quilling Bank.
Menominee Falls Citizens' State Bank.
Merrill.....Lincoln County Bank.*
" National Bank of Merrill.*
Merrillan.....American Exchange Bank.
Middleton.....Bank of Middleton.*
Milton Junction.State Bank.*
Milwaukee... T. Citizens' Trust Co.
" T. Fidelity Trust Co.
" S. First National Bank.*
" German-American Bank.*
" Germania National Bank.*
" Marine National Bank.*
" Marshall & Ilsley Bank.*
" S. Merch. & Manufacturers' Bank.*
" Milwaukee National Bank.*
" S. Milwaukee Savings Bank.
" T. Milwaukee Trust Co.*
" National Exchange Bank.*
" S. Second Ward Savings Bank.
" S. Wisconsin National Bank.*
" T. Wisconsin Trust Co.*
Mondovi.....First National Bank.*
Monroe.....Citizens' Bank.*
" S. Commercial & Savings Bank.*
" First National Bank.*
Mosinee.....State Bank of Mosinee.
Mount Horeb....Mount Horeb Bank.
" State Bank of Mount Horeb.
Mukwonago.....Citizens' Bank of Mukwonago.
Muscoda .....Muscoda State Bank.
Necedah.....Necedah Bank.
Neenah.....S. First National Bank.
" National Manufacturers' Bank.
Neillsville.....Commercial State Bank.
" Neillsville Bank.
New Holstein...State Bank of New Holstein.
New London....First National Bank.
New Richmond..Bank of New Richmond.
" Manufacturers' Bank.*
Oakfield.....Bank of Oakfield.
Oconomowoc....Bank of Oconomowoc.*
" First National Bank.
Oconto.....S. Citizens' National Bank
" Oconto National Bank.
Oshkosh.....City National Bank.
" S. Old National Bank.*
" T.S. Oshkosh Savings & Trust Co.
" State Bank of Oshkosh.*
Owen.....State Bank of Owen.
Palmyra.....Bank of Palmyra.*
Peshtigo.....Peshtigo National Bank.
Pittsville.....Pittsville State Bank.
Plainfield.....Waushara County Bank.
Platteville.....First National Bank.
Platteville.....State Bank of Platteville.
Plymouth.....Plymouth Exchange Bank.*
" State Bank of Plymouth.*
Portage.....City Bank of Portage.
Port Washington First National Bank.
" S. Port Washington State Bank.
Potosi.....Potosi State Bank.
Princeton....S. Princeton State Bank.*
Racine.....S. Commercial & Savings Bank.*
" First National Bank.*
" Manufacturers' National Bank.*
Randolph.....Randolph State Bank.
Reedsburg.....Reedsburg Bank.*
Richland Center.First National Bank.
Ripon.....First National Bank.
" German National Bank.
River Falls.....First National Bank.*
Roberts.....State Bank of Roberts.
Rosendale.....Rosendale State Bank.
Rosholt.....State Bank of Rosholt.
St. Croix Falls..Bank of St. Croix Falls.
Scandinavia.....Bank of Scandinavia.
Seymour.....First National Bank.
" Seymour State Bank.
Sharon.....Sharon State Bank.
Shawano.....First National Bank.*
" German-American Nat'l Bank.*
Sheboygan.....Bank of Sheboygan.*
" S. Citizens' State Bank.
" German Bank.*
Sheboygan Falls.S. Dairymen's National Bank.*
" German Bank.*
Shullsburg.....Farmers' & Merchants' Bank.*
So. Milwaukee S. South Milwaukee Bank.*
Sparta.....Bank of Sparta.
" Monroe County Bank.
Spring Valley.S. Bank of Spring Valley.
Stanley.....Citizens' State Bank.
" Farmers' & Merch. State Bank.
Stevens Point.S. First National Bank.
" Wisconsin State Bank.
Stoughton.....First National Bank.
" Stoughton State Bank.
Sturgeon Bay...Bank of Sturgeon Bay.
" S. Merchants' Exchange Bank.
Sullivan.....Farmers' State Bank.
Sun Prairie.....Farmers' & Merchants' Bank.*
Superior.....American Exchange Bank.
" Bank of Commerce.
" First National Bank.
" N. Y. & Superior Investment Co.
" Superior State Bank.
Thorp.....People's State Bank.
Tigerton.....First National Bank.
Tomah.....Bank of Tomah.*

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WISCONSIN—*Continued*

Tomahawk...S. Bradley Bank.*
Two Rivers.....Bank of Two Rivers.
Viroqua.....Bank of Viroqua.
" First National Bank.
Walworth....S. Walworth State Bank.*
Warrens.....S. Geo. Warren Co. Bank.
Washburn.....Bayfield County Bank.
Watertown.....Bank of Watertown.*
" Merchants' National Bank.*
" Wisconsin National Bank.
Waukesha.....National Exchange Bank.
" S. Waukesha National Bank.*
Waupaca.....First National Bank.
" Old National Bank.
Waupun.....National Bank of Waupun.*
Wausau.....First National Bank.*
" S. Marathon County Bank.*
Wausau.....S. Nat'l German-American Bank.*
" T. Wisconsin Valley Trust Co.
Wausaukee.....Wausaukee State Bank.
Wautoma.....Wautoma State Bank.*
Wauwatosa.....First National Bank.*
West Allis.....First National Bank.*
West Bend...S. Bank of West Bend.
" First State Bank.
West Salem.....La Crosse County Bank.
Weyauwega.....First National Bank.
Whitehall.....John O. Melby & Co. Bank.
Whitewater.....Citizens' State Bank.
" First National Bank.
Winneconne....Union Bank of Winneconne.
Withee.....State Bank of Withee.
Wrightstown....Farmers' & Traders' Bank.

WYOMING

Basin.....Basin State Bank.
" Big Horn County Bank.
Buffalo.....First National Bank.
" Stockgrowers' Bank.
" T. Wyoming Loan & Trust Co.
Burlington.....Burlington State Bank.
Casper.....Casper National Bank.
" Stockmen's National Bank.
Cheyenne.....Citizens' National Bank.*
" First National Bank.
" Stockgrowers' National Bank.*
" T.S. Wyoming Trust & Sav. Bank.*
Cody.....First National Bank.
" Shoshone National Bank.
" Stockgrowers' Bank.
Dayton.....Dayton Bank.
Douglas.....Douglas National Bank.*
" First National Bank.
Evanston.....Evanston National Bank.
" First National Bank.
Garland.....Garland State Bank.
Gillette.....Bank of Gillette.
Glenrock.....Glenrock State Bank.
Green River....Morris State Bank.
Hanna.....Carbon State Bank.
Hudson.....Bank of Hudson.
Kemmerer.....First National Bank.
Lander.....First National Bank.*
" Noble, Lane & Noble, Bankers.
Laramie.....Albany County National Bank.
" First National Bank.
Lovell.....Lovell State Bank.
Lusk.....Bank of Lusk.
Manville.....Bank of Manville.
Meeteetse.....First National Bank.
" State Bank of Meeteetse.
New Castle.....First National Bank.
Pinebluff.....Pinebluff State Bank.
Powell.....First State Bank.
Rawlins.....First National Bank.
" Rawlins National Bank.
" Stock Growers' National Bank.
Rock Springs...First National Bank.
" Rock Springs National Bank.
Sheridan.....Bank of Commerce.
" First National Bank.
" S. Sheridan National Bank.
Shoshoni.....First National Bank.
Sundance.....Sundance State Bank.
Thermopolis....First National Bank.*
" T. Wyoming Trust Co.
Worland.....First National Bank.

CANADA

Griffin, Sask....Weyburn Security Co., Branch.
Halbrile, Sask...Weyburn Security Co., Branch.
McTaggart, Sask.Weyburn Security Co., Branch.
Midale, Sask....Weyburn Security Co. Branch.
Montreal.....Guarantee Co. of North America.
Sherbrooke,
Quebec.....Eastern Townships Bank.
Toronto.....Bank of Toronto, Branch.

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CANADA—*Continued*

Toronto	Canadian Bank of Commerce.
"	Imperial Bank of Canada.
Vancouver, B. C.	Canadian Bank of Commerce, Branch.
Weyburn, Sask.	Weyburn Security Co.
Yellow Grass, Sask.	Weyburn Security Co., Branch.

CUBA

Havana	S. National Bank of Cuba.*
"	T. Trust Co. of Cuba.
"	J. A. Bances & Co.
Havana	N. Gelats & Co.
"	Zaldo & Co.

HAWAII

Hilo	S. First Bank of Hilo, Ltd.
Honolulu	S. Bank of Hawaii, Ltd.
"	S. First Nat'l Bank of Hawaii.
"	T. Hawaiian Trust Co., Ltd.
"	S. Bishop & Co., Bankers.
Honolulu	Claus Spreckles & Co., Bankers.
Kahului, Maui	Baldwin National Bank.
Lahaina	Lahaina National Bank.
Wailuku	S. First National Bank.

ISLE OF PINES, W. I.

Nueva Gerona	Isle of Pines Bank.*

PORTO RICO

San Juan	Mullenhoff & Korber.

MEXICO

Parral, Chihuahua	United States Banking Co., Branch.
Torreon, Coahuila	American Bank.
Guadalajara, Jalisco	American Banking Co.
Mexico City, Mex.	Federal Banking Co.
"	International Banking Corporation, Branch.
"	Mercantile Banking Co., Ltd.
"	Mexico City Banking Co.
"	United States Banking Co.
Oaxaca, Oaxaca	United States Banking Co., Branch.
Alamos, Sonora	Banco de Sonora.
Cananea, "	Banco de Cananea.
Chihuahua, "	Banco de Sonora.
Guaymas, "	Banco de Sonora.
Hermosillo, "	Banco de Sonora.
Moctezuma, "	Moctezuma Banking Co.
" "	Laureano Durazo & Co.
Nogales, "	Banco de Sonora.
Vera Cruz, Vera Cruz	Compania Banquera Veracruzana.

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APPENDIX

NEW MEMBERS FROM DECEMBER 1, 1909, TO DECEMBER 31, 1909, INCLUSIVE

Alabama	Opelika	Farmers' National Bank.
California	Oak Park	Citizens' Bank of Oak Park.
"	San Bernardino	Farmers' Exchange National Bank.
"	San Diego	S. San Diego Savings Bank.
"	Wilmington	First National Bank of Wilmington.*
Colorado	Denver	T. City Bank and Trust Co.
Idaho	Caldwell	Western National Bank.
"	Jerome	Farmers' & Merchants' State Bank.
"	Nezperce	Union State Bank.
"	Rupert	Rupert State Bank.
"	Wendell	First National Bank.
Illinois	Belvidere	Farmers' State Bank.
"	Cardiff	Farmers' & Miners' Bank.
"	Chicago	The Edgewater Bank.
"	"	Bayne, Ring & Company.
"	Ewing	The Ewing Bank of Watson, Fitzgerrell & Co.
"	Medora	The Bank of Medora.
Iowa	Britt	First National Bank.
"	Donahue	S. Donahue Savings Bank.
"	Lone Tree	S. Farmers' & Merchants' Savings Bank.
"	Newton	First National Bank.*
"	Perry	Citizens' State Bank.
Kansas	Aurora	First State Bank.
"	Randall	State Exchange Bank.
"	Wayne	Wayne State Bank.
Maine	Brewer	S. Brewer Savings Bank.
Massachusetts	Northampton	Hampshire County National Bank.
Mississippi	New Albany	Bank of New Albany.
Missouri	Hume	Hume Commercial Bank.
"	Monett	Monett State Bank.
Nebraska	Lincoln	City National Bank.
"	Scottsbluff	Scottsbluff National Bank.
Nevada	McDermitt	Quinn River Bank.
New Mexico	Clovis	First National Bank.
New York	Brooklyn	S. Brevoort Savings Bank.
"	Buffalo	John T. Steele.
"	Lake George	First National Bank.
"	Syracuse	The City Bank of Syracuse.
North Dakota	Ashley	Union State Bank.
"	Beach	First National Bank of Beach.
"	Mylo	First State Bank.
"	Tioga	Farmers' & Merchants' Bank.
Ohio	Painesville	Painesville National Bank.
"	Wilmington	Clinton County National Bank.
Oklahoma	Antlers	Citizens' National Bank.*
"	Ardmore	Ardmore State Bank.
"	Asher	Asher State Bank.

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Oklahoma	Blackwell	Oklahoma Guaranty Bank.
"	Haskell	First National Bank.
"	Mangum	First State Bank.
"	Purcell	Chickasaw National Bank.*
"	Waurika	First State Bank.
Oregon	Myrtle Creek	Citizens' State Bank.
Pennsylvania	Centralia	First National Bank.
South Dakota	Alcester	Farmers' & Merchants' State Bank.
"	Hayti	Hamlin County State Bank.
"	Platte	Platte State Bank.
Texas	Kerrville	First State Bank.
"	Kingsville	Robt. J. Kleberg & Co.
"	Panhandle	The Panhandle Bank.
"	Sugar Land	T. Imperial Bank & Trust Co.
Utah	Garland	Bank of Garland.
Virginia	Farmville	First National Bank.*
Washington	South Bend	Pacific State Bank.
"	Spokane	Bank of Montreal.
"	"	The Day & Hansen Security Co.
West Virginia	Charles Town	Farmers' & Merchants' Deposit Co.
Wisconsin	Janesville	Rock County National Bank.
"	Milwaukee	John E. De Wolf.

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Charles B. Hall.
Alexander Mitchell.
George S. Coe.
Lyman J. Gage.
Logan C. Murray.
Charles Parsons.
Morton McMichael.
William H. Rhawn.

Group—Ex-Presidents.....Facing Page 14

M. M. White.
John J. P. Odell.
Eugene H. Pullen.
Robert J. Lowry.
Joseph C. Hendrix.
George H. Russel.
Walker Hill.
Alvah Trowbridge.

Group—Ex-Presidents.....Facing Page 26

Myron T. Herrick.
Caldwell Hardy.
E. F. Swinney.
John L. Hamilton.
G. S. Whitson.
J. D. Powers.
George M. Reynolds.

Group.....Facing Page 46

Fred. E. Farnsworth, General Secretary.
P. C. Kauffman, Treasurer.
William G. Fitzwilson, Assistant Secretary.
Thomas B. Paton, General Counsel.
L. W. Gammon, Manager Protective Department.

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THE FOLLOWING PORTRAITS ARE WITH THE SECTION PROCEEDINGS:

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Lawrence L. Gillespie, Chairman Ex. Com. Trust Company Section.... " " 12

Group.....Following Trust Company Section

Philip S. Babcock, Secretary Trust Company Section.
William Hanhart, Secretary Savings Bank Section.

William R. Creer, President Savings Bank Section.....Frontispiece

Edward L. Robinson, Vice-President Savings Bank Section.....Facing Page 8

Alfred L. Aiken, Chairman Ex. Com. Savings Bank Section..... " " 14

Sol. Wexler, President Clearing House Section .....Frontispiece

E. R. Fancher, Vice-President Clearing House Section .....Facing Page 6

George Guckenberger, Chairman Ex. Com. Clearing House Section ..... " " 14

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