Ploughs, Unres and Enroyware. IE subscribers being the sole Agents for the sale of the wills (Ky.) PLOUGIS, of echorated inganfacturies of do with cutters. No. 1 do do No. 2 do do No. 3 fiskes, No. 1 do No. 1 inclies with wood sales. A Add—SIX WALOUS, complete with iron axistron, price \$140 chch. Two pairs of Thinber Wincels, with an energy by freet high, 7 birds tread.
They take orders for all kinds of Wagon work, and de-

do Linear. Fronts: Correts: Perssols: Sizpenders Bonnet: Wirds and Fount addon Leco Cells Collists: Chemisetts: Handkerchiefs. Steeves. etc.: Line Couldries: Friend Old: Collist: Bondol Burrells. Guing: Fatent Gunn; Cape; Acadle Buttond; Bras Rings; Letter Paper; Bondon Hair Fur; Sluers and Blue Stockings and Socke: French Madras; Artificia Flowers; Soaps, etc.; Tomastum; Blankets; Verte. Billibons; Fans: Purres; Port Monles; Hültenles etc. libiticule: FAMILIONABLE STORE,

goods.
Falcin black and blue Cloth, with Irrandebourg, It the larest Parisina style; colored light assorted Overcotts, Jackets, do do; black Ceats, extra superfine, Frock Coats, do do; Clotas, bate, dark; fine Liner Shirts, new fashiou; do, colored; Drawers, France, Undershirts, do Cotton, black and colored assorted Spattendach, white silk Suspenders, rich Morring Gowns, assorted Journia Glores, black silk and teolored Gowns, assorted Journia Glores, black silk and teolored Corner, worker and the colored sourced by the colorest statement of the colorest stat black
ARTICLES FOR PANTALOONS.
Rlack extra fine Cassimere, do Facotase Brunjean do celored, plain and striped, do Chinese, last style.
Black Cassimere, embroulered, do colored, do Cashmere, do Vetvet, do plain black Silk, do Flow white, do alter and gold plain black Silk, do Flow white, do alter and gold plain, plack siles and flowers with do with the same striped and plain white and gold gold we cannot be supported by the same supporte

de Arnelle, auf Gran Especial vive, de l'agint rime de Arnelle, au l'am de la comme del la comme de la comme del la comme de l initie, do wome, two states, inche cane.
Persons who entrusted me with orders for Paris, whe informed that they have been carefully initialled and that the same are now ready to be delivered.

DUCCURNAU,

his cor-St. Charles and Common

Chartres street, Let. Bienville nt of China Ware an dozena Juuvin Gloves at \$1 a pair, fancy. Cra silkand Footch linen.

Jean Vincent Bully for Ladies' Tollet, superior.

Jo that store only, can be found the Odorante Detection, for that store only, can be found the Odorante Detection for the hair—of all the discourties, it is the only, on that has the power to give supplemes to the hair.

Always on hand, a complete assortinent of fals. Always on hand, a complete assorting lair, &c., &c.

To Hair Dressing Saloon for Ldi

Hazard Powder Company.

C. T. BUDDECKE & CO, Agents,
No. 100 Technopiroulas street,
I AVING been appointed Agents of the above ex
I tonsive Powder Manufactury, we begleve to
full orders from the smallest to any quantity promptly.
The quality of the Hazard's Company Powder to
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t Children's Clothing.

Children's Clothing.

FARE & CO., 29 Magazine store, have rea-ently received per 'Empire City,' a large we
ditional supply of Children's 'Caterinan, which, with
that previously on hand, readers their assortimes
now very complete, we particularly interest true
to an examination of the same.

4374 F. FARE & CO. 29 Magnitus at F FABRE & CO., No. 32 Magazine strent, would be given to call attention to their choice and extensive assortment of FASHIONABLE CLOTHING manufactured by their house, No. 81 William strend New York, which in point-and quality of style is not to be surpassed by any in the city, and will be offered on the most moderate tarms. We having the agreement of our friends to an examination of our friends to an examination of our Fabre & CO.

To Bugur Planters.

On hand and for sale by the subscriber, a complete assortment of wrought and cast iron Sugar Ketter-36, 42, 48, 49, 50, 45, 46, 40, 60, 67, 27, B. and 34 inches—from the celebrarid foundry of F. Merr, whose reputation for manufacturing articles of the description has into been established.

Planters who have used these Keules, upiformly pronounce in their favor, poseesing as they do approved shape, and composed of the best materials of nature durability.

Grate Bara and Fayrnace Months also for sale, by self-6m, JUAN, N DE EGANA, 47 Bleiptile at LTOPS in Balfy. For INSI Hondrage 47. I OPS in base, crop 1651; Honduras and Tuspan Barsaparilla in bales; Sage (pear) infrase. To ploke Whits in berries; Gum Arabie in races of 42 line and 50 lbs; do do pikked Whits; do benogd in casks Larsaparilla in bales: Sage (pearl) (infrase: In plots a limit for pearly (infrase: In plots a limit for pearly (infrase: In plots a limit for pearly (infrase: Infrase: Infra

for the part of the control of the c made expressing for the climate of Louisians, at moderatopylic plants in all respects, he takes charge of the reperation, and tuning of Plants the side such by limit distances.

Grand Choice of Finnes,

At manufactory prices, on account of liquidation.

A. P. B. H. E. B.

210 Royal, between St. Philip and dresiline streets.

All manufactory prices, of account of liquidation.

A. P. P. E. H. E. R.

310 Boyal, between St. Philip and directines arreata.

Splendid assortment of PLANOS.

Of Pleyel and Erardi manufactor

of Splendid prices are proposed to the control of Splendid prices.

A. Prices, Pleyel and Erard, large size, at \$200, 200.

A. PERIER Design on the ere of departure for the Morth, and for Funce, informs his persons that the will attend to all quantilations concerning Pleyel and Erardy Planes, that may be entrusted to him.

HARMONIOUS ORGANS of three registers, for all as \$100 and \$150. Grant's Famous
HARMONIOUS ORGANS of MITTER
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HARMONIOUS PLANOS, upon which persons ignorant
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CHARLEN BYRNE,

COPPER, BIEET HON AND TIN WARE,

Deaves, Grasses, Grasses MARSEILLES WINE-50 casks Bethford, for A. GIRAUD, 46 Old Lever. CINCHTER OF THE PARTY OF THE PROPERTY OF T AMDING ox ship Adriatic from specimens of cashs Garet, "Ch. Rosento", for also he distributed by QUEYROUZE & LANGSHOREY, 12 and 25 highwais at

BOARD OF CURRENCY DURING 1850 AND 1851.

PROCEEDINGS

Baron Robue, January 21st, 1852. Sir. We herewith transmit to you, to be laid before the honorable body, ove which you preside, a copy of the proceedings of the Board of Currency, for the year 1850 and 1851, and also, several statements, showing the condition of the Banks of the 850 and 1851, and many State, during said years.

Very Respectfully,
You Your Obedient Servants, CHARLES GAYARRE. GEO. C. McWHORTER.

To the Honorable J. B. PLANNIE. overnor and President of the Senate.

April 9th 1850.—This day being fixed for the meeting of the Board, M. Gayarre nade his appearance at the office at the hour appointed, and on his being informed, that is colleague, Mr. McWhorter, could not attend on account of sickness, adjourned un l to-morrow morning at half past ten o'clock. CHARLES GAYARRE,

GEO. C. McWHORTER, .(Signed,) April 10th.—This day the Board met according to adjournment, and proceeded to the examination of the affairs of the City Bank, the Mochailes' and Traders' Bank, and the Canal Bank, and having found these Banks in a satisfactory condition, adjourned to Thursday morning, at half-past ten o'clock.

CHARLES GAYARRE, GEO. C. McWHORTER.

April 11th.—This day the Board met, according to adjournment, and proceeded othe examination of the affairs of the Union Bank, the Bank of Louisiana, the Louisiana that Bank (the Citizens' Bank, and the Consolidated Association, and having found State Banks the Cutzens touch, and an adjourned, sine die. hese Banks in a satisfactory condition, adjourned, sine die. GEO. C. McWHORTER, CHARLES GAYARRE (Sighed,) Secretary of State

June 14th.—Charles Gayarré, Secretary of State, being present at the office of the Board, requested the clerk of said Board, to accompany him with the weekly statements of the following Banks: Union, Mechanics' and Traders, Canal and Banking Conjany, Chizens' Bank, Consolidated Association, Louisiana State Bank and Elevisiana Bank, and there proceeded to examine into the affairs of said institutions. Where upon said Charles Gayarré, Secretary of State, ordered a copy to be made of the proceedings of the direction of the Louisiana State Bank, on the 17th of April, 1850, in relation to the limitation of the City Bank, to be filed for reference in the office of said tion to the liquidation of the City Bank, to be filed for reference in the office of said Board. CHARLES GAYARRE, (Signed,)

June 24th - The Board met, Charles Gayarre, Secretary of State, submitted the Board the following communication, which he proposed to send to the direction of the Louisiana State Bank. Mr. George McWhorter, State Treasurer, desiring time to consider the same, no further action was had on the subject, and the Board adjourned.

Secretary of State.

To the President and Directors of the Louisiana State Bank:

GENTLEMEN :The 24th section, (page 62,) of the act to revive the charters of the

ENTLEMENT:—
The 34th section, (page 62,) of the act to revive the charters of the several Banks, located in the City of New Orleans, and for other purposes, approved Fehruary 5th, 1843, says: That hereafter no Bank shall purchase any shares of its Capital Stock, all such transactions shall be null and vaid, and each and every director acho shall vote in favor of or, shall be in any manner concerned thereon, shall be subject to a fine of the figure of the section of an act to amend an act to revive the charters of the several banks, located in the city of New Orleans, approved March 7th 1842, page 218, says: "that the 34th section of said act, (February 6th 1842), be so amended that any bank in liquidation shall be allowed to take its stock in payment of debts due to it, on a written an thorization to that effect of the Board of Currency." Hence it clearly follows, so fur that no bank can take its stock in payment of its debts, except that bank be in liquidation, and authorized by the Board of Currency to take said stock in payment.

The 3rd section of the act amendatory of the several acts, relative to the Banks of the State, approved April 6th, 1843, page 63, says: That it shall be lawful for the several banks of this State, to purchase at judicial sales hereafter, or by compromise for stock leans already made, any shares of their own capital stock, which may be pledged to them; Provided, such purchase be sanctioned by a vote of two-thirds of the ribbe Board; And provided also, that he stock so purchased shall be deducted from the amount of capital stock, in the public statements, to be made by the banks or by the board of curcapital stock, in the public statements, to be made by the bunks or by the board of cur

In 1844, (see page 5, of the acts of that year,) section 4th, of an act providing In 1844, (see page 5, of the acts of that year,) section 4th, of an acc providing of the adjustment and liquidation of the debts proper, of the State and for other purposes; the Louisiana State Bank was authorized by a special legislative enactment, to pirchase il the stock owned by the State in said bank; Provided, that nothing contained in said section 4th, should be so construed as to operate a diminution of the capital stock of said ank, but that said bank should at all times have the right to sell and transfer the stock

carpired under the provisions of said act of 1844.

In these acts of 1843 and 1844, are to be found the only two exceptions, to the sweeping prohibition contained in the act of the 5th of February, 1842.

Now, on the 3rd of November, 1849, it was proposed at a meeting of the Board of Directors of the Louisiana State Bank, to rell the 2469 shares, which had been acquired from the State and others, in settlement of debts. On the 16th of January, 1850, and on several other days and occasions said stacks were sold to saveral individuals. veral other days and occasions, said stocks were sold to several individuals.

The Board think, that in so doing, you have violated the laws of 1842, and made urself amenable to the penaltica therein mentioned, unless you can show that you ld no other stocks than those which the bank acquired from the State by virtue of the act

of 1844. You have also, violated the aforesald law of 1843, when taking your own stocks You have also, violated the aforesaid law of 1843, when taking your own stocks in payment of debts, excell to you, and show that said stocks were pledged to you, and you have at judicial sales or by compromise, for stock loans already made, and yours or a properly in your initiate book, by a vote of two-thirds of the whole Board, during a properly in your initiate book, by a vote of two-thirds of the whole Board, and which you accept in your initiate to the stock, in strict compliance with the aforesaid and of operating a diminution of the capital stock of your Bank to the amount of the stocks you had acquired in settlement of debts, you sold and transferred said stocks and you acted as if the exceptions of the law of 1812, and 1843, made by the legislature it avor of the State stocks in the Bank, with a view to induce the Bank to, close a trans action liquidating the debts proper of the State, had also been extended to stocks onescably individuals, and purchased or taken in payment by the direction of the Bank.

If no such authority can be shown, you have, in those transactions, again violated the acts of 1842 and 1843.

On the 10th of April, 1850, a communication was received from Peter Conrey,

On the 10th of April, 1850, a communication was received from Peter Conrey, President of the City Bank, stating, that in view of the approaching expiration of the charter of that Bank, and in order to avoid the delay and expense attending a liquidation under law, the Board of Directors would prefer to dispose of all the assets of the Bank to a banking institution on buch terms as might be deemed reasonable and county advantageous, inviting the Louisiana State Bank, should it be disposed to enter into any such arrangement, to cause an examination to be made of the assets of the City Bank. Thereupon, MML LM. Lapeyre, A. Brother, and James Reed, were appointed by the Board of Directors of the Louisiana State Bank, as a committee to examine into the affairs of the City Bank, add to report on the propriety of accepting the offer minde by its President; and on the 13th of April, the committee made their report, which concludes thus: "Therefore, as a matter of common business transaction merely, the purchase by this: "Therefore, as a mater of common business transaction merely, the purchase by this Bank of the affairs of the City Bank, on payment of the stockholders at par, would

this Bank of the affairs of the City Bank, on payment of the stockholders at par, would not seem to be of any advantage; as however, weighty considerations as regards the future prosperity of the State Bank, are linked with the proposition before you, the committee think it to be their duty to refer the matter to the Beard with the above explanations without any opinion of their own as to the nature of the offer to be made to the he City Bank, in the follo rying terms:

Extracts from the Minutes of the Louisiana State Bank.

"The Louisiana Stale Bank, will agree te purchase from the City Bank, "The Logislana course bank, win agree to purchase the state is about to expire,

"All the assets of said Bank, comprising all promissory notes, bills of exchange, aortgages, bonds, public stock and all other obligations, rightly or claims of whatever nature they may be, belonging to said City Bank, valued, \$1,399,471-24.

"The Banking House and Lot, in Camp street, and the Cashier's House and lot, in Carondelet street, and all fixtures, &c., of the Banking House; also, sundry lots in

"The Banking Floure and Los, &c., of the Banking House; also, sundry lots in Carondelet street, and all fixtures, &c., of the Banking House; also, sundry lots in tickersville, valued, \$64,500.

"All specie, bullion and bank notes of specie paying banks of this city, 762,308.

The balances that may be due the City Bank by local or distant banks by bank-Note:—The City Bank to make the transfer of said assets by a notarial act, an

exed to which, as reference, there must be a detailed inventory thereof.

"In consideration for said purchase, and in full and entire settlement therefor the Louisiana State Bank will agree: 1st. "To assume and pay on demand, whatever amount the City Bank may ov depositors, warranted tolamount to \$713,000 and a new tree." depositors, warranted to amount to \$713,000, and no mores.

2nd. "To assume and pay on demand, the whole amount due by said Bank, for notes in circulation, warranted not to exceed in amount, present the said Bank, for the

\$153,087 50 3rd. "To assume and pay on demand, the balances which may be due to any or distant bank, warranted not to exceed \$339,602.

Ath. "To assume and pay on demand to the Stockholders of the City Bank, and Ath. To assume and pay on bemain to the Social and the Social and the Social and so place to their credit a deposit, (special) the sum of one hundred dollars for each and every share of the capital stock of said bank, the stockholders may own or hold in their surrendering. Provided, the amount thereof, shall only be paid them on their surrendering names; Provided, the amount thereof, shall only be paid them on their surrendering their centificate of stock; And provided further, that the Louisiana State Bank may deduct from the amount any sum that such stockholders shall like borrowed on his stock from the City Bank, or which he may owe in any other shape to the City Bank, and

which obligations form a part of the assets it is proposed to purchase, \$978,700. Adopted unanimously.

RICHARD RELF, Cashier. Attest, [Copy.] CITY BANK.

Bank checks.

New Orleans, 20th April, 1850.

Resolved, That the proposition made by the Louisiana State Bank, to purcha the assets of this bank, and to pay to the stockholders in cash, the par value of their stock, be and is hereby unahimously accepted, and the President of the Bank is hereby fully authorized to sign such notarial acts as may be necessary, to yest in the Louisiana State Bank, all the real estate, personal property, and claims which belong to this institution, and to deliver the same to said Louisiana State Bank.

ana State Bank, all the real estate, personal property, and claims which belong to she institution, and to deliver the same to said Louisiana State Bank."

On the 27th April, the final contract was passed between the City Bank and the Louisiana State Bank, before Hi Cenas, Notary Public, in and for the Parish of Orleans. The Board of Currency, think that the President and Directors of the City Bank; had not, on the 17th of April, before the expiration of its chatter, and whilst the Bank in was in operation, any liquidating power, and could not lawfully bind themselves and the stockholders of the City Bank, by the contract above mentioned, to surrender their certificates of stocks for the sum of one hundred dollars per share, and that if, at any time, any of the stockholders have surrendered their certificates of stocks, at this rate, it is not in virtue of any obligation resulting from the contract entered into by the direction, but it is a mere personal and optional act. Whenever, therefore, lany stockholder of the City Bank, surrenders his derificates of stocks for a hundred dollars per share, (to use the phraseology of the contract) when they may be worth more or less, accoming to the value of the assets, what is it but a transfer or sale of those stockholders Clearly, the substituted to all the grights of the stockholders, and may dispose of all the rights, claims and assets of the City Bank, and cannot am to recover them, and could not dispose of them, except after having divested all the stockholders of that institution of their stocks and of their rights in the bulk of said assets, by obtaining from them the transfer of their certificates. The first of May, when the chanter of the City Bank and cannot am to recover them, and could not dispose of them, except after having divested all the stockholders of that institution of their stocks and of their rights in the bulk of said assets, by obtaining from them the transfer of their certificates. The first of May, when the chanter of the City Bank expired, com

of 1842, which says: "that the banks of this State are prohibited from buying the slock of any incorporated company."

In the opinion of the Board of Currency, the contract of the 27th of April, and the surrender to the Louisiana State Bank, of any certificate of shares of the City Bank, is tantamount to the purchasing at one hundred dollars per share of the stocks of an incorporated company, and is a violation of said 28th section of the act of 1842.

The 2nd section of the act, entitled an act to establish a State Bank, to be known by the name of Louisiana State Bank, approved March 14, 1818, says: "that all those who shall become stockholders of the aforesaid bank now incorporated their successors, representatives and assigns during the time of being stockholders therein, be, and they

are from the passage of this act, to the last day of the year 1870, created a body corporate, and politic by the name and style of the Louisiana State Bank; and that under said name they may, at any time, buy, receive and possess all kinds of property, either real or personal, and to loan, negotiate and dispuse of the same, by inking mortgages, and by discounting on banking principles, on such security and at such credit as they shall think advisable, provided, it does not exceed in value, the double of their capital; and the they shall have the power of selling, transferring and renting said properties, and in short to enjoy or dispose of h, at their own pleasure and discretion, they may sue and be sued before any court or courts of justice; and

The 16th section of the same act, modifying and qualifying the 2nd says: that the lands, effects, goods or merchandize whatsoever, which the said corporation shall hold, shall be only such as shall be requisite for the concenient transactions of its business, and such as shall have been bons ide mortgaged or pledged to it by way of satisfaction of debts, previously contracted; that the said corporation shall not vest, use, or improve any of their monios, goods, chattels or effects in trade or commerce, or, in any other manner, than hereinbefore provided.

The Board of Currency, are of opinion that the purchasing by the Louislana State Bank, of the lands, lots, effects, goods, chattels, and other property of the City Bank, was not such an operation as was absolutely necessary for the convenient transaction of the hanking business of the Louislana State Bank, and therefore, that It was a violation of its charter. are from the passage of this act, to the last day of the year 1870, created a body corner

Bank, was not such an operation as was absolutely necessary for the contential transaction of the banking lusiness of the Louislana State Bank, and therefore, that It was a violation of its cluster.

The 1st section of an act, approved, March 6, 1834, to amond the act, outlified "an act to establish a State Bank, to be known by the name of Louislana State Bank State Bank, be sides the powers and privileges granted to the Louislana State Bank, by the 2nd section of the act to which this is an amondment, the directors of the Louislana State Bank shall be, and they are hereby made capable to purchase and sell gold and silver bullion, to buy and sell foreign bills of exchange; to buy and sell all other bills of exchange and checks, and to discount said bills of exchange and checks, and to discount said bills of exchange and think advisable: Provided, the whole amount of the discounts on promissory notes, checks, or bills of exchange, or loans on mortgage or other security, except on gold and silver bullion, shall not, at any time, exceed the double amount of the capital of said bank."

And the 5th section of said act, says: "that this act shall have no effect until it is accepted as part of their charter by a majority of the stockholders of the Louislann Spate Bank, present or duly represented at the meeting, to be convoked for that purpose, fifter ten days notice being previously given, and that as soon as the President and Directors of the said bank islall buform the Governor of this State, of their acceptance of this law, the said bank islall buform the Governor of this State, of their acceptance of this law, the said bank islall beform the Governor of this State, of their acceptance of this law, the said bank islall buforn the Governor of the State, of their acceptance of this law, the said bank islall buforn the Governor of the State, of their acceptance of the said. the same shall become binding on said institution, and have the same effect and force their nights charter."

ngmai charter. If this act never became a law, through a want of compliance with the provisions of the 3rd section, the Louisiana State Bank had no power to purchase the hullion, the foreign bills of exchange and other bills of exchange, bank notes and checks which form part of the assets of the City Bank. (See the contract and the inventory thereto.) On ne otherhand, if this not, granting to the Louisiana State Bank, powers which that inlitution was not thought to possess through its original charter ever became a law,

the impression of the Board of Currency, that among those additional powers thus is the impression of the noard of turiency, that among those additional powers thus granted, is not to be found that of purchasing law raits and litigated claims. (See the contract and inventory.) At any rate, the necessity of obtaining the additional powers thus granted, shows the construction put by the Legislature, and the bank itself on the sections 2nd and 15th, of its charter of incorportion, which were not supposed at the time to convey to the bank the power to purchase either silver or gold buffion or any hills of exchange or checks. These effects however, might, it seems, more than any thing olse, have been thought to be requisite for the convenient transaction of its lowiness, and might have been looked upon as falling, more than any thing else, within the provisions of the 19th section.

have been looked upon as falling, more than any thing else, within the provisions of the 10th section.

The Board of Currency, are of opinion that under the act, entitled, "an art to authorize the liquidation of the City Bank, approved 16th March, 1850," that liquidation could be carried on only by the commissioners to be appointed under that act, who, for purposes of liquidation, could alone have the power to sell and dispose at private or public sale, of the real estate. bonds or other property of the each bank. At the expiration of the charter of the City Bank, the stockholders might, perhaps, have disregarded the act of 1850, which authorizes only, and does not command, and they might have adopted a different mode of liquidation. But it seems to the Board of Currency, that the President and Directors of the City Bank, have assumed to exercise powers which have never been wested in them, and that they could dispose of the assets of said bank, only in due course of banking operations, and not with a view of liquidating said bank or avoiding the liquidation of the same.

It is a fundamental principle to be found in every system of jurisprudence, that

It is a fundamental principle to be found in every system of jurisprudence, that corporations, which are mere creatures of the body politic, and are set in operation for specific objects only, have no other powers than those which are expressly delegated to them, or those collateral powers which are absolutely necessary to carry into execution the expréssly delegated ones; and it is believed by the Board of Corrency, that, in some of their recent transactions, both the City Bank and the Louisiana State Bank, have lost with a collateral power and the carry into execution the control of their recent transactions, both the City Bank and the Louisiana State Bank, have lost with a collateral power and the control of their recent transactions.

sight of this safe principle.

The committee appointed by you, to examine into the affairs of the City Bank and to report on the propriety of purchasing the assets of said bank, have reported that, as a common business transaction, the operation which you have subsequently made, would not be of any advantage, but that weighty considerations, as regards the future prosperity of the State Bank, being linked with the proposition before the bank, the prosperty of the State Bank, being infined with the proposition before the main; incommittee refrained from the expression of any opinion, in condemnation or in approbation of the measure. The Board of Currency, whose duty it is by the 2nd section of the act of the 5th of February, 1842, to take care that the paper money issued under the authority of the State be not depreciated, and to supervise the faithful execution of this act, and of all the charters and bye-laws working under it, deem it expedient to request you to communicate to them the neighty considerations, which, in the opinion of your committee, countertailanced the disadvantages of the transaction you have made with the Civil Mail, when they alway divided in the light of a common business transaction.

the City Bank, when viewed in the light of a common business transaction.

The Board of Currency hope that your answer will satisfy them that the bank has never violated any provision of law or any article of its charter. Should, however, he explanations expected from you, be unsatisfactory, the Board of Currency will be under the painful obligation to notify the Attorney-General to proceed against the ouisiana State Bank, in conformity with the first section of an act, entitled "an act provide for the liquidation of banks, approved March 14th, 1842, p. 234, of the Acts

CHARLES GAYARRE, (Signed,)

JCT. 15.—The following communication was received from George. McMholer, State Treasurer, desiring it to be spread upon the Minutes of the Pourit r

Currency,
The Secretary of the State, Charles Gayarré, Esq., and the undersigned Treasurer of the State, by virtue of offices constitute the Board of Currency.

Mr. Gayarré having submitted for our consideration and cignature a certain about the current, drawn up by him, addressed to the President and Directors of the Logistan State Bank," I now proceed to state the reasons, briefly as possible, why it cannot receive mytaignature. reive my alignature.

Thirdie first place he affirms that the Louisiana State Bank has violated the 24th ection of the act of the 5th of February, 1842, which is in the following words; to wit:

That hereafter no Bank shall purchase any shares of ita capital Stock. All
uch transaction shall be null and each and every director who shall vote in favor of, or

in any manner concerned therein, shall be subject to a fine of twenty per cent, on he amount of such transaction." And that it has further violated the 8th section of the act of the 7th of March. 1842, which is in the following words, to wit: " that the 24th section of sides to so amended, that any bank in liquidation shall be allowed to take its stocks in payment o it on a written authorization, to that effect, of the Board of Cur and further that it has violated the 3d section of the acts of the 6th of April, which i

nathe following words, and which was amendatory of the acts above referred to and cited, to wit: That it shall be lawful for the several Banks of this State to purchase, at judi "That it shall be lawful for the several Banks of this State to purchase, at judicial sales, hereafter, or by compromise for stock loans already made, any shares of their own capital stock, which may be pledged to them. Provided such purchase be sanctioned by a vote of two thirds of the whole Board: and provided also that the stock so purchased shall be deducted from the amount of Capital stock, on the public statement to be made by the Banks or by the Board of Carrency."

None of the purchases, alluded to, in the document of Mr. Gayarre, have been made since 1847. A nortion of that time Mr. Gayarre, and our present, worthy chief

None of the purchases, alluded to, in the document of Mr. Gayarre, have been made since 1847. A portion of that time Mr. Gayarre, and our present worthy chief magistrate, constituted the Board of Currency, and had monthly or daily access it they had desired, to the minutes book of the Banks. If transactions were made by the Banks that, they regarded as an infraction of any of the provisions of any of the numerous laws cited by Mr. Gayarre, it was their duty to have taken immediate action thereon, provided their importance demanded it. Why in these cases they did not do so, can by themselves be best explained. There may have been a difference of opinion in the Board as there is now, or other reasone, perhaps, more forcible. Under these circumstances, I am unwilling to cast any reflection upon any gentleman who constituted the various Boards of Currency from the year 1842 up to the month of February last, when his Bank of the affairs of the City Bank, on payment of the stockholders at par, would not seem to be of any advantage; as however, weighty considerations as regards the particular of the Stale Bank, are linked with the proposition before you, the committee think it to be their duty to refer the matter to the Bank with the above explanations without any opinion of their own as to the nature of the offer to be made to the Bank.

On the 17th of April, 1850, the Louisiana State Bank, agreed to the proposal of the City Bank.

On the 17th of April, 1850, the Louisiana State Bank, agreed to the proposal of the Currence of the constituted the louise to be under the undersigned became a member, some of whom were associated with Mr. Gayarre from 1836, by taking any action in the premises. I am incline to believe that very sound reasons operated upon the minds of these gentlemen. There may have been their reasons, and I doubt not their sufficiency; I am not inclined the third within indirect censure upon my predecingsors.

After giving the substance of the 4th section of the act of 1844, page 49, which After giving the substance of the 4th section of the act of 1844, page 49, which is too long to transcribe, and which authorises the Louisiana State Bank (6. sell and transfer certain stocks, the document of Mr. Gayarra holds the following Inguage, to the sit: "In those acts of 1843 and 1844, are to be found the only two exceptions," to the sweeping prohibitions contained in the act of the 5th of February, 1842," "Sweeping prohibitions to sell? Surely the gentleman did not mean this. The act of 1842, contains no such prohibitions. It prohibits the purchase, not the sale, of their dwn stocks. This would be a most unwise prohibition. Unless the bank were allowed to sell her stocks, how would she maintainfiber capital of two milions of dollars, created by her charter. She is allowed to purchase her own stock at judicial sale, or by compromise for stock loans, and unless she ware allowed to make sale again of the stocks thus by her acquired, would not it work a difficult of two milions of the stocks thus by her acquired, would not it work a difficult of the first, and utilized to total annihilation. This is indeed, placing-a poisoned chalice to her lips. Instead of the purchase of these stocks, resulting in benefit, as it was intended, it would prove most disastrous, it would result in inevitable destruction. Instead of imparting strength and vigor to the limbs, it would paralyse the whole system. This is an absurd interpretation, Pray it respectfully, of the law of 1843.

The words contained in the 3rd section of that law, which reads thus—"That the stocks so purchased, shall be deducted from the amount of capital stock in the public statement to be made by the bailks or by the Board of Currency," do not provide, as Mr. Gayarre supposes, for an absolute and permanent deduction from the capital of the banks, but provide only that the temporary deduction, shall appear in the public state. It is in order that the creditors, and all persons, however interested, should have correct information from time to time, regarding the securities upon which they are to dely. Mr. Gayarre, have evidently read this law with great inattention. How any institution could maintain diself, when the simple transaction of purchasing her own stocks in payment of debts due it, would sap her very foundations, is not easily to be understood. Such are interpretation of the law would inevitably force the bank into one of the conditions, adhorizing a call of the stockholders for the purpose of deliberating and determining on the expediency of surrendering its charter, because from that reduction of its capital, such corporation could no longer afford a resonable security to such persons as may deal with it, and in order that such persons who may deal with it should have a full and reliable knowledge as to the amount and extent of the reasonable security they may have; this clause of the 3rd section of the acts of 1843, was deemed necessary, and a most wise provision it was, for the public are kept accurately informed of the actual condition of the capital of the banks, by the monthly statements of the banks or of the Board of Currency.

We will now examine the various questions a rising under this transaction here. The words contained in the 3rd section of that law, which reads thus

of the banks or of the Board of Currency.

We will now examine the various questions arising under the transaction between the Louisians State Bank and the City Bank.

Mr. Gayarre, in the document referred to, says that "the Board of Currency, think that the President and Directors of the City Bank had not on the 27th of April, before the expiration of its charter, and whilst the bank was in operation, any liquidating power, and could not lawfully bind themselves and the stockholders of the City Bank, by the contract above referred to. This is certainly most extraordinary doctrine. What power and authority have the President and Directors of a corporation after its dissolution? All the power they have exists whilst the corporation lives. It is then, and then only, that they can exercise all the power and rights that belong to them; the right of sale and of purchase, of compromise and of acceptance. If the City Bank had not the power to bind "themselves and the stockholders," on the 27th of April, they mere had that power, and certainly never could have it. If Mr. Gayarre's position is correct, there was no sale for the want of competent parties. But there, was a sale and there were competent parties; competent to bind not only themselves but others. They had authority to act and therefore to bind. They were the chosen ageign of the stockholders, and as long as that agency continued, they had the power and authority to bind them.

them.

But I might have dismissed this branch of the subject with the remark, that the banks. That the Board of Currency has nothing to do with the capital stock of the banks. That the Board of Currency has nothing to do with the capital stock of the banks, except to observe, that there is no deduction therefrom, that will endanger the reasonable security, that "such persons who deal with it" should undoultedly have.

With regard to the purchase by the Louisiana State Bank of this stocks of the City Bank, I will barely remark that, by reference to the act of sale, passed before it.

B. Cenas, notary public, it will be seen that there were no sale of stocks.

The undertaking of this Louisiana State Bank to pay the stockholders of the City Bank one hundred dollars per share for their capital stock, it was nothing more nor least than a specie deposit by the City Bank forthe benefit of her stockholders of so much in the vaults of the Louisian a State Bank, and that it met with the concurrence of the stockholders of the City Bank does not admit a doubt, as at other two-thirds of some have already availed the meetycles of it with a good hearty wilk.

The Board required the presentation of the certificates of stocks as an evidence that the person or persons claiming the stock was indeed a stockholder in the City Bank, and that the person or persons claiming the stock was indeed a stockholder in the City Bank had a voucher to the City Bank that she had faifilled flat part of her contract, and as a voucher to the City Bank that she had faifilled flat part of her contract. Sate they were intended to prove? What inducement had the Bank to enter into the purchase of the stock of the City Bank the day before her charter expired?

The next day // ceased to be stock and how could it be made available? If the stocks were not available how could the certificates of stocks be? What kindof bank-ing operations could take place upon them? But I might have dismissed this branch of the subject with the remark, that the

stocks were not available how could the cer-ing operations could take place upon them?

The idea that the Bank whilst in full operation and before it went into liquida The idea that the Bank whilst in full operation and before it went into liquidation, could not sell list assets and all other property possessed by it, is totally orroneous. That a corporation for the mere fact of being a corporation could not sell its property, would be placing corporations beyond the control of their own property. Corporations legally established are substituted for persons and their union, which renders common their interests, their rights and their privileges, is the reason why they are considered as one whole. Hence it follows that they may possess an ostate, and hear a common tremary for the purpose of depositing their money. That they are capable of receiving legacies and donations, they make valid contracts, obligate others and obligate themselves towards others; exercise the rights that belong to them; manage their own affairs, &d, art. 424, C. C.;

The position taken by Mr. Gavarre in relation to the sale and our chase of order

ded, art. 424, C. C.

The position taken by Mr. Gayarre in relation to the sale and purchase of gold and sliver buillon, deserves but a passing notice. Whether the Bank accepted or not the act of 1834, does affect at all the right of the Bank in this respect, as the 2d. section, of her charter gave her the full power claimed, to wit: "That they may, at any time buy, recolve, and possess all kind of property, ether real or personal, siz." Had the Bank accepted of the law of 1834, the matter is not changed, or the provise, does not affect nor purport to affect, the right to purchase or sell.

With regard to what follows in respect of the Bank going into liquidation, any remarks are totally unnecessary, as she had already, by means of a sale of all her assets and property of every kind, avoided the necessity of going into liquidation. The act was a nero authority and not a command to go into liquidation.

With regard to the inducement that urged the Louislana State Bank to purchase of the City Bank any and all of her property, that is to say, the neighty considerations that prompted her in the premises, the Board of Currency has no right to enquire. It is acts, transactions, not motives that we have authority to scrutinize; men are liable alone for their actions. The one is tangible, the other is intangible, that the Louislana State.

for their actions. The one is tangible, the other is intangible. The power is a more than the form of the power or authority, that the Louisiana State Bank had to establish a branch in the Second Municipality. The power is derived from the 16th section of the act of 4th March that constitutes her charter. A portion of the act reads thus, to wit: And the said directors shall also have power to increase the number of offices of discount, and of Hranch Hanks, and to discontinue such may as be established. She then has the power, not only to discontinue the branches established by the said 16th section, but she has the further power to increase her features. I can no where find that this power has been taken away from her.

We will now close, by examining the most important feature of this whole transaction, the purchase of the real estate. With regard to the banking holse, furniture, &c., of the City Bank, together with a dwelling house for the cashier; it needs but a passing notice. It will be readily conceded by the most prejudiced mind that the property was "requisite for the convenient transaction of business.

With regard to the apparent purchase of the lots of ground situated in the Par-

perty was "requisite for the convenient transaction of business.

With regard to the apparent purchase of the lots of ground situated in the Parial of Jefferson, I field only remark, that it was not an actual purchase. The lots had already been disposed of at public auction, as it will appear by the certificate of H. B. Causs, hereinto attached... It was actually a sale only of the proceeds, arising from public adjudication of these obta. The formal sale was morely to enable the Louisiana State Bank to effect the titles to the purchasers and to control the proceeds.

But the purchase of the lands, situated in the Parish of Natchitocher, is not so free from other research.

free from embarrassment. The bank evidently transcended its authority or power i the purchase of these lands, their purchase is a matter of but hitle moment. At the same time, I am aware that it may, with justice, be replied, that if the bank could purchase one acre, that is not requisite for the convenient transaction of its business, it could purchase one thousand, and so on, ad infinitum. This is true. But it may enlightened discharge of our duties, as a beard of chrency, we should take an enlarged and liberal view of the spirit of the law as well as its letter. No law should ever be construed merely by reference of its letter. The intention of the law giver should be ascertained as far as possible, by those whose duty it is to interpret and alimiter the law nor can it be supposed that the Board of Currency is cut off by the mere letter of the law, from a liberal and emightened interpretation of its spirit. Nor can it be supposed that the Board of Currency is cut off by the nice letter of the law, from a liberal and emightened interpretation of its spirit. Nor can it be supposed that the Board of Currency was created by the Legislature as an element of electraction merely, but rather to conserve the interests of the community when it was found that

majely, but rather to conserve the interests of the community when it was found that any acts of the banks materially affected them. I would be sorry to be viewed as Cerberus, the triple headed dog, placed at the door of the banks, only to snap and growl at any and every immaterial infraction of the law.

Public policy demands that too stringent a construction should not be placed upon these laws, else public credit should always be tumbling between doubt and fear. Such a course would defeat the object of the institutions, as well as the Board of Currency; would prostrate credit and derange and throw into commotion the business transactions of the whole community.

whole community.

The clear and pulpable intention of the law was, to prevent the banking institu thus of the State from entering into such speculations in real estate, as would endanger their capital, and consequently weaken, if not destroy their usefulness. And futher-more, such speculations would tend to weaken the confidence of society in their stability and permanency. For these "weighty considerations," I shall withhold my signature (Signed,)

GEO. C. McWHORTER,

> [Copy.] United States of America.

By this public instrument, he it known, that I, Ithare Brelon Cenas, Notary Public, in and for the Parish and City of New Orleans, State of Louisiana, and duly commissioned by letters patent under the great seal of the State of Louisiana, and by the law invested with full power and authority to attest all instruments in writing, to the order in the state of Louisiana, and the law invested with full power and authority to attest all instruments in writing, the order is for a filling the search of the state of the state of the search of the sea

duly commissioned by letters patent under the great seal of the State of Louisiana, and by the law invested with full power and authority to attest all instruments in writing, and to administer oaths quo ad the duties of my office, do certify:

That by an act, passed before me on the 27th day of April last, 1850, "the City Bulk of New Orleant," an incorporated institution of this State, soldland conveyed into the Louisiana State Bunk, also, an incorporated institution of this State, all and singular, the right, title, interest, properly, claim and demand of every kind and nature what soever of it, the said City Bank, in and to the following lots and squares of ground, and in and to the public adjudication thereof, made by J. A. Beard, Auctioneer, on the section of March, last, to wit: A square of ground, situated in town of Rickerville, Parish of Jefferson, in this State, designated by the No. "nine," and bounded by Jersey, Valmont, Laurel and Leontine streets, containing tyenty lots, and adjudicated to A. Bouligny. Five lots in the said town of Rickerville, designated by the No. six, seven, eight, nine and ten, in square seventeen, bounded by Live Oak, Valmont, Magazine and Leontine streets, adjudicated to Frederick Week. Another square in said town, designated by the number thirty-lwo, and bounded by Plaquemine, Perrier, Valmont and Liontine streets, containing 17 lots and adjudicated to John Green for J. Rogers. Auother square in said town, designated by the No. sixty-"one, bounded by St. Patrick, St. David, Valmont and Leontine streets, containing to lots adjudicated to P. Cowell. Another square in said town, designated by the No. sixty-"one, bounded by St. Patrick, St. David, Valmont and Leontine streets, containing to lots, and adjudicated to A. Bouligny; the whole, according to the general plan of addition, deared and successed by the said Louisiana State Bank," in favor of the several purchasers, as soon as the latter present themselves, duly prepared to comply with the terms of sale.

In faith whereof,

present them elves, duly prepared to comply with the terms of sale.

In faith whereof, I grant these presents, under my signature and impress of seal of office, this fifth day of July, one thousand eight hundred and fifty.

(Signed.)

1. B. CENAS,

October 8th .- The Board met and proceeded to the examination of the Louis the Union Bank, the Mechanics' and Traders' Bank, and the Canal Bank, which they ound in a round condition. The Board instructed the Cashier of the Louisiana State Bink to

weekly statement by transferring a certain lieu from the movement to the dead weight.

The Cashier admitted the error to which his attention was called, and said that he ad determined to correct it before receiving the observation of the Board.

The Board adjourned after having ordered their clerk to lay before the AttorneyGeneral of the State, a copy of their proceedings on the 24th of June and 15th of July,

CHARLES GAYARRE. Secretary of State

I, the State Treasurer, would remark, before signing these minutes, that I rept to the portion of said minutes in regard to instructing the clerk to furnish the orney-General, a copy of their proceedings alluded to above. The Board not being to agree, there was no action of the Board. GEO. C. McWHORTER,

October 9th.—By the laws of, 1842, it being the duty of every member of the Board of Currency, to bring to the knowledge of the Attorney-General, every violation of said laws by the Banks, situated in the city of New Orleans; I, under my own individual responsibility, instruct the clerk of the Board to lay before the Attorney-General copy of the proceedings of the Board of Currency, on the 24th of June, 15th of Jul and 8th of October. (Signed,) CHARLES GAYARRE,

October 10th.—The law of the 5th of February, 1842, and all subsequent laws on the same subject whenever they define the daties of the Board of Currency, speak of the "Board of Currency," or use the article "they," which refers to the Board as such and not to each individual, composing said Board. There is no exception to this remark, save that contained in the 11th section of the law of 1812, which requires any member of said Board, to act in his individual capacity in the matter therein provided for. I deny unequivocally, that the powers and duties of the Board of Currency are instructed and vested in one individual member. The Board moves tigether. The action is a pairty of action and was so intended to be by the law. tion is a unity of action and was so intended to be by the law.

(Signed,)

GEO. C. McWHORTER.

October 10th.—Since my becoming a member of the Board of Currency in 1840. October 10th.—Since my becoming a member of the Board of Carrency in 1840, it has not been within my knowledge, that any member of said Board has ever pretended to assume the ground that the powers and duties of the Board are obtained and vested in one individual member. I would strenuously protest against such in assumption of power, but although I may be respectfully informed by my colleague, on this occasion, as on a preceding one, that I am absurd, yet I maintain that a member of the Board of Carrency has, in his individual capacity, the right to call the attention of the Attorney-General to the proceedings of said Board, because, by the laws of 1842, he is made their legal adviser, and I maintain that any member of the Board has the right in his individual capacity, to demounce to the Attorney-General, what he deems to be an infraction of the laws of 1842.

CHARLES GAYARRE, Secretary of State

November 14th.—This day the following communication was received from Morney General. New ORLEANS, 14th November 1850. Sir: — I have the honor this day to receive from you a printed copy of the proceedings of the Board of Currency, as they appear to have occurred on the 24th June and 15th of July 1850.

With the highest consideration, Vone Oht, Serv't.

tion,
1 am, Your Obt. Serv't.
ISAAC JOHNSON, Attorney General Hon. Charles Gavaree, Secretary of State.

December 2nd .- The following communications were received from Cha. Gayarre ary of State, with the request that the same be inserted in the minutes to wit BANK OF LOUISIANA, NEW ORLEANS, Nov. 23rd, 1850.

The Honorable The Board of Curarray,

Baton Rouge.

The Board of Directors of this institution, having doubts us to be legality of the late france of the Louisland State Bank, a sample of which I cuclose herein for your examination; I am instructed to ask you to furnish me with answers to the following enquiries immediately, as the notes are already in circulation.

1st. Has the Branch Bank of the State the power by the act cripating it to emit Bank notes? K notes 7 2d. Does not the charter of the State Bank require that notes put in circulation by

2d. Does not the charter of the State Bank require that notes put in circumtant yit, shall be signed by the President and Cashier! Does the State Bank in its returns to the Board of Currency include the issues of its Branch?

3d. Is the Branch of the State Bank required to make returns to the Board of Currency? If not, how does the Board of corrise supervision or control over its issues?

4th. Are the notes of the Branch of the Louisiana State Bank legal issues that the other Banks are bound to take ?

bound to take? I am very respectfully, your Obt. Serv't. R. M. DAVIS, Cashior. (Signed)

R. M. DAVIS, Cashier.

Battor Roues, November 25th, 1850.

Dear Sir:— I am in the receipt of your letter of the 23rd Inst., to the Board Corrency, and in answer thereto, I have the honor to transmit to you, to be laid beful the direction of the Louisiana Bank, the employed copy of a communication which I ha this day, addressed to the Attorney General. I intend to be in New Orleans with

allegge on the heighning of December, mild the matters to which you have called outention, shall be more fully investigated.

Herein enclosed you will find the specimen of Die Bank note which you translited to the Board of currency.

Very Respectfully,

Your Obl. Servit.

Schanking GayArre.

(Signed)

Becretary of Sinte tobert M. Davis, Esqr., Cashier of the Louisiana Bank. NEW ORLEARS, No Taber 25th, 1850

Sir: — I transmit to your consideration the enclosed copy of a letter of the Cashler of the Louisiana Bank, and as a member of the Board of Carrency, I respect

fully ask for your opinion on the quests whichion said cashier, in the name of the Directors of said bank, has propounded to the Board of Currency. I forward, by this day's mail, to my colleague, Judge McWhorter, who is now in New Orleans, a vopy of this communication to you, inviting him to join me in the application which I make for your legal opinion, as you are the counsel especially given to the Board by the Laws of 1842. I beg you to hand your opinion to Mr. Emile Legendre, who is the Clerk of the Board, and who will have it recorded. Your opinion will be taken intil consideration by the Board, at its contemplated meeting in the beginning of December next. My first unpressions, in a cursory examination of the subject, are:

14. That the Branch Bank of the Louisiana State Bank, beated in the 2d. Municipality of New Orleans, has no power to issue bank notes.

2d. That bank notes put in circulation by the Louisiana State Bank, must be signed by its Prevident and Cashier; See its acts of incorporation, 14 of March 1818, Sect. 13, and that the Issues of said Branch, should it be permitted to have my, should be included in the statements made by the mother bank to the Board of Currence, and in which its Habilities are exhibited, because the mother bank to the Board of Currence, and billities of its Branch. fully ask for your opinion on the quests whichion said cashier, in the name of the Direc

in which its liabilities are exhibited, because the momentum in an arrangement bilities of its Branch.

3d. That the Branch of the Louisiana State Bank, in the city of New Orleans, 2d. Municipality, is as much under the control of the Board of Currency, as the mother bank is, in virtue of the acts of 1842, and that the situation of the branch must be included in the statements presented to the Board of Currency by the migher bank, because the situation of said mather bank could not be correctly ascertained without because the situation of said mather bank could not be correctly ascertained without

moving that of said Branch.

4th. That the notes of the Branch of the Louisiana State Bank, are not legal is

4th. That the notes of the Branch of the Louisiana State Bank, and possesses which the other banks are bound to take.

I will also avail myself of this opportunity, to call your attention to the 16th section of the act of 1818, incorporating the Louisiana State Bank, and to propound to you the following questions on matters to which I may deem it my duty to invite the attention of the Board of Currency at its next meeting.

Ist. Was, it the intention of the Legislature when enacting the 16th section of the act of 1818, that there should be a mother land; and Branch established inights since place, to wit. The City of New Orleans t.

2d. If the Louisiana State Bank has the power to establish in the city of New Orleans and throughout the State as many branches as it pleages, what is to be the capital of each branch t is it to be inferred from the limitation of the capital of the instruction and the capital of the Paraches as precisely created by the 16th section, that the capital of the finite hands and believed the section of the capital of the mother branches as the plant of the through the transfer to said Branch, and how much last cound to retain for its own uses as mother bank? If the Louisiana State Bank transfer to said Branch the greater portion of its capital to the formula of the state, and to its branch, can it not transfer to said Branch the greater portion of its capital?

its capital?

3d. How far does the Louisians State Branch Bank located in the 2d. Municipality

3d. How far does the Louisiani Stath Branch Bank located in the 2d. Manicipality of the city of New Orleans, full within the ecope of the laws of 1842, which provide certain fundamental rules for all banks located in the city of New Orleans? 4th; In the act entitled "An act relative to the establishment of a Branch of the Louisiana State Bank at Baton Rouge, approved 14th March 1850, size to be found the following words: and the amount which said bank may hereafter have through its branches shall not be deemed to diminish the amount of hans to which it is limited by its charter. Could the Louisiature under the present Constitution of the State of Louisians increases. belowing wouse, and me amount enter some one, may introduce that it remarks to transfer that the deemed to diminish the amount of hours to which the strained by its charter. Could the Legislature, under the present Constitution of the State of Louisiana, increase the amount of loans to which the Louisiana State Rank was limited by the original charter! If the amount of loans made by the mother bank be not diminished in proportion to be loans made by its branches, and if said institution be authorized, at the same time, o make unlimited burns through said Branches, is not its capital increased and its bank-ing operations extended by the "Legislature"?—Is this provision in the net of 1850 cons-titutional?——Very Respectfully,

Very Respectfully,
Your Obt. Serv't.
CHARLES GAVARRE, (Signed)

ISAAC Joursey, Esqr., Attorney General. BATOR ROUGE, Nov. 25th, 2850 Debr Sir: - I have the honor to transmit, for your, consideration, the following beaments. 18th A copy of a letter addressed on the 23d of November, to the Board of Carrency y the Gashier of the Louisiana Bank.

y the Cachier of the Louisiana Bank.

2d. A copy of my answer to said Cashier.

3d. A copy of a communication addressed by me to the Attorney General and to high your concurrence is respectfully solicited.

At the contemplated meeting of the Board in December, these matters will, I supose, have to be taken into consideration, and may require further action.

With much regard,

Your Old. Serva't. (Signed)
George C. Mc Whorten.
State Treasurer. CHARLES GAYARRE.

BATOS ROUGE, December 3d, 1850. Sir : - The Board of Currency have received information addressed to it by the Sir: — The Board of Currency have received mormanion marcosed on a year Cashier of the Bank of Louisiana, under instructions of the Board of Directors, that certain issues, which they term notes, have been put in circulation by the Branch of the Louisiana State Bank, situated in the Second Municipality, and propound the following

nterrogatories to the Board of Currency, to which your attention is most respectful 1st. Has the Branch Bank of the State the powers by the act creating it, to emit Bank notes?

23. Does not the charter of the State Bank require that notes put in circulation by it should be signed by the President and Cashier? Boes the State Bank in its returns to the Board of Currency include the issues of its Branch?

34. Is the Branch of the State Bank required to make returns to the Board of Currency? If not have these the local diversities guaranties are controlled.

rrency? If not, how does the board exercise supervision or control over its issues! Are the notes of the Branch fifthe State Bank legal fesues that the other Banks bound to take? und to take ?
These questions, you will readily perceive, convey charges of a serious charac-

These questions, you will reading perceive, convey energies or a serious character if founded in fact. It therefore begoines our duty to demand explanations touching the subject matter of the interrogatority,

We remain, Sir, very Respectfully,

"Our Obt. Servit." CHARLES_GAYARRE, (Signed) GEO. C. M. McWHORTER. [Signed]

December 5th.—The following communication was received of Samuel J. Peters, ent of the Louisiana State Banks: LOUISIANA STATE BANK.

Gentlemen: I have had the honor to receive your communication under date of 3d. Instant, informing me that the Cashiet of the Bank of Louisiana under instructions of the Board of Directors of that Institution, had informed you that certain issues, which they term "notes" have been put in circulation by the Branch of this Bank, situated in the Second Municipality, and also that said Bank of Louisiana, has propounded to your Honorable Board, equal integrationing which conveys a vocation to the scheme. Honorable Board, certain interrogatorics, which convey as you most justly state, charges of a serious character against this Bank, and consequently you demond of me explanations touching the subject matter of those interrogatories, of which you have had the kindness to transmit me a copy.

tions touching the subject matter of those interregatories, of these you have had the kindness to transmit me a copy.

I am greatly obliged to the Board of Quirency for this opportunity to vindicate this Bank from the false and unfounded charges against it, implied in those interregatories, and I beg to remark; that the weightly especiability of the spince whence they emanate, procludes the idea of intentional calgings on the part of your informants, and compels the belief that they have been grossif, imposed upon, and have neited through ignorance in thus gratuitously, assailing the character of a sister and neighbouring institution.

titution.

The Second Municipality Branch of this Bank, has never issued any note of this Bank that has not been signed by the President and Cashier of the Bank. For the convenience of the public having business with his Bank and its Branches, the Board of Directors have authorized its Branches at Balan Ronge and in the Second Municipality to check on the mother Bank in sums of five and ten dollars; to a limited amount, as their business, and the convenience of persons dealing with them, might require. A small amount of checks thus authorized, have been drawn by the Branch in the Second Municipality (about \$15 num) and are easily when presented by the Bank. None have

small amount of checks thus authorized, have been drawn by the Branch in the Second Municipality, [about \$15,000] and are paid when presented by the Bank. None have yet been drawn by the Branch at Baton Rouge.

A, weekly account is required to be rendered to the Board by its Branch in the Second Municipality, of checks drawn, and such of them as have not, been presented for payment being in transitu, have been regularly included in the weekly statements of the Bank, rendered to the Board of Currency as liabilities in circulation.

It will afford pleasure to the Board of Directors of this Bank, if you personally account to Beach and estatements in relating to this subless.

The Minister pleasure to the board of Pricecols of this State, it you personally examine the Books and statements in relation to this subject. [55]

The drawing of checks by the Branch of a Bank on the Bank to which it belongs, conflicts with no law, is in accordance with usage in this and other States, and is beyond connects with no law, is in accordance with using in this and other States, and is beyond all question but the exercise of a right comprised in the chartered privileges of this institution; and so long, as in the opinion of the Board of Directors, its exercise; is beneficial to the Institution and not prejudicial to the interest of the feommunity. They would deem themselves recreant to their duty to the stockholders of the Bank, were they not to recreant to their duty to the succhange.

I have the konor to be your obt. Serv't.

SAMUEL 1. PETERS.

Braide

Inn. Cus. Gavanne, Secretary of State.

G. C. McWHORTER, State Treasurer, BOARD OF CURRENCY.

December 17th.—On this day the Board met and proceeded to the examination of the following Banks: The Consolidated Association, he Citizgus' Bank, the Louisiana State Bank, the Louisiana Bank, the Union Bank, the Mechanics' and Traders' Bank and Consolidated Association, but and the Canal Bank. The Board found all these institutions M a safe condition, but directed certain corrections to be made in the weekly statements of the Louisiana Bank and the Mechanics' and Traders' Bank.

and the Mechanics' and Traders' Bank.

Having taken cognizance of the communication addressed on the 25th of November by Mr. Charles Gayarre to the Auorney General, and propounding certain questions to that officer, Mr. McWhorter gave his assent to said communication, and the Clerk was instructed to inform the Attorney General of this fact and to request the Attorney General's opinion on the matters submitted to his consideration whenever havill find convenient to do so. will find convenient to do so. GEO. C. McWHORTER. (Signed)

CHARLES GAYARRE, Secretary of State

February 6th.—The Board met and proceeded to the 'examination of the following Banks: the Louisiana Bank, the Louisiana State Bank, the Consolidated Association and the Citizens' Bank. February 7th.—The Board met and proceeded to the examination of the solessing Banks: The Mechanics' and Traders' Bank, the Union Bank and the Canal Bank. The Board adjourned, reserving for further considerations certain matters appertuning to the Louisiana State Bank

February 10th.—Charles Gayarre, Secretary of State, presented the following document to the consideration of his colleague G. C. McWhorter, State Treasurer, and invited his concurrence thereto.

Sin—The second section of the act to establish a Side Bank to be known by the mame of the "Louisiana State Bank," approved Marchivall, 1818, says that "The Louisiana State Bank may, under that name, at any time, buy, receive and possess alkinds of property, either real or personal, and to loan, negociate and dispose of the same by taking mortgages and by discounting on banking principles, on such security, and at such credit as they shall think advisable, provided it does not exceed in value the double of their capital." loubly of their capital."

The 1st. section of an act to amend the act entitled an act to establish a State The 1st, suction of an act to amend the act entitled an act to establish a State Bank, to be known by the name of Louisiana State Bank, approved March 6, 1834, says; "That besides the powers and privileges granted to the Louisiana State Bank by the 2d, section of the act to which this is an amendment, the directors of the end Louisiana State Bank shall be and they are hereby made capable to purchase and sell gold and silver bullion, to buy and sell fareign bills of exchange to buy and sell other bils of exchange and chacks, upon banking principles, on such credit and on such security as they shall think advisable; provided, the whole amount of the discounts on premisery notes, checks as bills of Exchange, or loans on mortgage or other electrity, except on gold and silver bullion, shall not at any time exceed the double amount of the capatal of said Bank."

By the repetition of this provise in two different acts, the one in 1898 and the All the repetition of this provise in two different acts, the one in tere and conden in 1834, the Logislature showed the importance it attached to it, and evidently had for its objects the giving of a security of 50 per cent, to the public and to ensure the solidity of the Bank by restricting its operations within certain bounds.

By the annexed statement of the affairs of the Lonislana State Bank and of its the solid before \$1.984.440, its

By the namezed statement of the almars of the Lonspana Same name and statements, on the 1st. of February, you will see that its capital being \$1,884,440, its operations were extended to \$5,505,796 82, exceeding by \$1,536,916 82, the amount to which it is limited by its charter.

The Board, having asked the Bank for an explanation of its course, was answered that the Visitalian scanding it its original advantation been amounted or modified by

The Board, having asked the Bank for an explanation of its course, was answered that the limitation contained in its original charter had been amended or modified by an act of the Legislature ontitled "an act relative to the establishment of a Brinch of the Louisiana State Bank as Baton Rouge, approved March 14th 1850" which says: "In case the Louisiana State Bank shall establish a branch of said institution in the city of Baton Rouge, conformably with the authority vested in said Bank by the 16th section of its charter, the Treasurer of the State is hereby authorized and directed to keep his deposits in said Branch, and the amount which said Bank may hereafter foan through its branches, shall not be deemed to divinish the amount of loans to which it is limited by its charter, provided that the condition of said Bank shall; at all times be, with respect to its liabilities, such as its required by the 1st, and 3d sections of an act to revive the Charters of the several banks located in the City of New Orleans, and for other purposes, approved February 5th, 1842." the Charters of the several banks located in the City of New Orleans, and for other purposes, approved February 5th, 1842."

The Bank assumes that, by this act, although it cannot exceed in its own operations, as mother Bank, the amount to which it is limited by its charter, to with the double of its capital, yet it has the power to extend its operations through its branches to any extent, provided it should conform to the 1st, and 2d, section of the aforesaid

On examination of the affairs of the mother Bank, the Board found that its opera-On examination of the affairs of the mother mank, the Describes amount that the operations of the Branches amount