

REPORT

Of a Committee of Directors of the Bank of the United States.—CONTINUED.

The Committee say—

They made a call upon the President of the Bank for the correspondence in relation to the postponement of that payment, in the following words: Will you please give a copy of the correspondence connected with your application in March last, requesting a suspension by the Government of the payment of a portion of its debt intended to have been made on the first of July next, or a statement of the arrangement made in relation to that subject. Which correspondence was communicated by the President of the Bank with the following remarks:

I have made no application to the Government, nor have I requested any suspension of the payment of any portion of the public debt.

The inquiry, I suppose, relates to this circumstance; I received a letter from the acting Secretary of the Treasury, dated the 24th March, 1832, informing me that Government was about to issue a notice on the first of April, of their intention to pay, on the 1st of July next, one half of the three per cent stock, and to do it by paying to each stockholder one half of the amount of his certificate. He added,

If any objection occurs to you either as to the amount or mode of payment, I will thank you to suggest it.

Thus invited by the Government in a communication marked 'confidential,' to give my opinions on a measure contemplated by the Government, I felt it my duty to express my views of its probable operation: in my reply therefore, dated 29th of March, I stated 'that so far as the Bank is concerned, no objection occurs to me, it being sufficient that the Government has the necessary amount of funds in the Bank to make the contemplated payments.' I then proceeded to observe, that in the present situation of the commercial community, and with a very large amount of revenue, (amounting to nine millions,) to be paid before the 1st of July, the debtors of the Government would require all the forbearance and all the aid that could be given them; and that the payment proposed, by creating a demand for the remittance of several millions of dollars to European stockholders, would tend to diminish the usual facilities afforded to the debtors of the Government, and might endanger the punctual payment of the revenue. For this reason, I thought it for the interest of the Government to postpone the payment till the next quarter. I further stated that the plan of paying to each stockholder only one half of his loan, would not be so acceptable as if his whole loan were repaid at once.

Having thus performed my duty in giving the opinion asked, I left it, of course, to the Government to decide. On the part of the Bank, I sought nothing, I requested nothing. After weighing the circumstances, the Government were desirous of adopting the measure, but the difficulty I understood to be this, that the sinking fund would lose the quarter's interest, from July to October, of the sum intended to be paid in July; and that the Government did not feel itself justified in making the postponement unless that interest could be saved, but that it would be made, providing the Bank would make the sinking fund whole on the 1st of October. To this I said, that as the Bank would have the use of the fund, during the three months, it would consent to save the sinking fund harmless, by paying the three months interest itself, as the matter stands.

Now, it will be seen, that the Bank, in all this, has not had the least agency, except to offer its opinion, when it was asked, in regard to a measure proposed by the Government; and then to offer its aid in carrying that measure into operation. The Committee are fully of opinion that though the Bank neither "sought" for, nor "requested" a postponement of the payment by the Government, as stated in the declaration of the President, yet if such postponement had not been made, the Bank would not, on the 1st of July, have possessed the ability to have met the demand, without causing a scene of great distress in the commercial community.

The next evidence adduced of the Bank's opposition to him, is its claim for damages. Of this he gives the following account.

The Bank became the purchaser of a bill drawn by our Government on that of France, for about \$900,000, being the first instalment of the French indemnity. The purchase money was left in the use of the Bank, being simply added to the Treasury deposits. The Bank sold the bill in England, and the holder sent it to France for collection, and arrangements not having been made by the French Government for its payment, it was taken up by the agents of the Bank in Paris, with the funds of the Bank in their hands. Under these circumstances it has, through its organs, openly assailed the credit of the Government, and has actually made and persists in a demand of fifteen per cent. or 138,842 77 as damages, when no damage, or none beyond some trifling expense, has in fact been sustained, and when the Bank had in its own possession on deposit, several millions of the public money which it was then using for its own profit. Is a fiscal agent to the Government which thus seeks to enrich itself at the expense of the public, worthy of farther trust?

First. It is not correct to state that the Bank was the fiscal agent of the Government in this matter. On the contrary, the fiscal agency of the Bank was offered without any charge to the

Government, and declined. The Bank did not wish to purchase this bill at all, but proposed to collect it, paying the money only after it had been received by the agents of the Bank in France. Thus when the Secretary of the Treasury wrote to the Bank about this bill, the President of the Bank in his answer, dated November the 5, 1832, said—

The Bank has already in Paris a larger sum than it has any immediate use for, yet it is not indisposed to increase it, because it may hereafter have occasion for the funds, and because it is believed that if the terms can be made acceptable, the purchase of the whole by the Bank, would be the best operation for the Government;—and again in the same letter.

In regard to the rate, you are the most competent judge of its fitness, and I will merely add, that the Bank not wanting funds in Paris, and believing that they will be lower hereafter, would not make a similar purchase from any other quarter, and is influenced exclusively by the belief that any other arrangement would be less advantageous to the Treasury.

So in his letter of the 11th of February, 1833. The purchase of the bill is not in the least desirable to the Bank, nor would the rate now allowed be given to any other drawer than the Government, for we shall send by the same conveyance which carries your bill, a large amount of bills purchased at 5.45, being nearly 1 1/2 per cent. less than the price actually given to the Treasury.

The Bank then did not wish to purchase the bill. But the Bank offered its agency to collect it on the following terms, on the 3th November, 1832.

Should you prefer not fixing a rate at present, but to take the chances of a higher rate hereafter the Bank on receiving your bill, would place the amount of it to the credit of the Government on the 2d of March, at the current rate of exchange of the best bills on that day in Philadelphia.

Here then was a distinct proposal to collect the bill just as the Bank collects bills for individuals, so that if the bill had, in November, 1832, been sent to the Bank, it would have been forwarded to Europe; and if on the 2d February, 1833, when it was payable in Paris, it had not been paid, the Bank would have been apprised of that fact, and would have made the payment on the 2d March, and the whole transaction would have been closed. This course, however, the government did not adopt—but after considering the offers for the bill made from other quarters, decided to sell it to the Bank.

Secondly. It is not the fact that this money was left in the use of the Bank, being simply added to the Treasury Deposits.

Suppose that it had been, it would not in the slightest degree affect the question of damages. When a party sells a bill, and is paid for it, that is, has the funds placed to his credit to be drawn whenever he chooses without further notice, the party is as much paid—the fund belongs as little to the Bank—as if the party had actually withdrawn the whole sum in specie. But not only was the fund in this case drawn from the general resources of the Bank, and placed to the credit of the Treasury, but immediately after that was done, Congress passed a law to lend the money, and the Secretary of the Treasury issued a notice that this money was to be forthwith lent out to capitalists, that is to say, to be immediately withdrawn. The credit given to the Treasurer was on the 11th of February, 1833. The notice of the Secretary dated the 6th of March, offered to lend out this money after the 20th of March—of course the Bank could make no use of it—on the contrary, as it would probably be withdrawn immediately, it became not merely useless as a deposit, but required the Bank to shape its loans to others, so as to provide for the immediate payment.

Nor is this all. Not only was this sum passed to the credit of the Treasurer—not only was the early withdrawal of it from the Bank announced by the Secretary, but the identical proceeds of this identical French bill, were actually used by the Government for the payment of its ordinary expenses.

Table showing the account of the Treasurer at the Bank stood thus: February 11, 717,264 22; 18, 1,735,460 49; (In consequence of the payment of the French bill.) February 25, 1,542,658 14; March 4, 1,620,609 89; 11, 1,561,627 97; 18, 1,560,783 63; 25, 1,406,007 43; 30, 1,459,562 10; April 8, 1,082,560 88; 15, 918,816 61; 22, 748,613 61; 29, 820,070 30; May 6, 814,046 61; 13, 771,930 47; 20, 431,550 43.

When the money was repaid. It will thus be seen, that there was at the credit of the Treasury on the 12th of February, the sum of 1,735,460 49, of which 903,565 89 were the proceeds of the French bill, and as in the month of April there was to his credit only 746,613 61, the difference between these two sums, that is to say 138,842 29 had been drawn for out of that fund of 903,565 89.

Accordingly when the Treasurer came to repay the money, he had not enough of it remaining—but was obliged to draw on funds elsewhere, so that in acknowledging the receipt of his draft on the 11th of May, 1833, the Cashier of the

Bank added—'Your transfer check for 700,000 on the office of the Bank of the United States at New York will appear at the credit of your account this day, and will thus prevent the overdraft which the change now advised would otherwise have occasioned.'

In the United States then the Bank had paid the amount of the bill in its least convenient form. But when it was protested in Paris, the agents of the Bank finding a bill with its name upon it protested, came forward and paid it on account of the Bank—so that the Bank had actually paid for this bill twice over—once in Philadelphia, and once in Paris—that is, it had of course a credit for the proceeds of the sale of the bill in London, but its actual disbursements on account of the bill were upwards of 1,800,000.

What makes the case stronger is this—that on the 22d of March, the day when the protested bill came back to the Bank, the whole amount in the credit of the Treasury throughout the whole United States, with the exception of the Danish indemnity money, was 1,827,448 88 cents. Now the Bank had advanced 903,565 89 in Philadelphia, and 921,390 18 in Paris, making 1,825,156 07, so that although it had credit in England for the bill sold there, the Bank had actually advanced on account of this bill a sum equal within less than two thousand dollars, of the whole funds of the Government in the Bank.

When the bill returned protested, the Bank, as the endorser, called upon the Government to pay the principal and the damages. It did this as a matter of course. It did it as a matter of the clearest duty to the Government, because if the Government had any right at all to draw the bill, it had a right to make France pay the damages for its breach of contract, and it had no mode of claiming against France, unless in the first instance it paid the damages to the Bank, which it might the more readily do, as being one fifth part of the Bank, its own share of the 158,090 would be 31,600.

But whether the French Government pay these damages or not, it is manifest that the American Government must pay them—and this upon the simple principles, not of equality, but of ordinary honesty.

From the foundation of the Government to the present day, whenever the Government has purchased a bill from a private citizen, and that bill has from whatever cause returned protested, no matter how hard the case may be, no matter what circumstances of excuse or mitigation may be offered by the citizen, no matter whether damages were actually sustained or not, the Government has rigorously enforced its claim for damages. It has not merely forced a solvent merchant to pay, but has insisted that its claim for damages should have its legal precedence over all the just rights of the other creditors of an insolvent; and now when the case is changed, when the Government sells its own bill to its own citizens, and that bill returns protested, with what propriety, may with what pretensions to common honesty, can the Government presume to deny the same justice to its own citizens? The books of the Treasury are crowded with cases of damages exacted by the Government from American citizens—and one is now selected merely from its peculiar aptness to the present occasion.

Some years ago, Mr. Stephen Girard sold to the Treasury four bills, two of which returned protested owing to the insolvency of his correspondent in London; when the two others became due they were paid for the honor of Mr. Girard by the Messrs. Baring, who also agreed to pay the two first in London, as of the day on which they were payable.—Mr. Girard applied to Congress for exoneration from the claim of twenty per cent. damages, alleging—

That from the said sum of £22,500 sterling, due on the 18th August last, being passed by Sir Francis Baring & Co. to the credit of the Secretary of the Treasury of the United States, as on the day the same became due, no real loss or damage can accrue to the United States from the said bills being returned under protest.

Congress rejected the claim, and Mr. Girard paid the damages of twenty per cent.

On that occasion, the Committee of Claims called on the Secretary of the Treasury, Mr. Gallatin, and in his answer, which makes part of their report, he says that he had rejected Mr. Girard's claim for four reasons, of which the two most essential are:

1st. Because, considering the large amount of bills (more than two millions of dollars,) annually purchased on account of Government, it appeared absolutely necessary never to give up the damages whenever a legal right to them had accrued, and because that right has in every instance, without regard to persons or circumstances been enforced.

2d. Because, if abandoned in this instance and for that reason, every drawer who was solvent might by making a remittance, to the bankers in Europe, after bills protested for non-payment had been returned to the Treasury, induce them to make a similar offer, and evade the payment of damages.

The lapse of years at last reversed the State of the parties. Mr. Girard becomes the largest stockholder in a corporation called the Bank of the United States, and he and his partners, in the course of their business, purchased a bill from the same office, the Secretary of the Treasury, which comes back protested, after having been twice paid for. Mr. Girard's heirs and his associates apply to the Secretary—not even for the same amount which Mr. Girard formerly paid—not for twenty per cent. the damages in Pennsylvania—but for fifteen per cent. the damages in Washington; and the only answer vouchsafed by the Treasury Department is, that the claim, 'has no foundation in law or equity'—to which the President now adds, that

it is an attempt to 'impair the credit of the Government and tarnish the honor of the country.' Such a course tends to an utter confusion of all ideas of justice; nor is it a thing tolerable by the American people that an individual shall go among the citizens, purchasing bills and exacting damages, and when his own bill, sold to these same citizens, returns protested, he shall wrap himself up in his official immunity, and refuse to do to his fellow citizens what he has compelled them to do to him.

NEW GOODS

Just received from New-York, per order.

- Superfine Cloths of all descriptions
Merinos, Sattinets, Curcassians
White Flannel, superfine
Red do
A variety of handsome style cheap prints
Ginghams, Fancy Printed Muslins
Swiss Muslins, plain and figured
Jacket and Mull do
Superfine Black Italian Silk
Gros de Berlin Black
Colored Fancy Pru de Swa
Black Gros de Swiss
Black French Bombazine
Black English do
Sarsinets Black and colored
Green Silk
A variety of Fancy Belts
Some Velvet Belts
Ladies superfine Black Gloves
Ladies white Silk do
Ladies Black and colored Silk Hose, best quality
Gentlemen's Gloves
Gentlemen's Italian Cravats, best do
Fancy colored Silk do
A variety of Silk Handkerchiefs
A variety of Fancy do
A good assortment of Bleached Domestic
A large do Brown 4-4 to 6-4 do
A do Blue Stripes
Hamilton Drillings
A good assortment of Straw Gimp, for Bonnets
A variety of BONNETS

HATS.

Some first rate, made to order by St. John
A first rate assortment of

Crockery, Glass, Queensware

Hardware & Cutlery,

- Ladies Shoes, Prunella, Israel Robinson's make warranted
Ladies Seal do do
Shoes of all kinds,
J. Tolluons Shoes and Boots, constantly on hand
Constantly on hand Spanish Sole Leather
Queensware, by the jar
Lorillard's, Macomb's, and Scotch Snuff, by the pound or bottle
Prime Virginia Snuff
Sugar, (Coffee best green Liguara)
Best Tea, Lump and Loaf Sugar
Salt, and Molasses

MILITARY GOODS.

Swords, Holsters, Horsemen's Caps, Belts, Pistols, Gold and Silver Lace, Military Buttons, of every description. All persons that wish to buy GOODS cheap, for Cash or (short credit), will do well to Call at the South Corner of Fyten street. H. B. WILLIAMS, Sundry PARTNER OF SMITH & WILLIAMS. Charlotte, Feb. 14, 1834.

REMOVAL.

The Subscriber informs his friends and customers that he has removed his Stock of Goods from his old stand to the house lately occupied by Mr. John G. Hoskins. He would also inform them that the business will hereafter be conducted under the firm of Morrison & McKee. JOHN M. MORRISON. Charlotte, Feb. 6, 1834.

Boyd's Line of Post Coaches,

Running Twice a week and back, between Charlotte, N. C. and Camden, S. C.

The Proprietor of this line informs the public, that he has lately furnished himself with new coaches, and he hopes that he will be enabled to render satisfaction to those who may travel on his line. The mail leaves Charlotte every Sunday and Wednesday mornings and returns every Monday and Thursday evenings. Persons wishing to make an expedition to New-York, are informed that by Charleston the shortest passage can be made, a steam boat starting for New York every other Saturday—the passage being performed in 7 days. This line intersects with the Charleston line at Camden. TEO. BOYD. Charlotte, Aug. 20, 1833.

Grand Mammoth Lottery.

YATES & McINTYRE, Managers. To be drawn at Baltimore, February 25, 1834. 75 Number Lottery—11 Drawn Ballots. 75 Prizes of 1000 Dollars!! 85 of 500 Dollars! 30,000 Dollars—10,000 Dollars 4,000 Dollars—3,000 Dollars 2,420 Dolls.—75 of 1,000 Dolls. 85 of 500 Dollars! Tickets only 10 Dollars!

Certificate of package of 25 whole Tickets will cost \$250 Deduct on taking package 25 Warranted to net \$225 Cost of a Certificate \$130 Certificates of packages of Halves and Quarters in proportion. Address S. J. SYLVESTER 130 Broadway, N. York. The School Fund Lottery draws every Monday—Tickets Two Dollars. Class 15 will be drawn Monday, February 24th.—Capital prize \$5,000.—Certificate of 20 whole tickets will cost only \$21. Letters in every instance are deemed confidential, and answered by same mail as received.

FRESH GARDEN SEEDS,

OF THE GROWTH OF 1833,

FOR SALE AT

WM. HUNTER'S

Medicine and Confectionary

STORE.

AMONG WHICH ARE THE FOLLOWING:

- Early York Cabbage
Dutch do
Sugar Loaf do
Emperor do
Wellington do
French do
a choice kind
Early London Cauliflower
Late do do
Green Curled Borcello
Cesarian Kale or Cow Cabbage,
a choice article
Drum Head Cabbage
Late Dutch do
Large English Savoy do
Scotch do
Late Sugar Loaf do
Red Dutch do
for Pickles,
Tree or Thousand leaved do
Calewarts
Early Spring Turnip
Ruta Baga do
Large Norfolk field do
Late flat Dutch do
Yellow Malta do
a rare kind,
Top Onion for seed
Red Onion seed
White Portland Onion
Large Scotch Leek
Round Spinnage
Prickly do
New Flanders do
a choice kind,
Long White Ochræ
Blood Beet
Early Blood Turnip do
Mangle Wortzel do
Swelling Parsnip do
Guernsey Orange Carrot do
Scarlet do
Long Scarlet Radish
Scarlet Short Top do
Salmon do
Scarlet Turnip do
Long Black winter do
White Head Lettuce
Cabbage Head do
Early Curled Head do
Large white head do
Summer Bush Squash
Early Orange do
Sugar do
Long Green Cucumber
Early Bush do
Georgus Water Melon, a superior kind
Large Musk Melon
Vegetable Oyster
Nasturtium
Cayenne Pepper
Garden Cress
Early Spring Turnip
Balsam of Pepp
Balsam of Apple
Curled Parsley
Solid Celery
Double Pepper Grass
Asparagus
Sage
Balm
Indian Creeper of Cyrene vine, runs 50 feet or more
Early June Pea
Early Charlatan do
White Marrows do
Sugar do
Dwarf Profille do
Early China Beans
do White Kidney do
[Refugee or 1000 to 1]

Persons sending an order from any part of the adjoining Counties, with the Cash enclosed, will meet with punctual attention, and their seeds carefully boxed up and forwarded. Charlotte, N. C. Feb. 7th, 1834.

NOTICE.

Bank of the State of North Carolina.

The undersigned having been designated by the act of the last session of the Legislature, establishing the Bank of the State of North Carolina, Commissioners to open books of subscription in the Town of Charlotte, hereby notify the public that books are now open at the Store of John Irvin, for the purpose of receiving subscriptions to the Capital Stock of said Bank. Persons disposed to take stock are invited to do so, on an early day, as the books will be closed in 60 days from the 1st day of the present month.

JOHN IRVIN, J. D. BOYD, JOS. McONNAUGHET.

February 14.

PLANTER'S HOTEL,

Lancasterville, S. C.

The subscriber has done his utmost to do his duty to the public in general for the liberal support his House has received, and begs a continuance of past favors.

Having purchased the establishment of Captain Wm. McKenna, he is now adding large and convenient improvements, which will enable him to make the stay of BOARDERS and TRAVELERS comfortable and agreeable. Drivers can be supplied with safe and warm beds. Wagoners with a good dry yard, and orders furnished at as low rates as the market will afford.

His TABLE shall be furnished with the best the country affords, and his BAR with the best Liquors. He hopes from strict attention to business and a desire to please, to merit a continuance of public patronage. LEROY SECRETARY. January 1st, 1834. 7183

NOTICE.

To all whom it may concern.

THOSE who are indebted to me by Note or Book Account are respectfully invited to come forward between this and the 1st of March next, and settle their respective dues, as a longer indulgence cannot, nor will not be given. Those who do not avail themselves of this opportunity may, without the least distinction of persons, be put to pay cash, as I am determined to have my money. PETER M. BROWN. Jan. 16, 1833. 7351

N.B. No person may expect to pay me off in tankard in the spring, for it will not be received for debts due me now, as it always is a good time to pay for any thing after it is delivered, and not before. P. M. B.

Prizes Sold by Sylvester.

5,000 Dollars sent on the 10th of January to Boston. \$6,000 sent on the 16th of January to Burlington, Vermont.

Tickets at all Prices from \$2 to \$10. VIRGINIA State Lottery, Class No. 4 in 1834 drawn Feb. 15, 1834.

Recently Five Prizes of Five Hundred Dollars!

Prizes of \$20,000, 5,000, 2,000, 1,500, &c. &c. Tickets only \$5.

School Fund Lottery.

A Class of this Lottery will be drawn every Monday—Tickets TWO Dollars. CLASS 16 will be drawn at Providence, Feb. 10th, 1834.—66 Nos. 10 drawn ballots. Prizes \$5,000, 2,000, 1,000, 800, &c. A certificate of a package of 20 whole tickets costs only \$7 Dollars. S. J. SYLVESTER, 130 Broadway, N. Y.

To Journeymen Cabinet Makers.

The subscriber, residing in Charlotte, is desirous of obtaining good workmen in the above business, will give employment to some of the first rate workmen, if application be made, immediately. JOS. P. PRITCHARD. 617 Oct. 23, 1833.

BLANKS.

Of various kinds, for sale at this Office.