

## FREEDMAN'S BANK.

MAY 19, 1876.—Recommitted to the Select Committee on the Freedman's Bank and ordered to be printed.

Mr. DOUGLAS, from the Select Committee on the Freedman's Bank, by unanimous consent submitted the following

### R E P O R T :

IN THE HOUSE OF REPRESENTATIVES,  
January 5, 1876.

Mr. Douglas submitted the following, which was agreed to :

Whereas the failure of the Freedman's Savings and Trust Company, chartered by act of Congress approved March 3, 1865, has resulted in great loss and injury to large numbers of freedmen, depositors therein; and whereas the causes of and responsibility for said failure have never been fully inquired into or ascertained by any committee or by any order of Congress; and whereas said failure is alleged to have been caused by gross mismanagement of the officers and agents of said company, and by unauthorized and illegal employment and use of the funds of the corporation:

*Be it resolved by the House of Representatives,* That a committee of nine members be appointed by the Speaker to investigate the affairs of said Savings and Trust Company and its several branches, to ascertain and report to the House all matters relating to the management of the same, the cause or causes of failure, the parties responsible therefor, and the nature, character, and value of all collaterals and other securities held by said company and its branches for loans or investments of the funds of the same. That said committee also ascertain and report the names and residence of all debtors of said Savings and Trust Company, with the amounts, respectively, due by them, the time when the debts were severally contracted, and the kind, description, and value of the securities given by said debtors, respectively, with such other facts relating thereto as the committee may deem important and necessary to a full understanding and elucidation of the subject-matter of investigation.

*Be it further resolved,* That said committee and any subcommittee thereof shall have power to send for persons and papers, to summon witnesses, and to administer oaths, and may at any time report progress in their investigation, and shall have leave to employ a clerk and such other experts as may be required to aid therein.

Attest:

GEO. M. ADAMS, *Clerk.*

Your committee have had under consideration the matters referred to it by the preamble and resolutions prefixed hereto, and have taken a large amount of evidence, which, together with this report, is respectfully submitted to the House of Representatives.

As a befitting introduction to their report your committee offer the following brief account of the origin, structure, and early history of the institution commonly known as the Freedman's Bank, from which it is believed that if not originally conceived in fraud it will be easy to discern how naturally it degenerated into a monstrous swindle and justifies a suspicion that it was, almost from the start, merely a scheme of selfishness under the guise of philanthropy, and to its confiding victims an incorporate body of false pretenses. While the civil war was still in progress it had occurred to some of the generals of the Federal armies that depositories for receiving and keeping the pay and bounties of the colored Union soldiers would be a convenient and necessary provision

for their benefit, and accordingly military savings banks were established at Norfolk, Va., and at Beaufort, S. C. They seem to have been well-timed and suitable to the object in view, as the colored soldiers eagerly availed themselves for depositing therein such portions of their pay and bounties as they did not need for their own immediate use, and large sums were found to have accumulated in them when active hostilities ceased. From some cause or other, but doubtless by the death of many, the dispersion of the survivors, and the prevailing ignorance of the class of depositors, this money remained uncalled for, and (allowing for some speculation) for the most part a profitless incumbrance to the stakeholders. To utilize this fund and to collect and turn to profit the large sums still due and to be paid by the Government seemed to have led to the conception of the idea of a Freedman's Savings and Trust Company, ostensibly for the benefit of "persons lately held in slavery," but, as the sequel proves, for their spoliation and robbery. The Freedmen's Bureau, so redolent of evil under specious guise, and an adept in the ways and means of squandering public moneys, readily supplied the personal agencies requisite for the undertaking. Of these the chief and the real founder of the so-called Freedman's Bank was one John W. Alvord, an attaché of the bureau, and superintendent of its educational department. This man, who had been anything but a success, abounding in pious platitudes about the good of mankind in general, but with a keen eye to the main chance at the same time, having proved a failure in both lay and clerical pursuits in other sections, now turned his benevolent regards to the confiding and ignorant black element of the South. He got up the charter for the bank, a charter so singular in its array of high and eminent names for corporators, for its business organization, whereby nine out of fifty trustees were constituted a quorum, and so utterly and entirely without safeguards or protection for those who were to become its patrons and depositors that it is hard to believe that its author, whatever might have been his other deficiencies, did not thoroughly understand how to organize cunning against simplicity and make it pay for the pleasure of being cheated. As no intentional injustice is designed by your committee in their search for and exposure of the men who are responsible for the outrages perpetrated upon the colored people by the bank, we desire to say right here that many of the distinguished and eminently worthy gentlemen who figure in the charter never gave the use of their names and never accepted or undertook to execute the trust it created. They were thrust in for appearance' sake and to make the delusion attractive and complete. Some who really believed in the good professions of the projectors of the scheme and its adaptability to promote the welfare of those for whose benefit it was apparently intended, and who at first took seats at the board of trustees, quickly vacated them in disgust, and the whole management soon devolved, as was manifestly the intention that it should do, upon a cabal in Washington, consisting of a small minority of the acting trustees. Still further to protect the innocent from reproach for even an apparent connection with the institution, we shall as we proceed point out those who really deserve reprobation and punishment for the shameful mismanagement of its affairs. If not a pleasant task it is one called for by the order of the House and demanded by justice to that class of citizens who have been so grossly betrayed and fleeced by this new confidence-game called "The Freedman's Savings and Trust Company."

The charter of the company was obtained from Congress by an act approved March 3, 1865. The objects of the corporation, as set forth

in the fifth section, were to receive on deposit for safe-keeping and investment for *their* benefit, all sums that might be offered by "persons lately held in slavery" from one dollar up. The money so received was to be invested or loaned upon United States Government bonds and stocks alone, except that a sum "not exceeding one-third of all the deposits" was to be kept as an "available fund, at interest or otherwise, to meet current payments." The idea of a general banking concern with affiliated branches extending to all parts of the country is nowhere impressed upon the charter, and if it had been, would have exposed it to grave constitutional objections. Nevertheless, the company speedily organized, with its principal office at first in New York, where at least some regard was paid to the requirements and to the limitations of the charter, and where it would have been well for the depositors if it had remained. It was not until Alvord became president and the bank in fact brought to Washington, where it was subjected to all manner of malign influences, political and speculative, sole and corporate, that the "irregularities" of which the management was guilty, became so frequent and portentous as to attract attention, and call forth the animadversions of such newspapers as were not subsidized to conceal or palliate the abuses. But located here, with no bars to its vaults which thieves might not break through and steal, and no penalties for embezzlement or misuse of its funds which, substituting fear for integrity, might have afforded some security, the deposits were squandered and wasted without regard to the sacred nature of the trust on which they were held, and in cruel mockery of the hopes and expectations of the deluded freedmen. Theoretically, the design and the structure of the bank were admirable. The pecuniary benefit of the freedmen, and the moral and social advantages which attend upon material prosperity, were the avowed objects. The various duties of this beneficent scheme were so divided and allotted out to boards and committees as seemingly to insure efficiency and fidelity in the officers and agents, and proper guarantees to depositors. But the human instrumentalities on which the system depended for its successful operation were lamentably defective. As before said, the law lent no efficacy to the moral obligations assumed by the trustees, officers, and agents, and the whole concern inevitably became as a "whited sepulcher," "fair on the outside, but within, full of dead men's bones," rottenness, and corruption. The inspections provided by the by-laws were of little or no value, either through the connivance and ignorance of the inspectors or the indifference of the trustees to their reports, the latter clearly appearing from the testimony of A. M. Sperry, the principal inspector, who says he labored long and in vain to bring about a correction of abuses—never succeeding entirely in doing so—and had sought for two years to have such an investigation as your committee were ordered by this Congress to make of the affairs of the institution. The committee of examination, composed of G. W. Balloch and others, were still more careless and inefficient, while the board of trustees, as a supervising and administrative body, intrusted with the fullest power of general control over the management, proved utterly faithless to the trust reposed in them. Everything was left to the actuary and the finance committee. Such was the practical working of the machine. Still, amid much irregularity, as evidenced by the books, so long as the loans and investments were based on Government securities, and the available fund kept in a really available form, there were no heavy losses to depositors, and no positive proof of corrupt and collusive misapplication of the funds. Had the

policy first inaugurated been adhered to, there can be no room to doubt that losses would have been chiefly such as were inevitable from the vast number and the dispersion of the depositors and the very small sums deposited by many, and even this, while entailing some loss upon individuals, would have been a practical strengthening of the bank as a financial institution and a safe depository of the money intrusted to it. The time came, however, when there was fatal departure from this policy, and the ruin which followed is in no small degree directly imputable to the act of Congress approved May 6, 1870, whereby the charter was so amended as to allow one-half of the deposits not held as an available fund to be invested in loans secured on real estate.

The law in question provided, it is true, that the security taken should be in double the value of the loan granted, but, as in the original charter, no means were prescribed for compelling its observance or punishing its violation. This act, it is shown, was obtained through the active agency of William S. Huntington, then cashier of H. D. Cooke's bank, member of the finance committee of the Freedman's Bank, mixed up with all kinds of jobbery, and bound by business ties or close personal intimacies with all or nearly all of the wild and questionable speculating rings of the District of Columbia. It is evident, however, that he did not act in the matter upon his own responsibility or unadvisedly, and it is proved that the amendment was the work of the managers of the bank, without the knowledge or assent of the depositors. But they, the depositors, were of small account now compared with the personal interests of the political jobbers, real-estate pools, and fancy-stock speculators, who were organizing a raid upon the freedmen's money and resorted to this amendment of the charter to facilitate their operations. The District government, too, came in to hasten and profit by the work of spoliation thus inaugurated. Its treasury was wholly unequal to the task of sustaining the magnificent expenditures of the board of public works, presided over by H. D. Cooke, and controlled by Mr. A. R. Shepherd. Some exchequer must be found to advance upon the depreciated bonds and worthless auditor's certificates of the District, or the contracts must fail, and the speculations of the pool and of Shepherd and his friends in out-of-the-way and unimproved town lots come to grief. This mass of putridity, the District government, now abhorred of all men, and abandoned and repudiated even by the political authors of its being, was represented in the bank by no less than five of its high officers, viz, H. D. Cooke, George W. Balloch, Wm. S. Huntington, D. L. Eaton, and Z. B. Richards, all of whom were in one way or other concerned in speculations more or less dependent for a successful issue on sustaining the contractors under the board of public works, and a free use of the funds of the Freedman's Bank. They were high in power, too, with the dominant influences in Congress, as the legislation they asked or sanctioned and obtained, fully demonstrates. Thus it was that without consulting the wishes or regarding the interests of those most concerned—the depositors—the vaults of the bank were literally thrown open to unscrupulous greed and rapacity. The toilsome savings of the poor negroes, hoarded and laid by for a rainy day, through the carelessness and dishonest connivance of their self-constituted guardians, melted away—vanished into thin air in the form of millions of so-called assets, on which by no possible contingency can fifty cents on the dollar be ever realized to the unfortunate victims of heartless duplicity and misplaced confidence. The wolves literally became the pastors of the flock, and, without compunction or remorse, devoured the younglings committed to



their care. In the foregoing narrative your committee have necessarily, though somewhat incidentally, touched upon and pointed out the prime, but remote and indirect, causes of the failure of the Freedman's Bank—which was the utter and complete omission to provide in the law of its organization any safeguards for the protection of the depositors, who were encouraged and invited to trust their millions to its keeping.

In no age and under no dispensation, political or otherwise, has it been found that a corporation, "without a body to be kicked or a soul to be damned," could be safely trusted with the unlimited control of other people's property or money. The same, with very rare exceptions, holds good as to individuals. In any such case the law which fails to provide adequate guarantees of honesty and fair-dealing, and punishment for gross negligence and breach of trust in the use and employment of trust-funds and property, is itself the temptation to evil-doing, and justly exposed to the severest reprobation. That the law, original and amendatory, under which the Freedman's Savings and Trust Company was organized and started upon its career was fatally defective in the essential points indicated is too apparent upon its face to admit of cavil or dispute. The second cause of the failure, viz, great negligence and faithlessness of trustees, officers, and agents, was the legitimate offspring of the first. On this point your committee cannot furnish better illustration or proof than is afforded in the subjoined extract from the testimony of Mr. A. M. Sperry. He says :

Had there been scrupulous conformity to law in every particular, and carefulness in selecting investments, such as men fully conscious of the sacred nature of their trusts ought to have exercised, I do not think that the bank would have failed, for the reason that its franchises were most valuable.

And further on, in allusion to what he styles partisan attacks upon the bank, the same witness says :

Had the bank been as immaculate as it ought to have been, and had suffered those same attacks, it could have resisted them without loss. I would have gone to our depositors and simply said, "These things are not so;" and I would have been believed.

By Mr. RIDDLE :

Q. But you could not say that?—A. No, sir; I had to make so much of a clean breast of it that I spoiled all that I said. I have been waiting two years, Mr. Chairman, to say this. I can prove to you that for two years I have been working to get a congressional investigation.

Such is the evidence of a man who has been closely connected with the institution from its earliest active existence. It leaves no room to doubt the entire truthfulness and justice of the charge of infidelity to trusts, negligence, and carelessness (and hints strongly at dishonesty) of the men who had the control and management of the affairs of the bank, and that its downfall was due to their delinquency. As corroborative of Sperry, whose testimony, however, is not contradicted, your committee call attention to the books of the bank. Their condition indicates a settled purpose, running through a series of years, to muddle and confuse accounts so as to make them unintelligible. But whether through design or not, such is the result. If nothing more than an occasional mistake or slight "irregularity" occurred, it might be set down, perhaps, to the inexperience of the book-keepers or the want of clerical force to write up the books properly without imputing very great harm to any one. But it is far otherwise. The books are mutilated and defaced—leaves cut out in some places and firmly pasted together in others—without proper indexes to guide and direct the searcher into their hidden mysteries—abounding in false entries and forced balances, altogether exhibiting a labyrinth of winding and never-ending perplexity and contradic-

tions that defy the scrutiny of the sharpest experts. (See report of Dyer and Watkins, experts employed by your committee, and submitted as a part of this report.) That such things could have occurred and been permitted to continue without a purpose inconsistent with the idea of official integrity, fidelity to trust, or correct business practices is incredible. Charity herself averts her face in sorrow and refuses to cover such evidences of iniquity with her mantle.

But we need not dwell upon the tangled web spread over the books of the concern as evidence, suggestive though perhaps not conclusive, of improper conduct on the part of the officers and agents of the Freedman's Bank. The actual proof, abundant and indisputable, is at hand, and readily to be found in the printed testimony accompanying this report. The Washington cabal before mentioned, and consisting of the president of the bank, D. L. Eaton, the actuary, H. D. Cooke, chairman finance committee, William S. Huntington, henchman of Cooke, and of the same committee, O. O. Howard, honorary trustee, (an office and position unknown to the charter,) and Lewis Clephane, of the finance committee, and a few more, enough to constitute a quorum (nine) and a majority of that (five,) held high carnival over the freedmen's hard-earned and sweat-stained savings, which in an evil hour they had been cajoled into trusting them with for safe-keeping and profitable investment.

It is in proof that the law requiring loans and investments to be made exclusively on Government securities was violated. The provision of the amended charter allowing the acceptance of real-estate securities "in double the amount" obtained from the bank was a mere delusion and a cheat. It opened the door to the innumerable rascalities which quickly followed its adoption, by which the freedmen were swindled out of their money for the benefit of strangers, while the canting hypocrites who had deceived them under specious professions of regard for their race, and who have undoubtedly, directly or indirectly, shared in the plunder, go unwhipped of justice. Hardly had it passed and been approved before the office of the bank was besieged by real-estate agents and brokers eager to serve their clients by getting the largest accommodation upon the very smallest possible security having the semblance of conformity with law. Kilbourn & Latta, the trustees of the real-estate pool, were there, and were actually appointed appraisers for the bank, whereby the unseemly spectacle is presented of an attempt to serve two masters—a thing discountenanced by the laws, deemed incompatible with strict business integrity, and pronounced impossible in Scripture. They and others, representing like them both borrower and lender, were practically given the keys of the vaults, whose guardians, themselves stockholders or partners in the companies, societies, and speculating rings outside, winked at the thinly-disguised peculations and complacently pocketed their share of the plunder as though they had not sinned against the prohibition of any officer, trustee, or agent borrowing the money of the bank. Of course they were not very particular as to the value of the securities offered and accepted; and these, as might have been expected, seldom met the full requirements of the law; and from defective title, prior incumbrance, or false valuation, were often valueless, or only partially available to the institution. Among the most notable examples of the reckless and improvident management that now crept into the bank are loans to Howard University, the Young Men's Christian Association, the Seneca Sandstone Company—in all of which there was a personal identity, to a controlling extent, between the parties obtaining and those who granted

the accommodation. Another class of loans, designated as miscellaneous, and granted to individuals, displayed, if possible, a still more reprehensible disregard of the interests of the depositors and a wide departure from all recognized rules of safe and prudent business transactions. Some of them, according to the evidence, bear the impress of corrupt and fraudulent combination against the bank, in which some of its officers, holding the most influential as well as trusted positions, participated. In many instances money was loaned without collaterals or security of any kind, and to very large amounts, while the practice of adding loan to loan to the same person, though already in arrears both for principal and interest of previous advances, and then after almost indefinite multiplication, consolidating the whole into one and allowing the debt still to run on, is so bewildering a process in banking that your committee is constrained to suspect collusion even where there is an absence of positive proof of the fact. Certain it is that no such proceedings can be tolerated or excused in persons charged with and undertaking to execute a great and a sacred trust like that of the Freedman's Savings and Trust Company, and their presence argues the want of that conscientious perception of duty and obligation which should characterize the officers, agents, and managers of such an institution. But proof of actual fraud and dishonesty is not wanting, as the following instances condensed from and clearly developed in the testimony will show.

J. V. W. Vandenburg was a pet of the District government—a sort of *protégé* and favorite contractor for the grand public improvements planned and put in execution by the board of public works. His undertakings were upon a scale of expenditure far beyond the ready means of the District authorities. They required money, though, for their prosecution, and to get it this enterprising contractor had nothing to do but to go to the auditor of the District government, get his certificates for work done and allowed for, and then to the Freedman's Bank. These certificates were generally worthless, without responsible indorsements, and, being difficult of transfer, were not worth four cents a bushel as salable securities or as evidences of debt, (page 127, Vandenburg's evidence,) yet they were good enough to take in exchange for freedmen's money, and that not in hundreds but hundreds of thousands of dollars. Why? Because the *personnel* of the bank management and that of the District government were the same, and there was a larger and more direct interest to be advanced by fostering and supporting the government works than by an honest and faithful discharge of duty to the depositors.

The actuary of the bank himself, then D. L. Eaton, was persuaded to accept as a gratuity from Vandenburg a half interest in a \$100,000 contract for sewer-pipe. Eaton put in no money of his own, incurred no risks or responsibility, and had no trouble about it except to sign receipts for his share of the profits. But he used the influence of his position to pass Vandenburg's paper at the bank counter, and the money thus obtained was used to carry out the contract in which he was interested as a beneficiary, you are to believe, if you can, of a purely disinterested and noble generosity. This may not be a steal, but as Vandenburg still owes \$144,164.83 to the bank, according to the exhibit made by the books of that concern, which, however, he disputes on the ground that some forty to fifty thousand dollars of his securities have been disposed of and no credit given him, (the rest being hardly worth a contest about,) the Freedmen depositors have the consolation of knowing that they have been fleeced by an "irregularity," to use the polite and exculpatory phrase employed by the present commissioners when compelled to

allude to the rascalities of their predecessors in the management and control of the affairs of the bank.

But the Vandenburg-Eaton irregularity is small in actual criminality (by the terms and within the scope of the penal code) compared with the Seneca sandstone swindle. This bubble was a fancy-stock gamble got up by H. D. Cooke, John L. Kidwell, and H. H. Dodge, and this is the way they did it: They bought of one Peters a tract of land in Montgomery County, Maryland, with a red-sandstone quarry on it, located upon Seneca Creek; another Dodge and one Anderson were then associated with them, and a charter of incorporation obtained from the courts under the name of the Maryland Freestone Mining and Manufacturing Company. The purchasers then sold to the company their quarry and farm with its appurtenances, stock, teams, mills, machinery, &c., for \$500,000, in stock divided into 5,000 shares of \$100 each, 3,000 shares of which were divided among themselves and 2,000 reserved for sale at \$50 per share.

The game was to place these reserve shares where they would do the most good in aid of the scheme by getting "select" parties and men of "position and influence" to take them. They succeeded in getting off a large number on such men as General Grant, W. H. Seward, General Brice, General Townsend, General Dent, Surg. Gen. Barnes, Caleb Cushing, and others of high station and repute. The company now proceeded to issue \$100,000 of bonds, secured by a first mortgage on all the property, and these were nearly all absorbed by the originators of the scheme, who bought them with the proceeds of the sale of stock mentioned. Having thus bomb-proofed themselves against contingent dangers and losses by a first lien, the company, rendered eminently respectable in the eyes of the public by the distinguished and select character of its stockholders, was ready to begin in earnest to exploitate upon unwary outsiders. But they were not a success, either in making a corner in building-stone or in selling the shares. They then, after some six years of existence and struggle, went through the farce of declaring a dividend of 60 per cent., which was paid by watering the stock and dividing 3,000 shares more among themselves, thus making the stock nominally \$800,000. At the same time they issued another \$100,000 of bonds secured by a second mortgage.

These second-mortgage bonds were absolutely worthless. General Brice, testifying as to the proceedings referred to, says: "I had become convinced that the stock was unavailable. It was paying no dividends, and could not be sold in the market—so I did not care what they did with it." Notwithstanding this state of facts and the additional fact that the first sale of stock, when the company was or ought to have been free from debt, brought only 50 cents on the dollar, H. D. Cooke and his confederates, William S. Huntington and James O. Kennedy, did not scruple to put it off on any one whom they could cajole at 70 cents, assuring them that it was worth 80, and was a good and safe stock to invest in, (see Bryan's testimony,) Cooke and Huntington being of the finance committee of the bank, aided by Clephane, also of the finance committee, Kennedy, (see commissioners' report, p. 8,) Hallet Kilbourn, John O. Evans, and D. L. Eaton, got off \$95,000 of the second-mortgage bonds on that institution, drawing out \$62,000 of the freedmen's good money for the same. The jugglery by which this was accomplished is fully explained in the commissioners' report of the 14th day of December, 1874, (pages 56 and 57,) and is the recital of so gross a fraud and conspiracy to defraud, that, in the opinion of your committee, every one of the survivors in the transaction, viz, Henry D. Cooke,

Lewis Clephane, Hallet Kilbourn, and John O. Evans, should be indicted, tried, and punished to the extent of the law; while those who are pecuniarily responsible should be sued for the recovery of the money, or good securities, consisting in part of \$20,000 first-mortgage bonds of the Maryland Freestone Mining and Manufacturing Company, of which the bank was robbed by the conspirators.

Your committee exculpate Le Roy Tuttle from actual criminality, although his name appears to the secret agreement which was the compact of fraud with Kilbourn and Evans, because he appears to have been only a weak and unsuspecting tool of his associates on the finance committee of the bank. But the evidence is all in the possession of the House, and we forbear to enter further into particulars except to call attention briefly to a few instances of personal misconduct in the management. Geo. W. Stickney, the assistant actuary, and, after Eaton, actuary of the bank, is shown to have been not only privy to the crooked transactions referred to in the preceding pages of this report, but the principal actor in others, of which a fraudulent conversion of the funds to his own private use is one, and for which he merits and should receive punishment. He, it appears, was actually turned loose upon the funds and assets of the bank without even being bonded, though perhaps that devoted institution was not much the worse off for that, seeing that in nearly all cases where the trustees had taken bonds of their officers and agents they proved either to be informal, subject to some technical objection, or otherwise worthless when the time came, as it did come in several instances, to put them in suit on account of the delinquencies of their makers.

In the case of the Andrew O. Bradley transaction, too, he and the president, Jno. W. Alvord, were parties to an attempted transfer of property held by the bank as security for a debt of \$10,000 and some few hundreds of accrued interest, whereby the bank was treated to a lot of notes given by Bradley, and payable one, two, three, four, and five years after date, while the vendee, (or rather his principal, for he was merely agent,) A. R. Shepherd, entered at once into the enjoyment of an annual income of \$4,200 from the rent of the property to the Post-Office Department. What is still more singular, the contract of lease was made between Bradley and the Department ten days before he obtained a transfer of the property from the aforementioned officers of the bank, and the whole was done for the special benefit, delectation, and behoof of Shepherd, who, nevertheless, is not seen in the transaction. Not until the processes of a court of justice were resorted to by the original owner, one Mrs. Louisa McGhan, to set aside the whole proceeding for fraud, and permission given her to redeem the property by paying the bank, did the facts herein detailed come to the surface, and to the light of day. For such an inequitable, unjust, and to the bank injurious disposition of its assets, it is hard to believe there was no consideration given; but, allowing Alvord and Stickney the full benefit of the presumption of law in favor of innocence, it shows them to be wholly unworthy of the high trusts they held, and is a striking example of the actings and doings whereby the credit of the bank was destroyed, and its depositors plundered and ruined.

In the Juan Boyle business, too, the same Mr. Stickney and Mr. Leipold, one of the present commissioners, acted apart, the reasons for which are best understood by themselves, but one resulting in a total loss both to the bank and its debtor, Boyle; though the evidence establishes the fact that Boyle was offered a credit of \$21,000 on his liabilities, (Leipold to take the property, consisting of certain houses on M street,

in the city of Washington,) and that subsequent sales even under prevailing depression and shrinkage in values proved that they were worth under such unfavorable conditions nearly the whole amount for which they were encumbered. Very soon after this negotiation failed the property was sold under a deed of trust which Stickney had given upon it, while holding from Boyle for the benefit of the bank, and he, Stickney, bought it in for himself at the price of \$14,000, there being no one present to protect the bank, and little or no competition among the bidders. (See Boyle's testimony, given in the presence of Stickney and Leipold, and not contradicted in any material point of fact as above recited.)

There were also a great many small peculations by which the bank was drained of its funds, the aggregate of which, as far as can yet be ascertained, amounts to the sum of \$203,221.62. This sum is in part represented by checks and drafts, without collaterals of any kind, in part by nothing but the empty coffers of the bank, and are neither more nor less than a steal perpetrated on the bank by the officers or others through their connivance. Add to these forgery, as in the case of Boston, teller of the Washington branch, and the way the freedmen's money went is not difficult of comprehension. And now taking a retrospective glance over the events of the last ten years, in which this Freedman's Bank looms up conspicuously, we are led to believe that no race or kindred among all the generations of men have so thoroughly sounded the depths of the philosophy expressed in the prayer, save me from my friends, as those "persons lately held in slavery" at the South, a people *over* whom more crocodile tears have been shed, *on* whom more imposition practiced, and *for* whom less real sympathy felt by their professed friends, than any other known to history—a people almost literally stabbed under the fifth rib with a hug and the salutation "How is it with thee to-day, my brother?" In regard to this bank, the grossest deception was practiced upon them. They were told it was a Government institution, and its solvency and safety guaranteed by the United States. Missionaries, of whom the chief was Alvord, perambulated the South mixing religion, politics, education, and *teaching* the blacks how "to toil and to save," and then trust their hard-earned savings to Alvord and his associates to invest for them, not until, however, they had levied toll for their services in bestowing such inestimable benefits, and for their disinterested labors and sacrifices.

Full of gratitude to the Government for his emancipation, the negro was easily approached by, and gave unheeding credence to, any adventurer who declared himself his friend and professed a desire to aid his moral, intellectual, and social elevation, provided he belonged to the party of the administration. He believed and was deceived, trusted and was betrayed. Taught, to his ruin and that of the whites among whom he lives and moves and has his being, and between whom and himself there must be mutual trust and confidence before prosperity can be restored to his section, to hate and distrust the "old master classes," he is now derided by his old friends for his credulity, (see Sanders Howell's statement about a conversation with Leipold,) and told that those who dragged him out of slavery have by that one act canceled every obligation to deal with him on principles of common honesty. Upon no one of the originators and trustees of the bank did so great a responsibility rest as upon John W. Alvord, but yet he permitted all the misdoings described in this report to go on from year to year without any vigorous protest or effort to correct them, and so far from giving warnings to those who had so trusted the concern through his persuasion, he helped to keep up the delusion

by praising it, enlarging upon its benefits, giving assurance of its stability, and soliciting increase of depositors and deposits.

When the ruin of the institution was already past remedy, an amendment to the charter was obtained in 1874, with provisions limiting the amount to be loaned to any one person, and making any embezzlement or misuse of the funds by officers or agents a criminal offense. This should have been done at the beginning. Now it was like locking the stable-door after the horse was stolen; it neither saved the property nor caught the thief; it was a thin veil to the plunge into actual bankruptcy, and the handing the defunct remains of the once prosperous Freedman's Savings and Trust Company to the undertaker—the commissioners to close up its affairs—speedily followed the enactment. Having incidentally pointed to the parties chiefly responsible for the final catastrophe, while describing the causes which led to it, your committee have, as far as practicable, and for the present, discharged the duty assigned to them, and respectfully submit the result to the consideration of the House without further recommendation than that already embodied in the pending bill to amend the legislation of 1874 in regard to the commissioners. Whether it will be necessary to submit any report upon the condition and management of the bank since it went into liquidation is reserved for future consideration.

B. B. DOUGLAS,  
*Chairman.*  
TAUL BRADFORD.  
W. S. STENGER.  
H. Y. RIDDLE.  
CHAS. E. HOOKER.  
J. H. RAINEY.

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REPORT OF EXPERTS.

WASHINGTON, D. C., *March 7, 1876.*

SIR: In compliance with the resolution adopted at the meeting of your committee on the 4th instant, asking to be furnished by this date with a complete and consolidated report of our investigation up to this time, we would respectfully submit the following:

As mentioned in our report of the 4th ultimo, we found leaves cut out from the original ledger, leaves without number pasted together, balances not brought forward, and of which, at this date, no trace has been found; and these omissions occur in every book so far examined. For instance, in deposit-ledger "A" the balances foot up with amounts due depositors of, in the aggregate, \$40,000. Whether these have been transferred or finally settled we cannot determine, there being no indexes in the ledger.

In several instances the original entries do not conform to the meaning of the transaction when carried to the ledger. Also, we find on the ledger duplicate accounts under the same heading, and in many instances an original entry which was a debit to an account has been posted as a credit, and *vice versa* as a debit. The columns in the ledger which are designed to show the reference to the folio of the original transaction fail to give the connection.

The absence of auxiliary books also has impeded, and we might say stultified, to a great extent, our investigations. The status of the New York or principal office, as shown by transcript balance-sheet, (heretofore transmitted,) was deficient fully 20 per cent. between its available assets and recognized liabilities, at the date of its transfer to Washington, which appears to be April 30, 1867.

The branch office at Beaufort shows on July 1, 1867, as per ledger, a difference on that date of \$10,276.04 between the actual balance and the balance that ought to have been if the entries had been properly posted. The special-deposit account has a balance against it which amounts to \$24,978.72. The creditors to this account, so far as we can see, do not appear on the books, the account being abruptly closed on the ledger.

We have also lately examined the cash-account of the principal office and find a balance of \$28,331.04 on the 10th of October, 1868, to the debit of that account; also that

the Washington branch office had not brought forward on the credit side on March 30, 1868, \$64,470. 56, besides several amounts not carried out in the ledger.

We have also examined partially an account under the heading of G. W. Stickney, which is perfectly unintelligible to us, there being a balance to the credit side of this account not carried forward to where the account is continued, of \$68,387.66.

In conclusion, we would say that our duties have been laborious. We do not make comments, it being our purpose to state facts. We have presented figures from which your honorable committee can draw conclusions; it is our privilege as well as our duty, however, to state that a more perverted arrangement could scarcely have been devised by human ingenuity if the design had been specially directed to obscure the transactions of the institution. Incompetency at the beginning may be made an excuse for palpable errors and omissions, but when eminent bankers direct investments and indicate the business of the institution this apology fails.

We cannot suppose there was a "lack of common sense" on the part of the managers of the concern, but certainly there is a notable deficiency in all the well-understood principles of accounts, for which experience should have provided a remedy, even for the most ignorant and unskilled, much more for competent financiers and professed accountants.

All of which is respectfully submitted.

SAMUEL WATKINS.  
JOHN F. DYER.

Hon. B. B. DOUGLAS,  
*Chairman Committee of Investigation of Freedman's Bank.*



## VIEWS OF THE MINORITY.

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The testimony taken by the committee discloses the following facts, viz:

About fifty-six millions of dollars were received on deposit by the Freedman's Savings and Trust Company, of which about fifty-three million dollars were paid back with interest, leaving about three million dollars still due to about seventy thousand depositors; it is expected that dividends to the amount of forty to fifty per cent. will be paid upon the latter amount.

If the managers of this bank had invested the funds in accordance with the provisions of the charter, it would have proved a most beneficent institution for the freedmen; but, unfortunately, those who invested the funds loaned them in many instances where they would inure to their own profit, without much regard to the security held for said loans.

This abuse of their trust is reprehensible in the highest degree. One of the clerks in the office was proved guilty of forging the name of a depositor and drawing his money. Some of the agents of the branch banks are proved to have been dishonest. All these should be punished to the extent of the law.

I agree to the main facts as stated in the majority report, but dissent from some of its conclusions and language.

RUFUS S. FROST.



# TESTIMONY

TAKEN BEFORE

## THE SELECT COMMITTEE OF INVESTIGATION OF THE FREEDMAN'S SAVINGS AND TRUST COMPANY.

*Authorized by resolution of the House of Representatives January 5, 1876.*

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MARCH 9, 1876.—Reported and ordered to be printed.

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### SELECT COMMITTEE ON THE FREEDMAN'S BANK, *Washington, D. C.*

The committee met this 17th day of January, 1876, at 10½ o'clock a. m., in the room of the Territorial Delegates, and upon call of the roll the following members answered to their names: Beverly B. Douglas, Taul Bradford, William S. Stenger, Haywood Y. Riddle, Charles E. Hooker, Charles B. Farwell, Rufus S. Frost, Joseph H. Rainey; absent, Archibald M. Bliss.

The chairman asked for a copy of the report of the trustees of the Freedman's Savings and Trust Company, required to be made, under section 8 of an act amending the charter of the Freedman's Savings and Trust Company approved June 20, 1874, to the Secretary of the Treasury, if made.

Upon the subpoena of the Speaker, the Sergeant-at-Arms brought Messrs. John A. J. Creswell, Robert Purvis, and Robert H. T. Leibold, the commissioners of the bank, before the committee, in company with eleven books called for by the chairman on the 15th instant.

Mr. Creswell stated that on the 4th of July, 1874, the commissioners were appointed, and that no such report as asked for above, from the trustees, was ever made, to his knowledge; and Mr. Leibold stated the same to be a fact.

The CHAIRMAN then interrogated Mr. CRESWELL as follows:

Question. You are the head, Mr. Creswell, of the commissioners appointed under the act of June 20, 1874, to close the affairs of the Freedman's Savings and Trust Company?—Answer. I was named first, and, by courtesy, presume I am; I have, however, no more authority than the other gentlemen.

Q. Please state at what time you entered upon the discharge of your duties as one of said commissioners, and state, as well as you can, in a general way, what your subsequent investigations have shown to be the condition of the corporation at that time.—A. The commissioners qualified early in July, 1874, by giving a joint bond in the sum of \$100,000 penalty, which was approved by the Secretary of the Treasury, and filed in the Treasury Department; and they proceeded immediately to the discharge of their duties, upon receiving a proper certificate of appointment. We found that at that time, through a subsequent investigation, the amount of the bank's indebtedness to depositors was somewhat over \$3,000,000 down to the present time. The bank was largely insolvent. On December 14, 1874, we made a report which gave all the information in our possession at that time, and the liabilities, as they appeared then, were \$2,879,031.78. We then found the assets, as per ledger balances, \$2,693,095.20. There was a deficiency, you will observe, of \$185,936. This deficiency has reference to all the offices, and not the principal one. Apparent amount assets about \$2,000,000, at present time, after all collections to January 1, 1876.

Q. Has the board of commissioners, of which you are a member, ascertained the actual value of the assets appearing to be held by the corporation? If so, please state, if you can, the aggregate amount so ascertained, the proportion of the same held in the bonds and other securities of the United States, and in notes and bonds secured upon real estate, according to the provisions of the act of Congress approved May 6, 1870.—A. We have not ascertained the exact amount of those assets, and cannot until the concern is wound up. A large amount of these personal securities appear to be worthless. Mr. Leibold is more hopeful than I am. I feared that we would not be able to realize more than 40 per cent. from the entire assets, but Mr. Leibold expects it to reach 60 per cent. I think, however,

they may be between these figures. I also may say that Mr. Purvis was a little more hopeful than myself. Very much will depend upon what we realize from our real estate. When we took possession we found but a very small amount of United States bonds belonging to the institution, but speaking from memory I cannot pretend to be accurate. There could not have been many thousands held as collaterals, but our report, to be made in a few days, will show. I prefer not to give answers from memory, and think it safe to say that there were but a few thousand dollars in United States bonds. Then the amount of notes, apparently secured by real estate, when we took possession, was \$1,208,857.15, on which interest had accrued to the sum of \$93,470.10, and upon which charges for advertising, insurance, &c., had accrued to \$9,911.77, making, in the aggregate, \$1,312,239.02, principal office. Then came what they styled the "available fund loans," which are secured by personal securities, such as indorsements, and other collaterals found on pages Nos. 32, 33, 34, 35, 36, 37, 38, 39, 40, of the printed report of the commissioners. On these there were due at the time of our taking possession, \$312,968.53, accrued interest to amount of \$40,561.32, and charges amounting to \$2.25, making aggregate amount due \$353,532.10.

Upon motion of Mr. Farwell, the committee adjourned.

COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, January 22, 1876.

The committee met at 10 o'clock a. m.

Present: Messrs. Douglas, Bradford, Stenger, Riddle, Hooker, Farwell, and Rainey.

ANSON M. SPERRY, inspector of the Freedman's Bank, being present, was sworn and examined.

By the CHAIRMAN:

Question. State, if you please, whether you were an inspector of the Freedman's Savings and Trust Company.—Answer. Yes, sir; I was from October, 1871, up to the time of the closing of the bank. The bank went into liquidation in July, 1874. It is proper for me to state that I was an employé of the company as an agent for the colored Twenty-fifth Army Corps until 1867, and after that as a cashier of the company until I was made inspector.

Q. State what the character of your duties was in each of these several capacities.—A. As an agent of the company with the colored troops, to receive money either for deposit in the company, or to send to their friends for them, if they could be reached. I remained with the troops until they were all mustered out in 1867. Having lost my health in the South, I was relieved in 1870. On the conclusion of my service with the troops, in 1867, I was made cashier at the Memphis branch. In the fall of 1870 I was assigned to this duty as inspector.

Q. Did your duties embrace the inspection of the chief office?—A. No, sir; not at all.

Q. What were your duties directly?—A. They related to the several branches. I was supposed, either by myself or deputy, to examine all the accounts. As a matter of fact the business was so enormous that it could not be adequately done by the force we felt able to employ. We were required to inspect all the branches twice in every year. Some of them were never inspected, and could not be. However, in June, 1873, we got a resolution through the board authorizing me to employ details of cashiers by interchange of force, and we should have been able to make a pretty vigorous examination had we gone on.

Q. I understand you to say that at many branches it was impossible to comply with the instructions given to you as inspector. State, if you please, at what branches this happened.—A. I have a list of the branches here with which to refresh my memory. I never was able to get at the Huntsville (Ala.) branch, Louisville, Lexington, or Little Rock. Macon, I think, was examined by deputy. New York was not in my jurisdiction. It was in charge of a manager. I never felt called upon to go there. Philadelphia, Savannah, Shreveport, Vicksburgh, I think, were not examined, either by me or my deputy; neither was Charleston.

Q. At those branches where inspections were made, were the entries in the draft and deposit journals compared with the ledger and pass-books?—A. At some of them they were, and others not. Many of our men were new to the business of book-keeping, some of them uneducated. At most of the branches, however, a reasonable amount of care was exercised. In all of them, I think, the accounts were so kept that by the advice and direction of the inspectors they were able to fetch up the work which was left behind. In other words, there were not radical omissions.

Q. From the report here there seems to have been some very radical omissions.—A. There was one radical difficulty in the accounts which, if you asked me whether the ledger balances were properly taken off, I should tell you something different. They made the proper entries upon the checks, but did not apply them to the books.

Q. Did you, upon your inspections, cause the accounts to be checked with the ledgers, and were the records sent to the principal office, showing the errors and omissions?—A. So far as possible I sent them.

Q. Were these duties omitted anywhere where inspections were made?—A. Yes, so far as it was possible. It was not possible literally to comply with these instructions, because I had

come into the business three or four years behind time, and to carry out literally the instructions was almost an impossibility. I caused the ledger balances to be taken off, and it was to this point that I referred just now. In many cases, finding the ledger widely different from the original entries as returned to the principal office, I made improvements. To illustrate, take the case of the Washington branch, where in 1870 I found a difference between the ledgers and the general account of some \$80,000, and by our best endeavors and the employment of additional expert force, we were never able to reduce this difference below, say, \$40,000. I speak from memory.

Q. Who were the officers of the Washington branch during the time these discrepancies were discovered?—A. The cashier was William J. Wilson; but there was a change made about this time, I will not say exactly when, though in 1870 the cashier was the one just named.

Q. What other managers or agents were there?—A. No responsible managers in the branch except the book-keeper, who was Thomas S. Boston. There were, perhaps, one or two clerks, occupying subordinate positions, whose names I have forgotten.

Q. How long after the period referred to in the foregoing answer did Mr. Wilson and Mr. Boston continue in their respective offices?—A. I cannot say from memory just when the office of cashier was discontinued; we found it necessary to make a change, and it was deemed best to put the affairs of the branch directly under the control of the principal office. I think that was in 1871, but I ought to be allowed to refresh my memory; I might find it necessary to correct the dates.

Q. What time was this examination made, and what time did this change occur?—A. I recommended changes immediately upon making the examination alluded to. Those changes were not carried into effect until, I should say, late in 1871. I have no data in my memory by which to fix the date.

Q. Just state as nearly as you can from recollection. Was it in cold or warm weather, or spring?—A. I am unable to state because of the long discussion and agitation of the subject. I made repeated reports, but with the minute-book before me I presume I might be able to turn to the date.

Q. Where was this discussion?—A. I made reports which were referred to committees. The matter was brought before the board of trustees.

Q. You reported upon your discovering these discrepancies?—A. Yes, sir; to the actuary.

Q. There was no action taken upon your recommendations until late in 1871?—A. It might have been in 1872.

Q. Did you immediately upon discovering the discrepancies in the accounts of the Washington branch report to the board of trustees, through the proper channel, the existence of the fact, and make any recommendation in relation thereto? If so, state what that recommendation was and through whom it was transmitted to the board of trustees.—A. I reported the facts to the actuary, and recommended a more thorough organization of the office.

Q. Who was the actuary to whom you communicated the facts in relation to the Washington branch?—A. Mr. D. L. Eaton, since deceased.

Q. Do I understand you to say that at a subsequent period you again called the attention of the board to the discrepancy in the accounts of the Washington branch, and recommended that it be discontinued and its business transferred to the principal office?—A. The discrepancy was too well known. But the business thereafter was not conducted satisfactorily to the management in the principal office, and it was for that reason that the change was made.

Q. I want it distinctly to appear in your evidence that you had more than twice called the attention of the trustees to these discrepancies before action was taken.—A. It would be hardly fair to the managers to say that. From the time the discrepancy was discovered the matter of the conduct of the affairs of the branch was under continual discussion, and no effectual remedy was reached until we did break up the organization of the branch, putting the work in charge of tellers responsible directly to the actuary, who was then succeeded by Mr. G. W. Stickney.

Q. When was this reform effected?—A. Under Col. G. W. Stickney. Colonel Eaton was never able to accomplish it.

Q. Are Mr. William J. Wilson and Thomas S. Boston still living?—A. Yes, sir; Mr. Wilson is in the Sixth Auditor's Office of the Treasury Department, and Mr. Boston is somewhere in the city.

Q. Did you know anything of the pecuniary responsibility of William J. Wilson and Thomas S. Boston while discharging their respective duties as officers of the Washington branch of the Freedman's Bank?—A. No, sir; I did not know anything of their pecuniary circumstances. I suppose they were dependent on their salaries.

Q. Did they give any bond for the faithful discharge of their duties?—A. I think they did. I have seen Mr. Boston's bond. I am not sure of Mr. Wilson's.

Q. State in what amounts, and with what security, and whether the same were, in your judgment, good for their face at the time of their execution.—A. I do not know about Mr. Wilson's bond; Mr. Boston gave a bond of \$5,000, I think, signed by Gen. O. O. Howard.

Q. Do you know of any proceeding instituted by the actuary or any officer or officers of the Freedman's Savings and Trust Company to recover from Wilson and Boston the deficiency appearing upon their accounts as managers of the Washington branch?—A. No, sir.

Q. Did you, as an inspector, require the cashiers of the several branches to balance daily the receipts and disbursements according to instructions? If so, were they complied with?—A. Yes, these instructions were complied with, and later in the history of the bank, that is as soon as it was possible to organize the system, copies of the day's work followed it to the principal office.

Q. You instructed the cashiers and the cashiers complied with your instructions?—A. Yes, sir; the instructions were sent out from the principal office. I was to see that those instructions were carried out. They were, however, first sent out from the principal office by the actuary. In other words, the actuary was the medium of communication between the branches and the home office, for I was away often for months and of course could not keep up communications.

Q. If the instructions to the cashiers of the branches in regard to balancing their daily receipts and disbursements separately were faithfully carried out, how does it happen that there should have been any discrepancies in their accounts as shown by their books, and reported by the commissioners in their report to Congress, dated December 14, 1874?—A. The errors so discovered and reported arose before this system was inaugurated. They were old errors almost wholly, errors which came into the book-keeping before any general harmonious system of accounts had been adopted, as I stated in the case of the Washington branch, where the large error was the result of the early system.

Q. Do you mean to say that all the discrepancies which appear upon the books of the branches were the result of irregular, careless, or incompetent book-keepers, who kept the accounts prior to your inspection, and that since then they have all been regularly and well kept and properly balanced?—A. The principal errors, those of any special moment, arose in the early history of the branch, before any general and harmonious system of accounts had been adopted. Since the adoption of this system of daily reports, it was practically impossible that errors of any magnitude should creep in.

Q. When was the system of daily reports first adopted?—A. I am unable to state, sir, from memory. It was, I presume, not until 1872. A reference to the books will show. The book-keeper at the principal office was charged with these matters rather than myself. I simply helped to develop the system.

Q. Was there any rule or regulation requiring the cashiers of branches to balance and to report to the principal office the condition of their deposits and disbursing accounts prior to the date referred to in your last answer?—A. There was; but it was not adequate to prevent errors creeping in. There were not sufficient checks upon their own figures, and many of the men were quite inexperienced. Several branches, notably at Savannah, had never any errors. At Savannah the cashier settled his nine years' business with a difference of a very few dollars. He was a competent man. The same may be said of Charleston, except the first year, under the charge of a green book-keeper, when there was a deficiency of \$3,300, which they were obliged to carry to profit and loss.

Q. Did the officers and managers of the principal office ever institute any proceedings for a proper settlement and accounting by these incompetent officers, through whose neglect, or something else, the bank has sustained losses?—A. No, sir; not against those regarded as incompetent, simply. We had some defalcations. Proceedings were commenced against a manager at Beaufort.

By Mr. BRADFORD:

Q. Do you know anything not already stated by you tending to show fraud or irregularity or want of conformity to law or prudent commercial usage on the part of one or more of the officers or employes of the Freedman's Savings and Trust Company, acting themselves or through the agency of others? If so, state fully and circumstantially all you know on this subject.

Pending the answer to the question the committee adjourned, at 12 o'clock m., to meet again on Tuesday, at 10 o'clock a. m.

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SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, January 25, 1876.

The committee met at 10½ o'clock a. m.—present, Messrs. Douglas, Riddle, Bradford, Farwell, Rainey, and Frost—when the testimony of Anson M. Sperry was continued.

The CHAIRMAN. Are you prepared now to answer the question asked by Mr. Bradford at the close of your examination on Saturday last?

The WITNESS. Yes.

The Chairman here reread to him the question.

The WITNESS. As to the cases of fraud of which I have knowledge, the first is that of the cashier of the Atlanta branch, Philip D. Cory, who was removed in February, 1873, and who confessed to a defalcation which was afterward proved to involve some \$8,000. He was arrested as a defaulter, and suit brought against his bondsmen. He had given a bond for \$6,000. He was arrested on information given by the bank, and was prosecuted in Fulton

County, Georgia, and was sentenced to four years in the penitentiary. The case was carried up and is not completed yet. In December, 1872, we discovered a serious discrepancy in the accounts of the Beaufort branch. An investigation showed that Nelson R. Scovel, the cashier, had been tampering with the accounts to an extent which we could not find out for a long time. He was removed and suit brought against him under his bond, to recover some \$10,000 of which he appeared short. No criminal suit was commenced in that case. At Mobile the cashier, C. A. Woodward, appropriated to his own use \$3,375, which he claimed as additional compensation due to him on account of his services rendered to the Freedmen's Bureau, independent of his salary as officer of the bank.

Q. What had the bank to do with payment for services to the Freedmen's Bureau?—A. That is what we wanted to know, and what we do not know yet. We have not got the money, though. He was removed immediately, and suit brought against him under his bond for \$10,000. This suit is still pending. At Newborne, N. C., I found the cashier, C. A. Nelson, to be short in his cash some \$1,250 and to have made on his own authority, loans involving some \$1,000 or \$1,500, which loans he was carrying as cash. He was removed; his accounts examined and suit brought against him under his bond, on which judgment has been obtained, the amount of which I am not aware of. At Wilmington, N. C., I found the cashier, Van D. Macumber, short in his account. I found him carrying an overdraft of between \$2,000 and \$3,000. He was removed, and his successor put in charge. He had carried the amount in overdrafts as a means of concealing his short cash. There was a fraud involving between \$2,000 and \$3,000. These figures in the commissioner's report, \$2,416, show the balance of his account, which we cannot get out of him. What the \$23,000 means, I do not now recall.

The CHAIRMAN. I know what it is exactly. It is money stolen, and not to be found. That is a very plain proposition.

The WITNESS. I understand what being "short" means. These were overdrafts allowing customers of the bank to overdraw their accounts.

The CHAIRMAN. I do not think that when a man allows his trust-funds to be overdrawn, he is a very correct business man.

The WITNESS. These overdrafts were not allowed by the company.

Q. Are there any other cases of fraud?—A. At Natchez, Miss., (I do not find any report on Natchez in that examiner's report,) the cashier, Fred Jordon, was, by a deputy of mine, found to be short in his cash some \$1,125, which he had covered up by charging his interest-account. He was removed, and an attempt was made to recover the money, but his bond was good for nothing. No criminal action was taken in his case. These are all the incidents involving actual frauds among the cashiers of the company that I am at present aware of.

By Mr. RIDDLE:

Q. Did you inspect the Nashville bank?—A. No, sir; it was inspected by a deputy, Mr. Hunt. He inspected it on two or three occasions. I never was there except to stop and see the cashier as I passed through. My assistant inspector found a difference of \$1,000 between the accounts and the statement. Mr. Cary, the cashier, always held that it was my assistant's mistake. Mr. Cary is a very honest, straight-forward man, and as careful an accountant as a man of his education can be. There are some differences in the ledger balances, but Mr. Cary is an honest man, if there is any man honest. Now, as to the want of conformity to law, or to the violation of prudent commercial usage, I confess that I hardly know what to say. There is no branch where loans were made, that I am aware of, where those principles were not violated more or less. At Jacksonville, Fla., where I cannot charge fraud, I am sure that I never knew a grosser or more ingenious violation of prudent commercial usage. But I mean by fraud, a case of a man stealing or sharing in the profits. There is a \$1,000 item at Jacksonville, which I cannot prove to be fraudulent, but which looks wonderfully like a steal, and is carefully covered into the books. This case illustrates the difficulty of bank inspection. It is the work of months to check off the accounts. In that case (where I suspect fraud, but am not able to prove it) the day's work had been extended, \$1,000 short. The thing was very simple, but very ingenious. For instance: from Tom, Dick, and Harry, say that \$3,300 had been received during the day, and extended on to the margin, which went into the cash-book, and then into the ledger; but, instead of extending it as \$3,300, it was extended \$2,300. That enabled \$1,000 cash to be disposed of and no questions asked; and it was impossible to discover it, except by going over the original footings, which involved a work of months. We struck it accidentally. In that case I always supposed fraud. The cashier was responsible under his bonds, but they were good for nothing. Then, again, loans in defiance of the authority of the principal office were made to wholly irresponsible parties. The cashier, W. L. Coan, was particularly reckless. The latest report from the commissioner's agent, Mr. Lockwood, is, that at Jacksonville the company will probably lose \$100,000 out of the \$150,000 or \$160,000 that was put out there. Coan was removed, and that was all that could be done; his bonds were good for nothing. At Beaufort, in addition to the frauds above mentioned, for which Mr. Scovel was prosecuted, he had made loans to a large extent—most of them without the knowledge of the principal office, and he had made false statements with reference thereto. The amount of the loans, I

think, was between \$135,000 and \$145,000, of which \$100,000 may safely be set down as lost. At Memphis the cashier, acting on his own responsibility, made loans involving some \$60,000. His doing so did not involve any fraud, for it does not appear that he was to profit personally by them; but it certainly cannot be called much in accordance with prudent commercial usage, nor do I think it was in conformity with law.

By the CHAIRMAN:

Q. Will there be any losses there?—A. It is difficult to say. I think there will be. The loans at Jacksonville have all something to show for them. They have never been charged to profit and loss, or to suspense account. The commissioners simply report what they find on the books; and they do not know what the loss is until it is made up.

By Mr. FARWELL:

Q. That will be shown when the assets are realized upon?—A. Precisely.

Q. You say that the loss will be \$100,000 at that point, but that there are assets for the whole amount?—A. Certainly. When I say that there is \$100,000 to be lost at Beaufort and Jacksonville each, I mean this, *that it is undoubtedly so*. At Vicksburgh, some \$11,000 or \$12,000 was loaned by the cashier, B. A. Lee. I am sorry to believe (because the poor man is dead) that there were reasons why he loaned the money. Most of these loans were made without the knowledge of the home office.

Q. As I understand, the branches had no authority to invest or loan funds of the bank?—A. They had not, with two exceptions which I will state. In regard to Vicksburgh, I should like to refer to this last report of the commissioners and to incorporate it in my statement to show the names of the parties to whom the loans were made to the amount of \$11,000. They will be found on pages 50 and 51 of the commissioners' report. These loans certainly did not exhibit either conformity to law or prudent commercial usage.

Q. What is their condition?—A. About as bad as can be.

Q. Do you regard them as total losses?—A. I would not say "total" because something may be realized from them. If enough is got to pay the lawyers, that is all that can be expected.

Q. Then it is a clear loss to the bank?—A. Yes, in my opinion, it is substantially a clear loss, because the parties to whom these loans were made are irresponsible. Mr. Lee himself made this admission to me.

Q. Do you know anything about the losses at Richmond?—A. There was not a cent lost there. Richmond is as straight as a string. No better man treads the earth than the cashier at Richmond. He was a trained accountant, and a man who had courage to remain poor and to do his duty. There is an admirable report from Richmond.

By Mr. RIDDLE:

Q. Is there a report from Nashville?—A. Yes; on page 64; and the comments are rather curious, too. At Lynchburgh I found the cashier short in his cash some \$900, if I remember correctly. He admitted that he had used the money, but pleaded poverty as his excuse. His name is F. W. Bronaugh. He had, further, made loans, mostly to his relatives, involving some hundreds of dollars more. I have not the figures before me. The branch had been already ordered closed, and no action was taken in his case. Recurring to this list of branches, I find that I have not mentioned the case at Lexington, Ky., which is wholly within the knowledge of the commissioners. It has come up lately. Mr. J. G. Hamilton, the former cashier at Lexington, was found to have taken funds to the amount of about \$5,000, concerning which the commissioners have all the facts. These, so far as I have been able to recollect within the last two days, involve all the cases where either fraud at the branches has been perpetrated, or where loans have been made violating prudent commercial usage.

Q. Have you spoken of all the branches?—A. I have spoken of all the branches where loans were made, with the exception of the branch at Montgomery, Ala., where the cashier, Mr. Edward Beecher, had made loans without the advice, and contrary to the wish, of the principal office of the company, and on which it was apparent there would be a heavy loss. But as the company desired to get rid of this branch, it was transferred to Colonel Beecher, who has since paid off all the depositors. He owes the company, in account, some \$18,000, which will doubtless be paid. But his primitive action was a plain violation of law and of prudent commercial usage. Colonel Beecher is entirely responsible. There is a good bond of \$60,000 behind it, and the commissioners are collecting on it. The depositors there have all been paid and the matter is settled. There is no loss to them.

Q. How could you pay the depositors there without all the depositors of the company being paid *pro rata*?—A. That was before the company closed. We got rid of that branch and got all the pass-books in. I have brought with me a statement made up by the book-keeper for the use of the commissioners, giving the excess or deficiency, on ledger balances; that is, showing the amount of profit and loss apparent at each branch. The statement is made up by the man who was the commissioners' book-keeper at the time. It is a statement, in short, of the condition of the company on 11th July, 1874, as to its branches.

Q. State the general result as exhibited by them.—A. The general result is, that the ledger balances in the branches appear to be in excess of the statements heretofore furnished the



company, in the sum of \$98,172 10, while other branches were deficient in the sum of \$1,607.02.

Q. Do you mean to say that the losses, as represented by those balances, were some \$98,000 more than they had been supposed to be?—A. Yes, sir.

Q. Give us the net balance.—A. In round numbers, the balance would be \$96,500.

Q. Which is a deficit, to be added to the commissioners' report?—A. No; to the ledger balances. The company had been reporting \$96,500 less than the ledgers of the company's branches appeared to call for, and showed that they were chargeable with that amount, on the presumption that the ledgers are correct. But, that the ledgers are not to be relied upon is shown by the fact that at Baltimore, where there appeared to be an excess of \$4,300, there have been since found, in the process of examining, credits to the branch in the sum of \$2,700. At Louisville, where the ledger seemed to be short \$92, if the proper corrections were made in the interest-account, there is really something in favor of the branch, perhaps \$500 or \$600. I bring this in, because on Saturday last the question was raised as to the amount of the excess. Now at Washington, for instance, here is forty-odd thousand dollars—

The CHAIRMAN. That you have not been able to account for.

The WITNESS. No; I never have been able to account for it. This matter at the different branches I have given you from my own personal knowledge; but I really know little or nothing as to what was done in Washington. I have the same opinion about the Seneca stone matter as you have, perhaps.

Q. I want to know whether you know of any instance at any of those branches, of any fraudulent, unlawful, or unfortunate transaction, not consistent with commercial law?—A. This is the sum of my testimony as to the branches.

Q. Do you know anything of this deficit or fraud of \$40,000 in the Washington branch?—A. That there is fraud in it I do not know. The thing simply cannot be explained. There have been so many blunders in the accounts; so many duplications of balances; so many wrong postings in the ledgers that the books are utterly and wholly unreliable. If that be fraud then it is fraud. When you find the book-keeping so bad that the debits and the credits are not always distinguished, and that, when the account is carried forward, the reference marks are left off, and so a number of duplications have crept in, what are you going to do about it? It may be fraud, and if the man was smarter, I should say it was fraud, but I think that he was too dull for fraud. Still, when you come to a plain statement, I am unable to explain it, and I do not know anybody who is able. I never have had any reason to believe that there was stealing in the Washington branch office. I am the only man, too, who has ever preferred charges against the officers of the branch, but it was in confidence.

Q. Though you were a Government bank-inspector, you never discovered anything wrong in the Washington branch amounting to criminality?—A. No, unless negligence, or rather incompetency is criminal. The records of the company would show that I tried to make a change in the officers and could not do it.

Q. Have you any further response to make to Mr. Bradford's question?—A. No, sir; unless I should be questioned on the loans and investments in Washington. I have distinctly stated that I have never had any personal connection with them. Most of what I know I have got, as to the material facts, from the investigations made since the bank closed. Washington was not in my department; that was the amount of it.

Q. Was there any relationship between Wilson, the cashier, and Boston, the teller or clerk, in the Washington branch?—A. Boston was the son-in-law of Wilson. It is but due to the officers of the company to say that we tried repeatedly to make changes there and could not. The race and color question prejudice interfered; but that is a matter which I do not want to touch upon; but it kept incompetent men in those places.

Q. When testifying in regard to some of the branches, you have spoken of dealings or the evidences of them, being confused and covered up. Do you know of any case occurring at the principal office here in Washington where there was an attempt to cover up the real nature of a previous transaction for the purpose of concealing it?—A. The Seneca Stone Company was undoubtedly such a case.

Q. Give us a history of the transaction.—A. I never know anything about it until after the bank was closed. It was a concealed transaction.

Q. I see your name signed as witness to the transaction.—A. No, sir; my name is simply attesting the original papers; simply for the commissioners.

Q. I took it for granted that you knew something about the transaction.—A. Never, in the least. Those papers were merely copies of papers sent to my house, and were attested by me as true copies only.

Q. What state of facts do those papers disclose?—A. They disclose this, that a loan of \$50,000 was made to Hallet Kilbourn and John O. Evans, at a certain time, with certain collaterals attached, (which are described in the agreement,) and that a secret agreement was drawn up between the actuary, the finance committee, and these gentlemen; that, in case the note was not paid at maturity, the note and all the securities, except the bonds of the Maryland Mining and Manufacturing Company, should be surrendered to the makers of the note, and that the bonds in question (that is the Seneca Stone Company bonds) should be taken in full payment of the note.

Q. Was not that agreement, between Kilbourn & Evans on the one hand, and the officers of the bank on the other, (with a secret article stipulating that on certain contingencies Kilbourn & Evans were to have their note returned and all the other securities, except the Seneca Stone bonds,) an expedient to cover up a transaction between the actuary and the Seneca Stone Company, of a date prior to that agreement?—A. No; I think it was something better than that. It was an effort to pay an old loan by a new loan which was larger. In other words, there had been on the books of the company a previous loan for some \$35,000 to the parties representing the Seneca Stone Company. This loan was ordered paid, and so far as the books of the company show, it was paid.

Q. Ordered by whom?—A. By the board of trustees. Mr. Edgar Ketchum, of New York, who is an honest and faithful trustee, told me that he stuck to that until he got that loan paid.

Q. What loan?—A. The first loan to the Seneca Stone Company, \$35,000. You will find it in the minute-book ordered paid, and that it was paid, so far as the books showed. About that time a loan of \$50,000 was made to Kilbourn & Evans, the gentlemen referred to before. Among the collaterals was \$75,000 of the Seneca Stone bonds, but there were other collaterals to make it pecuniarily a good loan.

Q. What was the worth of the other collaterals, with the stipulation that all the collaterals, except the Seneca Stone bonds, should be surrendered?—A. There were enough other collaterals with the loan to make it a good one, besides the names of the parties. The note did not mature, say for a year. When it did mature, and was not paid, the then actuary demanded payment; and the parties stuck at him this secret agreement. He refused to give up the papers, and was threatened with suits, and there was some wrangling about it; and, finally, the note and the other papers were given up, and the Seneca Stone bonds retained.

By Mr. FARWELL:

Q. Who was the actuary who made this agreement?—A. Colonel Eaton. This thing did not come to light of course, because the agreement was in the nature of a secret agreement, till the maturity of the loan; when the actuary then in charge, Mr. Stickney, informed them that they had to pay the note or sacrifice their collaterals, and then they came forward with that secret agreement.

By the CHAIRMAN:

Q. Do I understand you to say that the return of the note of Kilbourn & Evans, and of the securities (other than the Seneca Stone bonds deposited by them) was not made till twelve months after the transaction?—A. It was not made until after the note matured, and until payment was demanded.

Q. Did you not say that that was twelve months afterward?—A. I think so. It was after the maturity of the note.

Q. That is what you mean to say?—A. It was not till the maturity of the note, whatever time that may have been, and until payment had been repeatedly demanded.

Q. And you think that that was twelve months after the date of the secret agreement?—A. Yes; I think so, or whatever may have been the term of the note. I say twelve months, because a year is the usual time.

Q. Do you now say that the transaction with Kilbourn & Evans had no relation whatever to the old transaction with the Seneca Stone Company, but that it was a new and good loan, as of the date when it was made?—A. So far as appearances went, it was; in other words, so far as the books of the company showed; and until the secret agreement was brought to light, there was no reason to suppose otherwise. In my opinion it was an attempt to foist the Seneca Stone bonds on the company.

Q. I read from the report of the commissioners of December 11, 1874, the following:

“Received, Washington, D. C., November 15, 1873, of the actuary of the Freedman's Savings and Trust Company, the within-mentioned securities with the exception of the \$75,000 bonds of the Maryland Freestone Manufacturing and Mining Company, with the understanding that our note for \$50,000 is to be returned to us on or before the 18th instant.

“HALLET KILBOURN.  
“JOHN O. EVANS.”

Then—

“Received note as agreed upon.

“JNO. O. EVANS.”

That receipt is immediately below a paper purporting to be the secret agreement to which you have reference, and which is dated “Washington, D. C., December 30, 1873.” How do you account for the receipt of the securities and the note antedating the transaction to which it refers?—A. In the first place you will observe that I do not certify this copy.

The CHAIRMAN. I did not ask you whether you certified it or not.

The WITNESS. I would make the suggestion that 1873 is a misprint for 1872, and that accords with my recollection of the circumstance. I recollect the time at which these securi-

ties were surrendered, and the secret agreement must, of necessity, have been in existence long before that time.

Q. You say that the secret agreement and the arrangement with Hallet Kilbourn and John O. Evans had no reference to the loan previously made by the actuary of the Freedman's Savings and Trust Company to the Seneca Stone Company. How do you reconcile that statement with this report signed "G. W. Stickney," and attested "A. M. Sperry, agent," and which, after giving a detailed statement of the loans to the Seneca Company, goes on to say that at that date, November 6, 1873, according to the books of this company, a transaction covering this whole matter was had with Messrs. Kilbourn & Evans, whereby their note was given for \$50,000, payable six months after date, secured as follows, to wit: [Then follow all the securities deposited by them, including the \$75,000 of Seneca Stone bonds.] I ask you, how do you reconcile one statement with the other? I asked you before, if this contract with Kilbourn & Evans, and the secret agreement entered into with them, was not designed to cover up and conceal a prior transaction with the Seneca Stone Company, and you said "no." Now I ask you how you reconcile this statement, attested by you and signed by Stickney, with that statement?—A. Did I say "no?" I say that there existed previous notes. That is not my statement.

Q. If this transaction with Kilbourn & Evans had no reference to the loan previously made, how do you reconcile the statement furnished to Mr. J. M. Langston by George W. Stickney, November 6, 1873, and embraced in the commissioners' report of December 14, 1874?—A. I do not know that I can reconcile it, or that I am obliged to reconcile the two statements. I now state to you that I had no knowledge of the transaction, and had no more to do with the loan-books of the company than you have to-day. What I have gathered of the matter, I have gathered because of my connection with the company, and on account of the deep interest that I have taken in it.

By Mr. BRADFORD:

Q. I understood you to say, a while ago, that the Seneca Stone loan was paid by the new Kilbourn & Evans loan.—A. That was my impression.

Q. And that the original loan was some \$35,000.—A. Something in that vicinity.

Q. And that the subsequent loan to Kilbourn & Evans was \$50,000?—A. Yes.

Q. With which money they paid the \$35,000?—A. That I have learned since. That was not my original information; but that has come out since. Let me state it again. I think I can put the matter before the committee very plainly. As I have always understood it, this loan of \$35,000, in various sums, was by the board, in good faith, ordered paid. I supposed that it was paid. I think that the books of the company show that it was paid. About the same time a loan of \$50,000 was made to Kilbourn & Evans. Among the collaterals were \$75,000 of Seneca Stone bonds. There was enough stuff put in to cover the loan and to make it appear to be a good one, so far as payment was concerned. But, afterward, a secret agreement turns up, and the real nature of the transaction is found out. It was the payment of the old loan by the new one, and a secret sale of the bonds of the Seneca Stone Company to the Freedman's Bank.

By Mr. RIDDLE:

Q. What are these bonds worth?—A. They are not worth anything, and never were.

By Mr. FARWELL:

Q. Was that secret agreement made by the actuary or by the finance committee?—A. It was made by the finance committee; three members of the finance committee were a quorum, and the agreement has three names on it. It was signed by Clephane, Tuttle, and Huntington.

The further examination of this witness was suspended till Thursday next.

WASHINGTON, D. C., January 25, 1876.

WILLIAM KILGOUR was then called, sworn, and examined.

By the CHAIRMAN:

Question. State your profession.—Answer. I am a member of the bar, residing in Alexandria, Va.

Q. Have your professional engagements at any time led you to examine the management of the Washington branch of the Freedman's Savings and Trust Company? If so, state anything you may know touching the manner in which the losses to the depositors in that bank occurred.—A. I practice law also in the city of Washington, and have an office here. I have had, as a client for the last two or three years, a colored man named John Watkins, a very hard-working, industrious man. I have been attending to his business during that period. About three weeks ago he came and, for the first time, informed me that his money had been drawn out of the Freedman's Bank on fraudulent checks, and that it had been drawn out by T. S. Boston, who was the receiving-teller of the bank. Watkins is a very

ordinary man, with very little education, and not at all accustomed to transact business. I asked him for the checks and also for his pass-book, neither of which he had. He informed me that Mr. Boston retained the pass-book, although he had repeatedly called upon him for it, and that he had even gone so far as to send a detective officer before the bank closed. I then, at his request, went to the bank and called for a settlement. I called for the original pass-book and also for the checks. I examined those checks which I have with me, (producing them,) and I found that T. S. Boston had forged them to the amount of between ten and eleven hundred dollars. I proceeded at once to see Mr. Boston in relation to the checks, and he admitted that he had drawn the money. I asked him by what authority, and he said that he was the agent of Watkins. I then requested his letters of agency. He told me that he had none; that it was a kind of implied agency. I then asked what he had done with the money. He told me that he had invested it in various ways. I asked him if he had made any return of it, and he said that he had not. He said he had converted the most of it to his own private use. I asked him who was the cashier of the bank, and he told me that Mr. William J. Wilson was, and that Mr. Wilson was his father-in-law. Watkins had gone up to the bank just before it closed and wanted to draw out the money, but Wilson, the cashier, told him not to think of such a thing, and alluded to the Treasury of the United States, and said there was just as much likelihood of the Treasury breaking as there was of the Freedman's Trust Company breaking. At that time, as these checks will show, there was but 40 cents in the bank to the credit of Watkins. Boston said that he had invested this money in some publishing company—the *National Era*, I think—and in various other things. I called for the stock, but he could not present it, and he finally broke down, and just acknowledged that he had drawn the money without any authority, and that his father-in-law, the cashier, had paid it over. I then went to Wilson, and told him that, as a good citizen, it was my duty to have Boston arrested, but that this client of mine, John Watkins, was a poor man, paying \$15 a month rent, and that almost anything paid to him on account would do him more good than to have Boston sent to the penitentiary; that, therefore, it was not exactly within my control, but that if he would pay Watkins some two or three hundred dollars and secure the balance I would have nothing more to do with the matter. I should state that some \$250 was a legitimate loan made by Watkins to Boston, for which Boston had executed notes and Wilson had indorsed them. That was a legitimate transaction, and Boston has since paid the interest accruing on those notes. Here (producing a number of checks) is a check on which he loaned to Mr. Bregazzi \$400. And here are five notes for \$100 each, forged by Boston and drawn on the 14th June, 1874, a few days before the bank closed. Mr. Wilson, however, denies that the indorsement on these notes is his handwriting. This man Boston says that Wilson received a good deal of satisfaction from them, as they were living together and were living extravagantly in a fine house.

Q. A brown-stone house?—A. It was a very handsome building, but it has been sold since then, and Wilson and Boston have separated. Boston was the receiving-teller of the bank. My client, Watkins, went there with perfect confidence in those people, not supposing that anything wrong had been done. Mr. Bregazzi learned that Watkins had several hundred dollars in the bank, and he borrowed \$400 from him. Here is the check for it. Watkins took a deed of trust for the amount, which has been since paid by Bregazzi. This man Boston then went down to him, and asked him if he could not borrow \$250 from him, saying that he had bought a house and wanted to complete the payment on it, and that he would pay him in a short time. Watkins went to the bank and made his mark on the check, and Boston witnessed it, and drew the \$250. The rest of the checks are signed "John Watkins, attested by Thomas Boston," but when I went to see him he told me that he had drawn all this money as T. S. Boston, agent, and that the \$500, which he drew in five separate checks, a few days before the bank closed, he had deposited in the Metropolitan Bank to his credit as agent of John Watkins. I went there and found there was no such entry.

Q. Where is this Boston now?—A. In Washington.

Q. Is there any reason why he should not be arrested?—A. That I leave to the commissioners to have done. He will be arrested. My object was, after I leave here to-day, to demand full payment of the money from the Commissioners on the legal ground that these forged checks were no payment at all, and that, at the time Watkins demanded his money, there was no money to his credit while it should all have been there; therefore we are not going to take the 20 per cent. dividend, but we will demand the whole amount.

Q. Are you in possession of any further facts that would illustrate the subject of our inquiry?—A. No, sir; I think it would be well for the committee to hear Watkins's statement, and also to hear Wilson, who is in room No. 20, Sixth Auditor's Office. Watkins lives at Bregazzi's hotel in the city. Bregazzi borrowed \$400 from him, and gave him a deed of trust which has been settled up and paid. When he went up to draw the \$400 for Bregazzi, he made Boston witness his mark. Boston saw that he was loaning this money out, and thought he would call on him for \$250, which he did. The balance of the money Boston drew forged checks for; most of it was done in 1874.

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, January 27, 1876.

Committee met at 10 o'clock a. m. Present Messrs. Douglas, Bradford, Riddle, Stenger, Frost, and Rainey.

The examination of Anson M. Sperry continued.

ANSON M. SPERRY recalled.<sup>2</sup>

By Mr. BRADFORD :

Question. How many bonded officers or employes of the Freedman's Bank and of its branches were there; who were they, what was the amount of their respective bonds, which of said bonds were worth their penalties respectively, and which were not?—Answer. The first part of that question will be answered by counting when we get through. I have not counted them.

Q. Who were they?—A. At the principal office in Washington, John W. Alvord was the president; his bond is dated 27th July, 1872, and is in the sum of \$50,000. His sureties are James R. Alvord and Charles Alvord.

Q. What relation are they to the principal?—A. I think they are brothers; that is my recollection, although it may be an error. I have no reason to doubt that this bond is good. I find no bond for the late president, Fred. Douglass. He accepted the position and acted till the closing of the bank in July. The book-keeper at the principal office was Emory A. Wheeler. His bond is dated 11th September, 1873, and is in the sum of \$6,000. His sureties are George A. Bassett and G. P. Hopkins. I do not know those sureties. These are all the bonds I find at the principal office of the company.

By the CHAIRMAN :

Q. Was not the actuary bonded?—A. The old actuary, Eaton, I feel quite certain, was bonded, though I do not find his bond. In conversation with Mr. Leipold about it yesterday, he said that it was his recollection that the late actuary, Stickney, told him that Eaton's bond had been returned. It is certainly not in the office. Mr. Leipold is one of the commissioners. The actuary, G. W. Stickney, was not bonded at the time the bank closed. The first inspector, Mr. Sam. Harris, was not bonded. I had no bonds as an inspector. As a cashier I did give a bond. It is fair, however, to the board of trustees, that I should add that I was, late in 1874, directed to give a bond, but owing to the complications under which the bank was then running I gave none. The end was so apparent that I did not think it worth while. Those are all the bonds that are at the parent office. At the Washington branch office I found the bond of William J. Wilson, as cashier of the branch, for \$10,000, dated 18th October, 1870. The sureties are David Fisher and John A. Gray. I have doubts as to the responsibility of the sureties; I do not know positively about it. I find the bond of Thomas S. Boston as assistant cashier of the Washington branch. It is dated 8th October, 1870, and is in the sum of \$2,500. The sureties are A. T. Augusta and Walker Lewis. I believe the sureties to be good. I find the bond of Christian A. Fleetwood, teller; it is dated 2d August, 1873, and is in the sum of \$10,000. The sureties are Fred. A. Boswell, Wm. E. Masters, George William Goodall, W. J. Murtagh, and R. W. Tompkins. The sureties are good, I think. That is all the bonds that I find for the Washington branch. At Atlanta, where the defalcation occurred, of which I spoke in my last testimony—

The CHAIRMAN. Was that one of the banks authorized to grant loans?

The WITNESS. No, sir; this is a clean steal, not an error of judgment. It is the case where the cashier was convicted of embezzlement. There we have the bond of P. and D. Corey in the sum of \$6,000. Corey as principal, E. A. Ware as surety in the sum of \$2,000, and C. W. Frances as surety in the sum of \$1,000. The bond is dated February 14, 1870. There is another bond in the sum of \$3,000, Corey as principal and Thomas Seabury as surety, of which I have not the date. Both of those bonds are in the hands of the counsel of the bank for prosecution.

The CHAIRMAN. Is Lexington the point where this pious young man, this missionary from Oberlin, acted as cashier?

The WITNESS. Yes; that is a good description, I think. His name is Hamilton; he graduated, and became an Indian agent. It is a singular coincidence that the man who robbed us at Atlanta begged off that he might accept an Indian agency, whereby he could pay us the sooner, and that Mr. Hamilton went off from the bank and took an Indian agency. He is an Indian agent now. The bond of N. R. Scovel, cashier at Beaufort, is for \$10,000, and the surety is Samuel Harris. Judgment on this bond has been obtained in a sum exceeding \$10,000, but I have no idea that we shall recover anything. While Mr. Harris may be responsible, I believe that he sets up a legal and technical defense. Mr. J. G. Hamilton at Lexington, Ky., who has been referred to as short in his accounts, (that is a euphemism for stealing,) gave bond in the sum of \$5,000, with E. M. Crevath as surety. This bond, I think, is in the hands of the commissioners. I think the surety is good. As to the deficit referred to at Lexington, the entries on the books were so successfully managed as to have defied detection by any ordinary inspection. It would only have been by good fortune, in striking the particular pass-books, that any differences would have been discovered. To

illustrate: the ledger showed that we owed a man \$200, but when we got hold of his pass-book, we found that we owed him \$1,600. Hamilton picked his men, the men who would not come near the bank for a year perhaps. The man at Atlanta did better than that, for he ran duplicate pass-books. I should be very loath to reflect upon the clergy, and certainly not upon religion, but I must say that Mr. Corey, at Atlanta, was also a Congregational minister. I mentioned in my last statement the defalcations of Fred. Jordan, the cashier at Natchez. He gave bond in the sum of \$10,000; the bond is dated the 7th of April, 1873. The sureties are E. A. Castello, in the sum of \$2,000; S. M. Preston, in the sum of \$2,000; George W. Raymond, in the sum of \$3,000; and H. M. Gastrell, in the sum of \$3,000. While the sureties are good, I doubt if the bond can be enforced because of informality. I think that the minutes of the board would show that these bonds were accepted, but I do not think they were ever examined. At Mobile, Mr. C. A. Woodward, to whose default I made reference in my last statement, gave a bond in the sum of \$10,000. The sureties are F. A. Bromberg and E. A. Buck. This bond is in the hands of counsel at Mobile, and is in suit. I do not know whether anything will be realized under it or not; it ought to be good. The cashier at Wilmington, N. C., Van D. Macomber, to whose deficiency in accounts I referred in my last statement, gave a bond in the sum of \$5,000 as acting cashier, under date of 25th July, 1871. His sureties are E. R. Brink and William Larkins. While the sureties are good, the bond is informal, and I am credibly informed that it cannot be enforced. That is the reason why it was never sued on. At Jacksonville, Fla., where the bad loans referred to in my testimony the other day were made, the only bond I find is that of J. W. Swayne, as cashier. It is dated 17th November, 1873. The sureties are J. H. Crowell, J. J. Holland, John Swayne, and Jacob Brock. I believe the bond to be good, but no charges have ever been preferred against Mr. Swayne, who succeeded the cashier that was responsible for the bad notes. He was simply the successor of the man who is responsible.

Q. What about his bond?—A. I find no bond for W. L. Coan, the cashier, who was the real man responsible for that rascality there, but I have seen a copy of one for \$6,000. To the best of my knowledge and belief, if the bond could be found, it would be worthless. He was the fellow who pulled the chestnuts out for the ring; he was a tool, and very weak man. He was not a thief, but he was worse than a thief, because he let others use him. I do not think he ever made a cent himself.

By the CHAIRMAN:

Q. Do you know who composed the ring?—A. No; it is difficult to say; but not so difficult either. It would be difficult to prove it, I suppose, in court. The assistant cashier, Frank E. Little, was undoubtedly the really responsible man for those robberies. He was then assistant cashier. The fact of who composed the ring might be gathered from the men whose names are on the list of loans made there.

Q. Will not that really apply to the branch office at Washington, too?—A. I should not wonder. I cannot find the bond of N. D. Smith, the cashier at Memphis, who made the loans as shown by the commissioners' report, to which I referred in my testimony the day before yesterday. I am perfectly confident, however, that there was one; the bond is missing. No especial charges have ever been preferred against Mr. Smith, except for gross negligence in making loans and for lack of discretion.

By Mr. BRADFORD:

Q. Do you know anything of the sufficiency of his bond?—A. No, sir; the bond was signed by parties in Cincinnati. It went back and forth three or four times for correction. I remember that distinctly, because Mr. Smith succeeded me as cashier there, and I know that there was delay in my getting away while he was perfecting his bond. I searched for it repeatedly, under the orders of the commissioners, in order to furnish it to the counsel, but I could not find it. I have the bond of Edwin Beecher, the cashier of the branch at Montgomery, Ala., to whom we sold out that branch in February, 1874, under a contract which is now in the hands of the commissioners. This bond is for \$20,000; it is dated 17th March, 1873; the surety is C. A. Beecher. I believe it to be perfectly good. In addition to which, covering the amount which Mr. Beecher owes the company, is a bond for \$60,000 now in the hands of the commissioners.

Q. How is that secured?—A. By the same surety, C. A. Beecher. I have taken considerable pains to inform myself, and I am convinced that the bond is a good one. The bond of C. Nelson, the cashier at Newberne, N. C., to whose default I referred the other day, is in the sum of \$10,000, and is dated July 14, 1873. The sureties are Israel P. Nelson, D. W. Kilbourne, Orlando Hobbs, and Ami R. Dennison. The judgment referred to by me was obtained on this bond, but I fear we shall have difficulty in realizing anything under it. Here is a mass of other bonds covering all the branches, and at which there was no particularly serious default or loss.

By Mr. FROST:

Q. How did you get possession of those papers?—A. I got them from the commissioners this morning.

Mr. BRADFORD. We do not, on reflection, desire you to give the bonds at the other branches where there were no serious defaults.

The WITNESS. I had nothing to do with the bonds of the company until June, 1873, when the president, J. W. Alvord, called me into conference with him as to a revision of them.

By Mr. BRADFORD:

Q. Do you see any indorsement of approval on any of the bonds to which you have referred in your previous answers?—A. No, sir; there are none on the bonds, and I cannot say whether they were formally approved or not; the minutes of the board can alone determine that fact. I was stating that I had no knowledge of these bonds before June, 1873, when, in conference with President Alvord, he wished me, in making my next rounds, to see to a revision of the bonds. At such points as I was able to reach after that, I did endeavor to get from the cashiers a renewal of their bonds, and you will find that numbers of those bonds herewith are drawn by myself.

Q. Of what officers was it the duty originally to approve of these bonds?—A. Referring to the by-laws of the company, I find in section 6, under the head of "powers and duties of officers," "The actuary and all other officers, agents, clerks, or servants of the company shall perform such duties as may be required of them respectively from time to time by the board of trustees or the president or acting president, and shall give such security for the faithful performance of their duties as the board or the finance committee may from time to time require." By implication, then it would be the duty of the board or of the finance committee to approve of these bonds, and I think that so far as there has been any custom, that has been the custom of the company.

By the CHAIRMAN:

Q. Theoretically, were not the bonds submitted to the actuary?—A. Theoretically they were; practically, they were sometimes and sometimes not.

Q. Theoretically these bonds ought to have passed from the hands of the actuary into the hands of the finance committee?—A. Yes.

Q. And then, if necessary, into the hands of the board of trustees?—A. Yes.

Q. Whether they did or did not so pass, you are not able to say?—A. Whether they did so pass in all cases or not, I am not able to say. I may add, at that time, June, 1873, all old or doubtful bonds were to be renewed, and in most cases the amount of the bonds must be increased, as I find by the minutes which I made at the time.

By Mr. RIDDLE:

Q. In all cases where you considered the bonds doubtful, they were renewed?—A. Yes.

Q. Were they all renewed?—A. No, sir. On my next round I tried, as far as practicable, at the points I reached, to have them renewed, but in November we were in the midst of the panic, and after that we were in the life and death struggle.

Q. Were there any cases in which you requested renewals, where the parties refused to make them?—A. No, sir.

By Mr. RAINEY:

Q. In exacting a new bond from these respective cashiers, what method did you adopt to find out whether or not the sureties were solvent?—A. So far as I was concerned, from personal knowledge, or from the personal knowledge of some person in whom I had confidence. There was no other method which could be adopted, because these men had necessarily to go to their friends, scattered all over the country.

Q. Suppose you went to a strange place, did you require bondsmen to verify?—A. O, yes; they all qualified before the proper officers.

Q. Then these bonds ought to be good for something, ought they not?—A. They ought to be.

By Mr. FROST:

Q. Are they not, most of them, good for something?—A. I do not know whether most of them are, but many of them are. Many of the recent bonds I think are good. In those cases I have just given the names of all the persons to whom this committee will ever have to pay its respects, and I have made such statements concerning these bonds as I was able to make.

By Mr. RAINEY:

Q. Had the board any especial rule by which it could find out the solvency of parties?—A. No, sir; there was no special method; in fact, the board had very little to do with the bonds. I think that every case was taken on its merits, and I have no doubt that in getting a bond the board endeavored to get a good one; there was no reason why it should not.

By the CHAIRMAN:

Q. Was it not the duty of the examining board, at stated periods, to look into the condition of the securities, and to report thereon to the trustees?—A. Yes; but that does not seem to have applied to the bonds of officers.

Q. What was the examining board for?—A. To examine the securities held by the com-

pany, and I think that that was carried out literally. Indeed, I know that no formal and regular inquiry into the bonds held by the company from its officers was made until June, 1873. After we had had two or three serious defalcations, it began to look as if it was necessary that the bonds of the cashiers, as well as their character, should be looked into. My notes here show that in 1873 I did, in conjunction with the president, and at his request, go over the list of bonds, revised them, and took note as to what should be done in each case.

By Mr. RAINEY :

Q. You were sent out as an inspector of these branches?—A. Yes.

Q. You were requested to see that good bonds were taken?—A. No, I was not, until after June, 1873. It was then made a part of my duty; but not until then had either my attention or the attention of anybody else been called especially to the bonds. Whenever I had occasion to select a new cashier, I made it part of my business to see that he had good bonds.

Q. You had been appointed for the purpose of seeing that these bonds were good; I cannot understand how it is that you cannot say now whether they are good or not, and that you cannot state the method by which you come to that conclusion.—A. I must explain that this was only incident to my principal duties, that I was to inquire into the standing of the sureties, and where the bond was too old, in any sense, to have it renewed. This was the first time that any systematic effort was made to revise those bonds or to see to their character. In going to any branch, of course I had to depend on what information I could get as to the character of the sureties, and also as to the character of the sureties offering on the new bond. And that, in fact, was what we did. I rejected the bond of the cashier at Augusta, for the reason that I knew that the sureties were not good.

Q. And yet you are not prepared to say whether these bonds that you have certified to are good or not now?—A. I have made such statement with regard to each individual as I was able to make.

By the CHAIRMAN :

Q. Have you any record of your reports, as inspector, made to the officers of the bank before and after its close; and have you any book of record containing your correspondence with the different agencies of the main office?—A. The reports made to the actuary are in manuscript, and are on the files in the bank. I sometimes carried a letter-press-copying book, and sometimes did not, (traveling very light,) but my correspondence is all on file in the principal office, and can be had. I have no other records.

[The chairman directed the witness to produce those papers on his next appearance before the committee.]

The WITNESS. I omitted, in my testimony the day before yesterday, (forgetting it at the time,) to state that the branches at Beaufort and Jacksonville were authorized to make loans. Those were the only two branches that were so authorized, and it was under that general commission that these bad debts were foisted on the company. If any loans were made at other branches, it was in contravention of the standing orders of the board. Those branches at Beaufort and Jacksonville were to do anything that was necessary to meet the requirements of the communities in which they were placed, there being no other responsible banks there.

By Mr. BRADFORD :

Q. Is there any evidence that has come to your knowledge as to where and to whom these bonds were delivered?—A. No, sir; I do not know.

Q. A bond is not a bond until it is delivered.—A. I am aware. The bonds are on file at the principal office. That is all I know about the subject. Perhaps it was as proper for me to bring this matter to your attention as anybody else, because I had been over those bonds in conjunction with the president.

By the CHAIRMAN :

Q. Do you know anything in relation to the personal responsibility of J. W. Alvord and his sureties?—A. No, sir; I do not. I have no positive knowledge. It is my impression that they are responsible. I simply know by the style in which Mr. Alvord lives. He lives in comfortable style.

By Mr. STENGER :

Q. Is he responsible for the full amount of his bond?—A. I should say so, but that is only an impression, of course.

By the CHAIRMAN :

Q. What relations do you now bear to the bank and the commissioners, if any?—A. Simply as an employé; my appointment is as an agent of the commissioners.

Q. You have been, then, in some capacity or other, connected with the bank and its branches for how long?—A. For ten years—since the bank went practically into operation.

Q. State whether, in relation to salaries, allowances, and expense of administration in various ways, the results of your labors, as inspector or otherwise, show the management of the bank to have been economical or the reverse.—A. As a general statement, the man-



agement was economical. There are important exceptions. The thing which practically helped to kill the bank was the erection of its banking-house in Washington, which was a piece of illegal and unjustifiable extravagance.

By Mr. RIDDLE :

Q. How much did it cost?—A. Not any more than it is worth, but more than the bank could afford; some \$260,000, I believe. I have never failed to characterize it in proper language.

By the CHAIRMAN :

Q. What was that language?—A. That it was an illegal and unjustifiable extravagance. In other words, I damned it from its foundation-stone up. I have nothing to say of the motives of the men who built it. I date from that the decadence of the bank. The outlay in the way of books and some current expenses was greater than it ought to have been. I have always regarded the office of the president (and I state this with the utmost reluctance) as a sinecure.

Q. What salary did he get?—A. He was paid at first \$1,000 a year. In 1872, or thereabouts, he was required to give his whole time and services to the company, and he was paid a salary of \$4,000, with an allowance of \$1,000 for expenses if they were actually incurred.

By Mr. FROST :

Q. How long did he have that salary?—A. Afterward both the salary of the president and of the actuary was reduced \$500.

Q. You say that from 1865 to 1872 the president's salary was \$1,000?—A. Yes.

Q. And from 1872 it was \$4,000, with \$1,000 additional, if necessary, for contingent expenses. How long did that continue?—A. Until some time in 1873. The minutes will show the dates.

Q. Probably a year and a half or two years?—A. Something like a year or a year and a half. Then there was a reduction of \$500.

Q. Then it would have been \$3,500 from 1873 up to what time?—A. It seems to me until the spring of 1874, when the subject of retrenchment was under discussion between the actuary and myself. I pledged a reduction of \$10,000 in the contingent expenses on certain conditions, and I threw off \$500 from my own salary, and the actuary and the president did the same. Exactly what date that was I cannot say.

Q. Who was next officer in order after the president?—A. The actuary.

Q. Who was he?—A. At first, when the bank came to Washington, (it had been running first in New York,) it was Col. D. L. Eaton. My impression is that his salary at first was \$3,000.

Q. That would be from 1867 up to what date?—A. I cannot tell up to what date. It was first \$3,000, and was subsequently raised to \$4,500; then the reduction of which I have spoken brought it down to \$4,000, at which it remained.

Q. How long did he continue actuary?—A. Colonel Eaton died, but his successor had the same salary.

Q. Who was next officer of the bank, of importance?—A. At that time, myself.

Q. What was your office styled?—A. At first it was styled "general inspector," but I could not stand the "general."

Q. You were there at the formation of the bank in 1867?—A. No, sir; I was appointed in 1870 as inspector.

Q. Can you tell us how much the inspector had in 1865?—A. Yes; my predecessor had \$2,000 a year and expenses.

Q. What kind of expenses?—A. Traveling expenses, hotel-bills, and the like. I expect that they were good for \$2,000 more.

Q. Then the inspector had \$2,000 a year and expenses from 1865 to 1870?—A. Yes.

Q. In 1870 you took the inspectorship; what salary did you get?—A. I ought to state that my salary had been \$1,500, and that I paid my own expenses. I was entitled to my traveling expenses and board, but I did not take it, and I came out at the end of three years with a broken constitution and \$400 behind. When I took the inspectorship I got \$2,500, and paid my own expenses excepting my actual railroad fares.

Q. That was from 1870 up to what date?—A. My salary was afterward reduced to \$2,000, but I cannot now give you the date.

By the CHAIRMAN :

Q. I understand you that the inspectors of the bank, before you were appointed general inspector, received how much?—A. Two thousand dollars and traveling expenses, including board.

Q. You were appointed general inspector in what year?—A. In 1870. Then I had a salary of \$2,500, and I paid my own expenses, except actual transportation. My hotel bills, &c., I paid myself.

Q. Was the increase spoken of that of which a minute was made in the proceedings of the board of January 11, 1872, to this effect: "The salary of A. M. Sperry increased to \$2,500?"

—A. That was the time I made a big fight for my pay. I had been traveling for \$2,000 a year, paying my own board and hotel bills, and I could not stand it, as my incidental expenses were necessarily high.

By Mr. FROST :

Q. Who was the cashier here ; didn't you have a man here who stood in the position of cashier ?—A. There was a cashier at the branch office, but none in the principal office. The person who occupied such a position in the principal office was styled the actuary.

Q. What was the name of the last actuary ?—A. G. W. Stickney.

By the CHAIRMAN :

Q. I understood you to say that, prior to January 11, 1872, when your salary was raised to \$2,500, you had been traveling as agent of the company on a salary of \$2,000, and paying your own expenses ?—A. Yes ; except my actual railroad-fares.

Q. What does the entry mean on the minutes of the board of November 11, 1870, " Salary of Mr. Sperry increased to \$1,800 ?"—A. My old salary as cashier when I came up from Memphis was \$1,500. My salary after I came up here was raised to \$1,800. It seems I had forgotten whether it was \$1,800 or \$2,000, but I think still, in spite of the minutes, that I got \$2,000. I guess you will find that it was afterward raised to \$2,000.

Q. Can you state with any approximation to accuracy what the annual charges, direct and incidental, of the administration of the Freedman's Bank amounted to ?—A. For the last year I think the salaries amounted to \$89,000 ; in round numbers, \$90,000. That was for the principal offices, branches, and all. That included some \$5,000 for the whole cost of inspection, details of traveling expenses, &c. ; in addition to which the expense-account was some \$65,000 more, for office-rent, stationery, and all the incidental expenses.

Q. Aggregating how much ?—A. Making about \$155,000, as near as I can recollect.

By Mr. FROST :

Q. What salary did the tellers have ?—A. One hundred dollars a month.

Q. What were the names of the tellers ?—A. The tellers at the Washington branch were Boston and Fleetwood.

Q. And each of them had \$100 a month ?—A. Yes ; there was, besides, a book-keeper at the same pay ; but you will understand that the salaries of cashiers varied at the various branches of the company. I made out a table of salaries for the commissioners when they came in.

By the CHAIRMAN :

Q. Did the salary of \$4,500, paid to the actuary, cover all the charges of that officer against the bank ?—A. O, yes ; whatever his salary was it covered all his claims upon the company. It varied from \$4,500 at different times ; there were no perquisites.

Q. Please explain, then, this entry made on the minutes of the board January 21, 1869 : " Expenses of actuary from May, 1867, to December 31, 1868, \$6,713.08."—A. I do not know anything about it : I never saw that item before.

Q. You know nothing about it, and cannot explain it ?—A. Not the slightest, except that I conjecture that it must refer to the current expenses of the company. I see it now for the first time.

Q. Was there not a paper established by the order of the board and run in the interests of the bank by the actuary ?—A. Yes.

Q. And was not that paper in existence during the years 1867-'68 ?—A. I think it was not. It could not have been started earlier than 1868. I think it ran about three years, and was then discontinued in the beginning of 1871. It might have been in existence in 1868, 1869, and 1870. That paper did not cost more than \$1,800 or \$2,000 a year. It was established in the view of advertising, as it was thought cheaper for the bank to advertise itself than to pay newspapers, although it did pay heavily to newspapers.

Q. You say that that paper was run at an annual expense of \$1,800 or \$2,000 ?—A. Yes.

Q. What was its name ?—A. It was a little paper entitled " The National Savings Bank."

Q. Can you point to any authority for the establishment of such a paper ?—A. There is authority in the minutes of the board.

Q. I mean any authority under the charter of the bank.—A. No, sir ; it was done by the action of the board. (After examining the minutes of the board of 21st January, 1869, in regard to the item of \$6,713.08.) It appears, by reference to the original record, that this sum of \$6,713.08 was approved by the board on account of current expenses from May 2, 1867, to December 31, 1868. That refers to the current expenses of the office.

Q. Was it usual for the actuary to allow so much time, as between May, 1867, and December, 1868, to elapse before reporting to the board his account of current expenses ?—A. I didn't know that current expenses were ever reported to the board. There was a resolution adopted that neither the actuary nor the finance committee could incur bills greater than \$1,000, in any one item, without the direct approval of the board. I am not aware, in other words, that the current expenses had to be audited by the board. (The witness was directed to find out, before the next meeting, all about the item of \$6,713.08.)

Q. State in a general way all the causes, proximate or remote, which appear to have been the most prominent in bringing about the failure of the bank, as far as you have been able to form an opinion from such examination as you have given to its affairs.—A. Had there been scrupulous conformity to law in every particular, and carefulness in selecting investments, such as men fully conscious of the sacred nature of their trusts ought to have exercised, I do not think the company would have failed, for the reason that its franchises were most valuable. It had, as it were, *carte blanche* in reaching four millions of persons who were prudent, industrious, and ever-increasing economical depositors, so that whatever the expenses might have been in originating the company, its increase in depositors would have been in greater ratio than its expenses, and ought, before the time the company failed, to have brought it into a condition of solvency, even supposing that the current rate of expenses actually incurred had been kept up. I regard the first fatal departure from sound policy to have been the erection of the banking-house in Washington. For whatever may be said of the amendment of the charter, judicious investments in real estates are as good securities as such a savings-bank need to have in part. There got to be around the principal office of the company an unwholesome savor of connection with what is popularly known as the Washington "ring," of the existence of which ring I have no knowledge. At any rate, the management was first opened to criticism by the politicians. In addition to that, there were violent and unjustifiable partisan attacks on the bank. The immediate causes of the failure of the institution were undoubtedly the panic of 1873, and the ostensible, though not the real, connection of the bank with the house of Jay Cooke & Co. This led to such a reduction of the balances held by depositors that, even if nothing further had transpired, the institution would have been closed by its expense-account.

Q. Was the unwholesome savor which hung around the skirts of the bank a cause of the partisan attacks upon it of which you have spoken, or were the attacks the result of the knowledge that such savor existed?—A. It was the immediate cause. I believe that had the bank been as immaculate as it ought to have been, it would have suffered these same attacks.

The CHAIRMAN. That is a mere assumption.

The WITNESS. Then I will say that had the bank been as immaculate as it ought to have been, and had suffered these same attacks, it could have resisted them without loss. I could have gone to our depositors, and simply said, "These things are not so," and I would have been believed.

Mr. RIDDLE. But you could not say that.

The WITNESS. No, sir; I had to make so much of a clean breast of it that I spoiled all that I said. I have been waiting two years, Mr. Chairman, to say this. I can prove to you that for two years I have been working to get a congressional investigation.

By the CHAIRMAN:

Q. Referring again to the attacks on the bank, are you apprised of any instance in which the actuary consulted counsel as to the propriety of instituting proceedings for libel against the persons making those attacks?—A. No, sir.

Q. And that, after free consultations with his counsel, he concluded it most prudent to abandon the idea?—A. No, sir; I am not.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, January 29, 1876.*

Committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Stenger, Riddle, Hooker, and Rainey.

Anson M. Sperry recalled, and his examination concluded.

The WITNESS. I have refreshed my memory since I was last before the committee, and recollect another defalcation at Mobile branch early in the history of that branch. It was during the temporary absence of the cashier. I had entirely forgotten it.

By the CHAIRMAN:

Question. Give us the name of whoever is responsible for it.—A. I have here a transcript of the record in the suit of the Freedman's Savings and Trust Company against Frank H. Towle, who was temporarily cashier at the Mobile branch in the absence of Mr. Woodward. On this suit judgment was rendered in the sum of \$1,706.02, but nothing was ever realized from it, or ever will be. The bond was not good for anything; it was informal.

By Mr. BRADFORD:

Q. Give all the instances that have come to your knowledge of insolvent loans that were made by the bank to one or more of its officers or employes, or to any person or persons connected by personal or business ties with any one of its officers or employes.—A. The only instance that I have in my own mind, (and it is a very small one,) is the small amount of \$350 standing in the name of Charles D. Thomas, which was really a loan to George D.

Johnson, who was at that time book-keeper of the company, and which loan has not been paid. To the best of my knowledge and belief the rule was always strictly applied as to the employés of the company. I never knew of any employés of the bank borrowing money from it unless it were an advance of salary, not to exceed the amount of the current month's pay, and these were all paid. Under the last clause of your question, "or to any person or persons connected by personal or business-ties," &c., I would mention the loans to Huntington and Gassaway, who were connected by personal and business ties with men who were officers of the company. Huntington and Gassaway were officers of the First National Bank, and the chairman of the finance committee of the Freedman's Bank was the president of the First National Bank. Mr. Huntington, the cashier of the First National Bank, was also a member of the finance committee. To be more explicit, these loans were got through Mr. Huntington. I am not able to give you the amounts. I think that Gassaway's is on that seal-lock security in the sum of \$3,000. Gassaway was an employé of the First National Bank, of which Mr. Huntington was cashier, Mr. Huntington being, at that time, as I have stated, member of the finance committee of the Freedman's Savings and Trust Company. There are quite a number more of these things.

Q. State all that has come to your own knowledge.—A. Some of these objectionable loans were undoubtedly got in the same way, through personal ties.

Q. Give every instance of any such loan that has come to your knowledge.—A. I think that the loan to young Latham, who was an employé of the First National Bank, has not yet been paid; I cannot tell the amount. Mr. Huntington, who was himself cashier of the First National Bank, got a loan from the Freedman's Bank, he being at the time a member of the finance committee. I cannot tell the amount of the loan, the whole thing is so complicated and so thoroughly mixed up.

By Mr. STENGER :

Q. Has that loan been paid?—A. It has not been paid; it has been sued for, but I do not suppose that anything will ever be got out of it, although I may be in error. I find here (in the commissioners' report) two loans to Mr. Gassaway of \$2,500 each, on twenty shares of the New York Seal Lock Company, and on twenty shares of the Capital Publishing Company, and \$2,500 of it secured by a real-estate note. The loans do not seem to have been paid.

By Mr. BRADFORD :

Q. What was the relationship of Gassaway to the company?—A. Gassaway was an employé of the First National Bank, of which Huntington was cashier, while Huntington was member of the finance committee. I do not suppose that the shares of the Seal Lock Company have any value at all. The Capital Publishing Company is that company that publishes the "Capital" newspaper, of this city. I have no knowledge of the value of its shares, nor do I know anything of the value of this so-called real-estate note. Here (on page 35 of the commissioners' report) is a loan to W. S. Huntington, on February 21, 1872, of \$3,600. There is no collateral. That loan has not been paid.

By Mr. STENGER :

Q. Do you know in what manner, and from whom, those loans were obtained where there was no collateral security given?—A. No. I suppose that they must have been got by Mr. Huntington's request, and probably were.

Q. Made to whom—I mean Mr. Huntington's own loan?—A. He probably went to the actuary and borrowed the money. That is undoubtedly so, although I have no positive knowledge on the subject.

By Mr. BRADFORD :

Q. Have you given all of these insolvent loans?—A. All that I have any knowledge of; but there are undoubtedly others.

Q. State any suspicious relationship between the bank and its officers and employés and anybody who got loans from it.—A. I never could reconcile the loans made to Mr. Fleming with prudence. Fleming was the architect who put up the bank-building. The bank made very heavy losses on his loans. I find on page 35 of this report a loan of \$3,000 to R. I. Fleming; this is one of a great number of loans made to him; it has no collateral. Fleming was a man whom the bank presumed to be good for anything that he would borrow; but the loans to him cannot be reconciled with prudence. Whether there was any undue influence brought to get the money I do not know.

Q. Was it not known to the bank that he was not good for these loans?—A. I do not think it was at the time. He was a successful builder here, and he certainly was a successful borrower; but he swamped himself here. I forget what his loans aggregated; they are very heavy. He is since insolvent.

By the CHAIRMAN :

Q. The loans were made to him without security?—A. Some of them were secured and came, perhaps, within the rule.

By Mr. STENGER :

Q. State the particular mode in which these loans were obtained.—A. You must get the right man before you in order to obtain that information : because I do not know.

By the CHAIRMAN :

Q. Do you know of any instance where loans were obtained through the agency of brokers ; and, if so, was there any bonus or premium paid to any one for obtaining the loan ?—A. I do not know of my own knowledge any instance ; but I see in the minutes of the board a resolution that was introduced forbidding transactions through brokers, which creates the presumption that loans were got in that way ; and I know that when the bank first began to make its loans under the act of May 6, 1870, brokers used to frequent the office to such an extent that I was made anxious about it myself, and protested against it.

Q. Do you know of any premiums being paid to these brokers ?—A. I have not the slightest knowledge on that subject, and have no means of knowing.

Q. Were any of these brokers acting in the double capacity of appraisers of real estate for the bank, and officers of the bank itself, while they were engaged in negotiating these loans ?—A. No, I think not. Kilbourn & Latta were appraisers for the bank at one time, but they were not officers of the institution. They were brokers, engaged in getting loans from the bank, and were at the same time appraisers of real estate which was taken as security. That was the common talk of the office. I do not know either of those gentlemen personally.

Q. Do I understand you to say that Kilbourn & Latta were engaged in the real-estate business, were the appraisers for the bank, and were engaged in negotiating loans for it for their customers ?—A. I so understood.

By Mr. STENGER :

Q. I see in the commissioners' report that Hallet Kilbourn obtained a loan or loans as president. As president of what company ?—A. I cannot tell you ; it was probably one of those numerous companies that were started here. My impression is that it was one of the paving companies.

By the CHAIRMAN :

Q. I see in the commissioners' report, page 16, a loan to E. H. Nichols, treasurer, for \$175,000 ; what was he treasurer of ?—A. Of the central branch of the Kansas Pacific Railway, I think. That may not be the correct title of the road, but it was always styled in the office the Kansas Pacific Railway loan. That loan has been since reduced to something less than \$10,000, I think. I opposed that loan, as I happened to have knowledge of it, because it was not the thing for the bank to do.

By Mr. STENGER :

Q. I find on page 35 of the commissioners' report a loan made to C. W. Hayden, president, of \$1,500, with no collateral ; what was he president of ?—A. That was the Seneca Stone Company, I think. He was afterward treasurer of that company.

By the CHAIRMAN :

Q. Do you know who were the officers of the Seneca Stone Company, as it is called ?—A. I do not know who they were at the time of these transactions with the bank, except that Hayden was treasurer ; subsequently Mr. Alvord was elected president, after he retired from the presidency of the Freedman's Bank.

Q. Had he had any connection with the Seneca Stone Company whilst he was president of the Freedman's Bank ?—A. I think not.

Q. Either as stockholder or otherwise ?—A. He may have been a stockholder ; I cannot say positively.

Q. Do you know where the books of that concern are ?—A. They were in his charge. I do not know whether or not he is still president of the company.

Q. Please state anything that has come to your knowledge through your connection with the bank, and by conversation with its officers, showing (if such is the fact) any collusion between any officers or agents of the bank and outside parties in granting loans without any, or on insufficient, collaterals.—A. The only thing which, in my judgment, looks like collusion is this matter of the so-called Seneca Stone Company. I cannot reconcile the conduct of the actuary in that matter with his general character, or with the confidence which I always reposed in him as an honorable man. In regard to other loans which justly deserve censure, I would not charge collusion, but rather undue influence brought to bear upon these men, and I would like to say that I do not believe that either the former actuary, Colonel Eaton, or the later actuary, Mr. Stickney, were what should be styled dishonest men ; both were overwhelmed with business, and the affairs of the bank were very loosely managed. It was perhaps the result of bureaucracy rather than of personal responsibility. In other words, the bank was run too much by its committees, without direct and immediate responsibility to anybody.

Q. What do you mean by undue influence brought to bear on officers of the bank to obtain loans improperly ? A. By "undue influence" I mean personal application at inter-

views, where the borrower would sit down with the actuary and talk the matter over with him, and where the loan would virtually be made without due reflection or proper revision. In other words, the loans should have been made on formal application, going before the proper board to be passed upon on their merits, without the borrower having seen or talked with anybody. I believe that, as human nature goes, any man charged with the loaning of such funds would find himself unconsciously influenced in favor of applicants, if those applicants happened to be men whom he personally liked.

Q. Do you know that there existed at any time any relations of a business character between the officers and agents of the bank and the officers and agents of any of the stock companies, whose securities were accepted as collaterals for the large amounts appearing to have been loaned on them?—A. No, sir; I do not, excepting, of course, my suspicions in this Seneca Stone business, to which I have already referred.

Q. Do you know whether or not any of the officers or agents of the Freedman's Bank were officers or stockholders in any of said companies?—A. I do not, with the exception of the Seneca Stone Company. I happened to know that Colonel Eaton held some of that stock while he was actuary of the bank; I think \$4,000.

Q. If you know any of the officers or prominent stockholders of the company, generally known as the Seneca Stone Company, please give us their names.—A. I do not know, except as I have just stated; and I think in this instance I got my impression from Colonel Eaton himself, that he held stock of the Seneca Stone Company. At that time the company was supposed to be good.

By Mr. STENGER:

Q. Were those loans for which no collateral security was given laid before, and approved by, the board?—A. I cannot say; very probably they were.

By Mr. BRADFORD:

Q. Do you know of any officer of the United States Government holding any stock of the Seneca Stone Company?—A. I have no means of knowing.

Q. What is your best information on that subject, no matter from what source you derived it?—A. Categorically, I accidentally saw a list which purported to be a list of the stockholders of the Seneca Stone Company; the date I do not know. On that list were the names of some prominent officers of the United States Government.

Q. State who they were.—A. I think I recollect the names of U. S. Grant and General Dent.

By Mr. RAINEY:

Q. You do not recollect anything about the date of that?—A. No, sir; it came to me incidentally. I do not know even about the authenticity of the paper.

By Mr. BRADFORD:

Q. What was the amount of the stock owned respectively by President Grant and General Dent?—A. That I cannot tell, my information is so vague and indirect.

Q. Give us all the information you have, tending to show that the President of the United States or General Dent had stock, and to what amount, of the Seneca Stone Company?—A. I have already stated that I saw what purported to be a list of the stockholders of the Seneca Stone Company, among which were the names of the President and General Dent. I cannot say whether that list was authentic.

Q. Have you derived information on that subject from any officer of the bank, or of the United States Government?—A. No, sir; this information came to me incidentally, as it were, by accident, and it is only under the obligation that I feel to the committee that I make this statement, because I do not like to state what may prove to be incorrect. The list was among papers relating to the bank which were given to me by Mr. Alvord at one time for examination, and it appeared to have got there inadvertently. Of course I read the list.

Q. You say that it was among papers belonging to the bank?—A. Yes; but it appeared to have got there inadvertently.

Q. Why?—A. Because there was no reason why Mr. Alvord would have turned over to me papers relating to the Seneca Stone Company, while I was seeking information in regard to the bank. It was among papers which related to our affairs at Jacksonville, Fla., which Mr. Alvord, as president of the bank, had in special charge. I returned the paper to him, but, of course, out of curiosity I read it through.

Q. Was it a formal paper?—A. No, I think it was a pencil memorandum; it seemed to have been drawn up for the information of somebody.

Q. You say that it had crept in there, inadvertently? That is a matter of opinion on your part, based on your presumption that Mr. Alvord's inclination would have been to keep such a paper from you?—A. No, sir; but because it was not where it belonged, and it had no business there.

By Mr. STENGER:

Q. Would it not be a matter of interest to the officers of the bank to know who were the

stockholders of the company to which the bank was loaning money?—A. The last loan was made without the knowledge of the bank.

By the CHAIRMAN :

Q. Are you prepared to say on what substantial basis, if any, the bonds of the Seneca Stone Company rested?—A. On the property of the company in Montgomery County, Maryland, which consists, I am informed, of six hundred acres of land and a stone-quarry and improvements thereupon, which, I am also informed, cost some \$200,000.

Q. You are speaking from hearsay?—A. Of course. I have no authentic information on the subject; the bonds themselves state that.

Q. Have you any of those bonds?—A. They can be obtained from the bank.

The CHAIRMAN. Please bring one of those bonds when you next come before the committee.

By Mr. RAINEY :

Q. Can you inform us whether or not Mr. Alvord was a stockholder of the Seneca Stone Company at that time?—A. No, sir; I cannot.

Q. Did you not see his name on that list?—A. I have stated the only two names that I remember.

Q. You could not have read the list carefully.—A. I only read it as a matter of curiosity. It was a paper that came incidentally into my possession. I understand that he is a stockholder, but I do not know.

Q. You cannot give us any information with regard to the date of that list, when it was made out, or anything about it?—A. No, sir; I opened the paper to see what it was, and, seeing what it was, of course I glanced through it, and the distinguished position occupied by two of the gentlemen named in it attracted my attention. I do not recollect about Mr. Alvord, although I understand he was a stockholder.

Q. Can you inform us by what authority Mr. Stickney has control of about \$25,000 or \$30,000 worth of the property belonging to the Freedmen's Bank?—A. I do not know that he has.

Q. I refer to these deeds of trust which he holds on the M-street houses.—A. I do not know that he has any. I think he holds those houses in fee. There is a law-suit about them. The suit is against Boyd and Barnum to recover some \$28,000 which they owe the bank.

Q. You are satisfied that Mr. Stickney is not trying to get a percentage for the execution of papers in reference to that property?—A. O, no; that matter was arranged between him and the commissioners. The merits of the case I cannot state.

Q. Can you inform us whether or not any of the officers of the bank received any moneys from the bank, apart from their salaries, by loan or otherwise?—A. The only instance I know of is a loan that stands in the name of Mrs. Eaton for \$1,000. That loan is supposed to be good. Mrs. Eaton is the widow of the late actuary. It stands on the books now, and the commissioners regard the security as good for it. I do not think the loaning of money to its officers was one of the sins which the institution was guilty of. Of course I exclude the temporary advances made on salaries that were afterward taken up by services. Many times a man was allowed to draw against his current month's pay.

Q. Have you any information in regard to the Vandenberg loan?—A. No.

Q. He borrowed largely from the bank?—A. Yes.

Q. And got it on very slender security?—A. He used to come in and get about what he wanted, but, as to the actual facts of the case, I know nothing.

Q. You really cannot say whether he was in collusion with any of the bank officers in regard to those loans?—A. I cannot.

Q. Can you tell us whether they were very intimate or had any business associations?—A. Not that I know of. I do not know that they were in business together. He seemed to get loans very easily; but I never suspected collusion.

Q. So you know nothing about those loans?—A. No, sir.

Q. Can you inform the committee from whom we would be likely to get information bearing on that question?—A. The best man to ask is Mr. G. W. Stickney. What he does not know about the Vandenberg loans, nobody knows.

By the CHAIRMAN :

Q. Was he the man who granted the loans to Vandenberg?—A. He knows all about them. The papers and everything else in the matter went through his hands.

By Mr. RAINEY :

Q. Can you inform the committee whether or not Mr. Alvord, while he was president of that bank, borrowed any money from it, directly or indirectly?—A. I do not think he did.

Q. You made an observation the other day in regard to extravagance in the purchase of books; I suppose you alluded to ledgers?—A. Yes.

Q. Who made those purchases generally; who was the agent appointed to make them?—A. Bills of more than \$1,000 had to be approved by the board. We made a standing arrangement with Mr. Mann, in Philadelphia, by which we got books at wholesale rates.

They were ordered sometimes by myself. I was the only person, part of the time, who had authority to order books, but afterward when I got so overwhelmed with work, the matter was left to the general book-keeper. But I referred rather to the unnecessarily expensive style of these books.

Q. Did not you make most of those purchases of books yourself?—A. No, sir; part of the time I ordered them, but afterward, when I got overwhelmed with work, the business was turned over to the actuary, who turned it over to the general book-keeper.

Q. Did you not state in the orders that you gave for the books what kind of books you wanted?—A. Yes; but the system had been formed before I took charge, and, on my taking charge, I threw out a good many of the books that I deemed unnecessary; for instance, the auxiliary books which had at one time been made specially for the bank; I cut them down, and had the bank supplied with ordinary books from the shelves of the stationers, at much less cost. We gradually learned to dispense with such books as are ordinarily used by banks, and used a much less expensive kind.

Q. Then, I am to understand from your answer that you ordered the books whenever they were needed, and such books as had been ordered prior to your taking charge of that department of the bank?—A. Just the same, except that I threw out all the auxiliary books that I deemed unnecessary, or such as could be supplied by a cheaper style, with one exception, in which a lot of fifty journals were bought for the bank, without my knowledge and against my wishes. That is important, because that is about the only piece of extravagance that I know of.

Q. Did you record your protest, or whom did you inform that you disapproved of the purchase?—A. I talked to the actuary and to the book-keeper about it.

Q. Can you inform the committee whether any of the members of the finance board were connected with the Seal-Lock Company?—A. I cannot. I do not think they were.

By the CHAIRMAN :

Q. Do you know whether any officers of the bank were connected with the Columbia Railway Company?—A. I do not know anything about the stockholders of that company either.

By Mr. HOOKER :

Q. State whether the books of the various branches are now in the possession of the mother-bank.—A. Yes; the books of all the branches are.

Q. What became of all the deposits, which came from the respective branches, when they were transmitted to the parent bank?—A. Such sums as were not needed to make immediate payment were transferred from the branches to the principal office—when they were first put in the depository, and were afterward invested, in the manner which you have seen, in stocks and bonds, and afterward in loans. Then, as funds were needed, it was the business of the parent bank to return to the branches the money that they called for. In practice it was done by exchange. They bought and sold by exchange, as the case seemed to demand.

Q. I understood you to say the other day that you were frequently at Vicksburgh during the existence of the branch there.—A. Yes; several times.

Q. Who were the officers of that branch?—A. Benj. A. Lee was the cashier, all the time I was there, until he became too ill to attend to his duties. Henry Williams was the book-keeper, and Mr. Grovenor was the assistant cashier. Lee is dead, Williams is dead, and I do not know where Grovenor is. When Lee became too ill to attend to his duties, Grovenor was really in charge of the branch, though he never was made cashier.

Q. Do you know whether at Vicksburgh, or at any other branch, the inducement was held out to depositors to deposit in that bank because it was a Government institution?—A. I think it was.

Q. That inducement was made to induce persons to deposit—that it was a Government institution, and that the Government was bound to the depositors?—A. Yes; I cannot say specially at Vicksburgh, though I think that that foolish policy was adopted there.

Q. Did they not represent that the deposits made by individuals would be guaranteed by the Government of the United States?—A. I think they did, but I will qualify my answer by saying that I am not certain as to Vicksburgh; though I think so. But of this I am certain, that you will find on many of the pass-books of the New York branch these words, in English, French, and German: "The Government of the United States has made this bank perfectly safe."

Q. You say that that will be found on many of the pass-books?—A. Yes. I wanted to raise this question before the committee because it is important, and it relates to the history of the institution. I do not think our more judicious cashiers ever adopted that phrase.

Q. Are you aware that the funds of the institution were used at Vicksburgh, or at any other branch, for the purpose of speculating in the paper of the State, or county, or city?—A. Mr. Lee, latterly in his career, certainly did use some few thousands in speculation in city, and probably in State paper.

Q. To what extent?—A. Not to exceed \$11,000, which is due in that branch, and I suppose not to the extent of more than half of it, as part of it was used for other purposes.

Q. Do you know whether this was done at any other branches?—A. I think not, except at



the branches at Beaufort and Jacksonville, where they speculated in nearly everything. I ought to say that Captain Lee was authorized to take bonds enough of the city to enable him to pay his tax by the coupons, as an investment, but he exceeded his instructions, and we had contemplated to remove him.

Q. Were the funds which Lee used for that purpose the funds of the bank-depositors?—  
A. Yes; certainly.

By Mr. RAINEY:

Q. Can you inform us whether or not the superscription on the pass-books at New York was placed there by the authority of the parent bank, or whether it was done by the authority of the cashier alone?—A. It was done by the authority of the manager at New York. I protested against it, and I had it removed wherever I went.

Q. Was it done with the knowledge of the parent bank?—A. Certainly, they knew it, and I solicited the actuary, Colonel Eaton, to stop it, because it was a nuisance, and it was not true. This is what I substituted therefor, (I read from a pass-book of the Washington branch;) "The bank is obliged to keep its books open at all times for the inspection of such committees as Congress may, from time to time, appoint. The bank cannot loan money, nor use it in any way except to invest it in the bonds of the United States, or in real estate or securities worth double the amount so invested." I was often asked, "What makes your bank safer than any other bank?" and my answer was the honest one, "It is not any safer unless it is better managed." I would not have had the Government's guarantee on it if I could.

By the CHAIRMAN:

Q. Do you know the amount of bonds issued by the Seneca Stone Company?—A. Two hundred thousand dollars; one hundred thousand on a first mortgage, and one hundred thousand on a second mortgage. The amount of stock issued by the company no man knows, I expect.

Q. Do you know anything about the Metropolis Pavement Company, and how much bonds it put out?—A. I have not the slightest knowledge on the subject.

By Mr. HOOKER:

Q. I understood you to remark a while ago that Mr. Lee, cashier of the Vicksburgh branch, would have been removed if he had not been ill. Do you know whether he ever was removed or not?—A. No. But he had not been exercising his functions for a long time.

Q. Why?—A. On account of his ill-health.

Q. Do you know whether, in point of fact, he was removed?—A. No; he was not, in point of fact, removed. We had, however, made arrangements to remove him.

Q. At what time did Mr. Lee die?—A. Not until after the bank closed, which was in 1874. He had dropped out of my sight. I did not see him for some time previous to the closing of the bank.

Q. Was there not a change made, in 1868, by which Mr. Lee was removed and another man put in charge of the Vicksburgh branch?—A. No. There were charges preferred against Lee while he was disbursing-officer of the Freedmen's Bureau. Pending those charges he was suspended, and Mr. Harris, who was then inspector, took charge. Afterward Lee was re-instated.

Q. What were those charges?—A. I do not know.

Q. Was not one a charge that, by the failure of the national bank, he had lost \$3,200?—  
A. I do not know.

Q. What time was Mr. Harris ordered to take charge of the Vicksburgh branch?—A. I cannot give you the date. I simply know the fact.

Q. He was ordered to take charge, and Lee was removed?—A. Lee was suspended during the investigation of his accounts, and was afterward re-instated.

Q. Was he not re-instated with an increase of salary?—A. Very likely; but the increase of salary carried with it, I think, his paying his own clerks. He did that for a long time.

Q. He was re-instated, and his salary increased, after this charge was made against him?—  
A. Yes; but I think it was also provided that he should also employ his own clerks.

Q. What were these charges against him?—A. I do not know. I suppose that it was some matter in reference to bounties. Captain Lee was also agent of the Freedmen's Bureau, as disbursing-officer.

By Mr. BRADFORD:

Q. Are there any other matters resting in your knowledge which, as a good citizen and a friend to the freedmen who have lost money by this bank, you, testifying under oath, think it your duty to communicate to this committee?—A. I cannot at this instant recall any other matters; but, as a good citizen, and as a matter of conscience, I would ask that I may be recalled if at any time matters occur to me of importance for the committee to know, and of which I will duly apprise the committee.

Q. Do you think that, by withholding your answer to the inquiry, you may be able to recall other things?—A. Yes; I know my own mental habit.

Mr. BRADFORD. Then you may withhold your answer till some future occasion.

The WITNESS. If, on reflecting on this subject, any matters occur to me which it would be important for the committee to know, I will apprise the committee. I ought to say, as a good citizen and as a matter of conscience, that the early management of the bank was all that any honorable and right-minded man, being a friend to the freedmen, could ask. It is due to the trustees who managed its affairs in New York to say that they acted with good conscience, I believe; and that if the trustees since then have not done their duty altogether, it is rather perhaps through their negligence than their fault.

By Mr. RAINEY :

Q. You told the committee the other day that you examined the books some time ago and found a discrepancy of \$40,000 odd in the Washington branch?—A. Yes.

Q. Did you ever complete that examination?—A. No, sir; it was impossible.

Q. Then you do not know whether this \$40,000 was more than \$40,000 or less?—A. No, sir; nor do I know whether it is a loss to the company or an error in book-keeping, but I think it is an error in book-keeping.

Q. You have not finished the examination?—A. No, sir; it would take two years to do so.

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SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, February 3, 1876.*

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Riddle, Stenger, Bradford, Rainey, and Farwell.

HENRY H. DODGE sworn and examined.

By the CHAIRMAN :

Question. State whether you have had any means of knowing how, or on what basis, the company known as the Maryland Freestone Mining and Manufacturing Company was organized, and state all that you know in connection with the subject.—Answer. It was organized under the general corporation laws of Maryland; it was based on land in Montgomery County, in the State of Maryland, and on money paid in.

Q. What was the value of the property in Montgomery County at the time of its purchase by the company, and at what figure was it put into the common stock?—A. It cost the company \$450,000 in the common stock of the company, and there was \$50,000 of money also put in. The property was owned by Mr. Peters. Mr. Henry D. Cooke, Dr. J. L. Kidwell, and myself purchased it from him. We afterwards worked it for six or seven months, built a mill and other works on the property, and then formed a company.

Q. I want to know whether you had anything to do with the purchase of the real estate in Maryland, in Montgomery County; and if so, who co-operated with you in making the purchase, and what you gave for the property, which was afterwards put into the common stock of the Maryland Freestone Mining and Manufacturing Company?—A. The property was purchased from Mr. Thomas Peters, of Montgomery County, Maryland. The amounts I cannot tell without examining the papers.

Q. Did any one co-operate with you in making the purchase; and if so, who?—A. Yes; Mr. Henry D. Cooke and Dr. John L. Kidwell, of Washington.

Q. Tell us, as nearly as you can recollect, what was the amount agreed to be paid to Mr. Peters for that property?—A. I think it was in the neighborhood of \$70,000 cash.

Q. By whom, and in whose name, was the charter of the company obtained?—A. I can tell you four of the names in the charter; I have forgotten the fifth. The four were: Henry D. Cooke, John L. Kidwell, James Heath Dodge, of Maryland, and myself.

Q. Was that charter obtained before or after the purchase of the property from Peters?—A. Nearly a year after. We had spent a large sum of money on the property before the company was formed, in erecting mills and derricks, boats, dwelling-houses, and other works connected with the opening of a work of that sort.

Q. What was the purpose or object of said corporation?—A. It is a mining and manufacturing company, and was formed, if I recollect correctly, under the mining and manufacturing clause of the general corporation law of Maryland.

Q. I want to know what the company was to mine and manufacture—A. Mining stone and sawing it, and putting it into shape through our mills. We built mills for that purpose. It is a very hard stone and requires machinery to put it into shape.

Q. It appears from the charter which I hold in my hand that your capital stock was nominally \$500,000. Now, how much of that was paid in the property bought from Peters, and how much in money actually paid in on shares?—A. I really cannot answer that question further than to say that the expenditure, in the purchase and improvements, was something about \$120,000, and was taken and put into the company for something about four hundred or four hundred and fifty thousand dollars. I really cannot tell any closer than that without looking into the papers.

Q. Who has the custody of the stock-book of that company?—A. I do not know. I have not been in the company since 1869 as a stockholder.

Q. Who is the present president of the company?—A. The last one I knew of was a man named Alvord, who was formerly in the Freedman's Bank.

Q. Give us the full name of all the presidents of the company.—A. I do not know Alvord's full name. I was president of the company about one year; that was in 1863. Afterwards Dr. Kidwell was president; then C. W. Hayden, and then, I think, Alvord. Who is now president I cannot tell you, but I think that Alvord is.

Q. Did the original corporators, who are mentioned in the charter as Henry D. Cooke, H. H. Dodge, John L. Kidwell, Thomas Anderson, and James H. Dodge, get their shares of the stock on the basis of the property purchased from Peters?—A. I cannot recollect about the transaction. I think we put in the lands and the money which we had expended and formed the company upon it. What amount of stock we each got I cannot recollect.

Q. How much money was expended in the improvement of the property after its purchase from Peters, and before the organization of the company?—A. I cannot state with any certainty without refreshing my recollection. I think, as I said before, that the purchase-money and the money that we spent in improvements was in the neighborhood of \$125,000, but I am not positive.

Q. Assuming that the real estate bought by you of Peters, and your expenses in improving it, amounted to \$125,000, who received the shares representing \$375,000, the remainder of the stock, and how much was paid per share?—A. It was not divided into 375,000 shares to my recollection. We owned the property and formed the company upon it.

Q. Assuming that we have got \$125,000 as a substantial basis for the stock of \$125,000, what was the basis of the balance, \$375,000?—A. I am not familiar enough with the circumstances to answer the question. I never had anything to do with forming a company before, nor have I had much to do with it since. My recollection is that we owned this land and had spent so much money upon it.

Q. What I want to get at is whether there was anything put in except that land and the expenditure of the money?—A. Nothing that I know of.

Q. Nothing was added to make up the \$500,000 except the land and the expenditures upon it?—A. That is all.

Q. You have said something about quarrying stone. Is that the stone which is pointed out to me here as constituting the material out of which the National Republican building, the Young Men's Christian Association building, the Freedman's Bank building, are constructed, and known as Seneca sandstone?—A. In part, I think. The front of the Freedman's Bank building is, I think, entirely of it. The front of the National Republican building is partly of Ohio stone, and partly of Seneca stone. The Young Men's Christian Association building I think is partly Connecticut stone, and partly Seneca sandstone.

Q. This stone was quarried on the property bought by yourself and others of Thomas Peters, of Montgomery County, Maryland, was it not?—A. Yes. It is the same quarry and the same stone of which the Smithsonian Institute building was erected twenty-odd years ago.

Q. Was that quarrying carried on by the Maryland Freestone Mining and Manufacturing Company, or by other parties, corporate or sole?—A. I think by the Maryland Freestone Mining and Manufacturing Company. I do not know of any other parties. There may have been a portion of the Young Men's Christian Association building started (and I think it was) before the company was formed. The first stone put into the foundation was when we worked the quarry as individuals, but nothing but the foundation, I think. That is the first building that was put up in Washington of that stone.\*

Q. Does the Maryland Freestone Mining and Manufacturing Company still own the property from which the stone for these buildings and for other structures, including the foundations of the new State Department building, was quarried; if so, by whom were the contracts made? and, if you can inform us, tell us how the company was paid for the material.—A. I cannot tell you anything about it. As I said before I have not been in the company as a stockholder since 1869. I was president of the company the first year, but declined a re-election, and also declined to be a director. I cannot tell anything about it since then. The State Department building was not commenced when I was in the company. The Freedman's Bank building was not commenced, and the National Republican building was not commenced. My recollection is that the Young Men's Christian Association building was about the only one that was commenced during my connection with the company. In fact, I am not positive about that.

Q. Are you still a stockholder in the company?—A. No, sir; I am not.

Q. When did you cease to be, and how, and on what terms?—A. I think I ceased in 1869, when I sold my stock to H. J. D. Cooke.

Q. What did he give you for it?—A. He gave me bonds at par in part, and money in part. I sold the stock out at 50 cents on the dollar and took part in money, a lot in Washington, and bonds of the company at par.

Q. What bonds?—A. The first-mortgage bonds of the company.

Q. You sold your stock at 50 cents on the dollar, receiving pay partly in money, partly in a lot in Washington, and partly in first-mortgage bonds of the company at par?—A. Yes.

\* Mr. Dodge means after his association with the company.

Q. Was the stock bought of you by Henry D. Cooke purchased for himself individually, or for the company?—A. It was for himself, I always understood. He made me an offer to buy me out, and I sold out. I am pretty certain it was for himself. I never understood otherwise.

Q. What amount of bonds of the first-mortgage series, and what amount of the second-mortgage series, were issued by the company?—A. I can only tell you about the first mortgage. The amount of that was \$100,000. I was not in the company when the second mortgage was issued, and I know nothing about it except from hearsay.

Q. Although you ceased early to be an officer of the company, and in 1869 disposed of your stock, do you know whether or not it is a fact that the company continued to own the quarry from which the stone known as Seneca sandstone was taken for the various buildings and structures in the city of Washington?—A. I think so; undoubtedly it was so. I never heard of the property being sold by the company. I think that last year the company leased the property to Mr. Hayden.

Q. I want to know whether this Seneca sandstone was the property of the company when it was quarried for the purpose for which it was used?—A. Yes; it is commonly known as the Seneca sandstone.

Q. Is not the Maryland Freestone Mining and Manufacturing Company identical with the company known in popular phrase as the Seneca Sandstone Company?—A. Certainly.

Q. Be good enough to state to whom, besides the original corporators, shares of that stock were issued, and the amounts as far as you recollect.—A. That I cannot tell; I can tell some of the persons to whom it was issued.

Q. To whom were shares of that stock issued, and in what amount?—A. I cannot tell the amount. I can tell you some of the first parties interested in it. They were Caleb Cushing, Wm. H. Seward, General Barnes, (Surgeon-General of the Army,) General U. S. Grant, General Robert Williams, William S. Huntington, J. C. Kennedy, I think, and General Fred. Dent (brother-in-law of the President). I don't call to mind any others.

Q. Can you state what number of shares was issued to each of the parties named, and whether any money was paid by them for the same; and if so, how much?—A. Some of them subscribed for 200 shares of stock, and some for 100 shares. As far as my knowledge goes, every one of them paid for his stock. I think General Dent gave a note and security for his stock on some land near Saint Louis. He is the only one I know of whose stock was not paid for in money.

Q. Did any of them pay the full value of \$100 a share for the stock issued to them?—A. They paid fifty cents on the dollar.

Q. Are you positive that any of the parties whom you have named, except General Dent, paid anything for their stock?—A. I am sure all of them did. I am not positive about any of the rest of them paying anything but money, but my impression is that they all paid in money except General Dent.

Q. At what time was that issue of stock made; was it while you were an officer of the company or afterward?—A. I think it was while I was an officer of the company.

Q. Who was the treasurer of the company at that time?—A. C. W. Hayden, I think, was secretary, treasurer, and general manager.

Q. Do you know whether any dividends were ever declared on the stock; if so, how many, at what times, and to what amount?—A. I do not know. I heard, after I left the company, that the company had paid a stock dividend. From hearsay I think that the company increased the capital stock to \$300,000, sometime in 1870. That I do not know positively about; I only know it from the common rumor around town. During my administration we were making improvements, and there was no dividend paid on the stock; whether dividends have been paid since or not I really cannot tell.

Q. Do you know whether, when the new issue of stock was made in 1870, there had actually been any addition to the property of the company?—A. I do not know.

Q. You have alluded to rumors; tell us some of the parties from whom you got your information.—A. I do not recollect that, but I think that Mr. John A. Wills, of Washington, told me that the company had issued a stock dividend.

Q. Do you know of any other parties besides Henry D. Cooke and William S. Huntington, who were stockholders and corporators in the Maryland Freestone Mining and Manufacturing Company, who were also trustees, officers, or agents of the Freedman's Savings Bank?—A. I do not.

Q. Do you know of any parties who had any official connection with the Freedman's Savings and Trust Company, who were also members or officers of the joint-stock company of the Young Men's Christian Association, and corporators or stockholders of the Maryland Freestone Mining and Manufacturing Company?—A. I do not. I do not know whether Governor Cooke was a member or officer of the Young Men's Christian Association.

Q. Did Thomas Peters take any of the stock of the company; and, if so, in what way was it paid for?—A. He did not; he was paid for his property in cash with the exception of a note for \$12,000. I think the purchase from him was for cash, though I have some recollection of a note for \$12,000 at sixty days being given, which note was paid before it was due.

Q. Do you know what the assessed value of that property was before it was purchased by you and your associates from him?—A. I have no idea.

Q. Do you know any of the parties who were engaged as contractors in getting the Seneca sandstone from the company, by whom was the stone paid for, and how were the funds obtained with which payment was made?—A. I really cannot tell you.

Q. Who were the contractors—who bought the Seneca sandstone?—A. I do not know. When I was president of the company, I was simply its nominal president. The management was in the hands of Mr. Hayden, and the books were kept by him. He was made general manager and superintendent, and also secretary. I never collected a dollar for the company, to my recollection, nor paid out a dollar.

Q. Why did the company, with a nominal stock of \$500,000, and with a paid-up capital consisting of real estate and improvements amounting to \$125,000, issue first-mortgage bonds to the amount of \$100,000?—A. For building mills, opening quarries, constructing boats, building houses, derricks, &c.

Q. Then the actual paid-in capital, so far as represented by the expenditure for the improvement of the property bought of Peters was, in fact, a debt of the company, was it not? In other words, you were in debt for your improvements.—A. Not at all.

Q. Did you not issue bonds for them?—A. When we issued these bonds we built other mills and increased our improvements right straight along. You asked me what the cost of the property was and what amount of money had been expended before the company was formed, and I said that it was in the neighborhood of \$120,000. If the land cost \$70,000, there would have been spent forty or fifty thousand dollars in improvements before the company was formed.

Q. Then, if I understand you, the \$100,000 was raised by the issue of first-mortgage bonds for extending and improving the property on which the company was first organized?—A. Yes, we went on improving. We sold the bonds and got the money for them as the improvements went on. I have heard that the new mills, after the company was formed, cost about \$80,000. The improvements are very extensive.

Q. For what were these bonds issued, and for what were they sold in the market?—A. They were sold at par. Dr. Kidwell, Mr. Cooke, and myself took quite a number of them. Mr. Huntington sold quite a number for the company, for which the company received par. I never heard of any of them selling under par until latterly, when the company has been so mismanaged that they have gone down. I do not suppose you could sell them now at 50 cents on the dollar. The company, as far as I am aware, received dollar for dollar for them.

Q. I understand, then, that the first issue of bonds, amounting to \$100,000, was secured by a first mortgage on the property of the company, and was taken up mainly by the original corporators?—A. A large proportion of them were taken by Mr. Cooke, Mr. Kidwell, and myself, for which we paid the money to the company; but I know of three or four other parties who took some of those bonds. I know of one sale which Mr. Huntington reported, of \$10,000 to a Mr. Risley. I think he lives in New York. I think his name is J. E. Risley. I think Mr. Huntington sold \$10,000 worth of bonds to him. I think that \$8,000 were sold to a man named Handy, a clerk in the Treasury Department, since dead; I am quite confident that Mr. Caleb Cushing took \$4,000 of them. Mr. Wills took \$10,000 of them. That is all that I can call to mind now. I never heard of any of them being sold at less than par.

Q. At what time, as nearly as you can say, were these bonds issued?—A. I think they were issued sometime in the latter part of 1868 or 1869, but I cannot recollect.

Q. Do you know anything about the company, or any officer of the company having obtained a loan from the Freedman's Savings and Trust Company?—A. Nothing except what I have seen in the published reports of some investigation a year or two ago, and in the report of the commissioners.

Q. Was a man, named R. J. Flanagan, ever a stockholder, or a possessor of the bonds of your company; and, if so, how did he acquire the same?—A. I have no recollection of any such name.

Q. Were Hallet Kilbourn and John O. Evans, or either of them, stockholders in the company?—A. Not to my recollection.

Q. At what time did you cease to be a member of the company?—A. I think in July, 1869. I know nothing of the affairs of the company after that time.

Q. Did I understand you to say that the original stock, to the amount of \$450,000, based on the property bought of Peters, and the improvements thereon, was issued to the five original corporators?—A. No; I think not. I think that \$200,000 of it was issued to these gentlemen whom I have named, Caleb Cushing, General Williams, General Dent, General Grant, and Mr. Seward.

Q. You did say, however, that \$450,000, of the stock was based upon that property?—A. I did not say that it was exactly that amount.

Q. I understood you to say that you put the property in at \$450,000?—A. Something in that neighborhood. Under the mining clause of the general corporation act of Maryland, lands are allowed to be put into companies, as well as money.

By Mr. BRADFORD :

Q. Is not that Seneca sandstone difficult to quarry and saw?—A. It is a little hard, and that is the reason that we built mills to put it in shape. It is a little hard to "tool-dress," as the stone-cutters express it, after it is seasoned; but when it is first quarried it is not so hard to saw or to tool-dress as it is afterward.

Q. Are they working that concern now?—A. I understood that the company had leased the quarry to Hayden last year.

Q. Isn't it in operation now?—A. It was, last year, but whether by the company or by Mr. Hayden, I cannot say. It is in a very confused state.

Q. How could it compete, on fair and equal terms, with other stone in that State?—A. Remarkably well, I think. It ought to be cheaply quarried. It is within twenty miles of Washington, directly on the Chesapeake and Ohio Canal, and so located that it can be got out cheaply. The property has been very badly managed, and that has been the cause of the failure of the company. They have had no man there familiar with quarries since the latter part of 1869 or 1870, when they discharged the only man I know who knew how to manage it.

By the CHAIRMAN :

Q. Do you know that efforts were made by persons connected with the company to induce the Government to use that stone in the erection of the new State Department building and the other buildings now in progress of erection?—A. I do not. I think that the State Department building was commenced after the time that I had anything to do with the company. I have no knowledge of such efforts being made. I know that the company did furnish stone for the foundation of that building.

Q. Have you not heard from other persons connected with the company, or from officers of the Government, that such efforts had been made, but that the proposition was declined?—A. I have no recollection of it at all.

Q. Do you know any of the parties who were members of the Young Men's Christian Association, or of the stock company, known as the joint-stock association or company of the Young Men's Christian Association?—A. I do not know them as members of the association, unless Governor Cooke was one. I know that he had a good deal to do with the Young Men's Christian Association building.

Q. Was not General O. O. Howard a member of one or both of these associations?—A. I do not know.

Q. Do you know whether General G. W. Balloch was?—A. I do not.

Q. Do you know under what influences, and for what purpose, Dr. Kidwell was made president of the Maryland Freestone Mining and Manufacturing Company, and why he was afterward superseded?—A. I do not know. I was elected president the first year and declined to be re-elected, and, if I recollect aright, Dr. Kidwell was elected. I do not think there was any particular influence about it.

Q. What was the extent of the property purchased from Thomas Peters?—A. I think about 600 acres.

Q. Did the Maryland Freestone Mining and Manufacturing Company keep a stock-book and other records of its proceedings?—A. It did while I was in the company; what was done since I do not know.

Q. Do you know what was done with the \$100,000 raised by the issue of the first-mortgage bonds?—A. It was expended in the improvement of the company's property.

By Mr. FARWELL :

Q. State whether anything was put in to represent the stock except the land and improvements.—A. Nothing else.

Q. Nothing was realized to the company by the sale of stock?—A. Nothing, if I recollect aright.

By the CHAIRMAN :

Q. Was the debt of \$100,000, which was represented by the issue of the first-mortgage bonds, ever paid by the company?—A. No, sir; the bonds have never been paid, and there has been no interest paid on them for a long time.

By Mr. RAINEY :

Q. I understood you to say that stock was issued to some eight or ten persons, whom you have named, and you also say that no money was paid in to the company for stock?—A. I do not recollect whether the stock was all issued to us, who formed the company, and whether we sold a portion of it or not.

Q. By what right did you recognize them as stockholders?—A. We sold our property to the company, which issued stock for it, and we had a right to sell the stock to whom we pleased.

By Mr. FARWELL :

Q. General Grant and these outside parties whom you have named were simply purchasers of stock from you, as individuals?—A. Yes.

By the CHAIRMAN :

Q. Did the purchasers of the stock, by virtue thereof, become members of the company?—A. I suppose that when a man is a stockholder he is a member of the company.

Q. Was C. W. Cavanaugh ever a stockholder or holder of bonds of the company?—A. I do not know. I have given you all the names that I can recollect.

Q. Do you know Hallet Kilbourn, of this city?—A. Yes, slightly.

Q. I see in the report of the commissioners of the Freedman's Savings and Trust Company a loan to him as president; do you know of what he was president?—A. I do not. I have no knowledge in any way of the transactions of the Freedman's Bank except as I have seen them published.

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
*Washington, February 5, 1876.*

The committee met at 10 o'clock. Present, Messrs. Douglas, Bradford, Stenger, Riddle, and Rainey.

JOHN WATKINS sworn and examined.

By the CHAIRMAN:

Question. State whether you were a depositor in the Washington Branch of the Freedman's Savings and Trust Company?—Answer. I deposited in the Freedman's Bank.

Q. Make your own statement in your own words.—A. I got Mr. Kilgour to go up and look over the books. In the first place, I had deposited this money. I had got, I reckon, about ten or twelve hundred dollars in the bank. My boss, Mr. Bregazzi, had borrowed \$400 of it, and I went up and got it for him. I could not read, but made my mark. He gave me 10 per cent. a year for the use of it, and when the time was up he paid me. Boston had borrowed \$250 from me—\$100 at one time and \$150 at another time. He said that he was buying a house, and that he would give me security on the house. Where the house was I do not know. Boston was cashier of the bank, and I thought he was all right. I loaned him this \$250, but I have never heard of it since. Just when the bank closed I was going up to Georgetown one day to look about a house, and as I passed the bank I went in and saw Boston. I said to him, "Is there any possibility of my getting any money out of the bank?" He said, "Watkins, I was on my way to tell you that the bank is closed." I said, "What am I to do? I have a family to support, and house-rent to pay, and you have all my money shut up here." He said, "I cannot tell you. The bank is closed." I said, "I want \$500." He said, "We are not paying anything now." Said I, "I did not come to-day to get money, but I just dropped in to see you." He said, "I will try to get \$200 for you." I said, "Is that all?" He said, "Yes." I went on up to Georgetown, but the man from whom I expected to get a house would not rent it, neither would he sell it. I did not see Boston for two or three days afterward, when he came to my house and brought me \$200. Mr. Kilgour found by my book that Boston had drawn out four or five hundred dollars on it that day. About a week after the bank closed I carried my pass-book up there, and also my little boy's. My little boy had \$56 in the bank, I think, and I had nine hundred odd. I wanted to find out how I stood. I saw Boston fifteen or sixteen times after the bank closed, and I waited and waited and waited, till at last I went to the bank to see about my book. I could not find Boston in, but I said to the clerk there, "Do you know how Watkins's account is?" He looked at the book and said, "Yes; you have 40 cents." I said, "Forty hells." He said, "Yes." Said I, "What will I do?" Said he, "I don't know." I said I never had the money, and asked him to tell me where I would find Boston. He told me where to find Boston, somewhere on E street, below the Patent-Office, and there I found him. I went in and commenced pulling off my coat to fight him right away. I said, "Boston, what is the meaning of this that I have only 40 cents in the bank?" His face got white, and said he, "Mr. Watkins, I drew it out." "Hell," said I, "you drew it out and told me nothing of it?" "Well," said he, "I will fix that all right." The bank was to pay a dividend in two or three weeks' time, and he said, "I will pay you a dividend on the 15th of next month." Said I, "Jesus Christ, I do not know what to do with you." The clerk at the bank showed me the checks on which the money was drawn, but of course, I did not know one check from the other. I waited for two months, but I could not get anything out of Boston, so that I went to Mr. Kilgour and told him, and Mr. Kilgour said he would not charge me a cent for his services.

Q. Did you have any conversation with Wilson, the cashier, in reference to your account at any time?—A. One day I went up there and spoke to him. I said, "Mr. Wilson, I don't want to get closed up in this concern. A man in this town, unless he has money, is not worth more than a dog. I have worked hard, night and day, for this money, and so has my wife, and it should not be closed up in this way." He said, "You see that Treasury over there, don't you?" I said, "Yes." "Well," said he, "there is no more chance of this bank closing or bursting than there is of that Treasury." I said, "If that is so, it is all right." He said, "It is just prejudice that white people have got against us." I then made myself contented. My heart went down and I went to work. There the matter stood, and only 40 cents on my pass-book to my credit. They did not rob my boy's book. When I was loaning money to Boston I supposed that it was all right as he was cashier of the bank. I supposed that he owned it all himself. I did not know.

Q. What was the whole amount that you put into the bank?—A. As nearly as I can make out, it was twenty-four or twenty-five hundred dollars.

Q. Some of that you drew out, and some you loaned to your boss, and some to Boston, and the balance you left on deposit?—A. Yes. The figures will tell for themselves.

Q. Do you know of any other person, colored or white, who was a depositor, who lost his money under similar circumstances?—A. No, sir, I don't. I went to work at 7 o'clock in the morning and worked until 12 or 1 at night. I have been working at Bregazzi's for ten years. I cannot read nor write.

By Mr. RIDDLE :

Q. You never authorized Boston to check out your money?—A. No, sir.

Q. I understood you to say that this money was the joint earnings of yourself and wife.—A. Yes; she took in washing, and worked day and night, and I worked day and night, every day for the whole year. I have never been to a picnic or ball since I have been in town.

WASHINGTON, D. C., February 5, 1876.

Witness again appeared before the committee and made the following statement :

I forgot to state the other day that, at the instance of Boston, I called on the late cashier, Robert Wilson, to see if he would make any arrangement by which this man could be paid. Boston had stated to me that Wilson was as deep in the mud as he was in the mire, and that the cause of it was Wilson's extravagance at his house. In my conversation with Wilson I told him that he had indorsed two of these notes, which Wilson denied. These notes I have, and I am prepared to show that the indorsement is in Wilson's handwriting. Wilson manifested a good deal of anxiety about the matter, and stated that he would have an interview with Boston. Boston, since that time, has been to see me a good many times, and proposed to make weekly or monthly payments, which I have refused to accept, except as payments on the legitimate notes and legitimate loans. On close examination of the books, I found that the amount deposited by Watkins was nearly \$1,800. Out of that amount the forged notes aggregate \$1,050, on which the interest of course has been accruing.

WASHINGTON, D. C., February 5, 1876.

J. W. ALVORD sworn and examined.

By Mr. BRADFORD :

Question. What official connection have you had with the Freedman's Savings and Trust Company?—Answer. I was corresponding secretary of the company, then vice-president, and then president.

Q. When were you first appointed corresponding secretary?—A. At the organization of the company.

Q. When did you become vice-president?—A. Two or three years after that; I cannot give the date.

Q. When did you become president of the company?—A. About the time that it came to Washington. The headquarters had been at New York, and when it came to Washington it was made president. That was March 12, 1868.

Q. Then you have held successively the offices of corresponding secretary, vice-president, and president of the company?—A. Yes.

Q. What period of time was covered by your incumbency of these three offices?—A. The whole period from the organization of the company up to the time when Mr. Douglass was elected president, in March, 1874.

Q. Then you were officially connected with this concern from the time of its organization until March, 1874?—A. Yes.

Q. Were you one of the original trustees?—A. Yes.

Q. Have you been otherwise connected with the institution except as corresponding secretary, vice-president, and president?—A. I suppose I will have to say that I was its originator. I do not want to take too much credit to myself, but I suppose that is true.

Q. Have you ever had any connection with the corporation known as the Maryland Freestone Mining and Manufacturing Company?—A. Yes.

Q. What connection did you have with it?—A. Nominally I am president [of that company.

Q. How long have you had any connection with that company as officer, stockholder, or otherwise?—A. Since I left the Freedman's Bank.

Q. When was that?—A. In March, 1874.

Q. Down to that period you had no connection whatever with this Maryland Freestone Mining and Manufacturing Company?—A. No, sir; except as president of the bank which had loaned money to the company.

Q. You were not a stockholder in the company and did not hold any office in it?—A. No,



sir. They made me a stockholder sufficiently to get me in as president. That was after I went out of the bank.

By the CHAIRMAN :

Q. What do you mean by being made a stockholder?—A. We wanted to collect the debt due to the bank, and by an arrangement made between the two companies, it was thought that if I would take hold of the quarry, as an executive officer, and make money for the company, it should go to the payment of the debt to the Freedman's Bank.

Q. What do you mean by being made a stockholder?—A. They put into my hands ten shares of stock, and that made me eligible, nominally, to the office of president, which I took, on election.

Q. They gave you ten shares of stock?—A. If you please to say so.

Q. You had been president of the bank during the whole time that the bank had made loans to the Seneca Sandstone Company, and, after you resigned the presidency of the bank, they gave you ten shares of stock in the Seneca Stone Company in order that you might become president of the company?—A. Yes; that is what I have stated. I should like to have it understood that this was an arrangement by which I, as acting for the bank, (verbally directed so to do,) could get payment of the debt out of the company.

Q. It was hoped that by your becoming president of the Seneca Sandstone Company the debt of the company to the bank, which might be regarded as a very bad one, would be paid?—A. Yes.

Q. You did not buy that stock?—A. No, sir.

Q. They gave you the stock as a consideration for your consenting to become the president of the company?—A. Yes; I suppose so. They assured me that I could make money for the company if I would work the quarry.

Q. Do you still continue to be a trustee of the bank?—A. Yes.

Q. And also to be president of the Seneca Sandstone Company?—A. Yes.

Q. State whether, during any part of this period, and during your connection with the bank, you have been connected, officially or otherwise, as stockholder or corporator in any other corporate institution about the city of Washington.—A. I am, trustee of the Orphan Asylum for Soldiers' and Sailors' Children. I think of no other.

Q. Are you, or have you been, a member or officer of the Young Men's Christian Association, or of the joint-stock company of the Young Men's Christian Association?—A. I was a member for some of the first years, but as age advanced I dropped out.

Q. What year?—A. I was a member from about the close of the war along for a year or two; not since.

Q. Have you, during the same time, had any connection with the Freedmen's Bureau?—A. I was inspector of schools and finances, at least I think that was the title. After that I was general superintendent of schools, making my reports semi-annually to the Commissioner or to the Secretary.

By Mr. RIDDLE :

Q. In this District?—A. Yes.

Q. Have you anything further to add?—A. That is all the connection that I had with the Freedmen's Bureau.

Q. Had you any connection with the Freedmen's Bureau at the time the loan was made by the Freedman's Bank for the erection of the buildings of the Howard University?—A. I was a trustee of the bank.

Q. Were you officially connected with the Freedmen's Bureau at the time this loan was granted; and, if so on whose application was the loan granted?—A. I do not know what the date of the loan was.

By Mr. BRADFORD :

Q. Do you recollect whether any of the funds of the bank were ever used by the Freedmen's Bureau in building the university or any other structure?—A. Not that I know of. The Bureau used Government money. It never made any loan of the bank to my knowledge. My memory now brings up another corporation with which I was connected. I was trustee of the Howard University. Probably you allude to the loan of the Freedman's Bank to the university.

By the CHAIRMAN :

Q. Well, tell us all about that.—A. There was a loan which the university got from the bank.

By Mr. BRADFORD :

Q. You say that a loan was made by the Freedman's Bank to the university?—A. Yes; in which I was also a trustee.

Q. Do you recollect the amount of the loan?—A. \$75,000.

Q. When was it effected?—A. It was at the time when I was a trustee of both institutions, if that is a sufficient answer.

Mr. STENGER. (Referring to the commissioners' report.) The loan to the Howard Uni-

versity was made on the 22d of October, 1872, for \$75,000, on which \$600 was paid. The security was property known as "college reservation, Washington, D. C."

The CHAIRMAN. Tell us all you know about that loan.—A. It was made by the finance committee to the trustees of the university on security, as correctly specified in the commissioners' report, a large amount of real estate belonging to the university, and which was supposed to be worth double or treble what the loan amounted to, at a valuation which was supposed to be very low at the time.

By Mr. STENGER :

Q. Was the property unincumbered?—A. It was unincumbered.

By Mr. BRADFORD :

Q. Why was the loan never collected?—A. My impression is that it has been collected.

By Mr. RIDDLE :

Q. Is the property good for the loan yet?—A. I think the property is good for the whole loan. That loan has been paid, or so arranged that it is in process of payment. I am quite certain that that is so. I know that we, as trustees, consider it as off our hands. I think that the bank accepted notes of a party to whom we sold other property and yielded up our notes.

Q. The bank surrendered the notes which you had got on this property, and took other notes?—A. Yes; a large balance in cash being paid.

Mr. STENGER. (Reading from the report of the commissioners of January 18, 1876.) "The amount of the loan to Howard University was \$75,000. The amount paid to the commissioners is \$37,491.73, and the amount still due is \$37,508.27, interest being paid to October 22, 1875."

By the CHAIRMAN :

Q. For the balance of that debt I understand you that other notes were taken and your notes surrendered?—A. I so understand it. I am not on the executive committee that manages these things.

By Mr. RIDDLE :

Q. Are these other notes secured by real estate?—A. I think they are. They are notes of a very fine firm, which is making payment, I believe, according to the arrangement.

Mr. STENGER. The commissioners, in this report, make no entry as to any other security having been given.

By the CHAIRMAN :

Q. You alluded to some firm whose notes were taken and substituted for the notes of the trustees of the university. State what firm that was and give us the full names of its members.—A. It was the firm of Barber & Langdon, owners of the Le Droit Park enterprise, which is a large domain below the university, in that part of the city. Mr. Barber's name is Amzi, I think. I do not know Mr. Langdon's name.

Q. Through Mr. Barber, the trustees of the Howard University are rid of this loan?—A. We consider the loan as substantially settled. The university, as I understand, still holds all the original security.

Q. Was Mr. Barber an officer of the university?—A. He had been.

Q. Was he an officer of the university at the time the loan was obtained?—A. At the time the arrangement, the shift, was made he was a man of business, and no longer an officer of the university.

Q. Who constituted the board of trustees of the Howard University by whom the loan from the Freedman's Bank was negotiated?—A. I cannot recall the names. Myself was certainly among the number; others were Senator S. C. Pomeroy, Bishop Talbot, Bishop Brown, Mr. Fred. Douglass, Francis H. Smith, I think, and G. W. Balloch. I cannot, with certainty, recall all the names.

Q. Was General O. O. Howard one of the trustees of the university?—A. He had been, but I do not know when his connection with it ceased. I think he must have been a trustee at that time.

Q. For what purpose was that loan obtained, and how was it expended by the trustees of the university?—A. It was obtained to meet the liabilities of the university, debts, &c., and was expended, I suppose, in their liquidation.

The CHAIRMAN. You were a trustee of the university, and certainly ought to know something about how its affairs were managed.

The WITNESS. I was not on the executive board.

The CHAIRMAN. But you were a trustee, and it was your duty to know what the executive board did, whether you were a member of it or not. The executive board was only acting for the trustees, and the trustees are responsible for its acts. I ask you for what purpose this money was obtained and how it was expended?—A. I cannot give you a better answer than I have given.

Q. To whom was it paid over; into whose hands did it go?—A. Into the hands of the treasurer.

Q. Who was the treasurer at that time?—A. I cannot tell, there have been so many changes.

Q. Who is the present treasurer of the Howard University?—A. Mr. J. B. Johnson, I think, is secretary and treasurer.

Q. Where does he live?—A. At the university.

Q. Do you know anything about the affairs of the Metropolitan Paving Company?—A. No, sir.

Q. Or of the Abbott Paving Company?—A. No, sir.

Q. Or of the National Seal-Loek Company?—A. No, sir.

Q. Or of the Columbia Railroad Company?—A. No, sir.

Q. You say you know nothing about any of those companies; yet the record before us shows that while you were president of the Freedman's Bank, and one of its trustees, very large loans, amounting in one single instance to \$180,000, were made on the security of the stocks of those companies. Do you know of any parties who were stockholders in any of them, who had any connection with the bank itself or any business relations with any of its officers?—A. I do not know positively who were stockholders in any of them. I always understood that Mr. Lewis Clephane had something to do with the Abbott Paving Company.

Q. Are not the Metropolitan Paving Company and the Abbott Paving Company the same?—A. I believe so. I don't know of any other person who is connected both with the bank and with either of these companies.

Q. Do you know of any parties who obtained loans on the stock of any of those companies who had any business connection with any trustee or officer of the Freedman's Bank?—A. No, sir; I do not.

Q. What has been Mr. Clephane's general business since you have known him?—A. He was city postmaster when I first knew him. He afterwards became trustee of the Freedman's Bank, and then went into business of various kinds.

Q. We want some of those variations, if you can give them to us.—A. I cannot give them to you; I did not follow them very closely.

Q. State whether Mr. Clephane had any business relations with Mr. J. V. W. Vandenberg?—A. I understand that they were connected in the pavement company.

Q. Vandenberg was contractor for paving-work?—A. I think so.

Q. And you understood that Clephane was connected with Vandenberg in the paving business, Vandenberg being contractor for paving streets?—A. I understood so.

Q. Do you know of any connection of a business character between John O. Evans and Hallet Kilbourn, or either of them, with Vandenberg?—A. No, sir. Mr. Clephane was a member of the trustee board of the Freedman's Bank.

Q. I understood you to say that you know of no business relations between Kilbourn and Evans and Vandenberg?—A. No, sir.

Q. Do you know of any business connection between Mr. Clephane and the real-estate firm of Kilbourn & Latta?—A. No, sir; I do not.

Q. Do you know of any business connection between Kilbourn & Latta, or either of them, and Vandenberg?—A. No, sir.

Q. You have mentioned the Le Droit Park enterprise; what is that?—A. It is a plot of land cut up into building-lots and sold by the parties owning it; built up usually and sold as improved.

Q. A speculation?—A. It would be called that, I suppose, in common parlance.

Q. Were either of those parties mentioned as the firm of Barber & Langdon connected in any way with the Freedman's Bank?—A. No, sir. They did business with the bank at the counter, but had no official connection with it.

Q. Do you know anything about a loan made to General G. W. Balloch, and, if so, tell whether at the time he was not one of the trustees or officers of the Freedman's Bank, and one of the trustees or officers of the Howard University, and also connected officially with the Freedman's Bureau?—A. I am not aware that he ever got a loan.

Q. The books show that \$2,440 was loaned to "G. W. Balloch, treasurer." Do you know of what he was treasurer?—A. I only know of his being treasurer first of the Bureau, and then, for a time, of the Howard University.

Q. You do not know that that was a loan to Balloch individually, or to Howard University?—A. I do not. The term "treasurer" would show that it was a loan made to him officially.

Q. If it was a loan made to him as treasurer of the Howard University would it not have been charged to the University, and not to Balloch?—A. It might, or it might not. It might have gone in as in account with the treasurer; that is the most usual form in which accounts of corporations are kept.

Q. Do you know General Howard and General Balloch personally?—A. Yes.

Q. Do you know whether either of them own any real estate in the neighborhood of Howard University?—A. General Balloch lives in a house there which he built.

Q. Where?—A. On Seventh street road, beyond the boundary, near the university.

Q. On whose property was it?—A. He bought a lot or lots there from the university.

Q. How did he pay for that property?—A. I cannot tell.

Q. Did he ever pay for it?—A. I cannot tell; I suppose he did.

Q. Do you know that he did?—A. I never heard anything to the contrary.

Q. Do you know of his borrowing any money from the bank to pay for it?—A. No, sir.

Q. Did General Howard build a house out there?—A. Yes; he built a house also on ground which was the original farm.

Q. What is the full expense of those two residences, Balloch's and Howard's?—A. I think that General Howard told me that his house cost him \$29,000. I never knew what General Balloch's house did cost. I should say it must have cost him twelve or fifteen thousand dollars.

Q. Both of them lived on property which originally belonged to Howard University?—A. Yes.

Q. Do they still own these houses?—A. General Howard does not own his. He sold it when he left Washington.

Q. When were those houses built?—A. About eight years ago.

Q. At the time when you were connected with the Freedmen's Bank, was it?—A. Yes.

Q. Do you recollect O. O. Howard and Henry D. Cooke borrowing \$33,000 from the bank?—A. I think there was some such loan; I do not recollect the amount.

Q. I believe the books show that loan has not been paid?—A. I believe so.

Q. Do you know on what security the money was loaned?—A. The books will show, I presume.

By Mr. STENGER :

Q. That loan was entered as being made to O. O. Howard and H. D. Cooke, and in both of the commissioners' reports it is put down to the Young Men's Christian Association; how was that change made?—A. I do not know; I never did know.

By Mr. BRADFORD :

Q. Cannot you explain the facts?—A. No, sir; I cannot.

Q. What is the truth? Who got the money originally?—A. The applicants, I suppose.

Q. Who were the applicants?—A. I have no recollection about it. The record says O. O. Howard and H. D. Cooke. If the record be true, they are the persons who were the applicants.

Q. Have you no recollection about Howard and Cooke getting the money? Have you not talked to them about it?—A. Never.

Q. Do you know any fact or circumstance tending to show that Howard and Cooke did get this money?—A. I know that there was a loan charged up to them for a time, and then it seemed to be changed to the Young Men's Christian Association.

Q. That was just a shift, and nothing else, was it not?—A. I suppose so.

Mr. STENGER. The commissioners in their last reports say that that matter is in suit now. The WITNESS. Yes, it has gone to suit, and the court will have to answer that question.

By the CHAIRMAN :

Q. What security did O. O. Howard and H. D. Cooke give for this loan—what collaterals?—A. I don't know, but I suppose that it was an interest in the property now known as the Christian Association Building.

Q. I asked you some time ago the question whether anybody connected with that association had any official connection also with the Freedman's Bank, and you could not tell me.—A. My answer is, some interest in the property now known as the Christian Association Building, was the security probably given.

Q. Were not General O. O. Howard and H. D. Cooke stockholders in the joint-stock company of the Young Men's Christian Association?—A. I do not know.

Q. What interest, then, did they have in it?—A. I do not know. If you ask me for rumor and popular talk, I will say that they were, but I have no knowledge of their connection.

By Mr. RAINEY :

Q. Do you own a house and lot at Howard University?—A. Yes.

Q. From whom did you purchase that lot?—A. From the trustees of the university.

Q. Did they hold the property in fee at the time when they sold you that lot?—A. Yes.

Q. Did General Howard, General Balloch, and yourself buy lots at the same time?—A. About the same time.

Q. All from the university?—A. Yes; we took up lots, and commenced payments, with a bond for a deed when the payment should be completed.

Q. Can you inform us whether or not the Howard University has been paid for those lots?—A. To my certain knowledge I paid the full price of my lot as on the plat offered to all purchasers, 9 cents per foot. That was what my lot was put into the market for.

Q. I want to know if you can inform the committee whether or not, in the purchase of this property, the loan which the Howard University made from the Freedman's Bank was not for the purpose of making that specific purchase?—A. I do not know.

By Mr. BRADFORD :

Q. This \$75,000 did go to pay the indebtedness of the university for that land on which this property was situated?—A. I could not tell.

Q. What is your best recollection about it?—A. I have no recollection about it.

Q. Is it not your best recollection that it did?—A. I cannot swear to recollections which I do not have.

Q. You have some glimmering recollection about it?—A. No, sir.

Q. How could the Howard University have owed so much, unless it was a debt for the purchase of this property?—A. That would seem so, but there were other large liabilities, I suppose.

Q. From whom did the trustees buy this property?—A. From one John Smith.

Q. For how much?—A. One hundred and fifty thousand dollars.

Q. How was that \$150,000 paid?—A. I cannot tell. These matters were in the hands of General Howard and his treasurer, and they managed it without my knowledge at all.

Q. What is the most probable thing that was done with it?—A. The most probable thing is that it went to the liquidation of debts and liabilities of the university, of various sorts.

Q. Looking back on the transaction and refreshing your recollection about it, what do you say now was done with that \$75,000?—A. I do not know.

Q. What is the most probable thing that was done with it?—A. The most probable thing is that it went to the liquidation of debts and liabilities of the university, of various sorts.

Q. Was not that the chief liability which the university had incurred?—A. I cannot tell.

By Mr. STENGER :

Q. Do you know what the unpaid balance on that real estate was at the time this loan of \$75,000 was effected?—A. No, sir. I had nothing to do with the accounts. I had something to do with the building of the school-house, as superintendent of schools. School-houses could be built with Government money on property given or purchased for that purpose. I had nothing to do with the money. The treasurer had the whole matter in charge, and he and General Howard managed it.

Q. They did not keep it a secret from you, did they?—A. Not particularly.

Q. You could have looked into it and ascertained the state of things?—A. I could.

Q. Did you never have any conversation with those gentlemen on that subject?—A. No, sir.

Q. Was it not understood by you all the time that that debt was extinguished so that you could get a good title to your lot before you paid the last of your purchase-money?—A. No, sir. I made no inquiry. I paid; and paid, and when I got to the last payment they gave me the deed; at least Mrs. Alvord got the deed.

Q. Has that land ever been paid for, the whole tract, out of which yours was carved; has the original purchase-money been paid to John Smith?—A. It is all paid, I believe; I supposed so.

Q. Out of what funds was it paid?—A. I do not know.

Q. Did you not make inquiry, at the time the deed was passed to Mrs. Alvord, to see whether the property was paid for or not, and to see that you had a fair, unincumbered title?—A. No, sir; I did not. I took it in good faith, and just gradually paid it off in the course of three or four years.

By the CHAIRMAN :

Q. Did you build a house on your lot?—A. Yes, sir.

Q. What did that house cost?—A. Between \$8,000 and \$9,000.

Q. What did General Howard's house cost?—A. I heard General Howard say that his house, barn, &c., cost him \$29,000.

Q. What did General Balloch's house cost?—A. Between \$12,000 and \$15,000, I think.

Q. And all these houses, at that cost, were built on property purchased of the trustees of the Howard University, without your taking the trouble, any of you, to ascertain whether or not you had a good title. Do you mean to say that?—A. I mean to say that in regard to myself. I took it for granted that General Howard and his treasurer had a good title when they put up the university buildings, and that so my title was also good.

By Mr. STENGER :

Q. In what way was the purchase-money for these lots paid?—A. Mine was paid in cash in small payments, just as I could save them from my earnings from time to time.

By Mr. RAINEY :

Q. In purchasing real estate, is it not customary to have the records examined by some competent attorney, so as to see that the title of the property is good?—A. Yes.

Q. How came you to depart from that custom, especially when your own interest was involved?—A. I knew that the deed from John Smith was a good deed.

Q. Did you have any personal acquaintance with John Smith?—A. No, sir.

Q. Did you know whether he was solvent or insolvent?—A. No, sir.

Q. Did you know whether he was selling somebody else's property or his own property?—A. No, sir.

Q. Were not the lots purchased and paid for, and the houses built and paid for, directly or indirectly, out of the \$75,000 loaned by the Freedman's Bank to the trustees of the university?—A. Mine was not. This is the first intimation that anybody else paid for my house or my land.

Q. Did you not know that General O. O. Howard and General Balloch were both regarded as men of rather limited pecuniary means?—A. They were not rich men, but men of moderate means.

By Mr. BRADFORD:

Q. Do you recollect the loan to O. O. Howard individually of \$5,137?—A. I believe there was such a loan.

Q. It never has been paid?—A. I do not know.

Q. Was not that loan obtained before he built his house?—A. I cannot recollect.

Q. There was such a loan, and you do not know whether it was obtained before he built the house or during the process of building the house?—A. I do not say there was such a loan, unless I have the record before me. I take it for granted, if you have a list of loans, and say that such a one was among them, that there was a loan of that sort. My impression would be that there could not have been such a loan with his individual name, because we were very particular not to let trustees borrow our funds.

Mr. BRADFORD. This loan is put down to O. O. Howard individually.

The WITNESS. He was a trustee at that time.

Q. But he may not have borrowed this money as a trustee. Was such a loan as this \$5,137 ever made to O. O. Howard individually?—A. I do not know; I cannot tell. It may have been made to him individually or as trustee for some other individual for whom he borrowed it, or as an attorney.

Q. You stated a while ago that the \$33,000 loan to Howard and Cooke had been shifted to the Young Men's Christian Association. Who did the shifting; what officers of the bank?—A. I do not know. Probably the actuary, who had all these things in his hands. The finance committee and the actuary had everything to do with the funds. I sat as president of the board of trustees. I wish the committee to understand that my relations to the money matters of the bank were very distant, to say the least.

The CHAIRMAN. The records show that you were a trustee and president of the Freedman's Bank, and one of the examining committee. Do you mean to have the committee understand that, with all these close, intimate official connections with the Freedman's Bank, you exercised no supervision or control over the administration of its funds?—A. Yes; scarcely any, and I will tell the committee why: I was voted out of jurisdiction of the finances, and I will refer the committee to the record of that fact. By the charter, the president was made custodian of the corporate seal, and of all the property, funds, and securities of the company, subject to the control and jurisdiction of the finance committee, and was also made a member, *ex officio*, of the standing committees. The finance committee was to exercise control over all the funds, securities, and property of the company, to direct as to the investments, &c. No securities of the company could be sold or transferred but by vote of the finance committee, duly recorded, in which three members of the committee should concur. But the finance committee decided that the president had no right to vote, his membership on the committee not being by election but only nominal. The trustees acquiesced in the decision, and such became the practice through all my presidency. I dissented from it, but sat upon the committee, having neither a vote myself nor a veto.

The CHAIRMAN. But you had intimate knowledge of the transactions of the committee?—A. Yes. On January 9, 1868, the actuary was empowered, under the sanction of the finance committee, to perform all legal acts in the purchase, sale, exchange, or transfer of any bonds, securities, or other property of the company.

By Mr. STENGER:

Q. Who composed that finance committee when they voted you out and authorized the actuary to do this?—A. Henry D. Cooke was chairman, I think. On May 14, 1868, the custody of the securities was given to the actuary. I had been out in the field stimulating branches, and encouraging people to work and save their money and to deposit it. When I came back from the field, I was requested to devote my whole time and strength to the company. At the next meeting, November 7, 1870, a resolution passed the finance committee as follows: "*Resolved*, That in the opinion of the finance committee the financial operations of the company should continue to be intrusted to the actuary and finance committee." That was after I came back and took my position as president.

Q. You have given the name of the chairman of the finance committee in 1868; I want to know the members who composed it when that resolution was passed in 1868, and also when the resolution was passed in 1870, and also who the actuary was.—A. I cannot tell you who composed the finance committee. I know that Henry D. Cooke was chairman, when it was decided that I had no right to vote. That must have been in 1868. By the next vote, which was in 1868, the custody of the securities was given to the actuary. D. L. Eaton was then the actuary.

By the CHAIRMAN:

Q. Was there an assistant actuary at that time?—A. Yes; G. W. Stickney.

Q. Was there any relationship between him and Eaton?—A. I think that he was Eaton's nephew. On the 9th of January, 1868, the actuary was empowered to perform all legal acts,

and in the same year the custody of the securities was given to him. When I came back from the field, the finance committee wanted me to look after things very specially, and voted that I should take my position; but on taking it, the finance committee at once brought in a resolution, which was got through the board, that the custody of the securities, funds, &c., should still continue to be in the hands of the actuary and of the finance committee. This action had, and was designed to have, the practical effect of sending the presiding officer again to field-work.

By Mr. STENGER:

Q. Was the same actuary and the same assistant actuary then in office?—A. Yes.

Q. Who composed the finance committee then?—A. I should say that Mr. Cooke was still chairman; the other members were William S. Huntington, Lewis Clephane, Mr. Tuttle, (the former assistant treasurer of Howard University,) and Mr. G. W. Balloch.

Q. Were you on the finance committee?—A. I was an *ex-officio* member of it, and on inquiry as to what that meant, it was decided that I had no right to vote or to veto; and although I protested against that decision, still the board seemed to fall in with that interpretation, and I had to acquiesce.

Q. How many gentlemen composed the finance committee?—A. Five.

Q. These five gentlemen who composed the finance committee in 1870, are they the same who composed the finance committee in 1863, when that first action was taken in regard to yourself?—A. I think so; we had occasional changes of one or two, but substantially it was the same committee.

By Mr. BRADFORD:

Q. Are there any evidences in those books [referring to four memorandum-books which witness had been consulting] of frauds or irregularities in the bank?—A. These four little books are what I wrote out as the history of this institution from the beginning, for my children, if you please, or for somebody else. All that is written in them is true, from first to last, and if you want the history of this institution from first to last, and put me under oath, I will read the whole of these books, if you have patience. It was mainly during this time—of these alterations and putting me into a tight place—that questionable loans were made.

Q. How many loans, to your knowledge, were what you would call questionable loans?—A. I cannot tell you how many. Some loans, for instance, were made on personal chattels, city scrip, &c., and loans were made by cashiers without the knowledge of the trustees. To these irregularities may be added the liberty given by the actuary to do general banking-business at some branches, also the acceptance of insufficient securities, giving credit to unworthy parties, and the Seneca-stone arrangement.

By the CHAIRMAN:

Q. Do you know of any other instance than that which you have mentioned in which there was a shifting of loans from one description of securities to another?—A. No, sir; I do not. Being, as you say, thrown out, and being absent, sometimes in New Orleans for weeks and months, and up the Mississippi, the finance committee had control of the whole machinery, and even when I came back and took my position as president I was thrown practically outside of the committee.

Q. If I understand you, there were questionable loans, the character of which you have described. Were they made prior to the amendment of the charter of the bank on May 6, 1870?—A. There were certainly some things which I did not like previous to the alteration of the charter. I always wanted to have a simple savings-bank, kept closely and carefully for the custody of those for whom I originated it.

Q. Was not the design originally, when these scattered, illiterate, and poor depositors were invited to put their funds in the bank, simply to have it a savings-institution, in which their funds were to be deposited, invested by their friends for their benefit, and that they were to receive the dividends?—A. Yes, sir.

Q. A general banking-business was not contemplated?—A. No, sir; I can swear to that very strongly. I know what I meant when I got it up, and I know how I struggled to keep it so.

Q. Who applied for the amendment of the charter, and on whose suggestion was the application made to Congress?—A. It was talked of a long time, until at length it was resolved to ask for liberty to loan money on borrowed security, where more interest would accrue and larger dividends be paid. I do not know who first suggested it.

Q. Prior to that time, had the investments and loans of the bank been made on United States securities exactly as the original charter required?—A. Pretty nearly so; mainly so; always so at first. If some things crept in toward the last, they were irregularities.

Q. Who championed the amendment of the charter before the House committee?—A. I know that Mr. Huntington came to the Capitol and saw leading prominent influential gentlemen on the Committee on the District of Columbia, and told them that was just the thing to be done.

Q. Is it or is it not true that the suggestion of this amendment to the charter came from the officers of the bank without previous conference or knowledge on the part of the depositors?—A. Yes: I should think that that was true.

Q. Is it not a fact that prior to the commencement of this system of loans on a broader basis, as you call it, the loans and investments in United States securities were entirely safe, and readily converted into money?—A. Yes, sir.

Q. How has it been since?—A. We used up all our stock in the panic.

Q. If you had not swamped so much of your money beforehand on real estate, and if your investments had continued to be made in United States securities, state whether the bank would have had any difficulty in coming through the panic.—A. No, sir.

Q. Then the panic did not occasion the exhaustion of your stock, but the exhaustion of your stock originated in the fact that you had invested too much in bad securities?—A. We probably could have stopped the thing with \$800,000 in United States stocks, if we had not spread in other directions.

Q. If the United States securities were unquestionably good, and if you collected your interest and paid dividends to your depositors, what was the necessity for wanting to extend the basis of your loans? There was no difficulty in paying dividends on United States securities?—A. A number of things came up in the course of the discussion, among them the question in Congress of funding the national debt at lower rates of interest. If that was done, and if our investments were in United States securities, we could not pay the 5 per cent. to depositors that we had been accustomed to pay, or could not have paid a dividend which could have compared with the dividends of other savings-banks. That was one reason. Then, pretty generally in the South, men could loan their money at a higher rate than they could get from us, and they begged that we would give them a larger interest, which we could not do, with investments in United States securities at 6 per cent. and with a prospect of those securities being reduced to 4 per cent.; hence one motive of the change was the hope of being able to pay our depositors a 6 per cent. dividend, if possible, which they clamored for.

Q. In what way and through what channels did the depositors ever clamor for 6 per cent. dividend?—A. In correspondence. They said that they could get 6, 7, 8, and 9 per cent. by loaning it, and that they would take their funds out of the bank if we would not make the dividend larger. That was the popular—I ought not to say clamor, perhaps, but demand—all through the South at one time.

By Mr. RAINEY:

Q. Did any petition come up directly from depositors as depositors in any section of the country asking the board to increase their dividend, and setting forth the facts which you have specified?—A. I do not recollect any formal petitions. Individuals who were in a sort of small brokerage business wanted to make more out of their money than they could by putting it in our bank.

By the CHAIRMAN:

Q. Do you know of any speculators or brokers of incorporated companies of any sort who interested themselves in having a law passed authorizing an investment of the funds of the Freedman's Bank on real-estate security?—A. No, sir; I do not. I know that Mr. Huntington came up to the Capitol very anxious to get the thing through, and he went to members and urged it with all his eloquence.

Q. Mr. Huntington was the cashier of the First National Bank, of which Henry D. Cooke was president?—A. Yes, sir.

Q. Do you know of any operations in real estate being carried on by Henry D. Cooke singly, or by Henry D. Cooke and William S. Huntington, or any other person connected with the First National Bank?—A. I do not know of any operations being carried on by them in real estate in this region, unless you call the investments in the Northern Pacific Railroad Company speculations in real estate.

The CHAIRMAN. My understanding of your evidence now is (and you will correct me if I am mistaken) that up to within a short time of the amendment of the charter in 1870, and up to the time that you were voted out by the finance committee, the affairs of the bank had been mainly conducted on the basis originally provided in the charter, and have been conducted safely and beneficially to the depositors, but that very soon after the time when you were voted out the funds commenced to be used in loans or investments made on questionable securities, and that, had not this been done, but had the funds been employed as they should have been, and invested as the charter originally directed and required, the bank would have been able, in your opinion, to have stood the panic of 1873, and to have redeemed its obligations to its depositors. That is the import of what I understand to be your testimony.

The WITNESS. Yes, sir; substantially I should say that that would be my statement. I would not like to have you say that I was voted out.

The CHAIRMAN. I understood you to say distinctly that you were voted out.

The WITNESS. Then let it go so. It was a sort of voting out.

The CHAIRMAN. What would you call it—deposed?

The WITNESS. Perhaps so.

Mr. RAINEY. Deposed from the exercise of your legitimate official functions?

The WITNESS. Yes, sir; I suppose in common parlance I should use those terms. They



destroyed my power to stop these bad things and to prevent them, and the committee at that time had meetings at which apparently they did not want me to be present.

By the CHAIRMAN :

Q. Be good enough to enumerate *seriatim* the securities on which loans and investments were made which you designated as questionable.—A. I cannot designate them in any shorter terms than as I have done; for instance, personal chattels, &c.

By Mr. BRADFORD :

Q. How many loans were made on that sort of security?—A. Not very many. There was a loan made to the Arlington Hotel Company on a chattel-mortgage on furniture.

Mr. STENGER. And also to the Saint James Hotel?

The WITNESS. Yes. Another class was city scrip.

By Mr. BRADFORD :

Q. To whom were loans made on city scrip?—A. I cannot exactly say. They did things and recorded them, and the commissioners have the record.

Mr. BRADFORD. Go on.

The WITNESS. Then there was a practice of cashing drafts at branches.

Q. Is that what you call chattel security?—A. No, sir; when a man wants a draft cashed he comes to the bank and gets it cashed.

Q. Whether he has deposited in the bank or not?—A. He probably would be a depositor, but often that draft would be beyond the amount of his deposit. He would get it as a matter of accommodation, so that the bank became an accommodating institution. I do not mean to say that this was a general thing, but there were cases of that sort which alarmed me. Then there were loans by cashiers of the branches made without the knowledge of the trustees, they saying that they had permission from the actuary to make loans.

By the CHAIRMAN :

Q. Does not that include the Washington branch also?—A. No, sir; the loaning at Washington was always done in the principal office.

Q. Was the cashing of drafts carried on as a practice in the Washington branch?—A. No, sir. I do not think it was to any great extent. It was done so more at some of the southern branches, especially at Jacksonville, Fla., where we got in pretty deeply. There was no general practice of that sort at the parent bank in Washington; there may have been over-drafts. In fact, we found that there were, and we struggled to collect them immediately on finding them out.

Mr. BRADFORD. Pass on to the next series.

The WITNESS. I would mention the liberty given by the actuary to do a sort of banking business at some of the branches. This cashing of drafts would have been a banking business, and perhaps I should not have made two heads of it. Then another thing was, merchants putting in money and drawing it out, which gave us a good deal of clerical expense with but little profit. There were things of that sort which were not quite legitimate, as I always thought, in the case of a pure savings-bank. It was irregular, and a thing not designed by the charter.

Q. Then insufficient securities were accepted; what did you regard as insufficient?—A. I do not think that we had enough of city scrip (even if we could have taken it) on some loans, to have them properly secured. I generally endeavored to see that the real estate on which we made loans was double the value of the loan. I frequently went myself, although it was not my business, and looked at estates, but the actuary generally took it upon himself to see them. Sometimes real-estate brokers were consulted. We had no permanent appraiser. But as the loans here were made on property in the District, those of us who had lived here some time knew pretty well what property was worth in various localities about the city, and generally some of us went to see the property, and, on our best judgment, the property was generally worth at that time double the amount of the loan asked for. I never myself gave the least sanction to any loan that was not on property which I conscientiously thought was worth double the money.

Q. Then, of course, these were not the securities which you regarded as insufficient?—A. No, sir.

Q. You have spoken of questionable securities; please to inform us what those were; describe the classes of them.—A. I have given you the classes of those securities. I would say that the Vandenburgh loans were on insufficient security. I do not think there was enough of it to cover the loans. I will not be positive as to anything else.

Q. You spoke of the Seneca Stone and such like securities.—A. I will specify these individual loans afterward. I think Mr. Gassaway got some money without security. I think Mr. Huntington got some.

By Mr. STENGER :

Q. Who was Mr. Gassaway?—A. He was a clerk in the First National Bank, of which Henry D. Cooke was president. Money was loaned to Mr. Huntington on a house which I afterward saw, and which I thought was not sufficient, as not being worth double the amount of the loan.

By the CHAIRMAN :

Q. What do you think of the loans to Juan Boyle & Co. ?—A. I do not know anything about them, or the loans to S. P. Brown & Co. ; I did not know anything about them.

By Mr. STENGER :

Q. Do you know who S. P. Brown is ?—A. Yes.

Q. What is his business ?—A. When I knew him he was in the coal and lumber business ; shipping lumber from Maine and coal from Pennsylvania.

Q. Had he any business connections with any of the trustees or officers of the Freedman's Bank ?—A. No, sir.

Q. I see that there is a difficulty about the property which he gave as security—that the title to the property is in dispute. Who is the attorney who was authorized, at the time these loans were made, to examine the title to the property ? Who was the attorney that was acting for the bank ?—A. The solicitor of the bank was Mr. J. J. Stuart for a number of years. John M. Langston was solicitor for a short time, though I do not know that he ever considered himself as solicitor. We always required an abstract of title from the leading gentlemen who were in the real-estate business here. We selected two or three or four houses that are known to be reliable in that business, and abstracts of title were always required.

By Mr. RAINEY :

Q. Was John M. Langston at any time a member of the finance committee ?—A. Yes, sir.

Q. Was he a member of the finance committee while he was acting as solicitor of the bank ?—A. I cannot tell that. He professes never to have acted as solicitor.

By Mr. STENGER :

Q. Do you know John W. Hunter ?—A. No, sir.

Q. I see a loan of \$14,160 made to John W. Hunter *et al.* Do you know to whom that money was given ?—A. No, sir. I see that the title to the securities given for that loan is also in dispute.

By the CHAIRMAN :

Q. There was a loan of \$175,000 made to E. H. Nichols, treasurer, on which there is a balance still due of \$18,379. State of what Nichols was treasurer, and on what collaterals that loan was obtained.—A. Nichols was treasurer of a certain corporation which had to do with Kickapoo Indian land-titles in Kansas.

Q. And the security he gave was of the scrip or stock of that corporation ?—A. Payable scrip of that corporation. It was in some respects guaranteed by Mr. A. S. Barnes, of New York, a wealthy individual.

Q. What was the style of that corporation ?—A. I cannot give it to you.

Q. All you know is, that it was a corporation which had something to do with Kickapoo Indians and land-speculations in Kansas ?—A. Yes ; Mr. Edgar Ketchum, a lawyer in New York, searched the whole thing through and through, and reported that it would be a good security of the kind. It proved to be a good loan, and has been paid promptly right along.

Q. I see a loan of \$30,718 to James G. Berret, president. Of what was he president, and on what security was the loan obtained ?—A. I do not know. I have no recollection of any such loan.

Q. I see a loan here of \$1,556.51 to A. T. White, treasurer. Of what was he treasurer, and on what security was the loan ?—A. I do not know. I did not have anything to do with it.

Q. I see a loan of \$2,830 to C. B. Bailey, treasurer. Do you know of what he was treasurer ?—A. No, sir.

Q. I see here a loan to Hallet Kilbourn, president, of \$3,885.16, with no collaterals. What was he president of ?—A. I do not know what he was president of. I know Hallet Kilbourn very well, of the firm of Kilbourn & Latta.

Q. Was he not also a trustee of the Freedman's Bank ?—A. No, sir.

Q. Had he not some connection with the bank ?—A. No official connection.

Q. Was not the firm of Kilbourn & Latta often called upon by the bank to appraise real estate on which loans were made ?—A. Yes. They were sometimes called upon in a case of difficulty, where we wanted advice, but they were not permanently employed.

Q. Did they not in their firm character, or as individuals, carry on a general brokerage business, negotiating loans for their customers at the Freedman's Bank on real estate securities ?—A. That was their business, as I understood.

By Mr. BRADFORD :

Q. Were they not elected appraisers, and paid accordingly ?—A. No, sir. I have no recollection of their being elected. They occasionally did appraise property on which loans have been made.

(Mr. Bradford read from the minute-book of the board, in the proceedings of June 9, 1870, a minute showing that Kilbourn & Latta were employed as appraisers, who were to be consulted in cases where the actuary was not aware of the value of the property, or in cases

where there was doubt or question as to its value, and that the fees for appraisement should be graduated on the amount of the loan and on the value of the property on which the loan was sought.)

The WITNESS. I have no doubt that that is correct.

Q. You were present at the meeting?—A. Yes, sir.

Q. And that is a correct copy of the minutes of its proceedings?—A. I suppose so, if it is signed by the secretary.

Mr. BRADFORD. It is signed by D. L. Eaton, actuary.

The CHAIRMAN. The point to which your evidence tends is, as I understand you, that Kilbourn & Latta were recognized by the bank as its agents to appraise real estate on which loans were asked, and were allowed to negotiate such loans for their customers, and their fees and compensation were regulated by the amount of the loan, and by the value of the security, according to their own report. Do I understand you correctly?—A. I have no knowledge of their negotiating loans, but I presume that they did.

Q. I want you to say whether they occupied this double relation to the borrower and to the lender, and that by the authority of the officers of the bank?—A. I mean to say that the record is undoubtedly correct. I want however to add here, that there was a time at which it was forbidden that any broker should negotiate loans from the bank. Some of us objected to it; we saw evils in it. There is somewhere a vote of the trustees that this was not to be done by any broker, (I got it through,) but that applicants shall come directly to the office.

Q. I see C. W. Hayden mentioned as a borrower of the bank, and he is designated as president also; of what was he president?—A. The Maryland Freestone Mining and Manufacturing Company.

Q. Was that loan made to him in his official character, or as an individual?—A. As an individual, I suppose.

Q. Who was the Rev. E. P. Smith, and what connection had he with the Freedman's Bank?—A. He was the Commissioner of Indian Affairs until recently. He was trustee of the bank for a short time. I ought to say that he resigned his trusteeship before he became Commissioner of Indian Affairs.

Q. He is described here in some of these reports as missionary?—A. He was the field-secretary of the American Missionary Association, visiting the freedmen and schools, and carrying forward a large number of schools which they patronized. He was influential among the colored people, and was chosen a trustee of the bank for the sake of securing his interest in the great southern field.

Q. He operated generally in the South?—A. Yes.

Q. The South was generally the field of the Freedman's Bank?—A. Yes, sir. I think he resigned before he was appointed Commissioner of Indian Affairs.

Q. Can you inform the committee what E. P. Smith knows about the affairs of the Freedman's Bank which should have rendered it desirable to have his room rather than his company in this city, as I am informed that you have stated that I gave him leave of absence to go to Africa?—A. I will answer the first part of the question. I do not know that he knows anything particularly about the affairs of the Freedman's Bank except as a trustee, when he occasionally met with us. He was generally absent from the city, but he met with us occasionally. I do not know that he knows anything about the internal workings of the Freedman's Bank. As to the last part of the statement, as to his getting leave of absence to go to Africa, I heard him say that he had the consent of the Indian Committee to go to New York to make arrangements, on the condition that he should come back to Washington by the next train, if telegraphed for. I certainly heard him say that he had an interview with that committee, and had that permission, that he could go to New York and make arrangements for a voyage for his wife and daughter.

By Mr. BRADFORD:

Q. Is he going to Africa?—A. No, sir.

Q. What did you mean by that expression?—A. The committee that wanted him to testify was the Committee on Indian Affairs, and he is now, I understand, before that committee. He has been back and forth from New York.

By the CHAIRMAN:

Q. Did you not tell George W. Alexander that you had a conversation with E. P. Smith, and that you had been told by him, or stated it on your own authority, (I forget which,) that I had given him permission to leave the city?—A. No. I never knew who the chairman of either of these committees was. Mr. Smith told me that he had been up before the committee, and that he had been told that he was not wanted at present, and that he would be telegraphed for if needed, when he would return to Washington by the next train.

Q. You never did say, then, to any one that the chairman of this committee had had any interview with Mr. Smith, or had given him leave of absence?—A. No, sir. Mr. Alexander wanted to know why Mr. Smith had gone away. I said that he told me that the committee had given him leave to go to New York, and to come back if telegraphed for. The committee to which I referred was the committee before which Mr. Smith had been summoned, viz, the Committee on Indian Affairs. I did not know of this committee at that time.

Q. Was there or was there not a purpose on your part to convey the idea to Mr. Alexander, and through him to the public, that this committee, or its chairman, had permitted an important witness to leave the city?—A. No, sir. I simply wanted to say to Alexander that Smith had not run off, but that the committee had given him leave to go. He asked me if Mr. Douglas was on that committee. I said that I didn't know whether he was or not, but that if Mr. Douglas was the chairman of the Indian Committee, it must have been he who had given Mr. Smith leave to go to New York.

The CHAIRMAN. I want it entered here, in vindication of myself and of the committee, that Mr. E. P. Smith has never been summoned before this committee, and is, I presume, not known to any member of it even by sight.

Mr. RAINEY. With the exception of myself. I saw him frequently in the Committee on Indian Affairs as Commissioner.

The WITNESS. Mr. Smith was speaking, and I was repeating his statement, as to another committee entirely. I was vindicating him for not running off.

By the CHAIRMAN:

Q. The subpoena under which you came here directs you to bring the stock-book of the Maryland Freestone Mining and Manufacturing Company; you have not done so: why?—A. I have not that book. If there ever was such a book, I never saw it myself.

Q. Are there any reports of the treasurer of that company in your possession?—A. No, sir; there are not.

Q. Do you mean to say that the Maryland Freestone Mining and Manufacturing Company, with a nominal capital of \$500,000, kept no stock-book, and that the treasurer of the company kept no accounts?—A. I presume that the company has a stock-book, but it is not in my custody.

Q. In whose custody is it?—A. It may be in the custody of the treasurer or of the former president.

Q. Who are they?—A. Mr. C. H. Risley is the present treasurer. The books are not under my control. They have always remained in the old safe. I have never taken them out of that safe, and never have had any occasion for them.

By Mr. BRADFORD:

Q. Your office as president invests you with the custody or control of them.

The WITNESS. I suppose so.

The CHAIRMAN. Then we require you to bring them before the committee.

The WITNESS. There is a list of stockholders in this record, (handing a book to the chairman.)

Q. Did you have any conversation with A. M. Sperry in reference to the stockholders of the Maryland Freestone Mining and Manufacturing Company?—A. I probably have had conversation with him; I presume I have. He was chief clerk in the Freedman's Bank, and an old friend of mine. Mr. C. W. Hayden was president and treasurer of the Maryland Freestone Mining and Manufacturing Company at one time.

Q. And is at present lessee of its property?—A. He was, up to the 1st of January, 1876, lessee.

By Mr. STENGER:

Q. You said, in the course of your examination, that there were certain meetings of this finance committee at which you did not think they cared much about having you present, and you were going on to say that you tried hard to get to several meetings. How did it happen that you could not get there?—A. They were to have met every Monday at 12 o'clock. I was always on the ground, but the members of the committee were not. Some out-door business, as it was said, would prevent Mr. Cooke coming, and I would go home, and come to the bank on the next Monday; but it was only occasionally that I succeeded in getting into an actual session of the finance committee.

Q. Did you find that the committee had met, and held a session in your absence?—A. I could not say that they did. I do not know. There were, undoubtedly, sometimes a majority of the committee that acted, if you please, on the street.

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SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, February 8, 1876.*

The committee met at 10½ o'clock. Present, Messrs. Douglas, Bradford, Riddle, Farwell Rainey, and Frost.

J. W. ALVORD recalled.

By Mr. BRADFORD:

Question. You were speaking in your former examination of meetings of the finance board being held while you were not present. How frequently were such meetings held, at which

you were not present?—Answer. Not frequently. I was usually present when I could possibly be. [A portion of the testimony of last Saturday having been read to the witness.] I will add that such occasional absence was only during a short period in the commencement of things. The thing got into some regular shape afterward, and when I was in town I always attended the meetings of the board. They were held, after we had completed our building, in the directors' room, and I was always there when in town. This thing was only for a short period during the starting of operations here in Washington, after my return from the field.

Q. Did that period cover the time when these improper loans were granted?—A. No; I do not think that that period did. In the course of a few months, I succeeded in getting things straightened, and I took my place in the committee as ex-officio member, though never to vote. If I did vote it was informal. The ruling of the committee was that I was but a nominal member, not a voting member. A quorum was made by three without me.

Q. Am I to understand from that answer that you participated in granting those loans which were improperly secured?—A. Will you please refer me to any particular loan?

The CHAIRMAN. I mean the loans represented in this commissioners' report as not having been properly secured, for instance that \$33,000 loan granted to the Young Men's Christian Association, and loans of that character.

A. I do not recollect; I think I was not present when that was acted upon. We usually granted, at each meeting of the board, loans to the amount of twenty, thirty, forty, or fifty thousand dollars, in sums of from one to two, five, ten, or fifteen thousand dollars, and it would be impossible for me to state definitely whether I was present at the granting of any particular loan, except in some remarkable case. I should like to say something of the university loan, although that loan has been shifted now, since Barber & Langdon are to pay it. Still the bank retains all the collateral securities, trusts-deeds on real estate that were given when the loan was first obtained. The bank is secured, not only by Barber & Langdon's pledge to pay, but by all the original securities which still stand.

Q. Who were the parties who originally obtained that loan of \$75,000?—A. The trustees of the university.

Q. You say that that loan was shifted?—A. I said it was shifted, or so arranged, as that Barber & Langdon were to pay it in lieu of a certain indebtedness to the university, but the bank retained not only the securities which Barber & Langdon gave, but the original securities which made the first loan safe.

Q. How could you bind the second parties to pay the debt without any consideration in the premises?—A. These parties bought land from the university, the whole plot on which Le Droit Park now stands, and they undertook to pay the bank for their indebtedness, instead of paying the university.

By the CHAIRMAN :

Q. Then, if I understand you, Barber & Langdon, when they assumed the debt to the Freedman's Bank, assumed it only to the amount that they were indebted to the university for the purchase of this property?—A. My impression is that they assumed the whole debt. There was not much difference between the two indebtednesses, theirs to the university and the university to the bank. They were somewhere near the same amount.

By Mr. BRADFORD :

Q. Has not the university been discharged from that debt?—A. Only as Barber & Langdon pay it.

By the CHAIRMAN :

Q. What I was coming at is this: You account for the shifting of the debt from the university to Barber & Langdon, by saying that Barber & Langdon bought part of the property of the university, and you said the other day that you took as security a deed of trust on Le Droit Park?—A. No; I did not say that.

Q. What did you say? I asked you what security they gave for the debt of the university when they assumed it, and I understood you to say that they gave as security the Le Droit Park enterprise, as you call it.—A. They gave as security property in this park.

Q. Was not that property bought under lien to the Freedman's Bank?—A. No, sir; not the property in the park itself; but these people had built and sold houses in the park and taken obligations which were secured by deeds of trust and mortgages.

Q. On the same property?—A. On the same property.

Q. Was not this property a part of the original property of the university which was bound for this debt to the bank?—A. No, sir.

Q. When you say that Barber & Langdon bought it of us, whom do you mean by us?—A. I mean the trustees of the university.

Q. Were you one of the trustees?—A. Yes.

Q. Had you any authority under the charter of the university to borrow money?—A. I think the charter gives power to buy and to sell, to sue and to be sued, with the ordinary terminology of a charter.

Q. I find the name of General O. O. Howard mentioned as an honorary trustee of the Freedman's Bank. What does that mean: and what were his functions as such honorary

trustee?—A. We had a few such men, prominent men of the country, who were admitted to our councils, and to the discussion of questions, but not to vote.

Q. Can you point out any provision in the charter of the Freedman's Bank which recognizes any class of officials known as honorary members?—A. I do not think I can; it was a mere compliment.

Q. They were admitted to your meetings as a mere compliment, and they participated in your discussions to the extent, I suppose, of exercising some influence on your action, did they not?—A. I cannot tell you. I only know that General Howard was with us occasionally.

Q. They were invited there; they were given an honorary position at the board; were they there merely as an ornament, or did the board of trustees listen to and heed their counsel and advice?—A. The board listened respectfully to what they said.

Q. Did not these honorary gentlemen exert a great influence over the board?—A. I cannot tell you. I myself listened to everything and put the motion. I did not vote even in the board; what influence they may have had I cannot swear to; it was not frequently that General Howard was with us; occasionally he would come in, sit and listen, and occasionally make a remark. He took no extended part in the discussions.

By Mr. FARWELL :

Q. Did the discussions relate to loans?—A. Never. (Mr. Alvord changes this to) "Yes, in part."

Q. What were these meetings at which General Howard was present?—A. He was an honorary trustee.

Q. What was the usual subject of discussion at the meetings?—A. Matters pertaining to the interest of the bank, agencies, &c.

Q. Were loans discussed there?—A. The report made by the actuary and the finance committee was read and acted upon.

Q. I understood you to say that the board of trustees never made loans, but that they were left to the finance committee?—A. Yes.

Q. Of which committee General Howard was not a member?—A. He was not.

By the CHAIRMAN :

Q. From that response to Mr. Farwell, and from what I should have inferred from the reading of your by-laws, General Howard and the other prominent gentlemen to whom you refer were honorary members of the board of trustees of the Freedman's Bank, the duty of which board was to receive and consider all the reports from the business committees of the institution; am I right?—A. Yes.

Q. Then that board, at which General Howard and these other gentlemen sat, had the authority to exercise and was supposed to exercise a general supervision over its affairs, and had knowledge of what transpired in its management? Is not that so?—A. Yes.

By Mr. BRADFORD :

Q. You say that General O. O. Howard was simply an honorary trustee?—A. We elected him trustee once, but he declined that, and I think we then elected him an honorary member.

Q. Let me call your attention to an extract from the minutes of March 10, 1870. (Extract read showing that General O. O. Howard was elected a trustee at the annual election; J. W. Alvord, president; O. O. Howard, first vice-president; and Rev. D. W. Anderson, D. D., second vice-president. Adjourned to meet at Jay Cooke & Co.'s.) Is that a correct extract from the minutes of that day's proceedings?—A. I presume it is.

Q. Your recollection being refreshed by this extract, you would say that General Howard was an actual trustee and acted as vice-president?—A. My recollection is that he was so elected, but that he very soon informed us that he could not accept such a position properly; that he was in a condition not to accept it, and he refused it.

Q. He must have acted a short time?—A. I do not think he ever acted as trustee. My impression is that he never acted as vice-president or trustee.

Q. Were you in the habit of meeting at Jay Cooke & Co.'s bank?—A. Not after our bank-building was erected. Previous meetings to which I alluded were in Jay Cooke & Co.'s bank. I mean the first meetings previous to the erection of our bank-building. It was there that there were some irregularities in our finance-committee meetings. I repeat that because I want to have the committee understand perfectly that this was only for a short period, when we were in an out-door condition of things, meeting where we could, usually in the bank of Mr. Cooke.

Q. You certainly had a place of meeting of your own prior to March 10, 1870, without using the banking-house of Jay Cooke?—A. Yes; we had an office on Seventh street, but it was very small.

Q. Was not Henry D. Cooke a member of the firm of Jay Cooke & Co.?—A. Yes; I suppose so.

By the CHAIRMAN :

Q. Who else composed the members of the firm of Jay Cooke & Co.?—A. Jay Cooke,

Henry D. Cooke, Mr. Fahnestock, and a number of other junior partners, if I am rightly informed.

Q. Do you know who composed the board of trustees of Howard University?—A. The incorporators named in the charter were the first trustees. They perpetuated themselves, I think. The charter gave them a self-perpetuating power, which they exercised.

Q. And they afterward made you one?—A. Yes.

Q. And you were one at the time of the negotiation of this loan?—A. I think I was.

Q. And you were also president of the Freedman's Bank?—A. Yes.

By Mr. RAINEY :

Q. State to the committee what, to the best of your knowledge, the loan of \$75,000 to the Howard University was made for.—A. I have inquired of the treasurer, and he told me that it was for the payment of construction-bills for professors' houses and for the building erected for the normal department, which cost about \$10,000, and for the payment of other bills which had accumulated in the foundation-work. The expenses of the university having carried us into debt, we got out of debt in that way; that is, out of individual debts. The money was expended, as I am told, wholly in furnishing the university with buildings and in paying its debts which had accumulated. It is as I supposed it was. I find that the money was expended for the wants, liabilities, and debts of the university.

By Mr. BRADFORD :

Q. Do you know from what source the university derived the money with which it paid for the land, comprising the land on which your residence is?—A. No, sir; I cannot tell now where it got it.

Q. What is your best recollection?—A. I have no recollection. I was not in the board at that time.

Q. What was the amount of the purchase-money?—A. I understood \$150,000.

Q. And you cannot tell from what source the university derived the means for paying it?—A. No, sir; I was not in the board at that time.

Q. Do you not know that it was derived in some way, directly or indirectly from the Freedman's Bank?—A. I do not think it was. The Freedman's Bank had not much money at that time.

Q. But subsequently?—A. The university never got any money from the bank that I know of except this one loan.

Q. Were lots on that property sold to any other persons than those connected, directly or indirectly, with the Freedmen's Bureau, Howard University, or the Freedman's Bank?—A. Yes; they were put in the market through a land-broker, and they were sold to all who would buy them. I suppose there were a score of gentlemen who purchased lots. Very few who belonged to the university purchased any; only two or three of us, who took lots and paid for them and started the thing, as such things are usually started, by a good example.

By the CHAIRMAN :

Q. What became of the money paid for the purchase of these lots?—A. I do not know. The treasurer of the university can answer that.

Q. Was any part of it used to re-imburse the bank?—A. I do not know. I think I had my lots paid for at the time of the loan.

Q. Had you bought and paid for your lot before the trustees of the university had paid for and obtained title to the property which they sold you?—A. Yes; I think I had.

By Mr. BRADFORD :

Q. From what source did the university derive its principal revenues?—A. The Government placed at the disposition of the commissioners of the Freedmen's Bureau money with which to build school-houses.

Q. Was the money sufficient to accomplish that object?—A. It accomplished a great deal. We built a great many school-houses all over the country.

Q. I understood from what you said this morning that the \$75,000 borrowed from the Freedman's Bank went to pay construction-bills. I suppose that that fund was used to supplement the Government fund in paying for the construction of buildings?—A. I suppose so.

Q. Therefore it must have been needed to supplement that fund, or else it would not have been so employed?—A. I inquired what buildings it was for; the answer was, "Professors' houses," of which two were built, and a normal-department building, which was subsequently built.

Q. Then the Government appropriation must have been exhausted before the use of the \$75,000 of borrowed money?—A. Very likely.

Q. From what source is it probable that the university acquired the money to pay the \$150,000 for its real estate?—A. I cannot answer that question.

By the CHAIRMAN :

Q. I understood you to say on Saturday that agents were employed by the Freedman's Bank to appraise real estate on which the bank took security for loans granted, and that the

same agents were authorized to negotiate, and did negotiate, loans with the bank for their clients.—A. I said a part of that, not the whole.

Q. And that their compensation was by the board of trustees regulated in such a way as to be predicated on the amount of the loans granted and the value of the security taken?—A. I said a part of that.

Q. Have you any reason to suspect that larger loans were negotiated or granted, and very inadequate security taken therefor, by an arrangement between these outside agents and some officials or agents of the bank, in which the latter were to share in the gains?—A. I have no reason to suspect that. The thing was done only very rarely. We appraised property ourselves, but in case of difficulty we were allowed to go to certain parties and secure their judgment as professional men. But that, to my knowledge, was done very rarely—very rarely. I emphasize that, although they were designated as men whom we could consult, and at times did consult.

By Mr. BRADFORD :

Q. That sort of investigation was casual and unofficial?—A. It was casual ; it was official when we resorted to it. We were allowed to consult them, but in nine cases out of ten, at least, we did not consult them, but we went to look at the property ourselves. The actuary usually went ; I went occasionally as I was here at home and could have time to go.

By the CHAIRMAN :

Q. Was there not a real-estate broker in this city, named Warner, who was sometimes employed by the bank, or permitted by the bank, to negotiate loans with the bank and to fix the value of the assets which were given as security?—A. There was a man named B. H. Warner, who, with others, sometimes did attempt to negotiate loans, and did, I suppose, negotiate them, until we found that it was fruitful of evil. It seemed to take money from the applicants which they need not give away, and we passed a resolution saying that all applicants for loans should come directly to the actuary or to the board, and that there should be no middlemen.

Q. Why was that resolution adopted, and what were the difficulties or evils intended to be remedied by it?—A. The evil intended to be remedied was in regard to ignorant men who did not understand real-estate business, and who thought, I suppose, that brokers could help them. We saw that they were paying fees to brokers which they might just as well retain in their own hands by coming directly to the company for what they wanted, and we stopped this thing by resolution. I could give you the date of it if I had the record to look over.

Q. If a loan was applied for and sufficient security given for it, was it not part of your business to see what the borrower did with his money?—A. No, sir ; I do not think it was.

Q. How did you ascertain that this practice, as between client and borrower, which you proposed to remedy, had grown into life and existence?—A. Brokers seek such customers to get their living from them in the form of commissions. They get certain percentages for negotiating loans.

Q. Was that practice of the brokers only developed after they came to be agents and attorneys to negotiate loans with the Freedman's Bank, or is it something inherent in their nature?—A. It is always the case with real-estate brokers, so far as I know.

Q. If that was the fact, why did you ever admit them into your office to negotiate loans, and why did you trust them in any case to appraise the property which was to be pledged as security for the loans?—A. You ask why I did it. I did not do it. The actuary did it and the finance committee, because business men are accustomed to deal with corporations as well as with principals. A party comes in with a man, an attorney, or a broker, and depending on his aid, and this at first probably seemed a thing in the ordinary course of brokerage business. I think that is the universal practice. Certainly it is true to a large extent for borrowers employ them, and the men who loan money employ them.

Q. Your answer does not meet the question. You have stated that after admitting brokers to negotiate loans for their clients, and after you found that such a practice was productive of evil, you adopted a resolution prohibiting it. Now you say that what they did is the universal practice of brokers, and I ask you, then, why did you ever admit them to negotiate loans and to fix the value of the securities?—A. As far as I was concerned, I agreed to that resolution because I think the practice is a bad one. The person with whom the particular interview would occur would always be the actuary, who would take up the thing and promise to present it to the finance committee. The finance committee would hear what was said as to the loan and the property on which it was to be secured, and would consider whether it was best to make it. It came along in that historic way. It crept in, and we subsequently found it to be injurious to the applicant, and that we could save him to that extent, and, therefore, we did so by prohibiting applications by second-hand. In other words, it was a simple desire to do the best thing possible for those who borrowed the money, they usually, or very largely, being our depositors. We did it mainly to secure a small class of ignorant borrowers among the freedmen. They were the men most usually obliged to pay these commissions.

Q. Was there not a real-estate broker of this city named C. W. Havenner, who also prac-



ficed in this bank as a negotiator of loans and an appraiser of real-estate securities for it?—  
A. I do not know that Mr. Havenner ever did.

Q. You have been for many years president of the Freedman's Bank, and continued to be one of its trustees; do you know that Havenner has, within that time, negotiated numerous loans with the bank?—A. I do not. I cannot say positively that he negotiated a single loan. I do not think I should know him if I saw him to-day. I know of him, but have no personal acquaintance with him.

Q. Have you seen and examined the report of the commissioners to close the affairs of the bank?—A. Yes, sir.

Q. Did you not see there a number of loans charged to C. W. Havenner?—A. Yes, sir; I see them charged to him, but I do not know anything further about them. I do not know when or how they were obtained. I was out of town a great part of these years, abroad through the country instructing the freedmen how to toil and how to save.

Q. And how to save was to invest in the Freedman's Bank, I suppose?—A. Yes; I told them that always, and I told them that I would do all I could to keep their money safe for them. When I was voted back to fill the presidential chair, I was still practically kept out of doors. They did not give me a vote or a veto, but practically I still went out, and was here only whenever out-door business among the branches permitted me to come back.

By Mr. RAINEY:

Q. Can you inform the committee whether or not Mr. Stickney, while acting as trustee, instituted or executed any of these loans to which reference has been made; did he not have the power to do so?—A. He had no power to do so.

Q. But do you not know that he did make a great many of those loans on real estate without any conference with the board or any member thereof?—A. I do not know that he made any on real estate.

Q. Was he not appointed by the board of trustees to execute loans on real estate of which he himself has become the executor?—A. Never. He was never authorized by the trustees to do that.

Q. Does he not hold a claim against the bank to-day for certain percentages for such work?—A. I do not know what he claims; he is trustee on a great many loans.

Q. Does he not hold these loans in his own personal right, awaiting an adjustment of the bank for services rendered by him in connection with those loans?—A. I think not. I really do not know what has been going on there within the last two years. I have no knowledge of his being in that relation to the loans. The parties selected mutually, I suppose, the actuary and assistant actuary of the bank to be trustees. In this District, trustees are selected by the mutual consent of the parties, the borrower and the lender. It was consented to, as I understood, that the actuary and assistant actuary should be trustees; at any rate, they did become trustees without any objection on the part of either party, and their names were inserted in a large number of trusts.

By Mr. BRADFORD:

Q. You mean trustees in deeds of trust?—A. Yes. Their names appeared very commonly. I cannot tell you just how that thing came to be at first. Perhaps the actuary assumed the responsibility, and it was not objected to by the board that the actuary should act for us, for he was our man; the other party consenting, the thing got into practice.

Q. Do you know of Mr. Stickney, during his incumbency as actuary, ever having charged for that sort of service?—A. I do not know that he was ever paid.

Q. Did he ever charge for it?—A. I never saw him charge. I have understood, as Mr. Rainey now suggests, that he does make a claim.

By Mr. RIDDLE:

Q. Do you know, or have you reason to believe, that any officer of the bank, while receiving a salary from the bank, negotiated loans to private individuals, and claimed the compensation from the bank for said negotiation, and also claimed in addition a percentage from the parties for whose benefit the loans were made?—A. I do not know that Mr. Stickney ever asked any other pay than the legal commission for trusteeship. I think that Colonel Eaton claimed such a commission, and I know that Mr. Stickney claims the usual percentage for such trusteeship which the law seems to allow. That is five per cent. on the loan.

By Mr. FARWELL:

Q. And his duty as trustee is simply to execute a release when the money is paid?—A. He becomes personally responsible for the validity of the transaction.

Q. Did he claim the five per cent. when the loan was paid by process of law, or did he claim it when the party came in and paid the debt, and where the actuary simply executed a common release?—A. I cannot say that Colonel Eaton did claim it in the latter case. I have heard him say, and I have heard Mr. Stickney say, that it was proper that he should claim such a percentage from the bank, but I took the ground that they should not claim it while in office.

Q. Was it paid?—A. No, sir; it was not paid to my knowledge. I have heard it said that Colonel Eaton did once claim and obtain a fee in one case.

By Mr. RAINEY :

Q. Can you inform us whether or not Mr. Stickney has ever claimed and obtained a fee?—

A. I do not know.

By Mr. FARWELL :

Q. State whether this five per cent. was claimed and received (and if not received, claimed) on the simple execution of a release on the payment of a loan, or only where the property by which the loan was executed was advertised and sold under the deed of trust.—  
A. Only in that case where the trustee had to discharge the duties of trusteeship in the sale and conveyance of the property. Where the loan was paid in the ordinary way, there was no fee allowed to him. I do not suppose that there were ever more than forty or fifty deeds of trust ever pushed through the law, and it was only for such that fees could be claimed. He never claimed that the simple execution of the ordinary trusteeship brought any fee, but that when he took the responsibility of sale and conveyance, and the personal liability for inaccurate conveyance, he should have the regular fee. If the conveyance is not right, the purchaser falls back on the trustee, and I think that Mr. Stickney got into one or two law-suits in that way, I think I have heard him say that in one or two cases he was sued for having conveyed the thing so that by some slip of somebody (perhaps his own) it was done illegally. Suits were brought against him which cost him two or three hundred dollars.

By Mr. RAINEY :

Q. In cases where Mr. Stickney was the trustee of persons who had borrowed money from the bank under deeds executed by him to secure the loans, did he, in any one instance, to your knowledge, give bond and security for the faithful execution of those trusts?—A. Not to my knowledge.

By Mr. BRADFORD :

Q. Do you know J. V. W. Vandenburg?—A. Yes.

Q. Who introduced him to the bank and secured him its confidence?—A. I think he introduced himself. I found him inside doing business the first time that I knew of his doing business there.

Q. Inside of what?—A. Inside of the bank, in the actuary's room.

Q. Did Mr. Alexander R. Shepherd ever have anything to do with securing Vandenburg's influence at the bank?—A. I do not know that he did.

Q. Did you ever see Mr. Shepherd at the bank in company with Vandenburg?—A. No, sir, I did not.

Q. Do you know anything tending to show that Shepherd had anything to do with the getting of these heavy loans for Vandenburg?—A. No, sir; I have no personal knowledge of it.

Q. How did it happen that Vandenburg got these immense loans?—A. He got them in spite of some of us.

Q. Tell us what was wrong about it, what you know or have reason to suspect wrong about it.—A. I cannot tell; he kept getting these loans. The thing was done, and I said, "Stop it." I kept saying, "Stop it."

By the CHAIRMAN :

Q. To whom did you say "Stop it," and what was to be stopped?—A. I said to everybody to stop loaning that man so much money.

By Mr. BRADFORD :

Q. Give us the history of the thing.—A. He did not seem to be a man who should borrow so much—I had known him from a boy almost—but in some way, which I cannot explain, he was permitted to borrow on security which I never thought was sufficient.

Q. Tell us what appeared to be wrong in that transaction.—A. Whether he was connected with anybody who helped him or not I cannot say; he used to come to the bank alone.

By Mr. RAINEY :

Q. To whom used he to speak when he came to the bank in reference to these negotiations?—A. Always to the actuary; he never came to me.

By Mr. FARWELL :

Q. Which actuary, Eaton or Stickney?—A. To Mr. Eaton while he was actuary, and after his death to Mr. Stickney. Sometimes he would go to the cashier, and get an overdraft.

Q. To whom did you say "stop these loans?"—A. I told the cashier one day not to cash his draft, unless there was a balance to his credit equal to the draft.

Q. Who was the cashier?—A. Mr. Wilson. I told him not to do that thing for anybody. I felt determined to stop all that thing, and I gave such orders, and so far as I had authority, I tried to exercise it in the stoppage of loans to that class of borrowers.

By Mr. BRADFORD :

Q. Did you not know, or have good reason to believe, when Vandenberg was getting these loans, that it was a fraudulent contrivance by which he was doing it?—A. No, sir; I did not know it.

Q. Did you have any reason to believe it?—A. No, I thought it was an over-go of his ambition in business, and that he desired to get rich on borrowed money.

Q. Did you not then have an apprehension (before he had borrowed half of the loans) that this money would be lost to the bank?—A. I was afraid it would.

Q. What influence was brought to bear in his favor that enabled him to procure these loans?—A. The actuary would always say, when we questioned him in the trustee meetings, that he thought it was all right, that he had a sufficient amount of various securities, city scrip, &c., to make him perfectly safe in doing what he did, and that Vandenberg was going to come to time very soon, and that we need not worry about it.

Q. You have said that he made over-drafts; did he have deposits there at all?—A. Yes, his whole business deposits were with us. His business at one time was very large.

By Mr. RIDDLE :

Q. You stated that you did not think these loans were procured through any fraudulent contrivance.—A. I had no reason to think so.

Q. Then they were the result of favoritism?—A. I would say that they were the result of misplaced confidence.

By Mr. BRADFORD :

Q. Do you not know that all the moneys that Vandenberg ever deposited in the bank were moneys which he had previously borrowed from the bank?—A. No, sir; he was in a large business, and had large amounts paid to him undoubtedly from contracts.

Q. Did he not borrow money and deposit it to his own account?—A. He borrowed money and deposited it, not drawing it at the time.

Q. Did not his deposits consist solely of money so borrowed?—A. No, sir.

Q. Almost entirely?—A. I cannot say; I know that when he made a loan he would deposit the money and draw it out from time to time as he made use of it in his business.

Q. After he had so borrowed money and deposited it in the bank, did the bank suffer over-drafts?—A. The bank itself never suffered them; there were such things done.

By the CHAIRMAN :

Q. When a knowledge of that state of things came to you, which induced you to forbid a repetition of them, did you report any violation of your injunction to the board of trustees; and, if so, was any step taken to remove Mr. Wilson, the cashier, or to hold him accountable?—A. I reported it to the organ of the finance committee, the actuary, and I said that this thing must not be.

Q. I ask you whether, when you, as president, or as one of the trustees of the bank, discovered that Wilson was permitting Vandenberg to over-draw his account, and when you cautioned him against it, and told him not to do it, you reported the fact that he still was doing it to the proper board, and took occasion to hold him responsible for it.—A. I do not recollect any formal report that I made. I reported verbally that such things must not be. I made no written report.

Q. Then you mean to be understood that after you had discovered these improper dealings between the cashier and Vandenberg, you made it known to your coadjutors in the administration of the bank, and that although they had full knowledge of the fact, they took no steps to remove Wilson, or to correct the evil of which you complained?—A. They did take steps to remove Wilson, as being somewhat loose in his cashiership, which steps were ineffectual. We did it as carefully as we could. He was a colored man of good standing, a pure African, but we thought he was not quite the man for the place when he could be persuaded to do such things, and we made efforts to put him in a different position, and did finally change him to being an out-door traveling agent, to help me in the field among the branches; and the change was for things of the kind that I have now stated.

Q. When was that change effected?—A. I cannot give the date without referring to the record.

By Mr. FROST :

Q. Were you aware that there was any understanding between Stickney and Wilson to run the bank contrary to the wishes of the trustees?—A. No, sir; I did not intend to suggest anything of that sort. I think the actuary felt that there were defects in the administration of the bank, which defects we tried to correct by a change which it was very difficult to effect. The colored men seemed to think that they ought to be employed, and we wanted to employ them so far as could be, and it became a very delicate matter when one got in to set him aside. We had great trial on that subject.

By Mr. RAINEY :

Q. Did not Mr. Stickney dictate very largely as to how things should be run in the bank?—

A. He fell very much into the practice of his uncle, who did act in that way. Mr. Eaton, his uncle, did dictate very largely about every internal affair in the management of the bank.

By Mr. RIDDLE :

Q. Do you think that he exercised undue influence on Wilson and Boston in the management of the bank?—A. I do not think he had influence enough to step certain things.

By Mr. FROST :

Q. Do you mean to say, by that, that Wilson and Boston were inclined to run the bank independent of the actuary?—A. No, sir; it was not so. There was a sort of feeling that a bank could be run easier than it can be. Each one was too independent at his own desk.

By the CHAIRMAN :

Q. I want you to tell the committee, without any evasion or concealment, whether, during your administration as president, or your connection with the bank as trustee, there was to your mind and to your comprehension, a fair, faithful, and honest administration of its funds?—A. I can answer in the language of Saturday last. There was, I would not say dishonest, but improper loaning to men who were not responsible; loaning upon insufficient security; loaning on illegal security, such as city scrip and personal chattels; and there was permitting employes, at the branches, to loan without the knowledge of the trustees. The actuary gave them some such permission as that. They quoted him as the authority for such loans. I do not think that the trustees ever stole any money. This matter of Vandenburg is one of the marked instances that I would range under insufficient security.

Q. You seem to be very well acquainted with Vandenburg from your boyhood up. Do you know whether there was any business connection in the street-paving business or any other business between Vandenburg and Alexander R. Shepherd, at the time these loans were being negotiated?—A. I do not know that there was any business connection.

Q. Tell us of any other connection that there was between them.—A. I know that they were acquaintances, and that Mr. Shepherd was at the head of affairs here, while Mr. Vandenburg was a large contractor.

Q. Contractor under him?—A. Contractor of him; he contracted to do his work in the city for pay.

By Mr. FROST :

Q. Do you mean on public works or in building houses?—A. I mean on public works, in paving. There were large contracts given out at that time for pavement. They were given out by the city authorities, and Vandenburg or his company secured a large number of them. I am not able to say that Mr. Shepherd was personally interested in the results.

By Mr. BRADFORD :

Q. Where is Mr. Stickney, the actuary; does he live in this city?—A. Yes, sir.

Q. What was his pecuniary condition when he entered the service of the Freedman's Bank?—A. He was a man without any appearance of any considerable amount of means.

Q. What is his pecuniary condition now?—A. I do not know, but I presume that he has not any large amount of property. He is a wide-awake, active, business, real-estate broker.

Q. How much property has he got?—A. I cannot tell.

Q. Does he not own a good many city lots in this city, or has he not interest in them?—A. I think he has an interest in a good many pieces of property; how large that interest is, or how well secured, I cannot say.

By Mr. FROST :

Q. Do you mean that he owns certain lots which he has mortgaged?—A. No; I mean that he is a lot-owner, with other people in the same lots. I think he is pretty largely interested in a good many parcels of such property, which may come to something, or on which he may lose everything, as the shrinkage goes on, but I think that all these things will shrink away from him as they have done from the rest of us.

By Mr. FARWELL :

Q. State the names of the colored officers of the bank, and the offices which they filled.—A. W. J. Wilson was cashier; Mr. Boston, his son-in-law, was assistant cashier. They are both colored. Mr. George W. Johnson was book-keeper in the back office—in the principal office. He is a colored young man—slightly colored. (The teller, Fleetwood, was colored. He was the paying-teller, and Boston was the receiving-teller. Then there was a young man, who is now in the employment of the city, named Tompkins, also colored. All in the front office at one time were colored, and a number in the back office, (I mean in the principal office.) A majority of the employes of the whole concern were colored. I will furnish the list of them to the committee. The cashiers in the branches were largely colored. Quite a number of these men were excellent writers and thoroughly accurate clerks, while some were

not. We had some very fine colored cashiers at the branches, men who were perfectly competent, and we had also some fine fellows in the principal office.

Mr. RAINEY. I appreciate the question of Mr. Farwell, because it has been alleged that influences were brought to bear to keep colored men in office, and it has also been said that to some extent these colored men were incompetent. We will now be able to see whether the losses of the bank were occasioned by their incompetency, or whether they were used as dupes by other men. It will have a relevancy to previous testimony which we have taken in regard to this matter.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, D. C., February 10, 1876.*

Committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Riddle, Stenger, and Rainey.

J. W. ALVORD recalled.

The WITNESS. In further answer to the question of Mr. Farwell in respect to the colored officers of the bank, I desire to give the following names: In the branch or front office, here in Washington, were William J. Wilson, cashier; T. S. Boston, receiving-teller; C. A. Fleetwood, paying-teller; George D. Johnson, book-keeper in the principal office; R. W. Tompkins, book-keeper in the branch; W. F. Brunough, book-keeper in the branch; William E. Augusta, book-keeper in the branch; A. F. Hill, book-keeper in the branch; C. H. Jones, messenger. They were not, perhaps, all employed at the same moment, but they were all employed for a considerable time, and some of them are still in the employment of the commissioners. At Philadelphia were William Whipper, cashier; J. W. Purnell, book-keeper; Joseph Carey, assistant book-keeper, and D. N. Hollinsworth, assistant book-keeper. At Baltimore were H. H. Webb, acting cashier; W. H. Bishop, assistant cashier. At Alexandria, was Fields Cook, cashier; at Atlanta, Ga., W. G. Craig, book-keeper; at Charleston, S. C., John H. Butler, assistant cashier; at Natchez, J. M. Hawksworth, cashier; at Newbern, N. C., William Stewart, cashier. At New Orleans, C. J. Sauvinet, cashier; Eugene Shawhill, book-keeper. At Raleigh, N. C., G. W. Brodie, cashier; Hunter, book-keeper. At Richmond, William C. Mitchell, assistant cashier. At Saint Louis, Willis N. Brant, cashier; William P. Brooks, assistant cashier; S. P. Clamorgan, book-keeper. At Shreveport, Samuel Peters, cashier; at Vicksburgh, H. G. Williams, assistant cashier; at Wilmington, John H. Smythe, cashier. There is also a colored book-keeper there, but I do not recollect his name. At Columbia, S. C., T. Williamson, messenger. At Huntsville, L. Robinson, cashier; H. A. Hunt, assistant cashier. At Louisville, Horace Morris, cashier; William H. Gibson, assistant cashier. At Lynchburgh, N. H. Brunow, cashier; at Macon, Ga., T. N. M. Sellers, cashier; at Memphis, F. Hunt, assistant cashier. At Nashville, John J. Carey, cashier; Benjamin Shook, assistant cashier. At New York, John J. Zuille, cashier; Frank Stanley, book-keeper; Henry Montgomery, messenger.

By Mr. BRADFORD:

Question. Are there any other matters that can be stated by you within your knowledge, pointing out, or tending to show, corrupt, careless, fraudulent, or improvident administration of the affairs of the Freedman's Bank.—Answer. I do not recollect what I have stated that would show that. There are matters which I suppose were improper, irregular, and wrong. I do not like to use those strong terms, because I am not sitting in judgment upon the officers of the bank. I think that the Seneca Stone arrangement was a wrong one.

Q. Wherein?—A. It was an outside affair, not known to us as it should have been, nor did we know about it till the maturity of the loan.

Q. Is that all that you recollect on that subject?—A. I think the drafts in Jacksonville, which I tried to stop, ought never to have been permitted and ought to have been stopped sooner.

Q. Is that all?—A. I will specify what they were. They were drafts of the receiver for lumber shipped to other parties, which were paid in New York. That lumber I knew nothing about, except that three cargoes were consigned to me, which I took care of and sold at a good profit. But the receiver sent eight or ten cargoes to other ports, Philadelphia, New York, and to the West Indies, of which I knew nothing.

Q. Proceed with the list of these transactions.—A. These were the two main things.

Q. Did you see anything wrong in that Vandensburgh loan?—A. I repeat what I said, that I think he obtained more money than he should have obtained on the security given, and the loans did not come sufficiently before the finance committee at the time they were made.

Q. You know no more of the matters inquired about than you have already stated in the previous part of your examination?—A. I think that the overdrafts ought not to have been allowed. I think there ought not to have been loans at any of the branches without permission.

Q. Was the general management of the bank, after the amendment of the charter, in the interest of the depositors?—A. We intended it to be. We meant to give the depositors more interest for their money. It was probable that the Government securities would be cut down in their income and funded at a lower rate of interest, and we found that we could not pay 5 per cent. from the income derived from those securities, when we got from them only 3 or 4 per cent. Then other capitalists all through the South were paying more for money, and our depositors said that they must have the ordinary interest for their money. We told Congress these things, and Congress passed a bill permitting us to loan on real estate at double its value. There was a great clamor at that time for higher interest.

By the CHAIRMAN :

Q. Were not John L. Kidwell, Henry D. Cooke, Hallet Kilbourn, and William S. Huntington the principal parties in urging that amendment to the charter?—A. I know of none who urged it particularly except Mr. Huntington, who came personally to Congress, to the lobby as you call it, and talked up the whole thing with individuals.

Q. Among the securities mentioned in the report of the commissioners, parts or subdivisions of the Barry farm are frequently mentioned. What was the Barry farm and where was it located?—A. The Barry farm is across the navy-yard bridge in Maryland. It was a large, wild tract of land that was purchased by parties on which to locate homeless freedmen, by dividing it into acre-lots, and giving them the option of purchasing it at what was supposed to be a low price.

Q. Who were the purchasers of that tract; among whom were the subdivisions into lots originally made?—A. The names of the men that I have seen in the newspapers, &c., as having purchased it, (I believe as trustees,) were General O. O. Howard, S. C. Pomeroy, and J. L. Elvans.

Q. They made a joint-stock concern of it, and then used that stock to obtain loans from the bank, did they not?—A. I do not think they made a joint-stock concern of it. I do not know where the money came from to pay for the tract. I know that they purchased it as trustees for the purpose I have named.

Q. How came they to obtain money from the bank on security thus held by them as trustees? Was it not, and do you not know it to be, the fact that after the purchase they borrowed from the Freedman's Bank money in order to carry out their speculation?—A. I do not recollect any loan made to them.

Q. I ask you if you do not know that these parties bought the Barry farm ostensibly as trustees for some benevolent object, and that they used that property to obtain money from the bank?—A. No, sir; I do not now recollect that they made any loan.

Q. Referring to page 11 of the first report of the commissioners, I find a loan of \$200 to William Prater on that sort of property.—A. That loan, I presume, was made on the security of the borrower's land which he purchased. That was the usual form of the loans. The parties who had bought lots mortgaged them, or gave trust-deeds to the bank for loans. You will find a large number of such loans from the purchasers of such lots. We tried to help them along by little loans secured by the lots.

Q. Did these borrowers obtain their lots from the original purchasers, whom you denominate as trustees? If so, how did they pay for them?—A. They paid for them by borrowing the money from the bank and by other methods.

Q. These borrowers obtained their lots from the original purchasers?—A. Yes; paying for them as they had the means; and where they had not the means, they borrowed of any party they could, I suppose. They did borrow of the Freedman's Bank in a number of cases.

Q. For what were the parties, O. O. Howard and his coadjutors, who were the purchasers of the Barry Farm, trustees?—A. All that I know about it is that they were trustees for moneys appropriated in some way for that purpose, the history of which I cannot now give.

Q. Was this purchase by O. O. Howard, S. C. Pomeroy, and J. L. Elvans, and its subsequent division into lots and sale to freedmen, a mere speculation of their own?—A. I think not. I think that if they received more than they paid for it, such additions were expended in making improvements; building roads, bridges, &c. They laid out the whole place in lots, opened streets through it, built bridges, &c.

By Mr. STENGER :

Q. Were not some of these lots forfeited by purchasers?—A. I think they were. In quite a number of cases they could not make payment.

Q. And the money which they had paid in was retained by the trustees, was it not?—A. I cannot tell. The trustees had a superintendent, who managed affairs there.

Q. And that superintendent was the brother of O. O. Howard?—A. Yes.

By the CHAIRMAN :

Q. I find that Robert I. Fleming figures very largely as a borrower, and generally without collaterals; and he is accepted as indorser on other people's notes. How did he happen to acquire such credit at the bank?—A. I do not know.

Q. During the whole time that he was drawing money out of the bank without security of any sort, and was being accepted by the bank as indorser for others who gave no other security, do you mean to say that, although you were president of the bank, these transactions never attracted your attention nor came under your observation?—A. Not in detail. I merely knew that he was borrowing largely, and I cautioned the actuary on the subject as in other cases.

Q. Do you know how or through what influence R. I. Fleming was enabled to obtain so large an amount of the funds of the bank?—A. No, sir; I do not.

Q. Do you not know that he was a contractor on the Freedman's Bank building, and that he purchased largely of the materials therefor from the Seneca Stone Company?—A. I know that he was a contractor, but I do not know that he purchased from the Seneca Stone Company.

Q. Is not the front of that large building constructed of Seneca stone?—A. Yes, but there were separate contracts for the wood-work and for the stone-work of the building.

Q. Which was Fleming contractor for?—A. For the wood-work. He was a carpenter simply.

Q. Did he only take the contract for the joiners' work?—A. He took the contract for the carpenter-work, and for the brick-work if I recollect, and the Seneca-stone work was contracted for with a firm named McGowan & Co.

Q. Do you know of any connection of a business character between Robert I. Fleming and McGowan & Co., or between McGowan & Co. and Robert I. Fleming, or either of them, and any parties interested in the Seneca Stone Company?—A. No, sir; I do not. McGowan & Co. bought the stone of the Seneca Stone Company. I always understood that the contractors acted independently of each other.

Q. Do you know of their having any business connection with anybody in the Seneca Stone Company?—A. Only as McGowan & Co. bought the stone of the Seneca Stone Company, but if you mean partnership I do not know.

Q. Do you know of any partnership or business connection between Robert I. Fleming and any trustee, officer, or agent of the Freedman's Bank?—A. No, sir.

Q. All that you can say is that you are unable to account for the very large loans allowed to Fleming without security of any sort?—A. Yes.

By Mr. BRADFORD :

Q. You stated the other day that you were president of the Maryland Freestone Mining and Manufacturing Company?—A. I did.

Q. That company is commonly known as the Seneca Stone Company?—A. Yes.

Q. When did your connection with this company begin?—A. I have not the precise date, but it is about two years ago the coming May or June.

Q. Your connection with that concern began soon after your connection with the Freedman's Bank was severed?—A. Almost immediately. The arrangement was that I should try to get that money back, if it were possible to get control of the quarry as to do so.

Q. With whom was that arrangement made?—A. With both companies.

Q. Then you went into the presidency of the Seneca Stone Company on a common understanding between the Freedman's Bank and that company?—A. Yes.

Q. In order to enable you to become president you had to be a stockholder in that company?—A. Yes.

Q. They then gave you so many shares of stock?—A. They gave me ten shares. I took the stock and put it among my papers as a mere formality.

Q. Is this the stock-book of the company? (Handing a book to witness.)—A. It was given me by the secretary as being the stock-book.

By Mr. RIDDLE :

Q. From whom did you get your shares?—A. From the Surgeon-General.

Q. He was a stockholder himself in the Seneca Stone Company?—A. Yes.

By Mr. BRADFORD :

Q. Did he hold any office in the company?—A. No, sir.

Q. Was General Grant, President of the United States, a stockholder in the Seneca Stone Company?—A. I found his name down on the list of stockholders when I entered the company.

Q. You do not know how they acquired their stock; whether they paid for it or not?—A. Doctor Barnes told me that he paid cash for his.

Q. At what rate?—A. Par.

Q. You do not know how the others acquired their stock?—A. I think that Mr. Wills told me that he paid for his stock.

Q. Are you managing the affairs of the company now, and have you been since your incumbency of the office of president?—A. So far as I can manage them by working the quarry, trying to get stone out, selling it, and if possible getting profits.

Q. Doesn't the Seneca Stone Company owe anything to anybody else besides the Freedman's Bank?—A. Yes.

Q. How will its assets compare with its liabilities now?—A. It depends upon the appraisal of its property. The company has an immense property.

Q. Put it for what it would sell for in open market now, in block?—A. The company could not get for it at present what would meet its liabilities, the liabilities being, I suppose, over \$300,000.

Q. Do you think that its property would sell for over \$20,000, if it was put up now at auction?—A. I think it would.

Q. What would it sell for to-day, if put up in the open market, to the highest bidder for cash?—A. I cannot tell.

Q. Give us the best opinion that you can form about it. Supposing it was sold to-day at a judicial sale, coerced by any of the creditors of the concern, what would it bring in cash?—A. I cannot tell what it would bring. I have an opinion as to what it is worth in cash.

Q. What is your opinion as to what it would bring?—A. I do not know.

Q. Have you any opinion on that subject?—A. No, sir; I have not.

Q. Is it your opinion that it would sell for over \$25,000, cash?—A. Yes, I think it would sell for a good deal more than that.

Q. Thirty thousand dollars?—A. Yes.

Q. Fifty thousand dollars?—A. Yes.

Q. Seventy-five thousand dollars?—A. I should think so; the bonds are now in market at a price to indicate about that value.

Q. I am talking about the property which the company owns, not about its debts. What is its cash market value? Would you not say that \$75,000 would be as much as it would sell for in open market, for cash, to the highest bidder?—A. It may be.

Q. Is not that your opinion, that that is the highest cash value of the property now?—A. No, sir; I do not think it is the cash value of the property. I think the property is worth \$250,000.

Q. I mean what it would sell for in market, about?—A. It would not sell for its value.

Q. Would it sell for a cent over \$75,000?—A. Perhaps it would not.

Q. Is it not most likely that it would not?—A. I have nothing to judge from. I do not know who are in the field as the purchasers of such property. I think that stone men all over the country have their eyes upon that valuable property.

Q. What are the second-mortgage bonds of the company worth?—A. They have no market value at present.

Q. Are they not the bonds which the Freedman's Bank holds as collateral for its loan?—A. Yes, sir.

Q. And you say that they have no market value?—A. They have no market value.

Q. By what right, then, can you subordinate the rights of other creditors to the claims of the Freedman's Bank under this arrangement which you have spoken of between the bank and the company?—A. The arrangement gives special preference to the bank claims.

Q. Was it competent for the company to do such a thing, and do you not know that it could not defeat the prior lien of the first mortgage by such an arrangement?—A. I suppose it could not. I suppose the first mortgage had the first claim, but the owners of the first-mortgage bonds fell into the arrangement, and said that if we would pay them so and so they would agree to it, seeming desirous to have the bank's claim satisfied.

By the CHAIRMAN:

Q. When the bank directed the debt due to it from the Seneca Stone Company to be collected, and when it was arranged by a substitution of the note of John O. Evans and Hallet Kilbourn for \$50,000, why was that note, and all the valid and good securities by which it was sustained, surrendered to the parties, leaving nothing in the hands of the bank but \$75,000 of second-mortgage bonds of the Seneca Stone Company to insure the payment of this claim?—A. I could never see any reason for surrendering them, and I opposed it with all my might for months and months.

By Mr. BRADFORD:

Q. That was done contrary to your advice and against your protest?—A. Yes; not a written protest, but a running debate, of four weeks at least, with the trustees.

By the CHAIRMAN:

Q. Did you, after that transaction, continue to retain your relations with the bank and with the parties who carried out that arrangement? If so, state how you could do it conscientiously without making an exposure.—A. I left the bank just about that time. At the end of the meeting in March, Mr. Douglass was put in and I left. When I found that they would fall back on these second-mortgage bonds of the Seneca Stone Company, I saw no other way but to try to get possession of the quarry, as I did, and work at it as I did, and failed.

Q. Did you, at any time, enter such a protest against that transaction between the officers of the bank and Kilbourn and Evans as to enlighten the depositors as to the manner in which their affairs were being conducted, and thus enable them to take steps for their protection?—A. I think I did.

Q. In what manner?—A. Verbally, not in writing. I did not put it on the books. I made what I think was such a protest that it ought to have alarmed trustees and depositors,



By Mr. RIDDLE :

Q. Did you cause any written cautions to be sent to them?—A. No, sir.

By the CHAIRMAN :

Q. Did you take any steps, you being one of the originators of the bank, one of its prime motors, and especially the guardian and friend of the freedmen who were depositors, did you take any steps by writing or publication of any sort to warn them of the manner in which their money was being misapplied and misused?—A. Not in writing. I went to work to get it back, and thought that I could get it back by an arrangement between the companies.

By Mr. RIDDLE :

Q. Did you cause or procure information to be disseminated through the country so as to put the depositors on their guard?—A. Only as I stated. The crash of Jay Cooke & Co. turned us wrong side up. We thought the day before that we could go right through. Although there were hard times and there had been some slight runs upon us, yet I had no doubt myself but that we could have carried it right through, and I still believe that we could, had it not been for that crash, which came like a thunderbolt all over this land, and I suppose I told everybody, as I believed then, and as I still believe, that we could have gone right along but for that crash. We had assets sufficient to have tided over these losses.

By Mr. STENGER :

Q. Was there such a company as the Building-Block Company?—A. Yes, sir.

Q. For what was that incorporated?—A. For the making of artificial brick and stone in the District of Columbia.

Q. Who were the incorporators?—A. I do not recollect the incorporators ; the stock was owned by the two Howards, myself, Eaton, Bliss, J. Kimball, Mr. Searle, and E. Whittlesey. I took some stock after the thing started ; Mr. Bliss was superintendent and took some stock.

Q. When was it organized?—A. About eight years ago ; I should say in 1867 or 1868.

Q. Was that before the Howard University was built?—A. Yes, just before.

Q. Was the purpose, in forming that company, to furnish material for any of the Howard University buildings?—A. Yes ; it was intended to furnish a cheap and good material for that purpose.

Q. Was it a stock company?—A. Yes.

Q. What was the par value of the shares?—A. I think that some six parties put in about \$12,000.

Q. Did General Howard remain a member of that company until after the Howard University was built?—A. He remained in it some time, but he afterward sold his stock to Mr. Bliss and Mr. Kimball.

Q. Did that company furnish any of the materials for the buildings?—A. Yes ; it furnished all of the artificial stone with which the building is constructed.

Q. Was that material used for other buildings except the university?—A. My house is built of the same brick.

Q. I mean any of the buildings that were put up under the superintendence of the Freedmen's Bureau or of the Freedman's Bank.—A. There were two industrial school-houses in Washington built of that material.

Q. Who made the contracts between the Howard University and this Building-Block Company for furnishing the material?—A. They were made, I suppose, by the commissioners of the bureau, General Howard, and the company ; I know they were.

Q. Were you not one of the trustees of the university at that time?—A. I think I was not at that time ; I am not quite certain.

Q. Were you president of the Freedman's Bank at that time?—A. I was president or vice-president.

Q. Was Mr. Eaton the actuary of the bank at that time?—A. Yes, sir.

Q. Had he any connection with the university in an official capacity?—A. He became a trustee of the university. He was not one of the original trustees, but he was a trustee for a while. He seldom met with us.

Q. What became of that Building-Block Company?—A. It is still in existence.

Q. Solvent or insolvent?—A. Insolvent.

By the CHAIRMAN :

Q. Who were the contractors for the building of the Howard University and the other public buildings there—the buildings that were put up with the public funds and with the funds borrowed of the bank?—A. There was a Mr. Harvey who put up the brick-work, I remember.

By Mr. STENGER :

Q. Was not this man Fleming one of the contractors?—A. No, sir ; he had not come on the stage at that time. He was a journeyman at that time, in the employment of somebody, but he worked, I remember, on General Howard's house. He was afterward contractor for a building, built of red brick, for the university. That was built a number of years afterward.

By the CHAIRMAN :

Q. Were not the relations between you and General Howard of a most intimate and confidential character?—A. We were intimate as neighbors and as friends.

Q. I see that General G. W. Balloch figures as a large debtor to the Freedmen's Bank. Here is a loan to Davis and Balloch of \$2,000, and no collaterals. Can you tell us anything about it?—A. I never know of such a firm. I never knew that General Balloch was in any such business connection.

Q. Did he not go into the banking business with somebody?—A. He is now in the banking business. My impression is that General Balloch never borrowed any money from the Freedman's Bank on his own account. He was treasurer of the Freedman's Bureau and chief disbursing-officer.

Q. I see on page 34 of the commissioners' report a loan of \$2,917 to John A. Gray, treasurer, nothing paid, and with the indorsement of R. I. Fleming. What was Gray treasurer of?—A. I only know that there was a loan secured by a building which Gray occupied as a restaurant; whether it was owned by a company or was private property I do not know.

Q. This paper does not show that the loan was made upon any property. It was obtained on the indorsement of R. I. Fleming?—A. Yes, but still there may be a trust-deed besides the indorsed note. I think there was.

Q. Of what was he treasurer?—A. I do not know. He was a colored man, and kept a restaurant in the city.

Q. I see large loans to Juan Boyle and Juan Boyle & Co. Who were they, and what kind of security did they give?—A. I know nothing about that thing. Juan Boyle I know as a Washington man, and a former broker in this city.

Q. Was he one of these brokers who were admitted to the bank to negotiate loans?—A. I never knew that he was; he very likely may have been.

By Mr. BRADFORD :

Q. Do you know J. M. Kidwell?—A. Yes.

Q. Do you know whether he is solvent or not?—A. I do not know.

Q. Did he pledge bonds of this Maryland Freestone Mining and Manufacturing Company as collaterals for the loans he got from the Freedman's Bank?—A. I understood so.

Q. And he has not paid his loans up?—A. They were first-mortgage bonds that he gave as collaterals. I think they are still in the hands of the commissioners.

Q. Do you know who composed the firm of S. Roessle & Son?—A. Mr. Roessle the elder and the younger, as I have understood.

Q. I see that their loan was secured by chattel-mortgage on the furniture of the Arlington Hotel. What has become of that furniture?—A. It was there the last time I went through the house, as I do occasionally.

Q. Are they allowed to use it now?—A. I suppose they are. The furniture is renewed when worn, and kept up at its original value.

Q. Do you know why that mortgage is not foreclosed?—A. Mr. Roessle is paying the note according to the arrangement made with the commissioners. He is paying promptly, as I have been told by the commissioners.

Q. Was that loan made in accordance with the requirements of the charter of the bank?—A. No, sir.

Q. Why did you allow it?—A. I had no power to prevent it.

Q. Who allowed it?—A. The finance committee and the board of trustees.

By the CHAIRMAN :

Q. Have you spoken in your testimony of General B. F. Hawkes?—A. No, sir.

Q. Who is he?—A. I do not recollect any such person.

Q. I see that he obtained a loan of \$1,500 from the bank and has not paid it. Do you know what security he furnished when he borrowed that money?—A. No, sir; I do not recollect anything of that loan.

Q. Do you know Joseph B. Stewart, who borrowed \$3,250?—A. I think I know who he is, but I did not know that he had a loan.

By Mr. RAINEY :

Q. I see several loans made here to H. T. White, treasurer; what was he treasurer of? Do you know anything about him?—A. No, sir.

Q. Was he not treasurer of the First Congregational Church here?—A. He was.

Q. I see that he has got several loans from the bank on the bonds of that church?—A. Yes, I think he did, as treasurer of the church, at one time.

Q. What is the market-value of those bonds?—A. I believe they are paying 6 per cent. interest; I do not know what their market-value is.

Q. I notice that neither of the loans made to him has been paid. Are those bonds usually sold in the market at their par value?—A. I do not know. I think they are held by the church and parties, and that interest is regularly paid on them. I know that our pastor often speaks of the bonded debt and wants us to clear it off. That must have been the treasurer of our church, Deacon White, as we always call him.

Q. You made reference the other day to Mr. Ketchum, one of the trustees of the Freedman's Bank?—A. Yes.

Q. Was he also an attorney for the bank?—A. No, sir; only in one special case.

Q. Can you inform the committee for what reason he resigned his position as trustee?—A. I do not know. I understand that it was because he was getting old and could not attend the meetings of the trustees, and did not want to be responsible for what occurred when he could not be present.

Q. Do you know that he ever had a dispute with the board of trustees in reference to certain loans which they were making against his protests?—A. He took strong grounds that we should not loan money on chattel-mortgages, and on property like the Northern Pacific Railroad Company bonds, &c. He took very strong grounds on that point.

Q. And he was overruled by the majority of the board?—A. No, sir; he continued to make protest—he and others—until we stopped that thing.

Q. You mean to say, then, that although he protested his protest did not avail anything with the board of trustees?—A. It did, ultimately. He got a vote passed that the Northern Pacific Railroad indebtedness should be paid by redeeming its bonds.

Q. Was it ever paid up?—A. It was provided for by this Seneca Stone arrangement which was reported to us, not as cash, but as a valuable exchange of indebtedness.

Q. Why did Mr. J. J. Stewart resign?—A. He did not like the practices of the board.

Q. Did he not oppose the course of the board generally?—A. He opposed very strongly, with others, these irregularities.

Q. Can you point to anything in the rules or regulations of the bank under which the actuary could give authority to the branches to make loans?—A. No, sir; the rules of the bank were that the finance committee and the actuary alone should make loans.

Q. Did the cashier at the branch bank in Washington make any loans?—A. I do not think he made any direct loans.

Q. Did he make any indirect loans, to your knowledge?—A. I think he allowed, sometimes, over-drafts.

Q. Did your inspector, Mr. Sperry, make any loans?—A. I do not know; not as an inspector, certainly.

Q. But as an officer of the bank?—A. He was sometimes put in charge of branches, but whether he made any loans during the holding such office, I do not know. I cannot call any to mind.

Q. Can you give us any approximation as to the value of the safes that belong to the Freedman's Bank at this time?—A. No, sir; I understand that there are still some on hand.

Q. Were they generally purchased by the order of the board of trustees, or by a special agent?—A. They were purchased by the actuary, as we needed them, from time to time, and were all in use when the bank was in full course.

Q. Did the Howard University ever pay the Building-Block Company for the material used in building the university?—A. Yes.

Q. The university does not owe anything for it?—A. No, sir.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, February 12, 1876.*

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Frost, Riddle, Hooker, and Rainey.

CHARLES W. HAYDEN sworn and examined.

By the CHAIRMAN:

Question. Have you ever had any official connection with the Freedman's Savings and Trust Company?—A. Answer. None whatever.

Q. Have you at any time between May 6, 1870, and June, 1874, had any business relations or connection with any of the officers, trustees, or agents of the Freedman's Bank?—A. I think that personally I had discount once at the Freedman's Bank, and as treasurer of the Maryland Freestone Mining and Manufacturing Company. There were quite a number of transactions between the Seneca Stone Company, as it was called, and the Freedman's Bank.

Q. What I mean is, was there any partnership or community of interest between you and any of the trustees, officers, or agents of the Freedmen's Bank during the time referred to?—A. None whatever.

Q. Can you state at what times and in what amounts you obtained accommodation at the bank personally?—A. I once, I think, borrowed \$1,000 of the bank on collateral, I forget what. It was paid in the course of time. At another time my note was put in the bank for \$3,500, with real-estate notes as collateral, which has also been paid. These are the only transactions that I remember.

Q. At what time and in what amounts did you negotiate loans with the Freedman's Bank as treasurer of what is commonly called the Seneca Stone Company?—A. I will be obliged to refer to the books of that company for those loans; they are all a matter of record. I can state them as far as I recollect.

Q. State them as nearly as you can recollect.—A. I think they are in the report of the commissioners of the Freedman's Bank, and also in the minutes of the Seneca Stone Company. I find in the Report of the Commissioners, on page 97, a loan of \$1,500 made by J. W. Hayden, (it should be C. W. Hayden,) presented November 29, 1872, and due January 31, 1873—"note Seneca Stone Company." As treasurer of the company, I negotiated that loan with the Freedman's Bank.

Q. On what collateral?—A. I do not see any collateral mentioned; I do not think there was any. I can state generally that previous thereto there were negotiations of loans by the Freedman's Bank to the Seneca Stone Company, based on second-mortgage bonds as collateral security. One note was for \$10,000; another, I think, for \$5,000; and another, I think, for \$12,000 or \$13,000. There was also a sale of second-mortgage bonds of the Seneca Stone Company to the Freedman's Bank, \$20,000 of bonds at 10 per cent. off; all these notes or discounts were condensed (and these \$20,000 of bonds also) into a \$50,000 note of the Seneca Stone Company, with \$75,000 of the second-mortgage bonds as collateral security. That note was dated December 30, 1871. The Freedman's Bank also, after that time, got the note of the company for \$12,000 with \$20,000 of second-mortgage notes as collateral security, making the debt of the company to the Freedman's Bank \$62,000, for which \$95,000 in second-mortgage bonds were given as collateral. The \$50,000 note was dated December 30, 1871. I do not know the date of the other; I cannot tell whether it was subsequent to that or not.

Q. In the order of events, as appears by the entries on the book of records of the Seneca Stone Company, the \$12,000 transaction was subsequent to the \$50,000 note?—A. Yes; but the precise date I do not know; it appears here on the book after the other transaction.

Q. Were the loans to which you have referred obtained from the bank by you as agent of the Seneca Stone Company?—A. No, sir.

By whom?—A. The negotiations were made through Mr. William S. Huntington.

Q. William S. Huntington was cashier of the First National Bank, of which Henry D. Cooke was president, and he was also a stockholder in the Seneca Stone Company, and one of the finance committee of the Freedman's Bank, was he not?—A. He was cashier of the First National Bank and a stockholder in the Seneca Stone Company, but what relation he had with the Freedman's Bank, I do not know.

Q. Do you not know that he had some connection with it?—A. I heard so, but I never knew the fact.

Q. At what time and under what circumstances were the second-mortgage bonds of the Seneca Stone Company issued?—A. I think they must have been issued some time in 1870. They were issued for the purpose of making money to make additional improvements on the property of the company.

Q. Were they put upon the market?—A. I think that some of them were offered on the market. The Freedman's Bank purchased \$20,000 of them. They were put on the market as far as I know. I remember that at that time efforts were made to sell them, but not successfully.

Q. You mean to say, then, that after the issue of these bonds, and when they proved unsalable in the market, William S. Huntington, for and on behalf of the Seneca Stone Company, succeeded in putting off \$95,000 of them on the Freedman's Bank at 90 cents on the dollar; do I understand you correctly?—No, sir; I did not say so.

Q. You say that they were unsalable, and that you could not sell them.—A. I did not say so. I said that the Freedman's Bank purchased \$20,000 of them at 10 per cent. discount.

Q. You stated that they were on the market and that they did not sell?—A. They did not sell.

Q. How did the Freedman's Bank come to purchase \$20,000 of them?—A. I do not know.

Q. Do you know who negotiated the sale?—A. Mr. Huntington, I think.

Q. Then Mr. Huntington, acting for the Seneca Stone Company, raised \$18,000 by a sale and transfer to the Freedman's Bank of \$20,000 of second-mortgage bonds of the Seneca Stone Company; am I correct about that?—A. Yes, sir.

Q. Was that loan obtained for the Seneca Stone Company or for William S. Huntington individually?—A. For the company.

Q. Then am I not correct in saying that of the whole amount of second-mortgage bonds of the Seneca Stone Company, \$95,000 (they being unsalable in the general market) were put on the Freedman's Bank at 90 cents on the dollar?—A. No, sir.

Q. Then let us hear what it is.—A. The \$20,000 of bonds sold to the Freedman's Bank were afterward re-purchased by the Seneca Stone Company and were included in the \$50,000 note. All the notes then in the hands of the Freedman's Bank were consolidated in the one note for \$50,000.

Q. For which the bank took \$75,000 in second-mortgage bonds as security?—A. For

which the bank took as collateral \$75,000 of second-mortgage bonds. There was another note of the company in the bank for \$12,000, for which the company deposited \$20,000 of these bonds as collateral.

Q. What became of the balance of the issue of the second-mortgage bonds, and what was the amount thereof?—A. Five thousand dollars of bonds was the balance, and they were sold.

Q. To whom, and at what price?—A. They were sold to Henry D. Cooke, I think, at par. He took them at par for the money.

Q. Was Henry D. Cooke a stockholder in the Seneca Stone Company?—A. Yes.

Q. Was he not also a member of the finance committee of the Freedman's Bank?—A. I understand that he was.

Q. Do you know how Henry D. Cooke paid for the \$5,000 of second-mortgage bonds?—A. In cash.

Q. Are you certain of that?—A. Yes.

Q. Give us the date of that transaction—A. I cannot without the books.

Q. Was it before or after the other transaction to which you have referred?—A. I do not recollect.

Q. If Henry D. Cooke, with his supposed financiering ability and astuteness, was willing to pay and did pay par in cash for these second-mortgage bonds, how was it that they were unsalable in the general market?—A. I really do not know. I had nothing to do with the sale of bonds.

Q. Have you any reason to believe or to know that, occupying the double relation which he did to the Seneca Stone Company and the Freedman's Bank, that was a sham transaction, in order to give to the second-mortgage bonds an appearance of value which they did not possess?—A. No, sir; it was a *bona-fide* transaction.

By Mr. FROST:

Q. What position did you hold in the Seneca Stone Company?—A. I have been treasurer and secretary of the company.

By the CHAIRMAN:

Q. What disposition did Mr. Cooke afterward make of those bonds?—A. I think they sold them.

Q. Do you know to whom and at what price?—A. No, sir; I do not.

Q. The loans to which you have referred as having been made by the bank to the Seneca Stone Company were made through Mr. Huntington, if I understood you?—A. All the loans which the company obtained from the bank were made through Mr. Huntington.

Q. I understood you to say just now that you had made two individual loans which you mentioned, one of which was for \$3,500, based upon real-estate notes and which have since been paid; do I quote you correctly?—A. Yes, sir.

Q. I see on page 33 of the commissioners' report this entry: "September 22, 1871, C. W. Hayden, amount of loan \$3,500; amount paid \$2,786.44; total amount due \$905.84, payable on demand; note of Palmer and Green for \$1,200." Explain that transaction.—A. The amount carried out here as due on the note is \$905.84, with Palmer and Green's note for \$1,200 as collateral. In the first place there were four notes deposited. Three of them were paid which do not appear in this report, and at this time \$905.84 is supposed to be due, to pay which there was still in the hands of the bank a note of Palmer and Green's for \$1,200. Since that time that note of Palmer and Green's has been sold, and the profits credited to my note, so that I am clear of all debt to the bank in any way whatever.

Q. Who were Palmer and Green, and what did their note sell for?—A. It was \$1,000 note, (this report calls it \$1,200, but I suppose that includes interest,) and it sold at auction for \$900.

By Mr. FROST:

Q. Who sold it?—A. The commissioners of the Freedman's Bank.

Q. And the balance of the debt you paid yourself?—A. I paid the balance, \$105.84.

Q. Who were Palmer and Green?—A. They were men living in Georgetown and carrying on a sort of liquor business.

Q. Has the Freedman's Bank ever lost anything by the Seneca Stone Company; and, if so, what is the amount of the loss?—A. I do not know the amount. The property of the company is there subject to the debt.

Q. How much does the Seneca Stone Company now owe the Freedman's Bank?—A. The commissioners claim \$75,000, which is not correct, however. The Seneca Stone Company owes \$50,000, with interest from the date of the note, for which the bank has \$75,000 of second-mortgage bonds as collateral.

By the CHAIRMAN:

Q. On page 35 of the commissioners' report I find this entry: "November 29, 1872, C. W. Hayden, president; amount of loan \$1,500; no collateral—due at the date of the report, \$1,742.50." Was that an individual loan?—A. No, sir.

Q. What were you president of at that time?—A. Of the Seneca Stone Company.

Q. Is that a loan in addition to the loans negotiated by Huntington in behalf of that company?—A. Yes, sir.

Q. That makes the loans amount to \$63,500?—A. Yes.

Q. With whom did you negotiate or from whom did you obtain that loan?—A. From Mr. Eaton, I believe.

Q. Was that subsequent to the loans made to Huntington on behalf of the same company?—A. I do not know. I did not know when the original note was given. It was renewed several times, and I suppose that this is the date of the last renewal, November 29, 1872.

Q. What I want to know is if this debt of \$1,500 was created after the debts that were created by Huntington?—A. I think it was.

Q. What rate of interest did the Seneca Stone Company contract to pay?—A. Ten per cent.

Q. What is about the amount now due of principal and interest by the Seneca Stone Company to the Freedman's Bank?—A. From their own report, the Seneca Stone Company does not owe them anything except one note of \$1,500.

By Mr. HOOKER :

Q. What do you say about it?—A. I can only say what the books say, that these notes were given, and have never to my knowledge been paid.

By the CHAIRMAN :

Q. I want to know what is about the amount, principal and interest, now due by the Seneca Stone Company to the Freedman's Bank.—A. I do not know.

Q. What was the original amount of debt contracted by the Seneca Stone Company with the Freedman's Bank through your agency and that of Huntington?—A. One note of \$50,000, dated December 30, 1871, and another note of \$12,000, the date of which I cannot state, but which I suppose was given about the same time.

By Mr. HOOKER :

Q. Subsequent or prior to?—A. It appears to be entered on this book of records of the Seneca Stone Company after the \$50,000, but without any date, so I suppose it was after. And then there was the note for \$1,500, dated November 29, 1872.

Q. Was that the \$1,500 which you got individually?—A. No, sir; the company got it.

Q. But which you procured for the company without collateral?—A. Yes.

Q. But that is not the original date of the transaction?—A. I rather think not. I think that that was the last note given.

By Mr. FROST :

Q. Were all these loans at 10 per cent.?—A. I think they were.

Q. Compound interest?—A. No, sir; 10 per cent. per annum.

By the CHAIRMAN :

Q. Has any part of that debt been paid?—A. Not to my knowledge.

Q. What would it amount to if unpaid at this time?—A. (After calculation of interest.) About \$88,800.

Q. Has the Freedman's Bank any security for that debt other than the \$95,000 of second-mortgage bonds to which you have referred?—A. None that I know of.

Q. What was the whole amount of second-mortgage bonds issued by the Seneca Stone Company?—A. One hundred thousand dollars of bonds were issued in 1868, I think.

Q. Are those bonds still outstanding and unredeemed by the company?—A. They are all outstanding and unredeemed.

Q. Was not the issue of second-mortgage bonds coincident with an increase of stock to the amount of \$300,000?—A. At the same time that the order to issue the bonds was made, the stockholders increased the capital stock of the company \$300,000, and ordered the additional stock to be distributed among the stockholders, which was done.

Q. When this additional stock was created, was there any additional capital paid in?—A. None whatever.

Q. Then, if I understand you, the Seneca Stone Company was doing business on a nominal capital stock of \$400,000, and on bonds to the amount of \$200,000 more. On what basis was that monstrous fabric of credit erected?—A. On the property at Seneca.

Q. What was it worth?—A. That is a matter of opinion.

Q. What is your opinion about it? What was its value in the market when the company was first organized, and what was its value when the increased issue of stock was made?—A. That is a very hard question to answer.

By Mr. HOOKER :

Q. Having been so intimately connected with the company, have you not some idea of the property?—A. The stock was sold at the rate of 50 cents on the dollar, and that would be the only test of the value of the property.

By the CHAIRMAN :

Q. I am asking you what the value of the property was on which the stock was based ?—  
A. It is a very difficult question to answer.

Q. That is what I want your judgment about—the value of the property on which that fabric of credit was built ?—A. I do not know what its market value was.

By Mr. BRADFORD :

Q. What do you believe it would have sold for in the market for cash ?—A. I do not know.

By the CHAIRMAN :

Q. It has come out incidentally from you, that some of the stock of this company was sold for 50 cents on the dollar ; was it not by a conversion into stock of first-mortgage bonds held by the stockholders themselves ?—A. No, the company received full value for the first-mortgage bonds in cash at par.

Q. Do you mean to swear that the company received par in cash, for the whole of its first-mortgage bonds ?—A. I do say so, distinctly, that the Seneca Stone Company received par value for its first-mortgage bonds in cash.

Q. Who bought those bonds ?—A. I should think that about \$60,000 of them were purchased by John L. Kidwell, Henry D. Cooke, and Henry H. Dodge.

Q. Were they not all stockholders and originators of the Seneca Stone Company ?—A. They were.

Q. As secretary and treasurer of the Seneca Stone Company, did you never take any trouble to inform yourself of the value of the real estate which constituted the principal foundation of that company ?—A. It was considered valuable. At the time the second-mortgage bonds were issued the property and improvements were valued at from three to five hundred thousand dollars ; some said \$300,000, some \$400,000, and some as high as \$500,000. That was in 1870.

Q. Do you not know that at the first organization of the company, in 1867, the real estate was put in by the originators of the company at \$450,000, and that the improvements and personalty, including mules, wagons, implements of various sorts, tools, derricks, boats, and, in fact, all the property, machines, and appliances used for quarrying, were put in at \$50,000 more, thus making up the round sum of \$500,000, the original capital stock ?—A. The records say so.

Q. Now, I ask you, secretary and treasurer as you were of that company, have you no more knowledge than what you have stated of what was the assessed value of the real estate which was thus valued at \$450,000. I want the assessed value, in contradistinction of the stockholders' value.—A. The property was assessed before the company purchased it, and the assessment has never been increased to this day. I do not know the assessment on the real estate, but I know that the taxes amount to about \$750 a year.

Q. Do you know or not whether that real estate was ever assessed as the property of the Maryland Freestone Mining and Manufacturing Company ?—A. I do not know whether it was ever changed into their name or not.

Q. The property purchased by the company from Thomas Peters was all the real estate that the company owned, was it not ?—A. Yes ; the tract contained about six hundred acres of land.

Q. Was any part of that real estate called Montevideo ?—A. I do not know.

Q. Was any part called Conclusion ?—A. I do not know.

Q. All of the real estate owned by the company was in Montgomery County, Maryland ?—  
A. Yes, sir.

Q. Have you never seen the public assessments of that property ?—A. No, sir.

(The chairman here put in evidence a certified extract from the records of Montgomery County, showing that the assessed value of all the real estate, with the improvements thereon, owned by the Maryland Freestone Mining and Manufacturing Company, amounted to \$43,200 in 1868.)

By Mr. BRADFORD :

Q. Do you know the rate of assessment on real estate in the State of Maryland ?—A. No, sir ; I do not.

Q. Did the company take a deed from Thomas Peters ?—A. Thomas Peters sold the property to Kidwell, Cooke, and Dodge.

Q. Did they take a deed ?—A. Yes.

Q. What was the consideration recited in that deed ?—A. I do not know.

Q. Did you never hear Kidwell, Dodge, or Cooke say what it was ?—A. No ; but I understood that they paid from \$65,000 to \$70,000 for it. I never knew the exact amount.

Q. Paid in what ?—A. In cash, I presume.

Q. Do you not know that it was paid for in stock of the company ?—A. I know it was not. I do not know the fact, but I am satisfied that it was paid in cash.

By the CHAIRMAN :

Q. Was not the avowed object of issuing the first-mortgage bonds to raise the money to pay for improvements on the property before it was owned by the Maryland Freestone

Mining and Manufacturing Company? If so, state what those improvements were.—A. The first-mortgage bonds were issued to raise money to build mills, to erect derricks, to purchase boats, mules, tools, and to work the quarry, and also to put up buildings—general improvements.

Q. Were not the second-mortgage bonds issued to raise money to supply the company with an available working cash capital?—A. In part. The second-mortgage bonds were issued to raise money to procure additional facilities, additional improvements in the way of buildings, to purchase additional boats and a variety of things, and to have a portion of it as cash capital.

Q. What portion of it was reserved as cash capital?—A. (Referring to the book of records.) Here is the exact thing. It was raised to do the following work: An addition to the new mill, \$20,000; improvement of old mill, \$5,000; two scows, and teams, \$3,000; tenements for laboreis' families, \$10,000; to pay a portion of the present indebtedness of the company, \$17,000; for additional work on the quarry and for a fund to use in the business, \$37,000.

Q. Was not the whole of that amount thus raised for the purposes enumerated, except the \$5,000 paid by Henry D. Cooke, obtained from the Freedman's Bank?—A. There was \$63,500 obtained from the Freedman's Bank.

Q. Was not all the amount raised from the second mortgage obtained from the Freedman's Bank?—A. All that was raised on the second-mortgage bonds, with the exception of the \$5,000 from Henry D. Cooke, was obtained from the Freedman's Bank.

Q. You leased the property of the company last year?—A. Yes.

Q. What profit have you made on it?—A. I do not know yet.

Q. What did you agree to pay for the lease of the property last year?—A. One-half of the net proceeds.

Q. And you say that, up to this time, you have not been able to ascertain what the proceeds amount to?—A. No, sir.

Q. Is there any good investment in real estate that will not pay from 6 to 10 per cent. rental?—A. People generally expect to get 10 per cent. for their investments in real estate; sometimes they do, and sometimes they do not.

Q. Would you have been willing, when you took the lease of this property, to have stipulated to pay rental of 10 per cent.?—A. No, sir.

Q. Would you have been willing to pay 6 per cent.?—A. I would not have been willing to pay anything whatever.

Q. Was not the property leased to you because it had been found valueless or unprofitable in the hands of the company?—A. It was leased to me because the company could not carry it on. Its credit was entirely gone. The property was placed in the hands of the Freedman's Bank in 1874, and through it in the hands of the ex-president, Mr. Alvord, who ruined the whole thing.

Q. When was Mr. Alvord made president of the Seneca Stone Company, and under what circumstances, and for what object?—A. He became president in April, 1874, for the purpose of endeavoring to secure the debt of the Freedman's Bank.

Q. Was there not some arrangement between the original stockholders and Mr. Alvord for the purpose of getting him into the company? If so, state what it was.

A. I do not know of any.

Q. Do you not know that 10 shares of stock were given him as a donation, in order that he might be qualified to become president?—A. I understood at the time that General J. K. Barnes gave him ten shares of stock to enable him to become president. The records of the company show that he transferred ten shares to Mr. Alvord.

Q. Was General J. K. Barnes connected in any way with the Freedman's Bank?—A. Not that I am aware of.

By Mr. BRADFORD:

Q. Who is running that concern now, the Freedman's Bank or the company?—A. No one.

By the CHAIRMAN:

Q. The original owners of all the property owned by the Seneca Stone Company were Henry D. Cooke, John L. Kidwell, and Henry H. Dodge?—A. Yes.

Q. When the shares of the joint stock company were distributed, how was it done, and on what terms?—A. Here (referring to the book) is the order to issue the stock—1,663 shares to John L. Kidwell; 1,663 shares to Henry H. Dodge; 1,664 shares to Henry D. Cooke; 5 shares to J. H. Dodge, and 5 shares to Thomas Anderson, making the whole 5,000.

Q. For what purpose were the 3,000 additional shares issued, and on what terms?—A. The 3,000 additional shares were issued by order of the stockholders, under date of January 6, 1870. They were issued to the then stockholders in proportion to the amount of stock which they held.

Q. Who were the stockholders then?—A. I have not got the full list of them here; but here is a portion of them. The book containing the issue of the stock is not here. That would show who owned the shares at that time, and how many additional shares were issued to each one; but at that time the stock was considerably scattered by transfers.

Q. I want to know on what terms the additional shares of stock were issued.—A. They were issued by order of the stockholders themselves to themselves.



Q. Was there any transfer of stock made at any time from the original shareholders, Cooke, Kidwell, Dodge, Dodge, and Anderson, to other parties; if so, when, by whom, to whom, and on what terms?—A. (Referring to the stock-book.) On the 22d of November, 1867, J. L. Kidwell, H. D. Cooke, and H. H. Dodge sold to B. B. French 200 shares. I was then the secretary of the company and I kept this book.

Q. Does the stub show what was paid for that stock?—A. It does not.

Q. Why does it not?—A. I do not know that the stubs of stock-books ever show it.

Q. Why, then, does the form on this stub have printed the word "received," and blank for the amount?—A. This stub is signed by William S. Huntington, who received the stock from me to give to French. It is "received the above-described certificate."

Q. Why was this blank for the amount after the word "received" put on the stub if it was not intended to indicate the amount paid for the stock?—A. I do not know. I did not get up that book.

Q. Does not the printed stub itself show that it was intended to show what was paid for the stock?—A. I do not think it does. This book, I suppose, was got up for a company where the stock was paid for by assessment, and where the parties subscribed for so much stock. On issuing the stock to them, the stub would show how much money they paid, but in this case it was a full-paid stock.

By Mr. HOOKER :

Q. That book would simply indicate the transfer of stock?—A. It simply indicates the transfer of stock.

(The book was exhibited, and at the foot of the stub showing the issue of stock, the following appears: "Amount paid on issuing, \$———.")

By the CHAIRMAN :

Q. Is not the above form just like all the rest of the stubs in that stock-book?—A. The stock-book is the same throughout, I think.

Q. Do you know what B. B. French paid for his stock?—A. Only by hearsay.

Q. Who is the next stockholder?—A. The next issue is 200 shares to U. S. Grant.

Q. Do you know what he paid for his stock?—A. I do not, except by hearsay.

By Mr. HOOKER :

Q. What is there on that stub?—A. The same as the other, "No. 12, 200 shares of stock issued to U. S. Grant, 22d November, 1867. Received the above-described stock. W. S. Huntington."

By Mr. RAINEY :

Q. Did the same parties issue that stock to Mr. Grant that issued the stock to Mr. French?—A. Yes; the same parties.

Q. Who is the next?—A. F. D. Dent.

Q. The brother-in-law of the President?—A. He is said to be; he is called the President's brother-in-law.

Q. How many shares is that for, and what is the date?—A. It is the same date and the same amount, 200 shares.

Q. Who is the next?—A. The next is William H. Seward; same date and same amount.

Q. Who is the next?—A. J. K. Barnes, Surgeon-General; the same amount and the same date.

Q. Who is the next?—A. The next is William S. Huntington; same date and same amount.

Q. Who is the next?—A. The next is Caleb Cushing; same date and same amount; and the next is General Robert Williams; same date and same amount.

Q. Are there any others?—A. On the 17th of January, 1863, there is a transfer of 200 shares to James C. Kennedy, and on the same date a transfer of 100 shares to E. B. Washburne. On the 17th of February, 1863, 200 shares to Joseph L. Savage. On the 2d of May, 1863, 400 shares to R. J. Dobbins. (Mr Dobbins lives in Philadelphia.) On the 2d of May, 1863, 200 shares to Henry G. Moore, and on the 5th of May, 1863, 100 shares more to E. B. Washburne.

Q. All these certificates are signed by Huntington, are they not?—A. Not all of them.

Q. Some are signed by Huntington and some by yourself?—A. No, sir. There are none signed by me. All of the first issue were received by Huntington from me. I showed them to him, and he gave me a receipt for them on the margin. That accounts for about the bulk of the first issue. Then the certificates were broken up and re-issued to various parties.

Q. I understood you that these certificates of stock were issued by you, as the secretary of the company, and receipted for.—A. Yes; a portion of them were receipted for by Huntington, and a portion of them by other parties.

Q. Who were the other parties?—A. All that were issued on that one date were receipted for me by Huntington.

Q. What were Huntington's relations to the company at that time?—A. He owned some of the stock.

Q. How does it happen that he receipts for other people's certificates? Why did they not

receipt for themselves?—A. I do not know. I think he happened to negotiate these matters, and I suppose the fact is that most of these parties gave notes for their stock, and Huntington had negotiated the paper, I suppose, and helped them along in the finances.

By Mr. RAINEY :

Q. Did you ever see any of the notes that were given by these parties?—A. No, sir. I understood that notes were given, but I do not know the fact.

By Mr. BRADFORD :

Q. Huntington's receipts appear for all the certificates issued to Grant, Cushing, Seward, Washburne, Dent, French, and Williams?—A. Yes ; for all the first of them.

By the CHAIRMAN :

Q. Do you know to whom any of these stock-notes were disposed of by Huntington, and on what terms?—A. I do not know. I never knew anything about the notes, what became of them, or anything about them.

Q. Was not the firm of Jay Cooke & Company the transfer-agents for the stock of the Seneca Stone Company?—A. At one time it was.

Q. Were not Henry D. Cooke and William S. Huntington members of the firm of Jay Cooke & Company?—A. Huntington never was a member of it that I know of. Henry D. Cooke was.

Q. Who constituted the firm of Jay Cooke & Company?—A. I do not know the members in full. Jay Cooke, Henry D. Cooke, William G. Moorhead, Mr. Fahnestock, and others. I do not recollect them all. They had a good many partners from time to time.

Q. Were any dividends ever declared on the shares of the Seneca Stone Company? If so, what was the percentage thereof, and how were they paid?—A. The stockholders declared to themselves 60 per cent. of new stock as a dividend ; so the record shows.

Q. Were there ever public means resorted to, to impress the public mind with the value of this stock, by showing what dividends the company had declared?—A. Not that I am aware of.

Q. When was that dividend declared?—A. That was on January 6. 1870.

Q. Were you or not on intimate personal terms with the officers and agents, or some of them, of the Freedman's Bank?—A. I was on intimate terms with Huntington and Cooke ; that is all.

Q. Did you ever know Henry D. Cooke or William H. Huntington to extend a loan by the First National Bank on any such security as the second-mortgage bonds of the Seneca Stone Company?—A. I do not know that they ever loaned any money on those bonds. I was not familiar with the operations of the bank.

Q. You were the secretary and treasurer of the Seneca Stone Company. Did you ever know that company to apply to the First National Bank for a loan on any such security?—A. I do not know of any application.

Q. With what agent or officer of the Freedman's Bank were the loans to the Seneca Stone Company negotiated?—A. I do not know.

Q. Have you any reason to know or to believe that any parties connected as trustee, officer, or agent, with the Freedman's Bank, received any bonus or commission on loans made to the Seneca Stone Company?—A. I do not know of anything of that kind.

Q. Do you know any other fact or facts than such as you have already deposed to, tending to show that the Freedman's Bank, through its officers, made loans on grossly inadequate security, or on no security at all?—A. I do not.

By Mr. RAINEY :

Q. You were asked if you knew of the Seneca Stone Company attempting to make any loan with the First National Bank, and you said that you did not. Can you tell the committee whether or not that company attempted to negotiate a loan with any bank except the Freedman's Bank?—A. (After referring to the book of records.) The company borrowed, on the 16th of November, 1872, of the German Savings Bank, \$10,000, on the company's note. There was no collateral with it, but simply the company's note, indorsed by, I think, J. L. Kidwell, Henry D. Cooke, and James C. Kennedy. The Seneca Stone Company borrowed, also, of the First National Bank, on the 18th of November, 1872, \$3,373.60.

Q. What was the security given?—A. I do not think there was any security given, but simply the note of the company.

Q. What does the book state on that subject?—A. "Note, dated November 18, 1872, First National Bank, \$3,373.60."

Q. There was no mention of security?—A. No, sir ; there had been a good many loans made to the company by the First National Bank, and also by Jay Cooke & Company. A large number of them were negotiated and paid in the usual course of business.

Q. Were not these notes put in with good indorsers, and discounted in the usual way?—A. They were discounted in the usual way, sometimes with indorsers and sometimes without.

By Mr. HOOKER :

Q. But most generally with indorsers?—A. Both these banks discounted the company's notes a good many times without indorsers.

By the CHAIRMAN :

Q. Did I understand you correctly to say that the Seneca Stone Company paid to the First National Bank all the loans that it had obtained from that institution?—A. It did not. It owes still quite a large amount.

Q. Who constituted the First National Bank?—A. Henry D. Cooke was president and William S. Huntington was cashier. I do not know who the stockholders were.

Q. Was not a large majority of the stock owned by Henry D. Cooke, Jay Cooke, and William S. Huntington?—A. I only know from hearsay that Jay Cooke held the largest amount of stock. Huntington held only a small amount; I think twenty-five shares. How much Henry D. Cooke owned I never knew.

Q. I understand you to say now that the Seneca Stone Company negotiated numerous loans with the German Savings Bank, the First National Bank, and Jay Cooke & Co. Have these loans, as a general thing, been re-imbursed to the banks or secured to their satisfaction?—A. All but those of the First National Bank and Jay Cooke & Co.

Q. What amount remains unpaid to them and unsecured?—A. I do not know exactly; but I think that the Seneca Stone Company owes to the First National Bank three or four thousand dollars, and owes to Jay Cooke & Company from three to five thousand dollars.

Q. In other words, Henry D. Cooke, stockholder to a very large amount in the Seneca Stone Company, owes to himself, as partner and stockholder in the First National Bank, and as partner in the firm of Jay Cooke & Co., the sums of money to which you refer. Is that the state of the case?—A. That is a legal proposition which I am not able to answer.

Q. Was Jay Cooke a stockholder in the Seneca Stone Company?—A. No, sir.

Q. Were any of the other members of that firm except Henry D. Cooke stockholders in the Seneca Stone Company?—A. No other one except Henry D. Cooke.

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SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, D. C., February 15, 1876.*

Committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Riddle, and Stenger.

J. W. ALVORD recalled.

By the CHAIRMAN :

Question. You have heretofore testified that the trustees of the Howard University purchased the farm, on which the university is located, from one John Smith. Did the trustees at any time before or after that purchase, acquire other real estate; if so from whom and where is the same located?—Answer. The trustees acquired title to a tract called the Miller property, which is the present Le Droit Park, lying south of and adjacent to the Smith farm. I cannot tell the time at which it was acquired. It was an arrangement made by General Howard on behalf of the university, by which the trustees came into possession of it. The details I cannot give you.

Q. By what authority and for what consideration was the Miller farm, now known as Le Droit Park, afterward conveyed to Barber and Langdon?—A. They bought it, as I understood, from the trustees of the university. I should like to add here that, being superintendent of twenty-four branches and of three thousand schools at that time, all over the country, I was in the southern country a quite considerable part of all these years, and many things I could not be cognizant of in Washington.

Q. Was the acquisition of the Miller farm by the university before or after the time of the loan obtained from the Freedman's Bank?—A. I should say it was before, if my memory serves me.

Q. I understand from your deposition (you can correct me if I am mistaken) that you were opposed to and expressed your disapprobation of many of the securities which were accepted by the finance committee, and that you were denied, by a resolution thereof, the privilege of voting in its sessions, and were sent on field-work. Did not that field-work consist of persuasive appeals, addressed to the freedmen in different parts of the country, to deposit their money in the bank?—A. I want first to correct your opening statement. I did not say some of the things which you have just now expressed.

Q. State in what I am mistaken.—A. My exclusion from the finance committee was not by any recorded vote; it was by a ruling at the moment. When I inquired whether I should vote at some of the first meetings, they said no.

Q. The point is, were you excluded after your objection to these securities?—A. I want to say that it was not by a recorded vote.

Q. I do not care whether it was by a recorded vote or not. I ask you whether it was after you made opposition to these securities that you were excluded?—A. I should say that my opposition to some of them was before, but to most of them was afterward.

Q. I want to know whether you were excluded from taking part in the proceedings of the finance committee before or after you objected to some of the securities?—A. I began to

object before I was excluded. It ran along, however, for months and years after that. I always made objection to what was not legal in its nature. I thought we ought to keep exactly to the charter.

Q. Did you see much that was not legal?—A. Not a great amount. Occasionally, in the multiplicity of loans, there would come up a thing of that sort.

Q. Did you mean to say that after you had discovered that the managers of the Freedman's Bank were not proceeding legally, and were loaning out its funds on improper securities, you still endeavored to persuade the freedmen that the bank was a safe depository for their money?—A. My main efforts were while we were investing in Government bonds. For years I did that. I made very strong statements then, much stronger than afterward. I went among the branches much more during that period than I did afterward. I thought up to the last that we could pay 100 cents on the dollar, and I have stated that we could if things had been different in the business world, and in the management which we were subjected to by the law of Congress. I do not know that I ought to find fault with that, but I think it was a very awkward law indeed, either to go on with or to stop with; and that there has been an immense sacrifice under the law necessarily, which might have been avoided.

Q. Did you not, after your exclusion from participation in the proceedings of the finance committee, still endeavor to induce the freedmen to trust their funds to the bank?—A. I was not excluded from the finance committee. I could always remain, but not vote. I very often did meet with the finance committee, perhaps always when in town, usually; certainly I sat as chairman, but I had no vote nor veto. I sat and took the motions, and expressed my views.

Q. Did you not, after discovering the character of securities that were being taken, including those offered by the Seneca Stone Company, still endeavor to persuade the freedmen to put their money in the bank?—A. I think I did, more than I would do again, as I now know the result. So far as I did it, however, I did it in the belief that we could go through and pay up everything with interest. I would not again speak as strongly as I then did, with my experience of the results.

Q. When, and under what circumstances, did you become president of the Seneca Stone Company?—A. About two years since.

Q. Was it before or after the last amendment to the charter?—A. After.

Q. Was it before or after you had resigned the presidency of the Freedman's Bank?—A. After. The arrangement was made when I was passing away, in the discussion of bad loans, and it was suggested that I would use my endeavors and my influence and time in collecting those loans—the Florida loan and the Seneca Stone loan. The Florida loan was an irregular loan, made by the parties at Jacksonville, by cashing drafts improperly and in making drafts on us.

Q. You were one of the original getters-up of the Freedman's Bank, I believe?—A. Yes, I suppose so.

Q. While you were making your tours in the southern country, persuading the freedmen to deposit their money in the bank known as the Freedman's Savings and Trust Company, did you ever think of telling them that their funds were being squandered by the payment of over-drafts, by loans on bad and insufficient security, and otherwise endangered by the illegal proceedings of its managers in Washington?—A. I should have done it, if I had known it; but when I was in my work of establishing branches we invested in Government bonds only.

Q. I am not talking about the times you established the branches.—A. I went mainly during that period. Then I spoke very strongly of the security as on Government faith in bonds which we had invested in. Afterward, I went freely and spoke with confidence, because I did not know that these things were being done. It was after I came back to remain here more permanently that I found out that there were these irregularities. Many of them came out, to my mind, long after they were enacted.

Q. You admit, then, that you did do your best to inspire confidence in the Freedman's Bank?—A. Yes.

Q. When you found out that it was no longer worthy of confidence did you take any means to apprise them of the fact?—A. I spoke to individual depositors on the subject, and told them that I could not indorse any longer (especially after I had left the bank) the security of their funds. As you notice, some of the bad loans—the very bad loans—took place after I left the bank; as, for instance, Mr. Boyle's loan was made after I had left; therefore I knew nothing about it.

Q. Mention where the individuals resided, and who they were, whose attention you directed to the irregularities in the management to which you have referred.—A. The most prominent case was one of the servants in my own family. I remember that I had a conversation with her. I cannot recollect other distinct conversations. I know that what I stated to her I also stated to neighbors and various persons whom I met. I told them that I could not be longer responsible, but that they must look to the remaining officers and to the new president.

Witness desires of his own accord, and is permitted, to make the following statement in reference to what is known as the available fund of the Freedman's Bank:

The WITNESS. The available fund was one not exceeding one-third of the deposits of the company which could be used by being placed on deposit, or at interest, at the discretion of the trustees. Its design was that we might have a ready available fund for emergencies. It was simply one-third of our deposits, not a fund from any particular source. From that fund loans were made which would not be legal under the general charter that required Government bonds or real estate. We loaned from that fund at discretion. We did not take real estate always, (perhaps seldom.) The trustees took securities which I suppose they thought were good, but in practice many of those loans were on securities which I think were not as good as real estate or Government bonds. It came to be that it was a fund from which miscellaneous loans were made, and the actuary kept a certain sort of account which seemed to cover the balance on hand not loaned on real estate, which he called the available fund. It was an arrangement of his own, and when a loan came up that could not be made on realty, he would say, there is an available fund not yet used, (that is, there is one-third of the total deposits which have not yet been consumed.) If there was a balance not thus loaned from the one-third of the deposits, he called that the available fund. It was a distinction which he made himself.

By Mr. BRADFORD :

Q. Do I understand you to vindicate the officers of the bank by showing that as far as the available fund was concerned they had discretion to use it?—A. I am not vindicating anybody; I am just stating the fact that the available fund was more loosely used.

Q. It was loaned out indiscriminately, and very often without security at all?—A. I would not say indiscriminately, but at times more loosely than I could have wished.

By the CHAIRMAN :

Q. I see that in 1865 you went to South Carolina, with orders from General Howard to have bounty-moneys paid over to the bank. To whom were those orders addressed, and by what authority?—A. I do not recollect any such orders.

(The chairman here referred the witness to a report made by himself to the committee of the Freedman's Savings and Trust Agency, at New York, in which it is stated that he had sailed for Hilton Head, S. C., with orders from General Howard to have bounty-moneys paid over to the Freedman's Savings and Trust Company, and to investigate all the money frauds practiced on freedmen.)

The WITNESS. I recollect such a tour and that the report was made to the agency committee.

Q. I want to know by what authority General Howard issued any such order, and to whom it was addressed.—A. I do not think I had any such order. I think that it is a loose phrase which ought not to have been used. I presume I made a report of that sort, but I do not think I had orders from General Howard in regard to bounty-money. I know I had not, for he could not give such orders. It was when our directors met in New York that that report was made. Our first business was to take soldiers' savings. It was for that object that we first started the bank during the war. There were such immense sums taken from them that I thought we could do them a great benefit by having a legalized institution to save their funds. There were two or three little military banks, but they were not reliable and were not to be permanent. My first object in originating the bank was to secure soldiers' savings. I think that that phrase ought to be that I was advised or instructed to secure such moneys, in the bank, as I could for those poor fellows.

By Mr. BRADFORD :

Q. Where are the books of the Seneca Stone Company?—A. I have made efforts to get those books, and I got an order from the directors, in a meeting which we had the other day, that the books should be placed in the hands of this committee. I had supposed that Mr. Hayden brought them. Mr. Jones is secretary of the company.

Q. Has he charge of the books?—A. He has charge of the papers and records of the company.

Q. Has he charge of the cash-book?—A. That should be in the hands of the treasurer, Mr. Risley.

Q. Do you know where that cash-book is?—A. No, sir; only as I am told.

By Mr. STENGER :

Q. Have you made inquiry of Mr. Jones, the secretary?—A. Yes; he says the last he knew of it, it was at Mr. Risley's, where the committee was auditing accounts, and it was left there with the treasurer, very naturally, as the meeting was there.

By the CHAIRMAN :

Q. Do you mean to say that, as president of the Seneca Sandstone Company, you have no control over or access to the books of the company?—A. I do say that I have never seen any books, except the record-book and the stock-book.

Q. Do you mean to say that you have no control over the books of the company?—A. I suppose I ought to control them, but when I have asked for these books there has been the absence of the treasurer, so that it was impossible for him to respond. I asked him once by mail to send me the key to his private secretary, but it did not come. Thinking that the

committee might want it, I called a meeting of the directors and got a resolution passed directing the treasurer to place in the hands of the president of the Seneca Sandstone Company the treasurer's report of the company.

By Mr. STENGER :

Q. The directors knew when they passed that resolution that Mr. Risley was in Colorado?—A. No, sir; they did not know where he was. The last I heard of him he was in Chicago.

Q. They know that he was absent from the city?—A. Yes.

Q. You have mentioned some cases where the securities deposited with the Freedman's Bank were shifted. Explain to us how it happens that \$15,000 in United States bonds obtained from the Rest Home Colony, in Louisiana, have disappeared, and the real-estate notes of George Mattingly been substituted therefor.—A. I inquired of the actuary, Mr. Stickney, about it, and he said that there was a stress one day, and that he used these bonds with the intention of only a temporary use.

Q. Used them for his own purposes?—A. No; for the purpose of paying depositors. It was during the two or three weeks of a rush on the bank. I spent my time in New York trying to negotiate United States bonds, of which we had a large sum at the time, but I could not get rid of the bonds at the price I wanted fast enough to meet our demands, and as he told me subsequently, he used these \$15,000, intending it only for the moment. I told him I was sorry that he had done so, and he said that he had replaced them, or was going to, with security which he thought would be sufficient, and that security, I suppose, is the Mattingly real-estate notes.

By the CHAIRMAN :

Q. Can you explain how it happened that George Mattingly came to the rescue of Mr. Stickney, and put in his notes?—A. No, sir; I cannot.

Q. Have you any knowledge of the uses to which that loan Mr. Smith has referred to were applied, except what Mr. Stickney told you?—A. No, sir.

Q. When did the run on the bank commence?—A. The great run commenced on the morning after the failure of Jay Cooke & Co., which was in 1873, I think.

Q. Was it not a fact that at the date of Jay Cooke & Co.'s failure, and for some time prior thereto, all the investments in United States securities had been changed or shifted?—A. No, sir; the first thing I did after that failure was to take \$200,000 of bonds in my side-pocket and jump into a train of cars for Wall street, and I certainly left \$100,000 in United States securities behind.

Q. Had there not been, prior to that time, a shift of the United States securities for real-estate securities, as authorized by the amended charter of 1870?—A. No, sir. I was the custodian, at that time, of this particular thing, and I know that they were always in the safe. I counted them every few days. I would go and look into the safe, although I was not the nominal custodian, and would know that those bonds were present. There were probably some \$700,000 worth, on the morning when Jay Cooke & Co. failed, in Government bonds, and we made the best use we could of them in meeting the run, I in New York, and Mr. Stickney here.

Q. Has there been any time within the last five years when Government bonds were not bearing a handsome premium in the market?—A. No, sir; and they bore a premium at that time. We sold them, even then, for more than we gave for them at first.

By Mr. STENGER :

Q. In regard to these irregularities in the way of securities, I notice that the names of the persons present at the meetings of the trustees are given, but on the adoption of the loans the vote is not recorded; that is, the yeas and nays are not given. I wish to know from you who they were who supported these irregular loans in that board, and who voted against them, as far as your recollection goes?—A. I should say that Mr. Albert, of Baltimore, was strong against them, and so were Mr. J. J. Stewart, Mr. Ketchum, of New York, and Mr. C. D. Purvis. I would not say that they voted uniformly against them, but the general tone of a certain portion of our trustees was that of caution. Even these men would sometimes misjudge, because, at that time, many of the things which afterward turned out to be very bad all of us thought to be good.

Q. There was a color-line in that business, which was perceptible?—A. The cautious men among us were always cautious. The reckless men (I mean the enterprising men) were always reckless.

Q. Let us hear, on the other side, who those reckless, enterprising men were?—A. I ought to say men who did not give their close attention to the discussion of securities; who would come in and vote, as I think, without sufficient study of the loan, and would vote the loan, if it seemed to be the general impression.

Q. Who were they?—A. I would not say that these men were reckless. Mr. L. R. Tuttle was one of that class, and Mr. Brodhead, the Second U. S. Comptroller, was one of that class. Both of them were very cautious men, but they gave us but little of their time. They came in to make a quorum, as we had to have a quorum. I wish to change the phrase "reckless men" into incautious men. The incaution came of inattention.

Q. Go on and give us some more of the names of these incautious men, if there were any more.—A. I do not mean to say that these men were incautious. I mean to say that such men as Mr. Tuttle and Mr. Brodhead were not with us sufficiently to judge. I do not recollect any others of that class.

Q. Well, then, we will have to have a third class. Was there not another class of trustees who always championed these irregularities and supported them earnestly and warmly; and, if so, who were they?—A. Mr. Huntington, Mr. Cooke, and Mr. Clephane at times; Mr. Huntington especially. I speak now of such loans as the Northern Pacific and the Seneca Sandstone loans. There were a number of Seneca Sandstone loans.

Q. Do you know anything about Huntington procuring money one Saturday night from the actuary until Monday morning, on the representation of Mr. Shepherd that he would pay it on Monday morning?—A. I have heard that stated. I do not know it. I was at home on Saturday nights.

Q. Before the board of trustees acted on these loans they were submitted to the finance committee?—A. Always.

Q. Of which committee you were chairman *ex officio*?—A. Yes; there was now and then a loan which came directly before the board of trustees which the finance committee had not acted on, but that was the general rule.

Q. That finance committee was composed of five members?—A. Yes; and it took three to make a quorum.

Q. Were not William S. Huntington, Henry D. Cooke, and Lewis Clephane, who were members of that finance committee, present, as a rule?—A. Yes; as a rule, they were.

Q. And did not they, as a rule, vote to sustain those loans which you considered irregular?—A. Yes; they voted to sustain that class of loans, some of which I thought were irregular. They made a great many good loans, of course. The great majority of loans made at that time were good loans. A noted instance was the Seneca Stone loan, which was managed out of doors, and was a compact signed by Clephane, Huntington, and Tuttle, that the securities and note should be given up at the end of six months if not paid, and that the bank was to fall back on the \$75,000 second-mortgage bonds of the Seneca Stone Company; that was an out-of-door arrangement, entirely unknown at the time to the finance committee, and which never went on record. The first time that I knew anything about it was a rumor that there was something wrong. I think Mr. Moses Kelly intimated it to me. The first real intimation that I had of it was the approach of Mr. Stanton, attorney of Messrs. Kilbourn and Evans, demanding of me that note and securities. I said, "You can have it if you will pay the amount." He said, "I have an agreement in my hand here which requires you to surrender that note to me to-day." I looked at him with astonishment, and said I could not surrender it, and should not. He handed me the paper, which I read, and saw that it was what is printed here on page 56 of the commissioners' report. I read it then for the first time. I had heard something about it, but that was the first time I had seen it, or that I really believed there could be such a paper. I said, "This is a conspiracy to get money under false pretenses, and I will not give it to you." Mr. Stanton saw that I was pretty excited, and he left. He continued to come every week or two, and said, "I will take you into court if you do not, as the presiding executive officer of the company, give me that note and securities." I said to him, "Take me into court, and if the court gives an order that I shall deliver them to you, then I will consider that order." After a time the thing was brought up, by Mr. Stanton, I suppose, before the trustees. Mr. Stanton did not appear there, but there were parties among the trustees who advocated that the note and securities must be given up on this contract. I took part pretty earnestly in that debate for three or four weeks, adjourning from day to day and week to week, and insisting upon it that it must have been a conspiracy, and that we were not bound at all by an out-door meeting, and that I would not give up the note and securities. I stuck to it till the trustees thought I was stubborn, and I wish I had been more so. At length there was a majority that voted to yield, and the next day, in my absence, Mr. Stanton, or some one, came in and got the note and securities of the actuary. I had no hand in giving them up at last.

By the CHAIRMAN :

Q. Did the actuary give them up without an order from the trustees?—A. There is a recorded order that the president shall give the note and securities to the parties claiming them on this agreement.

Q. Between whom was that agreement made?—A. Between Kilbourn and Evans and the actuary and these three members of the finance committee, Clephane, Huntington, and Tuttle.

Q. The date of that agreement was December 30, 1871?—A. Yes; at the time when the \$50,000 note was given.

Q. On page 57 is a report made by Mr. Stickney, as actuary, to J. M. Langston, chairman of special committee. What special committee was that?—A. A special committee of the trustees that was appointed on the question of demand, which I had referred to the trustees. I reported to them that I had refused the summons of Kilbourn and Evans' attorney, and I asked for a committee to consider the question and give me advice, and the committee was appointed to gather the facts and report, which it did.

Q. And it got this statement from Mr. Stickney, as actuary, on the 6th November, 1873?—  
A. Yes, a statement of how the loan came to be made.

Q. Did the trustees observe that Mr. Stickney did not mention in the statement that the note was to be surrendered?—A. The fact was known in a private way. I think I had announced that there was that agreement when I asked for the committee.

Q. So far as the trustees were concerned they knew of the fact that this \$50,000 note was to be given up to Kilbourn and Evans, but they obtained the information outside of Mr. Stickney, the actuary, and not from him?—A. I got it from Mr. Stanton. Stickney knew of it, but I see it is not in the report which he made to Langston. It did not come *pro forma*.

Q. I want to know whether the actuary gave you full particulars of the transaction even when a select committee was appointed to ask for it, or whether you did not get the facts outside of your own officer?—A. The fact had become very patent, and it was that which brought up the whole question. I made instant complaint that there had been that sort of a loan, and I asked for the appointment of a committee to advise what I should do in the premises. Mr. Langston was appointed chairman of the committee to investigate the facts. The actuary made this report, stating how the loan came to be made and how it was arranged into this \$50,000 note of Kilbourn and Evans.

Q. And the letter of Kilbourn and Evans disclosed the fact of the contract?—A. Yes. You must recollect that this printed report is not the report of the trustees, but is the report of the commissioners, and there may possibly have been papers in the matter which have not been printed here. We were not obliged to find the facts from others. I made the charge, and the actuary very frankly corroborated all my statements. He said that he had had some information of it for some little time before I had, but that he knew nothing of it at the time of the transaction; he having been then only assistant actuary.

By Mr. BRADFORD:

Q. Were you present, as a member of the finance committee, when you were instructed to give up these papers to Kilbourn and Evans?—A. That was a trustees' meeting. I was protesting incessantly for four weeks, at least, and numbers of the trustees were with me, and I had strong hopes of carrying my point.

By the CHAIRMAN:

Q. For what purpose were the loans to Vandenburgh made?—A. I do not know.

Q. What had you reason to believe about it?—A. I had reason to believe that the money went into the concern known as the Metropolis Paving Company, sometimes called the Abbott Paving Company, although probably a considerable part of that money was for Vandenburgh's private use in the work which he had privately contracted to do. He had, I think, private contracts besides.

Q. With the paving company?—A. I think with the city, but I will not be certain.

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SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, D. C., February 17, 1876.

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Stenger Riddle, Frost, and Rainey.

GEORGE MATTINGLY sworn and examined.

By the CHAIRMAN:

Question. On page 23 of the Report of the Commissioners of the Freedman's Bank, dated December 14, 1874, there appears this item: "August 9, 1872. George Mattingly, \$15,000," and under the head of "remarks" these words: "Lot 7, in square 760." Please explain to the committee the nature of that transaction.—Answer. I know of no transaction, except a simple loan made by the bank, which is there yet unpaid. It is secured by a deed of trust on one of the houses on East Capitol street, known as Grant Row—the center house, and the best house in the row. The debt is well secured.

Q. How came that loan to stand in your name?—A. Because it was made in my name, and my note was given for it.

Q. Did you give a deed of trust on the house?—A. I did.

Q. Did you have a free, absolute, and unincumbered right to the property?—A. I did.

Q. Can you explain why the commissioners have not collected that debt?—A. I cannot. They have sold the property recently at a great sacrifice, and that sale will be contested and set aside by the courts, I have no doubt.

Q. On what ground?—A. On the ground of the inadequacy of the price paid for it.

Q. Who was the purchaser of the property at the commissioners' sale, and who is contesting the sale?—A. I do not know who the purchaser was, but my impression is that it was purchased by the commissioners of the Freedman's Bank. I was not there at the sale. It had been postponed, and I did not know it was to come off, so I was not there.

Q. Who is contesting the sale?—A. My trustees. They have not commenced proceed-



ings as yet, but my attorney told me this morning that he should prepare the papers and contest the sale, and he has no doubt of his being able to set it aside.

Q. What did the property sell for?—A. I think about \$14,000.

Q. At what was it appraised when you mortgaged it to the bank?—A. I do not know whether the bank had an appraisement.

Q. What was its assessed value?—A. That I do not know; I had negotiated a sale of it, just about the time of the bank troubles, for \$27,500 with Colonel McKaig.

Q. On what terms as to payment?—A. A portion of it was to be cash and the balance credit. I do not recollect what portion of it was to be cash or what the exact terms were. The negotiation was made by a third party, and we were to meet the next morning to consummate the sale. That night there was a failure of some bank, and Colonel McKaig got a dispatch and went home the next morning at 6 o'clock. I never saw him since.

Q. I read to you, from page 5 of the Commissioners' Report for December 14, 1874, an extract showing that the bank held a real-estate note of yours for \$15,000, dated August 7, 1871, and immediately below that a statement in regard to \$15,000 deposited with the bank as a trust-fund derived from the Destrehan plantation in Louisiana, known as the Rost Home Colony, the securities for which are said to have disappeared. Is there any connection between that loan to you and the handling of that trust-fund? If so, explain what it is.—A. That is a matter which I know nothing about. I have heard it mentioned as a matter of hearsay.

Q. Have you heard it from any officer or trustee of the bank?—A. No, sir; I think I heard it from my attorney, Mr. James S. Edwards, whose office is on Louisiana avenue. I heard that that note of mine had been taken out of the bank, or its regular place, and substituted as security for some other fund of the bank.

Q. Then you mean to say that, while it is true that the bank held a note of yours of that date, secured as described, you have no knowledge of your own as to what disposition was made of it?—A. I have not.

Q. Or as to what became of the trust fund of \$15,000, deposited in the name of the Rost Home Colony, and the securities for the same?—A. I know nothing about that. The loan of \$15,000 made to me was negotiated with the actuary of the bank. There was no commission paid; the loan is still standing and the bank still has the note. The interest has been regularly paid up to the present time. It was payable every six months. The last payment was made in August, 1875, and the next installment of interest is due this month. I sold the property, and we are now negotiating to close up and pay off that note entirely. I have negotiated for the sale of the property at \$40,000, out of which this note is to be paid.

Q. Do you know of any facts tending to show that any of the trustees, officers, or agents of the Freedman's Bank had any business connection with parties who obtained loans at the bank, or received any portion of the commissions paid thereon?—A. I do not.

By Mr. STENGER :

Q. There were two notes of yours for \$15,000 each?—A. Yes. In 1871 I borrowed \$15,000, and gave a deed of trust on property at the corner of Ninth and E streets. That loan still stands unpaid, but, as I said before, I have now negotiated a sale of the property, and I presume that within a few days that loan will be closed up. That is all there is about that. The second loan of \$15,000 was made afterward on this property in Grant Row, the center house, the best house in the row. The house was not completed at the time the loan was made, but it was considered to be worth \$30,000 when completed.

Q. Was the security given at that time the first incumbrance on that property?—A. That was the first and only incumbrance on it.

Q. I see by the second report of the commissioners, that the sale of that property was enjoined, and that the injunction was afterward dissolved. On what ground was that injunction prayed for?—A. I do not know anything about that. Mr. Albert Grant, who claims to have an interest in these houses, may have instituted some such proceeding; but there was no injunction on the sale by me.

By the CHAIRMAN :

Q. What is your business?—A. My business for the last twenty-six years, excepting the last two and a half or three years, has been transportation, mail-service, steamboating, &c.

Q. And you have generally resided in Washington?—A. I have been here between fifty-eight and sixty years.

Q. Have you socially or otherwise been brought sufficiently close to J. W. Alvord, O. O. Howard, G. W. Balloch, D. L. Eaton, or G. W. Stickney to know what their pecuniary circumstances were on their first appearance in Washington?—A. I have no acquaintance with Mr. Alvord, except having met him occasionally at the bank. Of his pecuniary circumstances I know nothing. Mr. Eaton is dead, I believe. He was the former actuary of the bank. Of his pecuniary circumstances I know nothing. I do not know anything of Mr. Stickney's pecuniary circumstances. Some of them I never knew. I would not know General Howard if he were in the room now.

Q. Do you know anything as to those parties, or any of them, building and improving lots in or near Washington, in an expensive style, in the last ten years?—A. Yes. General

Howard and Mr. Balloch both built very large and expensive houses out on the Seventh street road, just outside of the corporation limits. Mr. Stickney, I think, built a fine house on Sixth street.

Q. Do you know anything about the property said to have been sold to the Howard University, and called the Smith farm? If so, state what, in your judgment, was its value.—A. I know the property very well. I know its situation and location. I knew it when it belonged to John A. Smith; but I do not know how much of it the university bought.

Mr. STENGER. It bought 149 acres.

The WITNESS. It was a valuable place. I should suppose that that property was worth, when the university bought it, \$1,000 per acre, perhaps more.

Q. Do you know anything of the Miller farm, which was also sold to the Howard University, and afterward sold by the Howard University to Barbour and Langdon, now known as the Le Droit Park?—A. Yes. I know that location very well. It is just outside the corporation limits. I do not know much about it, but it was more valuable than the Smith farm, because it was down on a level with the city, and very accessible and easy to be converted into city lots.

Q. Do you know any facts that you can state showing how the failure of the Freedman's Bank was brought about and who was responsible therefor?—A. I cannot tell you anything about it, for I know nothing about it.

WASHINGTON, D. C., February 17, 1876.

J. W. ALVORD recalled.

Question. Have you brought us the treasurer's book of the Seneca Stone Company?—Answer. No, sir.

Q. State why not.—A. The day before yesterday I went directly from the committee-room, as I promised, to the house of the treasurer, and asked his daughter to let me have the book, as I had been ordered to obtain it. She could not find it at that time—or, rather, it was in the room where a very sick lady was—and she told me to come the next day, yesterday, and that she would give it to me, if she could get it. She would go in and hunt all around. I went yesterday, and found that she had left a note for me to the effect that the secretary of the company had sent an order for it by Mr. Hayden, and that she had given it, or what books she could find, to Mr. Hayden. I went immediately to the office of Mr. Jones, who said that he had given such an order, and that he supposed that Mr. Hayden had the book. I started very early this morning and went to Georgetown to Mr. Hayden's, but he had gone to Richmond. I inquired of Mrs. Hayden, and she said she did not know anything about it. I went again to Mr. Jones's office, thinking that Mr. Hayden might have left the book there before he went to Richmond, but he told me he had not, and he gave me an order on Mrs. Hayden to hunt for the book and to get it if possible. I went there, and she said she could not find it, but that she supposed it was locked up in a desk of her husbands, who had gone to Richmond to be absent two or three days. I regret very much that I am obliged to report back to the committee without the book. Here is Miss Risley's note.\* I found it at the house, on my second call, when she had promised to deliver the book to me. Miss Risley is the daughter of the treasurer.

By Mr. STENGER:

Q. I understood you that Mr. Risley told you that Mr. Hayden brought the note.—A. The servant said that Mr. Hayden came with Mr. Jones's order and got the book.

SELECT COMMITTEE OF FREEDMAN'S BANK,  
Washington, February 19, 1876.

Committee met at 10 o'clock a. m. Present, Messrs. Douglas, Stenger, Bradford, and Riddle.

THOMAS B. BRYAN sworn and examined.

By the CHAIRMAN:

Question. State whether you have ever had any transaction with any one, and, if so, with whom, through which you became apprised of the value of Seneca Stone stock; and, in

\* Here is the note referred to:

WEDNESDAY, February 15.

General ALVORD—SIR: I this morning received an order from Fred. W. Jones, esq., secretary, &c., for the books of the Maryland F. S., &c., Co., which were left here by my father. I delivered them to Mr. Jones.

Very respectfully,

OLIVE RISLEY SEWARD.

connection therewith, state the whole transaction.—Answer. I purchased stock of the Maryland Freestone Mining and Manufacturing Company, commonly called the Seneca Stone Company. I took it in the first place from Mr. James C. Kennedy, in part payment for a residence adjoining my own on Massachusetts avenue. I was applied to by an agent of Mr. Kennedy's for the price and conditions of sale of that property, and I had an interview with Mr. Kennedy at the instance of that agent. Mr. Kennedy, on my appealing to him as a stranger, (I being utterly ignorant of the stock and never having heard of its existence before that morning,) assured me that, as between brothers, the stock was worth in cash 80 cents on the dollar; in fact, that it was worth par, but that it would probably not command over 80 cents in cash in the market. On introducing the subject to Mr. Kennedy, I mentioned that I had called on my brother-in-law to ascertain whether he, Mr. Kennedy, could be relied upon in estimating his own property, and that I was informed that such was probably the case. I mentioned this to Mr. Kennedy, and made a special appeal to his honor.

The mention of the value of the stock "as between brothers" had reference to that special appeal.

Q. It meant then that he told you upon honor?—A. Yes, sir; it was clearly so understood both by himself and myself and by the agent who was present at the negotiation. After some further mention by him of the condition of the company, and of the fact that he was about to secure me a good neighbor in the person of some Senator, (whose name he did not give,) I accepted the proposition, receiving some \$22,500 of the Seneca Stone Company at an estimate of 80 cents on the dollar, and the difference (between \$5,000 and \$6,000) in secured paper for the property. That is the substance of the interview. This occurred about six years ago, as my memory serves me, (I think in the month of February, 1870.) Mr. Kennedy referred me to Governor Cooke as a proper person to give me an estimate of the Seneca Stone Company.

Q. Did he give you any other reference at the same time?—A. I think not. On leaving Mr. Kennedy, I went to the agents in whose hands the property had been placed for sale, and withdrew it, mentioning my having effected the sale of it. On being interrogated as to what I had received, I stated the facts. These agents were Messrs. Fitch & Fox, very reliable gentlemen. They expressed great surprise that the stock had been palmed upon me at that price, and still greater when I mentioned the circumstances attending the negotiations, saying that they had offered the same stock but a day or so before to this same gentleman, Mr. Kennedy, at 40 cents, and that he had rejected it. Repeated inquiries confirmed me in the conviction of my having been overreached under circumstances of peculiar aggravation, and in 1874, (I think it was,) on obtaining written evidence of the duplicity of Kennedy, I instituted legal proceedings, which, at his instance, were changed to an arbitration, he employing E. L. Stanton as his arbitrator, and I, John Selden, as mine. The case was managed for him by Richard T. Merrick, his attorney, no one being employed in my behalf. I managed my own case. It resulted, after a tedious arbitration, in an award of over \$10,000 to be paid by Mr. Kennedy in cash, in addition to the costs of arbitration. Subsequently to the closing of the contract with Mr. Kennedy, (probably after the lapse of some days,) I applied to Mr. Henry D. Cooke as to the value of the stock, and was informed by him that it was worth about what I paid for it. He declined, however, to accept the offer of the stock at a lower percentage than I paid. I was then not aware of the fact that Mr. Cooke was personally interested in the stock which I had purchased, he having been joint owner with Mr. Kennedy in the stock itself, as appeared in the testimony of Mr. Kennedy in the progress of the arbitration.

Q. Do you mean in that particular stock which was sold to you?—A. That particular stock.

Q. Did you, at any time, and not long after the contract with Kennedy, offer it to him at fifty cents on the dollar?—A. I did, certainly; within a very few days.

Q. With what result?—A. With an equivocal declinature, and an excuse on the ground of his owning largely of it at that time, and having further use for his available means.

Q. Do you know of any other connection between Kennedy and Cooke, excepting the joint ownership of the stock to which you have referred?—A. I do not, except as testified to by Kennedy, that they were operating somewhat jointly in the disposition of this Seneca stock. I have no personal knowledge beyond his testimony. He said so.

Q. Was that statement of his under oath?—A. All his statements were under oath. Mr. Kennedy is now dead.

Q. How long was it after the transaction to which you have referred that the arrangement with Mr. Kennedy under the arbitration took place; and what were the terms of that arrangement?—A. I had employed Mr. Walter S. Davidge as my attorney, to institute the proceeding in court, but, at Mr. Kennedy's request, I changed it to arbitration, and, at his request, also consented to dispense with Mr. Davidge's services because of some personal hostility existing between them. The terms were embodied in the paper of submission, drawn by myself, involving the double issue of the question of honor connected with the transaction, and also of the consideration paid by Mr. Kennedy.

Q. Was or was not the award in the nature of a compromise so far as fixing the value of the Seneca stock was concerned? And, if so, state at what figures that stock was put to you in that arrangement.—A. The award itself was couched in terse terms, and I could only

surmise that the arbitrators based their decision on estimating the stock at forty cents, but I am not positive as to that. The stock, however, was not worth forty cents at that time.

Q. Did you hold at any time any of the stock of the Seneca Stone Company except that which you obtained from Kennedy?—A. I did; having taken it in the same way, but without the objectionable features attending the acceptance of that stock.

Q. State how many shares of Seneca Stone Company's stock you held at different times; from whom they were obtained, and for what prices.—A. My impression is that at that time I should have regarded 39 to 40 cents as the full cash value of the stock, although I was more ignorant of it then than I am now, of course. I never received a cent of dividend in my life from it. It has been dead stock. I have now \$36,000 in the nominal par value of that same stock in my hands. I presume that it is worthless. During this arbitration, Mr. Kennedy produced witnesses as to the then value of the stock; and, on their placing on it a much higher estimate than I supposed it should legitimately bear, I tendered my own stock to the witnesses themselves at 25 cents on the dollar, and it was declined.

Q. Give us the names of those witnesses who testified as to the value of it.—A. One of them was Dr. John L. Kidwell. There were others, but they were men whose names I cannot mention. I think they were some brokers in the city; but this offer of mine was in the presence of the arbitrators and of the witnesses.

Q. Did Kennedy in his conversation with you, with a view of bulling the stock, refer you to the character and position of men who were interested in it?—A. I have no recollection of his mentioning any other name at that interview but that of Henry D. Cooke. He may have done so, but I do not think he did.

By Mr. STENGER:

Q. That name was considered potent enough then to carry anything?—A. Yes, sir.

WASHINGTON, D. C., February 19, 1876.

C. B. PURVIS sworn and examined.

By Mr. STENGER:

Question. State your residence and profession.—Answer. I reside at 1118 Thirteenth street, Washington City. I am a physician, and am a professor at the medical school of the Howard University.

Q. State what connection you had, if any, with the Freedman's Savings and Trust Company.—A. I have been trustee of that bank since March, 1868. Just before it closed I was its first vice-president and a member of the finance committee. I was for one week, I believe, a member of the finance committee. I was put in on the day of the resignation of Cooke, Huntington, and Broadhead, and I resigned at the next meeting of the committee, I believe.

Q. State whether or not, during your connection with that bank in the different capacities that you have named, you observed any irregularities in relation to the conduct of the business of the bank?—A. It was some time before we had any regular meetings of the trustees. At that time I was connected with the Army as contract-surgeon, and I did not give much attention to the bank. The first thing that I remember anything about was when Mr. Edgar Ketchum called the attention of the trustees to the Seneca Stone loan, and to the investments in the Northern Pacific bonds. He introduced a resolution at that time directing the actuary, D. L. Eaton, to call in those loans. The minutes of the trustees show that this resolution was laid on the table; but my memory is that it was passed.

Q. When was that?—A. In 1871. Mr. Ketchum made an animated speech, and I always supposed that that Seneca loan was called in.

Q. That loan was to the Maryland Freestone Mining and Manufacturing Company?—A. Yes; and the bonds of that company were taken as collateral. I do not recollect the amount of the loan, but it seems to me that it was as much as \$20,000.

Q. And at that time there had been an investment in the bonds of the Northern Pacific Railroad Company to the extent of \$50,000?—A. Yes. Jay Cooke & Co. wanted the Freedman's Bank to take an agency to sell some of these bonds, and they also had borrowed \$50,000 from the bank and had given some of these bonds as collateral security, giving us their guarantee to take them back on five days' notice. Both these cases came up at the same meeting of the trustees, and that was my first knowledge of irregularities in the bank. Henry D. Cooke was a member of the firm of Jay Cooke and Company, and was chairman of the finance committee of the Freedman's Bank, and was permitted at that time to exercise unlimited control of its finances. This resolution of Mr. Ketchum's was afterward referred, on the motion of Mr. Huntington, to the finance committee, of which he and Cooke were the chief members. After hearing Mr. Ketchum's speech, I was impressed with these two things as being irregular, and the board of trustees always supposed that the Seneca Stone Company's loan had been called in. As to the Northern Pacific bonds, we had very hard work in getting Jay Cooke & Company to take them back. In 1872 we again adopted an

other resolution requiring these bonds to be taken back, and it was done, down to within \$200, which we found unpaid when the bank went out of existence. These are the only two things that I can think of. The irregularities in the bank in the way of loaning money I have discovered more about since I have been out of the board of trustees than I know when I was in the board.

Q. The second-mortgage bonds of the Maryland Freestone Mining and Manufacturing Company were given to the bank as collateral security for certain loans?—A. Yes. The first loan to the Seneca Stone Company was given on first-mortgage bonds as collateral. That was a comparatively small loan, and it was afterward increased from \$20,000 to \$50,000; and how the securities were converted from first-mortgage into second-mortgage bonds, I never found the mortal being who knew anything about. The trustees always supposed that that loan was called in until after the bank closed, and we did not know what had become of the first-mortgage bonds until Kilbourn and Evans sent their attorney, Mr. E. L. Stanton, to us to prosecute us for certain securities which they had given us. Then, Mr. Stickney, the actuary, or Mr. Alvord, the president, laid before the trustees the nature of this demand, which was that we return to Kilbourn and Evans their note and securities. None of the trustees had ever heard of the circumstances before, unless it may have been the members of the finance committee; and they never let on that they knew it; they all denied emphatically that they knew it, at least those of them who were present. Messrs. Cooke, Huntington, and Broadhead were out of the finance committee at that time. Kilbourn and Evans demanded the return of their securities, and that our guarantee to them be carried out; which was that if the Seneca Stone Company did not pay the loan within a certain time, (I think ninety days,) we would remit, as security for it, \$95,000 of second-mortgage bonds, (which bonds were already in the possession of the bank.) That was the first I ever heard of the Seneca Stone Company loan not having been paid; and it came up in that form. We were a good many months considering that matter.

Q. Did the board authorize this to be done?—A. We allowed them to take back the note and securities. The securities were worthless things. They were the stock of the Metropolis Paving Company, I think. There was a good deal of dispute in the board about the matter, but it was carried by a majority vote.

Q. Was there any paper or any order signed by any person authorizing the exchange of first-mortgage bonds to second-mortgage bonds?—A. Never. Mr. Tuttle says that Mr. Cooke had a hand in getting them exchanged; that he came to him one day when he was busy signing bonds and said, "I wish you would sign this paper in reference to the Seneca Stone Company." Cooke said that it was carrying out the wish of the board of trustees. Tuttle didn't know what it was, and he said, "Mr. Cooke, I have not time to read it. I am busy now signing bonds." Cooke asked him whether he would not believe what he said. "Well," said Tuttle, "you have been the financial agent of the Government and have had a great many millions pass through your hands. I have no doubt of what you say, and I will take your word;" so he just signed his name to the paper, and Cooke went away with it. And that is the way Tuttle says that the first-mortgage bonds were exchanged for second-mortgage bonds. I met Mr. Tuttle on the street yesterday, and he told me this story, and says that Cooke will not deny it.

Q. Then it was done by the order of Tuttle, on the representations of Cooke?—A. Yes. When the actuary laid before us the demand of Mr. Stanton, we learned that this agreement had been signed and hidden away by Mr. Eaton, the actuary, and by the finance committee, Cooke, Huntington, Clephane, Tuttle, and Broadhead. It seems they had all signed it, but had never reported it to the board of trustees. The only reason why we returned the note to Kilbourn and Evans was that there was a considerable run on the bank at that time, and we did not want it to go out to the public that the bank had been sued. Mr. Langston was appointed to investigate the matter, and he unearthed the facts after a long investigation of some weeks; and yet, the members of the finance committee who were present when the thing was first reported, denied emphatically having ever signed that agreement, or having had anything to do with it.

Q. Do you know anything of a transaction between Mr. Stickney and a man named Boyle?—A. After Jay Cooke & Company failed we had in our bank \$650,000, of currency sixes and other bonds, amounting altogether to over \$800,000. To meet the run made upon us, we had to sell our bonds. The trustees met every two or three days and authorized the executive officers of the bank, the president with his actuary, to sell bonds, \$100,000 or so at a time. The president went to New York to sell some of the bonds, and it seems that (without any authority whatever) Mr. Stickney sent Mr. Boyle to Baltimore to sell some of the bonds. This I have only got from our inspector, Mr. Sperry. It was hard to sell these bonds, because they were of a thousand dollars denomination; if they had been \$100 bonds, we could have sold them readily. Afterward my father asked me in regard to a loan to Boyle, and I told him that we had never made any such loan. On inquiring into it, I found that Mr. Stickney, even when we were in such a state in the bank that we had sold every bond except \$500, simply on the pretext that Boyle had done the bank good service, loaned him \$21,000 on which we had no security. On the strength of that, I called the trustees together for the purpose of asking them to remove Mr. Stickney from the trusteeship which he had acquired under the law of June, 1870. I there mentioned the matter, and Mr. Leipold

contradicted my statement that Stickney had loaned the money in the way I have mentioned, but he made this extraordinary statement: that Mr. Boyle had sold bonds for the bank at different times, and that every time he had retained some of the money, so that in the aggregate he owed the bank the amount of \$21,000, and that then, to cover up the transaction, Stickney took this note from him, but put it in the shape of a loan. Boyle has never rendered any account to the bank of the amount of bonds that were put into his hands by Stickney. Of that transaction, however, none of the bank officers proper, except Stickney, had any knowledge.

Q. This note of Boyle's, according to Mr. Leibold's statement, was given by Boyle to the bank?—A. Yes.

Q. And Stickney took security for it on a house and lot?—A. I believe he afterward got security on a whole row of unfinished houses, which houses were encumbered by various kinds of liens, and which houses have been sold since and purchased by Mr. Stickney. The bank never realized a dollar out of that \$21,000 loan, and never will. Stickney was assistant actuary during the life-time of his uncle, Mr. Eaton, who was actuary up to his death. Stickney is a young man in whom the bank officers had implicit confidence. It was the custom of the actuary to give a bond to the bank, which bond was renewed every year. Prior to the last election, in March, 1874, we had determined to get rid of an element which was believed to be the cause of all our disasters, and we colored men put into the bank Mr. Douglass. We looked upon Mr. Alvord as old and incompetent; but he had strong friends who stuck to him. The strength which he had in the institution for electing himself as president, was, that he had been, in a great measure, the originator of the bank, and then he had his Church connections there. All the colored trustees, I may say, discussed the matter and determined to change the president; and, if the new president did not find his actuary all that he wanted, after he had been there a little while, the actuary was to be changed. As the thing was, we, trustees—meeting but once a month, and then only hearing statements—could really know nothing about the affairs of the bank. Dr. Augusta and myself and others of us were in rather bad odor and were tabooed. I had been instrumental in defeating the re-election of Senator Patterson of New Hampshire, and I have never got over that since. I have been called a pimp and a black-leg, &c., by the Star and other papers. We found that we were losing our control among the colored people, and we had hopes to get it back again, and to control the bank as well. We therefore elected Mr. Douglass as president, and then we discovered that Mr. Stickney, the actuary, had not given his bond for the past year, and that the president and finance committee had been derelict in not exacting it from him. The actuary explained it, saying that he had forgotten it; that, on account of the three or four runs on the bank, he had been overwhelmed with business, and had not been able to attend to it. The trustees ordered him to file his bond, and ordered the president to see that it was filed. Subsequently the trustees sent for him, and Mr. Langston said that, as the trustees were going to hand the bank over to the commissioners, they wanted him to bring in his bond and deliver it. Then Stickney commenced to cry. That was pretty good evidence of his guilt, for we were not in a prayer-meeting. I knew that there was something wrong, and that shook my faith in him right off. Then I commenced to make these inquiries, and I discovered this loan of Boyle's. Having discovered it, I called the trustees together, and I found that we had never authorized such a loan. All the loans that had been made to Fleming had never been authorized by the trustees, and I doubt if the finance committee had ever authorized them. I think that the actuary made the whole of them. Some of Fleming's loans were good loans—for instance, one on his house on Twelfth street; that was a good loan.

Q. Do you know anything of a loan made to Huntington?—A. I only knew that since his death. That loan was made by Mr. Eaton, the actuary. The due-bill was found, showing that Huntington had borrowed \$3,000 or \$3,500 from Mr. Eaton. I think that Eaton explained it in this way before he died: He told some of the trustees that Mr. Huntington ran into the office one afternoon and said, "I am short to-day, in the First National Bank, about \$3,000. Let me have it till to-morrow." That was a small matter for such an institution as the First National Bank, and Mr. Eaton let him have the money, but Huntington never paid it.

Q. Was there not another loan made on the representations of Mr. Alexander R. Shepherd?—A. It appears in the report of the commissioners that Mr. Vandenberg owes a large amount. These loans never came directly before the board of trustees, or, at least, a very few of them did. The actuary, in reading his report to the board, would say, "City securities, (naming the class,) so much invested." Some members of the finance committee, including Moses Kelly, the sinking-fund commissioner, were very earnest in the defense of these securities, and Mr. Kelly invested largely in that kind of security for his own bank, (the National Bank of the Metropolis.) I was very much opposed to it, as I was opposed to everything connected with the board of public works. Stickney staid at my house, and, talking with me one day, he said that he had never done a wrong thing in the bank except letting Vandenberg have a large sum of money one night. I asked him how much. I think he said \$30,000. That perfectly astonished me, so I "went into" him, and questioned him very closely thinking that I would have occasion to recollect it and use it. He said that Vandenberg came to him wanting some money to pay off his hands that night, and that Shepherd said, "Vandenberg's accounts are

approved, but look what a crowd. (This was on Saturday night.) I will pay you on Monday, if you let him have the money." Stickney said that he would let him have the money, and he did let him have it. Afterward he went day after day to see Mr. Shepherd and could not see him. When he did see him, Shepherd was more forcible than polite, and told him that he was in a damned hurry to get that money. Subsequently Shepherd said to him, "If you do business in that kind of a loose way, you are a damned fool;" and that time he told the truth. This is what Mr. Stickney says about the matter, and I presume he is to be believed on that point.

Q. You refer to Mr. J. V. W. Vandenburgh and Alexander R. Shepherd; were Vandenburgh and Shepherd connected in business?—A. Vandenburgh was a contractor under Shepherd.

Q. Had you a conversation with Mr. Leipold, in presence of the other two commissioners, in reference to the employment of a Mr. Cook?—A. Yes. Mr. Leipold was recommended to us as a trustee by Mr. Ela, the Fifth Auditor, and by some others, as being a very fine accountant, and we elected him on that recommendation. He was then a clerk in the Treasury, getting just as much salary as he gets as commissioner of the bank; that is, \$3,000. The other two commissioners were Mr. Creswell, who was elected because he had been a cabinet officer, &c., and my father. Just before the bank went into liquidation, Mr. Cook, a young colored lawyer, a young man of marked ability, was employed by us as our solicitor, and when we went into liquidation he still wanted to retain the position. I told him that if he would write a letter I would take it to the commissioners, and would tell them all about him. He wrote the application, and I went in with it and with an application from another young man who wanted to be an auctioneer for the bank. The commissioners read Mr. Cook's application, and I instantly saw Leipold get angry. I went on and gave my reasons why I thought that he should get the appointment. I said that this was a bank for the colored people, and that as they would have had a large number of deeds of release executed, and as this young man was a notary public, it would be well to let him have the appointment. Leipold got up and said, "We will not do it." His manner was very offensive. He said, "I came here, not for this paltry \$3,000 a year, but for my reputation. I intended to do all this legal work myself; to go into the court and to make a reputation as a lawyer. I want to get out of this Government employment, and I want to receive the fees in these cases myself. I do not see any reason why I should not take these deeds of trust and release, and make them out myself, at home, and receive the extra fee for the business." To which I replied, in a very straightforward way, "If I had known for one minute that you came here to make this a stepping-stone out of which you could make money, I would not have voted for you." Some compliments passed between us, and I retired. Some time in 1872, I think in March, Mr. Alvord came to my house and said that there was something which he thought he ought to tell me, that the finance committee had very ingeniously succeeded in taking from him the custody of the funds and in making him a kind of general agent, and he said he had the impression that Cooke & Company were about ruining the institution. I abused him a good deal for not telling us before. He spoke of the actuary being about to sell some property which had been taken by the bank as security. The law allows trustees in deeds of trust 5 per cent. upon the sale of property, unless a smaller percentage is specified in the deed; and our actuary, Mr. Eaton, had been in the habit, without consulting anybody, of putting himself in as trustee in all the deeds of trust, (of which we had some 2,000,) and his nephew, Mr. Stickney, as the second trustee. Mr. Alvord spoke to me about this, and I said I would draw a resolution on the subject; so I had a resolution drawn by J. J. Stuart, declaring that in all sales on behalf of the bank, our actuary was our paid officer and merely represented the institution, in purchases arising from such sales. That resolution did not pass, but we left it on the table, because the actuary got up and said that he knew he had the legal right to the fees, but that, properly and equitably they belonged to the bank and should go to the bank. He said that he had never taken a dollar of these fees and never would, and so the resolution was left on the table and not passed. As soon as the bank went into liquidation, I found that Mr. Stickney was going to claim these fees, and I appeared before the commissioners and urged that he be removed, because a man who would not give the bond required of him as actuary, and who would act as he had done in the matter of Mr. Boyle, could not be trusted. However, I never could gain Mr. Leipold's ear. He did not treat us politely, but would go on writing when we were speaking to him. My father went to Philadelphia and wrote a letter to the commissioners. It seems that several men had paid Stickney money, liquidating their indebtedness to the bank, and that he kept it. Mr. Williams, ex-member from Indiana, was one who did so, and other people also paid him money. The commissioners can tell you who they are. Not only has Mr. Stickney done that, but I understand, through my father, that he has kept back money from these sales of trust-property, and that to-day he owes the commissioners some \$1,200, and with all my father's protests and insisting and demanding that this fellow be removed, he is still retained. I found that he had been guilty of another irregularity, in the matter of \$15,000 of bonds belonging to the Rost Home colony. I was informed by a young man, George H. Johnson, who used to be our chief clerk, about this matter. Said he, "There is one thing going wrong with the bank." I asked him what it was. He said that it was that Rost Home colony matter. I said I had never heard of such a thing—and I never had

heard until he told me. It seems that there was a man named Rost, who was a large slaveholder in Louisiana, and who ran away from his plantation during the war. General Howard took possession of the plantation and worked it, and paid the hands, and formed a colony, with school-houses, &c. After paying the hands and all expenses, there was a profit left of \$15,000, which was invested in currency sixes, and put in the bank for the benefit of the colony. President Johnson returned the farm to the owner, and the bonds were deposited in the New Orleans branch, and were transferred for safe-keeping to the principal bank here. General Howard could have taken these bonds and used them for educational purposes or for the Bureau, but he evidently forgot it, and there they lay. After the Freedman's Bank closed, the People's Bank was organized, with Mr. Stickney as president, and this young Johnson was employed in it as clerk. He told me that the interest for a real-estate note credited to that colony was being paid into that bank, but that the interest was being credited to the colony, which was an imaginary institution. I told this to my father, and he made a note of it. He went to the Freedman's Bank and called up Stickney, and asked him about it. Stickney was very much embarrassed. His explanation was this: That the bank was so hard pressed that he took these \$15,000 currency-bonds and sold them, and put to the credit of the colony a \$15,000 real-estate note, amply secured. That, however, was not true, as the note was \$1,800 short of the \$15,000. He had that note put away in a small box, and he turned it over to the commissioners. The commissioners had been in existence some two months or more, and we had turned over to them everything belonging to the bank, but Mr. Stickney had not turned over this note until it was discovered in this way. The affairs of the Freedman's Bank ought to have been wound up long before, because it was a very unwieldy and unmanageable institution, and I had been trying for a year or two to have it wound up. The cashiers at most of the branches were a set of scoundrels and thieves—I mean particularly those at Beaufort, Jacksonville, Fla., Mobile, and Vicksburgh. These fellows were all thieves and scoundrels, and made no bones about it. The cashier at Jacksonville took \$6,000 from the bank and loaned it to his son-in-law, without security, in order to make up a deficit which the son-in-law had in his account as tax-collector in one of the counties. They were all thieves and scoundrels, but they were all pious men, and some of them were ministers. The cashier at Jacksonville is a minister, and to-day he has a large Sunday-school; almost all of them are ministers. I think that Mr. Beecher, the cashier at Montgomery, acted dishonestly. He may pay every dollar of it back, but he took the money of the bank without authority.

By the CHAIRMAN:

Q. How was the branch at Richmond managed?—A. Honestly.

Q. And at Charleston?—A. Honestly.

Q. And at New Orleans and Savannah?—A. They were all managed honestly. More than half of these branches were losing institutions and never paid within 50 per cent. of the expenses. The failure of the Freedman's Bank was owing, in a great measure, to the run. The bank had been made a subject of political influence continually. The election in North Carolina and of Grant in 1872 cost us \$300,000, because there was a rumor that the money of the bank was being used for the election of General Grant, and that caused a run upon us which cost us \$300,000.

By Mr. RIDDLE:

Q. Do you know anything about the Memphis branch?—A. I do not. We paid out within eighteen months, in the first runs, \$1,800,000. Before there were any runs, we had at one time over \$5,000,000 in the bank, and then we made only just money enough to meet expenses. The bank was subject to political influence. Every colored politician down South was the enemy of the bank. I presume that they wanted to get their hands into it. The opposition from that source was very strong, but the failure of Jay Cooke & Co. killed the bank. We had, as I said, about \$700,000 in bonds at that time, and we hypothecated some of our real-estate notes, so that we paid out about \$800,000 on that run. The amendment of the charter, giving us the right to appoint commissioners, (but all deposits, after a certain date, to be special deposits,) while it was a providential thing, capped the climax. I believe that, if the bank had gone on to this time, there would not have been a dollar left. We never knew that the cashier at Vicksburgh was a thief until latterly. I do not know how much he stole. Then the bonds of all these cashiers were not worth the paper they were written on, although they were all sworn to before judges down there.

By the CHAIRMAN:

Q. Was it not the business of the inspector to go around and examine the condition of the banks and keep the board of trustees advised?—A. Yes; but it was pretty hard upon him, for it was a put-up job upon him right along.

By Mr. STENGER:

Q. Who is the solicitor of the commissioners?—A. Mr. Enoch Totten. Although Mr. Leibold's name appears on the docket as associated with him in these bank cases, he never appears in the courts in these suits.

Q. Then he and Totten are associated professionally?—A. Yes, sir.



Q. Did not Mr. Totten make a collection for the bank, and offer to Mr. Leipold half of his fee?—A. I can only answer that in this way. Mr. Sperry came and told me that Mr. Leipold came to him and said: "Totten has offered me so much money, (I think \$700, or half of what he received;) had I better take it?" "No," said Sperry, "you must not take it." Leipold came to him subsequently, and said that he did not take it; but, after that, his name appears with Totten's. Sperry can swear to these facts. The only hesitation I have in making this statement is that Mr. Leipold is rather a vindictive man, and as Mr. Sperry is a very poor man, Leipold might remove him. In fact, he has been wanting to remove him ever since he told him about this offer.

Q. Do you know whether Mr. Clephane, who was a member of the finance committee, was also a stockholder in the Metropolis Paving Company?—A. Yes; he appears as stockholder in it, and, if I am not mistaken, he was also a stockholder in the Seal-Lock Company, whatever that may be.

Q. What were the official positions of G. W. Balloch at that time?—A. Mr. Balloch was a member of the finance committee; but he came in after all these bad loans were made. He was also treasurer of the Freedmen's Bureau; he was also superintendent of streets under the board of public works during the time that Cooke and Huntington were in the full vigor of their missionary work. Cooke was governor of the District, and Eaton a member of the council, (the council being named by the governor,) and Clephane was a large contractor under the board of public works, and was a stockholder in the Washington Club-House.

Q. Was Z. Richards a trustee of the Freedman's Bank?—A. Yes; and he was either auditor or comptroller of the board of public works. Huntington was also in all the jobs here, and was interested in the Metropolis Paving Company.

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SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, D. C., February 24, 1876.*

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Stenger, and Riddle.

HALLER KILBOURN sworn and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I reside in Washington City. I am a real-estate broker.

Q. State whether or not you have ever had any official or business connection with the Freedman's Savings and Trust Company.—A. I have transacted business with it. I never had any official relations with it. Our firm was originally selected to appraise property for the bank, on which it made loans.

Q. Had you also any authority from the bank to negotiate loans for outside parties?—A. No, sir; we had no authority to negotiate for outside parties, except the same as other brokers.

Q. How was the compensation allowed you by the agents of the bank assessed and paid?—A. The bank never allowed us anything and never paid us anything.

Q. I see from the minutes of the board of trustees, of the 9th June, 1870, that it was resolved to employ Messrs. Kilbourn & Latta as appraisers, and that it was also resolved, as the view of the board, that the fees for appraisement should be graduated on the amount of the loan, not on the value of the property on which the loan was secured. Please to explain what that means.—A. The board of real-estate brokers here had a rule by which so much was charged as a fee for appraising property, I think \$5 for appraising property valued at \$10,000, graduating the fee according to the value of the property. This fee was paid by the parties whose property was appraised, but the rates I cannot recollect exactly. It was a rate adopted by the board of real-estate brokers; a small matter.

Q. Was not the effect of that resolution of the board of trustees to make your compensation depend rather on the amount of money obtained from the bank than on the value of the security which the bank took for its payment?—A. We had nothing to do with the amount of the loan. I cannot put any construction on the resolution of the board of trustees. I can only tell you the simple facts.

Q. Did I understand you correctly to say that the usual practice of real-estate brokers of this city is to charge a fee graduated on the value of the property appraised?—A. There is a rule among the brokers that where the appraisal of property simply is made, so much is charged per thousand dollars on the value of the property; but what the rate is I do not now recollect.

Q. I simply ask if it is not the business rule of real-estate brokers to graduate their fees by the value of the property?—A. It is, in the matter of appraisement, entirely.

Q. I ask you then, again, to tell, if you know, what motive actuated the board of trustees, or what object the trustees had in reversing that rule, and graduating the fees to be

paid on the amount of money that you might succeed in obtaining from the bank by your negotiation.—A. That I do not know anything about. Where we negotiated a loan ourselves, we charged the parties for whom we got the money from the bank a commission on the amount of the loan. That resolution seems to refer to cases where parties went to negotiate with the bank directly, and where the bank sent for us to appraise the value of the property. Therefore, in the one instance, (where we negotiated the loan ourselves for the parties,) we would get a commission from the borrower for negotiating that loan; and, in the other case, (where the bank made a loan directly to parties on real estate, and sent to us to appraise the property on which the loan was made,) the fee or fees were graduated according to the valuation of the property.

Q. Where you acted in the double capacity of negotiator for the borrower and appraiser for the lender, and your compensation was graduated on the amount of the loan obtained, and not on the value of the security, was it not the obvious tendency of such an arrangement to induce you to obtain the largest amount of money on the smallest value pledged?—

A. I cannot say what the obvious tendency might be. I refer to the records of the Freedman's Bank for all the loans negotiated through us, and I will stand by them.

Q. While acting in the double capacity referred to, did you charge both a commission on the amount obtained for your client and the fee or commission on the property appraised?—

A. We only charged a commission on the loan negotiated, not for the appraising of the property.

Q. How were your appraisements made?—A. By examination of the property and by giving our judgment upon it, we being familiar with the real estate of the city—the same as we appraise for people all over the country who come here or write to us. We give them the best of our judgment, and that is all there is of it.

Q. Did you go any further into the matter than indicated in your last answer?—A. No; we did not examine the title to the property or anything of that kind.

Q. Then I understand you to say that, as authorized appraisers of the bank, of property pledged to it as security for loans, you never went into any examination of the title to ascertain whether the property was or was not unencumbered?—A. We were authorized simply to appraise the value of the property. The bank had its own attorney to examine the title. We were not called upon to examine titles. It is not a branch of our business.

Q. Do you mean to say that you ascertained and reported values without any effort on your part to discover whether the property might not all be encumbered to its full estimated value?—A. We were only called upon to appraise the value of property, without regard to the condition of its encumbrances.

Q. Did you receive, for your services as agent of the bank, any compensation from the bank?—A. I do not think we ever received a dollar. It is possible we may have appraised for the bank in some negotiation, and charged our fee, but I do not recollect. It is not unlikely that we did. We would charge the bank as we would anybody else. They used to send to us to appraise property; and I think when the business was closed up through the bank they would reserve our fee from the borrowers and pay us; but I am not positive about that. It would amount to but very little.

Q. In what form of security was real estate, when taken, pledged for loans?—A. The general form here is a deed of trust on the property. The property is conveyed to trustees to hold the title in trust for the parties in interest—the lender and the owner of the property—with absolute power to sell or convey when in default.

Q. Did you have anything to do with the drawing of these deeds?—A. I am not positive, but I presume that the deeds of trust were drawn in our office for the loans made through our office. That is our custom.

Q. Who was generally named as trustee in these deeds for the benefit of the bank?—A. There are generally two trustees—one to represent the bank and one to represent the borrower. That is the general custom. Who the trustees were of course would vary in each loan. We have got no record as to who were trustees, but the deeds of trust themselves will show.

Q. Do you not recollect?—A. No; we have not made a loan with the Freedman's Bank for five or six years, I should think. I do not suppose that we negotiated one loan with that bank where other brokers negotiated ten. In fact, they got through with us in a little while. When the bank first commenced loaning money on real estate it selected us to appraise the value of the real estate, which we did, with these instructions: that at all times we should look out for the interest of the bank. I remember that specifically. We appraised property, and our appraisal was seldom, if ever, to the satisfaction of the people who wanted to borrow the money. I do not think we acted as appraisers more than six months, because parties applying for loans could not get as much as they wanted on our appraisal, and they went to the bank directly; and so, from some reason, (I do not know why,) the bank officers commenced from that to appraise property for themselves, or through some other source besides us. I think that the records of the Freedman's Bank will show that every loan made on property which Kilbourn & Latta appraised has been paid, principal and interest, without any trouble at all.

Q. Was not D. L. Eaton, the actuary of the bank, generally one of the trustees named in the deeds of trust?—A. I think he generally was.

Q. Can you, after reflection, name any other party who was associated with him as such trustee?—A. I cannot. It would vary undoubtedly with each loan. Sometimes one of our own firm would be a trustee for the borrower. That is the custom now when we make loans. We generally put in one of ourselves in connection with some one else.

Q. Is it not a fact, that, leaving out of consideration the shrinkage in values consequent upon the panic of 1873, much of the real-estate security taken by the Freedman's Bank proved valueless, more or less, by reason of defective title, previous incumbrance, and other questions leading to litigation?—A. That is something which I do not know anything about. I do not know anything of the loans of the Freedman's Bank except such as went through our office, and those I will stand by.

Q. Do you know anything of a loan of \$15,000 to Alexander R. Shepherd, on lots 5 and 6, in square 452?—A. I do not recollect anything about that special loan, yet I may have transacted the business.

Q. Are you acquainted with the property in that square?—A. I cannot call it to mind.

Q. When were you first called upon to appraise real estate, taken as security for loans, for the Freedman's Bank?—A. I cannot specify the year. I think it was when the bank was in business on Seventh street, right opposite the Post-Office. We had our office at the corner of Seventh and F streets.

Q. Do you know of any loans made on real estate by the Freedman's Bank prior to May 6, 1870?—A. My impression is that loans were made prior to that date on real estate.

Q. Had you any agency in effecting the amendment of the charter of the bank, which was made in May, 1870?—A. I was up before the Committee for the District of Columbia one day, when Mr. Eaton came up there to have the charter amended so that the bank could loan money on real estate in the District. As I knew quite a number of the committee, Mr. Eaton asked me to aid him, and I expressed myself there to the committee on the subject. He made an application for leave to loan, I think, one-third or one-fourth of the proceeds of the bank on real estate in the District. I forget what was passed afterwards. That was all I have had to do with it, and that was the way it occurred. I happened to meet him in the committee-room while I was there on other business.

Q. Had you ever had, prior to that time, any conference with Mr. Eaton or with William S. Huntington, or with any of the other trustees or officers of the bank in relation to the proposed amendment to the charter?—A. I don't recollect that I ever did. My impression is, as I have stated, that this is the first thing I knew about it. The bank then was close to us, and we knew a good many of their people and were quite familiar with them; and it may have been talked over before, but I do not recollect.

Q. Can you recollect at this time any of the parties for whom you negotiated loans with the Freedman's Bank upon real estate?—A. I cannot call them to mind now. Of course, I can refresh my memory by referring to papers or books in our office. We made numerous loans.

Q. Did you negotiate any loans for other persons, sole or corporate, on other securities than real estate?—A. I do not recollect. That is just the same as the transaction on real-estate security. I can recollect none of them.

Q. Had you any connection as stockholder, or otherwise, with the Metropolis Paving Company?—A. Yes; I was a stockholder.

Q. Name some of the other stockholders.—A. I think Dr. John L. Kidwell was a stockholder. I know that Lewis Clephane was, and Moses Kelly was, I think. I cannot undertake to recollect all the names, because I was only a stockholder of the company, not an officer.

Q. Were any of the trustees or officers of the Freedman's Bank stockholders in the Metropolis Paving Company?—A. I do not know who the trustees of the Freedman's Bank were. I know some of them, and unless some of those I have just mentioned were trustees, I do not know. A list of the stockholders of the Metropolis Paving Company has been published, which I can furnish to the committee, but I cannot give their names from memory.

Q. For what purpose and with what actual paid-up capital was the Metropolis Paving Company organized?—A. That I cannot pretend to give the particulars of. I think that Clephane, the president, made a statement before one of the investigating committees, in which it will all appear, and I will endeavor to furnish the committee with a copy of it. I do not pretend to remember anything about the details.

Q. Did that company take contracts under the board of public works of the District for any paving work?—A. I think only three or four.

Q. Had J. V. W. Vandenburgh any connection with that paving company?—A. I do not recollect.

Q. Do you recollect negotiating any loan at any time for him?—A. I do not.

Q. Do you know of any business connection between Lewis Clephane and J. V. W. Vandenburgh?—A. I do not; they may have had a hundred without my knowledge.

Q. In negotiating loans with the Freedman's Bank, to whom did you apply?—A. To the actuary.

Q. Were the loans usually effected with him without reference to the finance committee?—A. My recollection is that in the majority of instances they were referred to the

finance committee; but I am under the impression that he passed some without reference to the finance committee.

Q. Was G. W. Stickney, the assistant actuary, usually in the office with D. L. Eaton, aiding and assisting in the business of the bank?—A. His duties, I think, were in the same room with Mr. Eaton. One or the other of them was out a good deal, and I have often been there when I could not find either of them. When he was appointed assistant actuary I do not know, but I think he was clerk some time before I heard that he was appointed assistant actuary.

Q. Did Mr. Eaton usually charge a commission on the sales of the real-estate securities which were sold under deeds of trust in which he was trustee?—A. That I do not know anything about.

Q. Do you know of any instance in which he, or any other officer or agent of the bank, received a bonus or consideration of any sort for loans granted?—A. I do not.

Q. Have you had any business connection with Lewis Clephane?—A. I have been interested in business transactions with him in this Metropolis Paving Company, and in some other work with Clephane & Evans.

Q. State the nature of those transactions.—A. They have been in connection with paving-contracts. Clephane & Evans and I were interested together in some works of paving, and then I was connected, as a stockholder, with Mr. Clephane in the Metropolis Paving Company.

Q. I see mentioned now and then in the report of the commissioners of the Freedman's Bank, the Abbott Paving Company; was that the same as the Metropolis Paving Company?—A. No, sir; I do not know anything about that. I know as a general fact that there was such a paving company, but who comprised it I do not know. I never had anything to do with it.

Q. Was it an incorporated company?—A. That I do not know.

Q. Did you ever have any business connection with William S. Huntington or D. L. Eaton?—A. I never had any business connection with William S. Huntington and D. L. Eaton. I have had business with Mr. Huntington.

Q. Of what character?—A. General business; no business of a public character at all.

Q. I understand you to say that you had business connection with William S. Huntington. I desire to know what was the business you were prosecuting together?—A. He was also a stockholder, I think, in the Metropolis Paving Company. I think that is about the only business relation I ever had with him, except borrowing money at his bank. He was with us, to some extent, in the Metropolis Paving Company, but never outside of that, I think. I do not recollect anything else just now.

Q. Was there ever anything said to you by D. L. Eaton or William S. Huntington, or any one connected officially with the Freedman's Bank, as to why they desired to amend its charter in 1870?—A. I do not recollect that there ever was anything said to me. I do not know that I ever passed a word with Mr. Huntington in my life about it. I know that I talked with Mr. Eaton about it the day that I was up here before the District committee, and I may have talked with him about it before that, but I do not recollect. I have no doubt that I did afterward. I thought it a good thing for the city to have the charter so amended.

Q. Did you ever have any consultation with J. W. Alvord or H. D. Cooke or William S. Huntington on the subject of the bank charter before Congress was applied to?—A. I do not recollect ever having any such conversation, yet I may have had; I only happen to remember this distinct meeting of Mr. Eaton up at the room of the District committee. I may have had a thousand talks with him on the subject, but I remember nothing about it.

Q. Had you any connection, as a stockholder or otherwise, with the Maryland Freestone Mining and Manufacturing Company?—A. I never had.

Q. Do you know what became of the first-mortgage bonds of the Maryland Freestone Mining and Manufacturing Company that were once held by the Freedman's Bank?—A. I do not know anything about it.

Q. Did you and John O. Evans ever execute a joint note for the sum of \$50,000 to the Freedman's Bank, with a secret understanding between you and Lewis Clephane, William S. Huntington, and L. R. Tuttle, that that note with the securities which you deposited as collateral (except \$75,000 of second-mortgage bonds of the Maryland Freestone Mining and Manufacturing Company) should be returned to you? If so, state for what purpose that note was given and the arrangement entered into.—A. I never had any secret understanding with anybody in regard to that note. Mr. Eaton, the actuary, came to me and stated that the bank had made a loan to the Seneca Stone Company, and that the papers were denouncing the Seneca Sandstone Company, and trying to place it in bad odor, and he wished to know if I would not, with Mr. Evans, come in and temporarily put in some additional securities, and make the loan in our name. I think he came, perhaps, twice to see about it, and possibly three times. I spoke to Mr. Evans; and the last time Mr. Eaton came, I sent for Mr. Evans, and we talked it over. We told Mr. Eaton we would do anything that we could that was proper for the benefit of the bank so long as we were held harmless in the matter. The way Eaton expressed himself was that the bank might get in bad odor on account of the papers denouncing this loan made to the Seneca Stone Company, and he wished us to come in as additional security. I sent for Mr. Evans, and we went over to

the bank and said that we would put in our securities, provided we were held harmless in the matter, if it was any accommodation to the bank. There was nothing secret about it. Eaton was the only person who ever spoke to me about it. We transacted the business there. I hastily drew up a paper, and told him that if that was approved by the finance committee, we would do it; and we did. When he brought the paper approved, we gave him our securities, and took a receipt for them. He said he had \$75,000 of bonds on which the Seneca Stone Company loan was made. I never saw the bonds. In fact, I never saw a bond or share of stock of the Seneca Stone Company in my life. He represented to us that the matter was going to be fixed up in a short time by the company; and, at his solicitation, we did this. I did not know (and I do not know now) that there was anything secret about it. So far as I knew, it went through the same formality as the application for any other loan did. It is a matter in which we had no interest, directly or indirectly; but we simply did it as one business neighbor does for another when application is made under similar circumstances, and we supposed that the matter would be fixed right up. We did not get the return of our securities, I think, till after the failure of Jay Cooke & Co. No consideration passed to us in the matter. We did not receive a cent in connection with it. Eaton said that the bank had securities there on which it advanced this money to the Seneca Stone Company.

Q. Did not you understand, at the time of that transaction, that the substitution of the joint note of Hallet Kilbourn and John O. Evans for the notes of what is commonly called the Seneca Stone Company was a temporary expedient to make it appear that the loan to the Seneca Stone Company had been liquidated and settled?—A. I do not know that the Seneca Stone Company ever had a note in the bank. I do not know now, and did not know then. I understood that it was an advance made to the company by the Freedman's Bank, but I did not know that the bank had a note for it.

Q. Do you mean to say that you executed and deposited in the bank an acknowledgment of debt to the amount of \$50,000, with a specific agreement that that obligation, with all its collaterals, was to be returned to you, and that the bank should retain as security only \$75,000 of second-mortgage bonds of the Seneca Stone Company, which it already had, but yet that you knew nothing of the nature and character and object of that arrangement?—A. In the first place I knew nothing about the character of the bonds held by the bank. I never saw them. I only know that Mr. Eaton stated that they had \$75,000 of bonds on which he made the loan, and he wished us to put in some other securities and let the loan appear in our name, which we did. In the light of subsequent events, I am satisfied that two business men never did a more foolish thing in the world. But they were just as sincere and straightforward about it as I am now in telling you about it. We did it at Mr. Eaton's solicitation. We supposed that the Freedman's Bank was good, and that if it loaned money upon securities, the securities were good. We did it just for the reason stated. The only reason that he assigned was that the newspapers had been pitching into the bank about it.

Q. Our object is to show that you understood that Eaton's purpose was to cover up a transaction which he did not wish known.—A. What his individual object was it is not for me to say; I can only state what he represented his object to be.

Q. And what was his object as he stated it?—A. That he wanted the loan to appear in our name.

Q. That is, he wanted to substitute your note for the note of the Seneca Stone Company?—A. I did not know that he ever had any note at all from the Seneca Stone Company, but he wanted to have the loan appear in our name. It was a temporary matter, as I understood.

Q. He wanted it to appear (and you understood it in that way) that the loan which had been made to the Seneca Stone Company was in fact canceled and transferred to you?—A. Yes; and he gave us assurance that it would be fixed up in a short time; that the security was good, &c.

By Mr. STENGER:

Q. You did not know the shape in which that loan was made?—A. No, sir; and I do not know now. We did this thing as what we call "a thanking job." It appears, right on the face, that they wanted to transfer the loan to us. Their secret motive we did not know. That can probably be got at through some other source.

Q. There was a written engagement entered into at the same time between yourself and Evans on the one part, and Eaton, Clephane, Huntington, and Tuttle on the other part, that your note, with the collaterals that you placed with it, was to be returned to you after a season. Who held that agreement?—A. We never had any agreement with Messrs. Eaton, Huntington, Tuttle, and Clephane. I never spoke to anybody but Eaton about it. We drew up the paper in the back office and took a copy of it and we kept that copy. I never spoke to anybody else about it but Eaton.

Q. Did you not say a while ago that you only consented to go into the arrangement which Eaton proposed on its being approved by the finance committee, and were not Clephane, Huntington, and Tuttle members of that committee?—A. I did say so, and they were members of that committee, and Eaton brought their indorsement on our document. I never spoke a word to any of them about it, nor they to me. I did it as I do all business transactions and loans. The history of that matter is a part of the report of the commissioners of the Freedman's Bank to Congress, with all the documents and our statement in regard to it, which I would like to have make part of my testimony in this case.

Q. This paper, on page 56 of the first report of the commissioners, is the paper to which you refer, I presume?—A. (After looking at it.) Yes, sir.

Q. I see by this paper, which I understand you to say you drew up, that you are represented as depositing, as collateral security for this debt, the \$75,000 of second-mortgage bonds of the Seneca Stone Company.—A. Those bonds are enumerated among the list of securities. I never saw them. Mr. Eaton stated that he had them there, but we did not deposit them. The paper is rather bunglingly drawn, because it states that our collaterals are to be returned to us, and the others received in payment of the debt. So far as we were concerned, we knew nothing about the relations of the Freedman's Bank with the Seneca Stone Company.

Q. Did any conversation pass between you and Mr. Eaton, the actuary, with reference to the putting of these facts into this paper?—A. Yes, sir, we enumerated what we put in, and he said he had \$75,000 of bonds; whether he suggested to put them in or not, or whether I, in a hurry, put them in, I do not recollect. I only know that it was at his suggestion, as he wanted to have the loan transferred.

Q. Did it not appear from his conversation that he wanted this color to be put on the transaction—that this was the original negotiation, so far as the \$75,000 of second-mortgage bonds went?—A. I should think not; because, as I understood, they were there, and the trustees and everybody, I suppose, must have known about them.

Q. Was it intended that this agreement was to go on the books of the company?—A. I do not know. I suppose it did, as a matter of course. I suppose that everything went on the record.

Q. Did anything appear in the conversation with Eaton by which you were led to believe that he wanted all the former transactions with the Maryland Freestone Mining and Manufacturing Company wiped out?—A. No; I do not think there was. It was not a very long interview.

Q. So that it should appear that the loan was made to you and Evans, and not to the Seneca Stone Company?—A. I only know that Eaton wanted to have the loan appear in our name, just as I have said. Whether the Seneca Stone Company had a note in the bank, or whether there was any record on the books about it, I did not know until I saw the statement of the assistant actuary.

Q. You have seen that statement by Mr. Stickney, from which it appears that the bank, at that date when you gave these securities, was the creditor of the Seneca Stone Company to the amount of some \$51,000?—A. Yes.

By the CHAIRMAN :

Q. Did you know beforehand, or did D. L. Eaton say to you, that John M. Langston, chairman of special committee, (to inquire, among other things, into the dealings of the bank with the Seneca Stone Company,) had received a communication from G. W. Stickney explaining and itemizing that transaction, or those transactions?—A. No.

Q. You had no knowledge of it yourself, and he did not say so?—A. No; I had no knowledge of anything about it. He told me about some newspaper articles.

Q. Was the date given to the transaction between D. L. Eaton and yourself and Evans, which appears in the commissioners' report, page 56, to be December 30, 1873, the true date?—A. I think it should be 1871. I think that 1873 is a misprint.

Q. Is the date of the receipt signed by yourself and Evans, bearing date November, 1873, correct?—A. I think it is correct.

Q. On page 57 of the commissioners' report, under date of November 6, 1873, is a detailed statement signed by G. W. Stickney, actuary, and addressed to J. M. Langston, esq., chairman of special committee, exhibiting the state of the account between the Freedman's Bank and the Seneca Stone Company. Look at the same, and say whether any reference was made to that paper in your conversation with Eaton, or Stickney, or any other officer or agent of the bank, or whether you had any knowledge of it before?—A. I never had any conversation except with Eaton about it. I never had any conversation with Stickney about it, and I do not recollect of Mr. Eaton's going into any details. I knew nothing about this statement until I saw it in print. I think that Mr. Eaton told us that the bank had advanced the Seneca Stone Company \$50,000, but how, or when, or for what, or on what security, he did not state.

Q. Did Eaton tell you that the bank had advanced money to the Seneca Stone Company?—A. Yes; he said that they had made a loan of \$50,000 to the Seneca Stone Company, which he wanted to have transferred to us, or to let it appear as if it were transferred.

Q. From the statement referred to, it appears that under date of July 25, 1870, there was a loan to the Seneca Stone Company, or a purchase by the Freedman's Bank from the Seneca Stone Company of twenty first-mortgage bonds of the company at \$18,000. Did Mr. Eaton or Mr. Stickney say what disposition had been made of those bonds?—A. Not to me; they said nothing to me about it.

Q. The last item in this statement reads, "Interest due on the above loans December 30, 1871, \$2,785.73;" and that, you say, is the true date of the arrangement which you entered into with Eaton, and which was misdated December, 1873?—A. I think that that is the date. My impression is that it was the 30th of December, 1871.

Q. Then the date of that statement and the date of your agreement with Eaton are coincident?—A. I suppose that the books are settled up to that time, and that Mr. Stickney has given the statement of the account of the Seneca Stone Company with the bank up to that same day.

Q. Was Mr. Stickney privy to the engagement between yourself and Evans and D. L. Eaton?—A. I had no conversation with Stickney about it. We transacted the business there in the presence of the bank-officers. There were several clerks there. I do not know whether Stickney was there or not. We sat down at the center-table and transacted the business during business hours.

Q. Why did you permit your note and the collaterals which you placed with it to remain in the possession of the Freedman's Bank until November 15, 1873, just nine days after the rendition of the statement of Stickney to Langston above referred to, if you know nothing of the nature of that transaction between the bank and the Seneca Stone Company?—A. We made a personal application for them. Mr. Langston and President Alvord came over to our office, and we made an application for the return of our documents, and probably it was on that application that this report was got up. I think that Mr. Evans went over to the bank and made a personal application. I think that that brought Mr. Alvord and Mr. Langston to our office, and then the matter was fully developed. I suppose that, after we made our personal application, they had this report made out to see the status of affairs. It was a piece of neglect on our part to let our note and securities remain so long, but I was away out of the country for some time. I do not know whether Mr. Evans made any application for them or not. I do not know that there was ever any application made for them before. I think that the panic and the failure of Jay Cooke & Co. stirred us up about bringing this matter right to a point and getting back our note and collaterals.

Q. You say something about Alvord and Langston coming to your office to inquire into the transaction. Was it not evident that they were ignorant of it until a short time prior to that?—A. I think it is evident that they were, because they said they know nothing about it when they came over.

Q. Then, when I some time ago characterized it as a secret transaction, I was correct?—A. There was no secrecy on our part.

The CHAIRMAN. I said it was a transaction secret to the other officers of the bank.

The WITNESS. You included in your question officers of the finance committee, to whom we never spoke a word, and so far as secrecy on our part was concerned, we had no reason to suppose that the matter was not spread right on the books of the bank as every other transaction was. There was no secrecy about it on our part. Our business was straightforward.

By Mr. BRADFORD :

Q. Would not the transaction have been robbed of all its force and significance if it had been publicly known that you had the right to withdraw all the available securities on which that loan was seemingly based?—A. That is a matter of interpretation. I do not know how it was known that the Freedman's Bank had made a loan to the Seneca Stone Company. Eaton said that it was so reported in the papers, and that the report was injuring the credit of the bank, and that if we would make this temporary arrangement, the Seneca Stone Company was good for the debt.

Q. But was it not the design to induce the public to believe that it was a good loan, because the bank had the pledge of Kilbourn and Evans to pay it?—A. I cannot say as to the design.

Q. Was it not your design to assist the bank in inducing the public to believe that the loan was on the pledge of Kilbourn and Evans, and was accompanied by available securities?—A. Our purpose was to loan the bank our name and collaterals, if it would aid the credit of the bank. We were willing, so long as we were protected, to put in our name and our securities.

Q. Were you not business men enough to know at that time that if the knowledge of your obligation had been accompanied by the corresponding knowledge that you had the right to withdraw all your available collaterals it would have robbed the arrangement of all its force?—A. Our loan was accompanied with that very document.

Mr. BRADFORD. That passed *sub silentio*.

The WITNESS. It all passed together. What disposition they made of the paper was something we did not know at the time.

By Mr. RIDDLE :

Q. You never got any money out of the transaction?—A. Never a cent.

By the CHAIRMAN :

Q. The public had a right, under the charter of the company, to inspect the books of the company. How would the credit of the bank have been assisted in the estimation of the public or of the newspaper-press by finding that one bad loan had been substituted by a worse one?—A. As I understood it, the bank did not consider that the Seneca Stone Company's loan was a bad one, but considered it a good loan. That is the way I understood it,

but the public press, or whoever was pitching into the bank, did not think that the loan was good.

The CHAIRMAN. It turned out that the public judged correctly.

The WITNESS. I guess the loan was good at that time.

By Mr. BRADFORD:

Q. You stated a while ago that no consideration moved you, or your partner Evans, in regard to the transaction, and that it was founded on no consideration moving directly either of you?—A. Either directly or indirectly.

Q. Did you not expect to be benefited by the increased facilities with which you could negotiate loans with the bank?—A. Not a particle; we had not done any business with the banks for some time.

Q. Are you a debtor to the bank?—A. Not a dollar.

Q. This \$14,000 loan and \$3,000 loan that I find in the commissioners' report, are they paid up?—A. Yes; we do not owe the Freedman's Bank a cent. Every obligation that we ever had there has been paid. We do not owe the Freedman's Bank a cent in the world.

By Mr. RIDDLE:

Q. You went into the transaction to befriend Eaton?—A. To befriend the Freedman's Bank.

By Mr. BRADFORD:

Q. Did you not owe the bank in March, 1863, \$2,950?—A. There is a note which I signed as president of the National Junction Company. That note has been sued upon, but I never got a cent on it out of the Freedman's Bank.

Q. Is it not your individual obligation?—A. No, sir.

Q. Did you sign that obligation as president?—A. Yes, sir. The National Junction Railroad Company was organized by act of Congress to run a railroad through this city. I was elected president and Mr. Huntington treasurer. It was an enterprise that was being managed, I may say, by Governor Cooke, who expected to make some arrangement with the Baltimore and Ohio Railroad Company. Governor Cooke bought a cargo of iron to have it laid down, but the thing all came to nought. In the mean time there were expenses, and I borrowed, as president of the company, \$3,000 from the First National Bank for three or four months. That note was transferred by Mr. Huntington or by the First National Bank to the Freedman's Bank, and has been renewed there once or twice. I never got a cent from the Freedman's Bank. That note is in suit now.

By Mr. STENGER:

Q. Then the First National Bank must have got the money from the Freedman's Bank?—A. I got the money from the First National Bank and Mr. Huntington transferred the note to the Freedman's Bank.

By the CHAIRMAN:

Q. And the Freedman's Bank re-imbursed the First National Bank?—A. I suppose so the record will show that.

Q. Here seems to be another transfer by Mr. Huntington of a debt of the Metropolis Paving Company of \$28,113.60 from the First National Bank; do you know for what purpose that money was obtained?—A. I do not know. The Metropolis Paving Company, I think, borrowed money of the Freedman's Bank once or twice and paid it, and I presume that is one of the loans.

Q. Have these loans been paid?—A. Everything.

Q. Do you know how they were paid?—A. With cash, when they became due.

Q. Do you know anything about Huntington depositing \$55,000 in city assessments to secure this loan of \$28,113.60?—A. I do not know anything about it. I had nothing to do with the business management of the company. I know that the Metropolis Paving Company does not owe the Freedman's Bank anything.

By Mr. STENGER:

Q. With reference to this loan to you as president of the National Junction Railroad Company; I understood you to say that that company was incorporated by act of Congress.—A. Yes.

Q. And there was no personal liability?—A. No.

Q. And the note was given as a corporation-note?—A. Yes; I signed it as president. This was when the company was starting. A loan was got from the First National Bank, of which Mr. Huntington was cashier, he being also treasurer of the company.

Q. And that note found its way to the Freedman's Bank, the First National Bank being re-imbursed?—A. I suppose so.

Q. Do you know why that transfer was made?—A. I do not. The note has been renewed once or twice to the Freedman's Bank, and is in suit now. They try to hold me individually responsible for it.

By the CHAIRMAN:

Q. Do you know of any fact or circumstance tending to show, or creating the belief in



your mind, that any officer or agent of the Freedman's Bank ever had any interest, directly or indirectly, in any of the loans made by that bank to third parties?—A. I do not, in any way, shape, or manner, except so far as some of the bank officers may have been stockholders in associations that procured these loans.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, February 29, 1876.*

The committee met at 10 o'clock a. m. Present, Messrs. Bradford, Riddle, and Rainey.

CHARLES W. HAYDEN (recalled) affirmed and examined.

By Mr. BRADFORD :

Question. You were examined before this committee on a former day?—Answer. Yes.

Q. What did you say on that occasion in reference to the cash-book of the Seneca Stone Company?—A. That it was in the hands of Mr. Risley, the treasurer.

Q. Have you since obtained possession of it?—A. Yes.

Q. Have you the book with you?—A. Yes; here it is, (producing it.) This is the original cash-book of the Maryland Freestone Mining and Manufacturing Company.

Q. Can you give any reason why the cash-book was not produced by yourself or Mr. Alvord earlier?—A. No; I can give no reason.

Q. In whose possession has it been since the first examination of yourself before the committee?—A. In the hands of Mr. Risley, until a few days ago. The secretary (Mr. Jones) turned it over to me for examination.

Q. Do you know of any search being made for the book by Mr. Alvord?—A. Yes; I believe he has been looking for it.

Q. Why could he not get possession of it?—A. He is not entitled to the possession of it.

Q. Is he not the president of the company?—A. I hardly think he is. He has allowed two annual meetings to pass without calling the stockholders together to elect officers, and I rather think the whole company has gone by default. He may claim to be president still. Besides, he could not explain the book.

Q. You think that the corporate existence of the company has ceased by non-user?—A. That is a legal question that I am not able to answer. I am not now an officer of the company.

Q. How did you get possession of this book?—A. I got possession of it from the secretary of the company. He turned it over to me for examination. I am the old officer of the company who kept the book.

Q. Does this book show what was paid by those who obtained stock of the company, such as Mr. Seward, Mr. Caleb Cushing, and others who purchased the stock at the same time?—A. No; they purchased the stock from private individuals.

Q. And this book shows nothing in regard to transactions of that sort?—A. No, sir. They purchased their stock from Kidwell, Dodge, and Cooke, and not from the company. There are credits in the book to Kidwell, Dodge, and Cooke for moneys loaned by them to the company.

Q. Were those loans paid by that stock?—A. The loans were paid by the first-mortgage bonds. They loaned the company money and took first-mortgage bonds for it; that is shown in the cash-book.

Q. Have you got any book that shows what was paid for that stock which these gentlemen, Mr. Cushing, Mr. Seward, General Grant, and others obtained?—A. No, sir.

Q. That was purely a private matter?—A. Purely a private matter.

Q. Is this the only cash-book kept by the company?—A. Yes.

Q. This is the cash-book from the commencement to the end?—A. The company has another cash-book since that time, but it does not contain any of these original transactions. This book goes from 1867 up to the first of January, 1873, I think.

By Mr. RIDDLE :

Q. This is just an expense-book of the company?—A. Yes.

Q. Wherein you charged yourself with cash on one side and credited yourself with disbursements on the other?—A. Yes.

WASHINGTON, D. C., *February 29, 1876.*

J. W. ALVORD recalled.

By Mr. BRADFORD :

Question. Is this (showing it to witness) the cash-book of the Seneca Stone Company?—Answer. I cannot tell. I never saw it before. I will look at it and give you my opinion. (After examining it :) my impression is that this is the book.

Q. Why could you not get hold of it?—A. They did not let me have it.

WASHINGTON, D. C., *February 29, 1876.*

GEORGE D. JOHNSON sworn and examined.

By Mr. BRADFORD :

Question. What, if any, connection have you ever had with the Freedman's Bank?—  
Answer. I have been general book-keeper. I went in first as a book-keeper to the Washington branch, and after four, or five, or six months I was made general book-keeper.

Q. When did you enter the employment of the bank?—A. I think in January, 1871 or 1872. The bank was then down on Seventh street.

Q. In what capacity did you first enter the bank?—A. I went in as book-keeper of the Washington branch, and then became general book-keeper.

Q. What was within the line of your duty as general book-keeper?—A. To keep the accounts of the branches, and to open and assort the mail in the morning. I kept the books and made out the statements of the condition of the company from month to month.

Q. Who seemed to control the financial affairs of the bank while you were there; who was the chief man?—A. The actuary.

Q. Were you ever present at the meetings of the finance committee?—A. No, sir.

Q. How often did that committee meet?—A. Once a week.

Q. Were its meetings regular?—A. Yes; they met quite regularly indeed.

Q. Did they have a quorum at every meeting?—A. No; I think not. I remember instances where there was not a quorum.

Q. What members of the committee were generally present when there was not a quorum?—A. I remember that General Balloch was one of the committee, and Mr. Tuttle, who was at that time assistant treasurer of the United States, and Mr. Langston, and Mr. Richards, and I think Mr. French.

Q. Were you ever present at the meetings of the trustees of the Freedman's Bank?—A. No, sir; when they met, I would go into another room.

Q. Did the trustees have any stated time of meeting?—A. Once a month.

Q. Did the trustees all generally attend these meetings?—A. They generally had a quorum once a month.

Q. Can you recollect any loans made by that bank without security?—A. Yes; I know several such loans, but none of any great importance, except at the branches in the South. At some of those branches there were overdrafts. At the Jacksonville branch there were overdrafts by Eppinger, Rasler & Company, and by Allen Fehrer & Company.

Q. To what extent were those overdrafts?—A. When Allen Fehrer & Company failed, I think they owed forty-two or forty-three thousand dollars. I remember that we held a good many of their overdrafts dishonored. Allen Fehrer, at Jacksonville, drew on Allen Fehrer, at Baltimore, and the drafts came to us protested.

Q. Do you know where those parties did business?—A. They had a lumber-mill on Saint John's River in Florida, and when they made shipments, would draw on the concern to which they made them.

Q. Can you recollect any other loans that were irregularly made?—A. There was a party at Beaufort, South Carolina, who used to get overdrafts. In fact there were several overdrafts for two or three or five thousand dollars, and one I think as high as eight thousand dollars.

Q. What was the aggregate amount of those drafts?—A. I do not know. None of them were protested, it seems. They seemed to be all good; but at the Beaufort branch there were loans out amounting to \$100,000, I think.

Q. Were they bad loans?—A. I do not think that the bank will get more than \$13,000 on the whole of them. The same is true at Jacksonville. At Vicksburgh the cashier, Benjamin F. Lee, was at the same time mayor of the city, and made loans on some city scrip, which he reported as cash. He would draw drafts upon us and take up this scrip, and it would show in his cash-account as cash. I believe that once Mr. Sperry, the inspector, went down there. He reported that the scrip was counted in as cash.

Q. What was the amount of that scrip in lieu of cash?—A. Some \$7,000 or \$8,000.

Q. Do you know of any other improper loans?—A. At Memphis they made advances on cotton. The cashier said he would take the responsibility of doing so. His name was N. D. Smith.

Q. How much did he advance on cotton?—A. I think between \$25,000 and \$30,000. The bank has never been able to collect anything out of it. There were numerous instances in the principal office here.

Q. Tell us about some of them.—A. For instance, they would make advances to clerks in the Departments. That is, they would advance them money on their pay, and only have an order on the disbursing-officer.

Q. Did the bank get back those advances?—A. Some of them they did not get back.

Q. Do you know anything about the loans of money to Vandenburgh?—A. Yes.

Q. What do you know about them, showing that they were irregular and improper?—  
A. I do not know that I can tell anything about them. I only know that advances were made to the full value of the bonds which he deposited.

Q. Explain the transaction.—A. The bank made loans to him on the District 8 per cent.

bonds, advancing him 90 per cent. of the face value of those bonds, and the bonds were afterward selling here at from '68 to 70. Vandenburg got about \$300,000 or \$400,000. He was associated, at that time, with the Ballard Paving Company.

Q. Who constituted that company?—A. Vandenburg, I guess. I do not know of anybody in it but Vandenburg. I did know the president's name, but I have forgotten it.

Q. Who assisted Vandenburg in getting these loans at the bank?—A. He negotiated with Stickney; most of these loans were made by Mr. Stickney, perhaps with the advice of the finance committee.

Q. Do you know any other irregularities in the loans negotiated by that bank?—A. I know that parties came in there and had their notes discounted regularly. There were numerous instances of that sort; small amounts, \$75, \$100, \$200, and \$300.

Q. Do you know anything tending to show that any officers of the bank profited by any of those loans that were improperly made, about which you have spoken?—A. I do not know that I do.

Q. Directly or indirectly?—A. I do not know anything about them.

Q. Have you examined the report of the commissioners of the Freedman's Bank?—A. No, sir; I had a copy of the first report, but I lent it and did not get it back. I have seen the last report, but could not get a copy of it. I wished to look over it. There are some loans there which I would like to refresh my memory about.

Q. Do you recollect the loan to Kit Carson?—A. No, sir; I recollect a loan to Perry H. Carson; I think it was for \$500. Carson told me that Mr. Langston got the loan for him. I know that I made out a deed of trust, leaving the amount blank because there was a previous loan of \$500, and he was about to borrow another \$500. I did not know what the amount of the interest on the first loan was, and therefore I made out the deed of trust with the amount blank, and the deed was recorded in just that way too, without having the amount stated in it.

Q. Do you know what Langston had to do with the loan other than as Carson told you about it?—A. I do not.

Q. Did you see Langston at the time the loan was made, assisting in the negotiation?—A. I did not notice particularly; he was there every day.

Q. Did you not borrow \$5,690.54 from the bank?—A. Not from the bank. I borrowed it from the receiver in the Allen Fehrer case. His name is Charles L. Mathew.

Q. It is charged up to you by the bank?—A. Yes.

Q. Is it not rightly chargeable to you by the bank?—A. No, sir. I did not look at it in that way. The firm of Allen Fehrer & Company was insolvent and owed other parties.

Q. And you borrowed this money from the receiver?—A. Yes; and the matter is in suit now. That was about the time that Mr. Alvord went crazy. He was insane, and was taken to Wilmington, Delaware, to some hospital.

Q. Was any other officer of that institution insane?—A. I cannot say.

Q. Then do you not now owe that money to the Freedman's Bank?—A. No, I do not claim to owe it to the Freedman's Bank.

Q. Your paper for that amount is outstanding and in the hands of the bank?—A. Yes.

Q. And you say that suit has been brought on that paper against you?—A. Yes, against us.

Q. What security did you give for the loan?—A. We did not give any security at all for it. We afterwards went up to Mr. Leipold, one of the commissioners, and I offered to give him a security on a piece of ground on Eighteenth street. This was, I believe, before the suit was brought, and I did not want to have a law-suit in the matter. Mr. Scott and I went there and tendered deeds of trust, but they were not accepted by Mr. Leipold, who said he would bring suit, and he did bring suit.

Q. Was the security that was offered by you and Mr. Scott ample?—A. Yes.

Q. Did you and Scott sign a joint obligation for the amount?—A. I gave a note for half the amount, which Scott indorsed, and Scott gave a note for the other half which I indorsed. There were two notes of \$5,694 each.

Q. You tendered to Mr. Leipold, one of the commissioners of the Freedman's Bank, ample security on real estate for the payment of these notes?—A. Yes, sir.

Q. And he declined to take it?—A. Yes. That was giving us two years to pay the money, which was only carrying out the original understanding with Mr. Alvord, and that we were willing to do.

Q. Has Mr. Leipold any security for this matter, except your personal liability?—A. No, sir.

Q. What was the value of the property on which you proposed to give a deed of trust?—A. I offered to give a deed of trust on 30,000 feet of ground in square 172, (the whole front of the square,) for which I was offered \$20,500 in trade just before the panic.

Q. What was it worth at the time that you offered to give a deed of trust on it to Mr. Leipold?—A. It was worth at least 30 cents a foot; that would be \$9,000.

Q. Did you offer to give a deed of trust on any other real estate?—A. Mr. Scott offered to give a deed of trust on property of his that was worth six or seven thousand dollars, to secure the same note.

Q. And Leipold refused both?—A. He refused both.

Q. Have you anything to do with the bookkeeping of the company now?—A. No, sir.

Q. You are not in the employment of the commissioners?—A. No, sir; I resigned in February, 1874.

Q. Can you give any reason why the books of the Freedman's Bank were so loosely and unskillfully kept?—A. When Mr. Stickney was assistant actuary under Mr. Eaton, he attempted to act both as assistant actuary and as book-keeper, and things were very loosely kept. When I went in as general book-keeper, it was just as much as I could do to keep up the current business without attempting to go back to straighten up the books. We fixed it up the best we could and balanced up the old books, and from about 1873 we just started anew, and from that time we balanced the books every Saturday night. Every Saturday night we made a trial balance sheet and submitted it to the president on Monday morning.

Q. Could you understand the old books; were they intelligible?—A. Oh, yes.

Q. Why was not an effort made to straighten up those old books prior to the time you entered?—A. I do not know. The business was so rapidly increasing when I went in there that it was as much as I could do to attend to the current work. I could not get up the work that was behind.

Q. Are you acquainted with Mr. Leopold, one of the commissioners?—A. Yes.

Q. What connection has he with the bank?—A. He is commissioner.

Q. Do you know of his having any interest, except as commissioner, in prosecuting or defending any cases of the Freedman's Bank in court?—A. I know that he is associated in several suits for the bank with Mr. Totten. Mr. Totten is attorney for the bank in those suits, and Mr. Leopold is associated with him, as the records of the court show.

Q. Do you know anything about it, except the fact that he appears as associate attorney with Mr. Totten on the record of the court?—A. Only from hearsay.

Q. Have you heard him say anything about it?—A. No, sir.

Q. Have you heard Mr. Totten say anything on the subject?—A. No, sir; neither of them.

Q. From what source do you derive your information that Mr. Leopold has such connection with Mr. Totten or any other attorney?—A. I heard through one of the attorneys that Mr. Leopold told Mr. Sperry that Totten had made a proposition to him to divide fees with him if he appointed him attorney for the bank, and asked Mr. Sperry's opinion about it, and that Mr. Sperry told him not to touch it.

Q. What reason did Mr. Leopold assign for not accepting the security which you and Scott tendered to him for the loan made to you?—A. He said he had been fooling with us long enough and was tired of the thing, and would go and get judgment. He possibly thought that we would not make any fight upon it.

Q. Does his name appear as attorney in your suit?—A. No; I do not think it does.

Q. How is he related to Totten?—A. I do not know. John H. Cook, my attorney, is the man who informed me of it.

By Mr. RAINEY:

Q. Do you know any man who got loans from the Freedman's Bank who was, directly or indirectly, associated with any of the officers of the bank?—A. I cannot say that I do.

Q. Do you know of any of them having an interest, directly or indirectly, in any of the loans got by outside parties?—A. I do not.

By Mr. RIDDLE:

Q. Did you endeavor to make a balance-sheet for the Washington branch; and, if so, did you succeed in doing so?—A. I made the attempt, but I never could succeed in it. The books were mixed up and I could not balance them.

Q. About how much did the books fail in balancing?—A. I do not recollect how much. I found that they were fearfully out of balance.

Q. Were the entries intelligible?—A. No; there seemed to be trouble about the duplicating of the accounts. For instance, a man's account would be entered in two different places.

Q. Did you notice any items of charges or credits that were not carried forward? Could you trace the interest through the books at all?—A. No, sir; I could not. Mr. Sperry attempted to balance the books and made \$600 difference, and some months afterward Mr. Meigs attempted to balance them and made \$40,000 or \$50,000 difference. After I became general book-keeper, I balanced my books every Saturday night, but I could not balance the books that I found there, particularly the books of the branch office. When I went into the principal office, I commenced a new set of books altogether, took a statement of the assets of the company, and opened new books. For instance, a man would sometimes draw his check, and we would throw out the check because it would appear, from his account, that there was nothing to his credit, and he would afterward bring his book to the bank which would show us where his real account was kept.

## SELECT COMMITTEE ON THE FREEDMAN'S BANK,

March 4, 1876.

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Riddle, Hooker, Stenger, and Rainey.

JOSEPH J. STEWART sworn and examined.

By the CHAIRMAN :

Question. Where do you reside ?—Answer. In Baltimore.

Q. Were you a trustee of the Freedman's Savings and Trust Company ?—A. I was a trustee for about three years, from the latter part of 1869 until the latter part of 1872, when I resigned.

Q. Why did you resign ?—A. Generally, because I thought the management of the institution unsound, and because all my efforts to correct it proved unavailing; particularly, because, having been invited by the president, Mr. Alvord, to give him a legal opinion in regard to the sufficiency and legality of certificates of indebtedness issued by the board of public works of the District of Columbia, as investments for the company, I had pronounced against them, and I saw that my views were not acceptable, and that the institution would not be governed by them.

Q. Did the company invest anything in the securities that you have mentioned? If so, state why you deemed them unsound as securities for the bank.—A. The official reports of the commissioners show that that bank did invest largely in them after I left. There were two classes of certificates, the first called contractors' certificates, one of which was shown to me, on which I understood an advance had been made by the bank. It was very simple in form, printed in script type, on plain, white paper, something like an ordinary promissory note or due-bill, certifying that the board of public works stood indebted to the contractor, on its books, in a certain amount, and signed by the clerk of the board. It had no seal to it. It seemed to me to be nothing more than an acknowledgment which might be duplicated. It had no safeguards, legal or otherwise, thrown around it, and I thought it a very unsafe sort of paper to make advances on. The other sort of certificate was that issued by the board of public works under an act of the general assembly of the District, declaring them to be liens on real estate for assessment for special improvements. I did not see any authority under the charter, or under the organic act, so called, of the local government, for issuing that sort of paper, and I deemed this government (although it had a more high-sounding appellation) only a municipal corporation, with powers limited by its charter. I did not conceive that the legislature had any authority to pass the law, or the board of public works any for issuing these certificates. I thought it would require an act of Congress to give them validity. They would be, moreover, subject to litigation in every individual case, the responsibility of their payment being transferred from the shoulders of the local government to those of the assessed property-owner, who might choose, in each case, to resist payment on legal grounds; the validity of the title to the property, if sold under such a certificate, being subject, at last, to a test on a suit in ejectment, for the purpose of gaining possession. Hence I concluded that they were poor investments for a savings-bank.

Q. Who constituted the board of public works of the District at the time these certificates were issued and the loans obtained on them?—A. I can only answer that on public information. I remember that the names which were signed to such certificates were Alexander R. Shepherd, Henry D. Cooke, S. P. Brown, and a Mr. Magruder. I cannot recollect all the names of the board of public works.

Q. By whom was your suggestion in regard to the insecurity of loans on District securities resisted in the board of trustees?—A. I cannot tell you that. There was a scene in the board of trustees of manifest antagonism, and I resigned and left them, telling them that I would stand by the law of my opinion; and that, in order that they might be at liberty to repudiate it, I resigned my position.

Q. You have mentioned that the management of the institution was unsound. Please explain what you mean by that.—A. I think that the organization of the company was defective in its inception. It consisted of fifty trustees, residing in various States of the Union, and nine of them were made a quorum for the transaction of business. Among these trustees were many whose names gave character to the institution, such as Peter Cooper, William C. Bryant, Henry D. Cooke, John Jay, Governor Claflin, of Massachusetts, Bland Ballard, of Kentucky, and others. It was only the association of men of such respectability that induced me to accept the vacancy which I was invited to fill in the board of trustees. Any name could be dropped from the list, under the second section, for six months' absence from the meetings of the board; yet there was no requirement that it should be dropped, or that the vacancy should be filled by a person residing in the same State. As only ten votes were necessary to elect a trustee, this enabled the Washington managers to take full control of the institution and to run it as they saw fit. I was first asked to fill a vacancy in the board by Mr. Samuel Townsend, of Baltimore, a trustee, and an eminent member of the Society of Friends. He showed me the charter, which limited loans to United States securities, with the names of the trustees, and assured me that the financial management was in the excellent hands of Henry D. Cooke, a member of the firm of Jay Cooke & Co., and Mr. Huntington, cashier of the

First National Bank of Washington, and other equally capable financiers. The concern had then been in operation over four years. It had a central office in Washington, and numerous branch offices elsewhere. The board-meetings were held about once a month, and were after bank hours, the by-laws giving to the finance committee and to the actuary control of the finances. This gave but little opportunity to persons not immediately concerned in the management to gain an insight into it, even when punctual in their attendance. Very few of those who lived at a distance ever came to the meetings at all. I, living near, attended as frequently as I could, but was sometimes unavoidably absent. It took me, therefore, a considerable time to learn what was doing, and a still longer time to question its propriety, for I had no experience in banking, and the management here stood in high financial repute. Besides, I was an outsider, and felt, all the time, that the local influences controlling the institution were too strong for me alone to overthrow. The deposits, too, were at that time increasing under the management—a practical argument against any objection I might have urged to it. In 1871 the deposits increased over \$7,000,000, and the withdrawals left a balance of nearly \$2,500,000 in the bank. The available fund, so called, was deposited in the First National Bank at times to a very large amount, of which bank one member of the finance committee (Mr. Cooke) was president, and another (Mr. Huntington) was cashier. When I discovered that this available fund was being used for banking purposes, loaned out on promissory notes, with collateral securities, I inquired of the president for the authority to so do, and was informed by him and the actuary that the finance committee had taken counsel on the subject, and that such had been their practice. I objected to it, and to the class of collaterals accepted as securities for many of these loans, comprising, as they did, stocks and bonds not of the Government, but of incorporated institutions in the District unknown to the stock-market, and therefore, in my estimation, without salable value. I insisted that no stocks or bonds ought to be accepted as collaterals, except such as were quoted in the daily stock-list as salable on the market. I was not aware at that time that members of the finance committee were also incorporators or stockholders in the corporations to which they loaned money and whose stocks and bonds they accepted as collateral. When I did see a statement of that fact in the newspapers, I took advantage of the earliest opportunity to call it to the attention of the board, and to characterize it, if true, as a breach of the twelfth section of the charter, which prohibits trustees and officers of the institution from borrowing or using, directly or indirectly, its deposits, as well as an immoral proceeding financially.

Q. In what way was your attention called to it?—A. My attention was first called to it by the actuary in December, 1871. He handed me a copy of the Patriot, a newspaper published at the time in Washington, containing an article denouncing the management of the Freedman's Bank, and he asked me whether something could not be done to stop such assaults, as they were injuring the bank. I told him that it was actionable, but that the result would depend very much on the amount of proof it contained.

Q. Have you that paper?—A. Yes; here it is.

(The article, taken from the Patriot of December 13, 1871, was read by the clerk, and put in evidence, as follows:

*"The Freedman's Savings-Bank and Trust Company.—A peep before and behind the scenes.—Where the money comes from, how it goes, and who it goes to.—'Seneca' again.—Fancy pavement companies.—Sundry 'loans.'—General Howard as a 'borrower' of the freedmen's money, &c., &c.—How the thing is done.*

"The Washington correspondent of the Savannah Morning News, in that journal of December 9, writes as follows, (supplementary to a previous letter, which was republished in these columns not long since:)

"Old Daddy Wilson stands about five feet ten inches in his boots, is square-built, solemn, the color of polished coal-tar, and sports gold spectacles. You will find Daddy of a morning looking wisely over the counter of the great 'savings and trust company' for freedmen. Brother Boston, young, airy, dressed in the height of fashion, and the color of Java coffee, moves lightly about among the dingy and dilapidated customers, many of them in rags, who have come in to plant their little saving where, as they innocently believe, it will give them six per cent. a year. Brother Boston is fond of finery, and fond of showing it. Finery and fine-sounding words are Boston's weakness. Daddy Wilson is cashier of the great savings-bank. Brother Boston is teller, and son-in-law to Daddy Wilson. Daddy Wilson got his wisdom in financial matters by keeping a little nick-nack shop on Fifteenth street. Brother Boston graduated from a lumber-shop into the banking business. After all, Daddy Wilson and Brother Boston are more ornamental than important to the carrying out of any great principle in finance. To put it in the most amiable way, they are mere figure-heads kept here in dumb-show by the cunning fellows who work the machinery from behind the scenes and are filling their own pockets. These cunning fellows live in fine houses and ride in fine coaches. Of course it would not do to have the cashier and teller of so great and good a banking-house live in a one-story tumble-down tenement, like the common people of their ace. If they themselves fared sumptuously, so must Daddy Wilson, chief gatherer of the

'accumulations.' So they built Daddy Wilson a magnificent four-story house in G street, of pressed brick and brown-stone (Seneca) trimmings, and with all the modern ornaments. In this palatial residence Daddy fares sumptuously every day, displays the choicest furniture, and gives entertainments to the aristocracy of his own people, for whose amusement Boston drums on a grand piano. Love of truth constrains me to add that these assemblies are at times somewhat mixed, a number of persons who look to the bank for favors making a show of bleached faces. These entertainments cause no little jealousy among the less fortunate of the colored people, many of them looking up with amazement and wondering where Daddy got all the money to do all that. It is very stupid of them to ask these questions, since the answer is so readily found in their bank-books.

"Little by little the confiding Sambo and Miss Chloë have dropped their 'accumulations' into the hoppers of the great Freedman's Savings and Trust Company, until they have swelled to the comfortable sum of twenty-seven millions of dollars, or thereabouts. What a lesson for political economists! Of this, Sambo and Chloë have drawn out about twenty-three millions, leaving about four millions due to depositors. Attempt to draw out any considerable part of this four millions, and I will venture to assert that there would be a stranded craft among the breakers. The beach, too, would be strewn with the most pernicious kind of wreck-stuff, called 'assets.' There would be a great Seneca-stone banking-house; cost \$250,000; Daddy Wilson's house and a number of other fine houses, all occupied at present by money-making and psalm-singing fellows in some way associated with the great bank. In addition to these, there would be found bonds of the Seneca Stone Company, with a fictitious value; shares in the stock of certain savings-companies, also with a fictitious value, and whose officers are also officers of the bank; shares in the Young Men's Christian Association; a sash and blind company; corner lots enough for a city, but many of them of doubtful value, and nearly a million of dollars of contractors' accounts against the old and new governments of this city. A very promiscuous and very suspicious kind of security this for a savings-bank to do business on.

"How, then, fancy pavement companies, with their fancy stock, and no money of any account paid in, got so generously accommodated, except on the theory of improper connection with the officers, is a subject that needs inquiring into. A careful examination ought to be made into the character of these assets, in order to see in what way the bank had fortified itself independent of them, so as to be ready at any time to provide for and protect its poor and too confiding depositors. It is easy to see how a bank that pays its depositors six per cent., and exacts ten, and even twelve, per cent. from its borrowers, may be tempted to take dangerous risks and involve its capital. But that will not be accepted as an excuse when the day of reckoning comes. Nothing, in short, can justify looseness and reckless conduct in the management of a savings-institution, where the savings of the poor and the working classes should be shielded by every safeguard that human virtue and honor can weave about them. Any deviation from this will be sure to bring ruin and distress to thousands, the most painful example of which we have recently had in New York. Indeed, the modern savings-bank is little more than a lottery, and has too many of the worst features of the lottery, as it was managed by northern men in the Southern States. The colored man was a good patron of the lottery; it was his weakness and his sin. He would go without food or raiment if he could get money enough to buy a ticket. And he bought that ticket in the innocent belief that it would bring him a fortune. The same natural impulse finds him with his little savings and his rags at the counter of the Freedman's Savings Bank and Trust Company, to deposit his money in the happy belief that Daddy Wilson will make it grow him a fortune.

"Let us go behind the scenes now and see what manner of men are there, and how they have formed a ring for the control of this large amount of capital, and how the members of it use the money to enrich themselves and aid the most dangerous kind of speculators.

"The Seneca-stone ring, one of the most corrupt and grasping rings ever formed for selfish purposes, heads the list of dangerous ventures.

"Dr. John L. Kidwell is president of the Seneca Stone Company, of which President Grant is a large stockholder. The Seneca Stone Company needed money, and the books of the bank will show that Dr. John L. Kidwell (apothecary) effected a loan of \$18,000, at 10 per cent., on \$20,000 bonds of the Seneca Stone Company, at 90. Again, the obsequious doctor appeared at the bank and effected a loan of \$4,000 on bonds of the Seneca Company, at 10 per cent., making in all \$22,000.

"If these Seneca bonds have any permanent value, I can only say that few persons in Washington know it. Even the great name of the President does not seem to give any additional strength to the concern. But Mr. Henry D. Cooke, the present governor of the District, is the great mogul of and the largest stockholder in the Seneca Stone Company, of which concern he is also treasurer. He was appointed governor by President Grant, himself a stockholder in Mr. Cooke's stone company. Mr. Cooke is also chairman of the 'finance committee' of the Freedman's Savings and Trust Company. I make these statements merely to show what intimate relations exist between the notorious Seneca-stone ring and the great Freedman's Savings and Trust Company. I shall show, too, how this loan of \$22,000 to the Seneca ring led to an unjustifiable and unnecessary expenditure of two hundred and fifty thousand dollars of the poor colored man's money. I want the reader to keep this in

mind while reading these articles, because it throws a flood of light on subsequent transactions of the Seneca ring in connection with this bank which have heretofore appeared dark and mysterious.

"The next, and even more suggestive of jobbing, is a loan to H. K., (which cabalistic initials mean Hallet Kilbourn,) on three hundred shares of stock of the Metropolitan Paving Company, valued at \$30,000, of \$14,000, at 10 per cent. interest. Now, this Metropolitan Paving Company is a light-comedy corporation, in which Governor Henry D. Cooke, Alexander R. Shepherd, Hallet Kilbourn, Lewis Clephane, and one or two others of the same stripe are chief actors. Some idea may be formed of the soundness of this concern when I say that only \$3,600 of the stock was ever paid up. An investigation into the *personnel* of this concern would bring to light the secret of so many of our streets being paved with this worse than worthless wood pavement just at this time. Two of the most active members of this shameful swindle are on the finance committee of the great Freedman's Saving and Trust Company; another is a member of the board of public works, and controls its action as completely as ever Mr. William M. Tweed controlled the action of the board of public works in New York.

"The next is a 'loan made to Matthew G. Emery of \$25,000, at 10 per cent., on corporation coupon certificates.' This will speak for itself.

"We then have a demand-note of the Sharp Paving Company for \$3,000, money loaned on shares of the company. This is another funny concern, in which two members of President Grant's board of public works and one gentleman on the finance committee of the Freedman's Bank are believed to be largely interested.

"General O. O. Howard appears next on the stage as a borrower of the freedman's money. General O. O. Howard was first vice-president of the company, and it seemed strange so good a friend of the colored man should resign a position in which he could be of great use to his national wards. But there was a provision in the charter which forbids an officer of the bank from borrowing its money. The general resigned his position of vice-president for prudential reasons, as was stated at the time, and shortly afterward appeared at the counter of the bank as a borrower.

"On lot 21, block 4, subdivision of Smith's Farm, and sundry farming-bonds as collaterals, the general made a raise of \$24,000. It is said that the general invested this money in a sash and blind factory.

"The next name is that of the Boss Tweed of our board of public works, Mr. Alexander R. Shepherd. Mr. Shepherd came up a good deal as the Boss did, has all his virtues, and some of our oldest inhabitants say one too many of his vices. He is a genius in the art of jobbery, and a great favorite with President Grant. After Tom Murphy, I do not know a man Grant would have such profound respect for, or would more willingly make a place in his Cabinet for, than our Boss of the board of public works. Unlike Tweed, however, Mr. Shepherd has been on both sides of politics, and sticks best where there is the most money to be made.

"A. R. S. got \$15,000 of the freedman's money on lot 5 and square 452. A good judge of real estate in this city says these lots, if sold in the market, would not bring one-half this amount.

"Hon. Henry D. Cooke, present governor of the District, and chairman of the finance committee of the Freedman's Savings and Trust Company, next appears as a borrower at the bank's counter, and effects a loan of \$10,000 on four hundred shares of the Young Men's Christian Association.

"Then we have S. T. Langley's note for \$500, indorsed by D. L. Eaton, (actuary of the bank,) money loaned and no security.

"This you will say is enough for the present. It, however, is but a beginning. In my next I will give some startling figures and facts as to the reckless manner in which the freedman's money is loaned. Who will say after this that the great Freedman's Savings and Trust Company is not run by a ring of desperate speculators, prominent in which is the Seneca-ring men?—C. H. W."

Q. Do you know anything of the truth of the allegations in the article just read?—A. Very little, if any; nothing, I am quite sure, that cannot be better ascertained from other sources. It was a new revelation to me in many respects.

Q. Do you know anything of the Seneca Stone Company?—A. Of my own knowledge, nothing. I was not aware, until I read that article, that it was the same thing as the Maryland Freestone Mining and Manufacturing Company.

Q. Do you know anything of the Metropolis Paving Company?—A. Nothing.

Q. Did the actuary say anything more about the article?—A. Yes; within a few days he told me that it was satisfactorily arranged, and that nothing more would appear.

Q. Who was the actuary at that time?—A. D. L. Eaton.

Q. Did he say how it was arranged?—A. He did not tell me, and I do not know. But I remember that at a subsequent meeting of the board, when he read out of the finance committee's report a loan of \$50,000 on the joint note of Hallet Kilbourn and John O. Evans, secured by collaterals of the character mentioned in that article, such as the Maryland Freestone Mining and Manufacturing Company, market-house stock, Metropolis Pavement Company's stock, and some American Dredging Company's stock as collateral, I denounced the



collaterals as worthless, and demanded that the note should be backed by other collaterals and pressed for payment when due. The actuary called me aside afterward and told me I was mistaken in my estimate of the value of the Maryland Freestone Mining and Manufacturing Company; that their bonds were worth and would sell at 90 cents on the dollar. I replied that I hoped he was right, but advised him to unload immediately, stating that from what little experience I had had in investing in that kind of stocks in Baltimore, I would be glad to sell out at half price.

Q. Were you informed that this note of Kilbourn and Evans for \$50,000 was not for value received?—A. No, I was not; nor were any of the trustees, so far as I am aware. It was read out as any other asset in the finance report, and I supposed that the men were good for the note, although I did not like their collaterals.

Q. Were the trustees not made aware that there was a secret contract between the actuary and the finance committee, on the one part, and the makers of the note on the other, that payment should not be called for?—A. I never heard of any such agreement till I saw the printed correspondence in the commissioners' report, between Mr. Langston and Mr. Kilbourn.

Q. Who constituted the finance committee at the time of that transaction?—A. Henry D. Cooke, chairman, William S. Huntington, Lewis Clephane, L. R. Tuttle, Assistant Treasurer of the United States, and J. M. Broadhead, Second Comptroller of the Treasury.

Q. Were they or not the practical managers of the company's affairs?—A. They were, in connection with the actuary, who appeared to be guided very much by Mr. Huntington and Mr. Cooke, and consulted them almost exclusively.

Q. Who was the actuary at that time?—A. D. L. Eaton.

Q. Where is he now?—A. He is dead.

Q. Is William S. Huntington still living?—A. No; he is also dead.

Q. Is this finance committee still in existence; if not, when did it dissolve?—A. No; this finance committee dissolved early in 1872.

Q. Can you tell any circumstances which led to its dissolution?—A. I think I know, at least, some circumstances in which I bore a part. I had been sick during the spring of 1871, and, I think, did not get to any meetings of the board of trustees till July. Having heard complaints outside of the large percentage required to get loans on real estate, involving commissions to agents and for appraisal, in addition to the usual cost of securing the title, at the July meeting I introduced a resolution prohibiting the finance committee and the actuary from considering any application for a loan coming through brokers or others who negotiated loans on commission. This resolution was referred, as a matter of course, to the finance committee. There was no meeting in August, and at the September meeting the committee reported against my resolution. I moved its adoption, notwithstanding the committee's adverse report, and, very much to my surprise, succeeded in carrying it. I think that this was the first check which the management had received, and they were not pleased with it. At a subsequent meeting, on hearing the finance report read, I learned that some \$44,000 had been invested in Northern Pacific Railroad bonds, and I objected that that investment was neither safe in fact nor in accordance with the charter of the company, and I introduced a resolution, which passed, requiring the finance committee to call on Jay Cooke & Co. to redeem said bonds at the price paid for them with accrued interest. The Northern Pacific bonds were then selling at high figures, and the house of Jay Cooke & Co. was still in good credit. The finance committee at the next meeting, instead of having carried out the resolution, asked that it be rescinded. I then gave my reasons in very plain language for insisting on the redemption of the Northern Pacific bonds, and the board sustained my view. I think that this precipitated the resignation of Messrs. Cooke and Huntington, which came in at the next meeting, and was accepted. This was shortly followed by Mr. Broadhead's resignation and that of D. L. Eaton, the actuary. I had some hopes that a new management could be secured which would lift the bank out of the local influences that were then dominating it, and I made an effort to that end by trying to secure an actuary from outside of the District of Columbia; but the local influences in the board were too strong for me. Moses Kelly, cashier of the Metropolitan Bank, and General Bulloch were elected on the finance committee, and Mr. Stickney, a nephew of Mr. Eaton, as I understood, who had been an assistant cashier under him, was elected to fill the vacancy caused by Eaton's resignation. I opposed Mr. Kelly's election to the board of trustees on the ground that he was cashier of another bank, and that I thought experience had shown it not to be a wise policy to have the Freedman's Bank managed by officers of other banks. The president promised me that the actuary's place should remain open for a few months, or be filled by the assistant actuary till a proper man could be secured to fill the place. I wrote to a gentleman in Philadelphia, whom I thought well qualified, and told the president I had done so. But that gentleman declined, and at the next meeting, a very full one, evidently drummed up for the purpose, George W. Stickney was elected actuary without any opposing candidate being named, and the financial arrangement continued as before in the local interest. I introduced a resolution in February, 1872, compelling the president to give bonds in \$50,000, with security, for a faithful discharge of his duty, and also one setting forth that, "under the twelfth section of the charter, no person who is directly or indirectly a borrower, or in any manner a user of any part of the

funds or deposits of this corporation, or whose obligations, either as principal or indorser, are held by it as assets, is eligible to the position of president, vice-president, trustee, officer, or servant thereof, or competent to act in any such position." These resolutions were both passed. I soon found, however, that there was a disposition to dabble in District securities, and my objection to the management culminated, as I stated in a former response, in resigning my position when I found that it was impossible to prevent the company from conducting its business in that way.

Q. At what time did your resignation take effect?—A. In December, 1873.

Q. Have you any knowledge of any facts tending to show that any of the officers or agents of the Freedman's Bank had business connection with parties who obtained loans from the bank other than being corporators or stockholders in certain corporate bodies which were borrowers of the bank?—A. I have not.

Q. What caused you to take so decided a stand against the negotiation of loans through the medium of brokers?—A. I had never known a savings-bank to loan through brokers in Baltimore, and I made inquiry of the president of our best savings-bank there in regard to the usage, and it seemed to me that it added largely to the expense of the borrower; that it was not a part of the duty of the Freedman's Savings-Bank to accumulate money here for the purpose of setting up real-estate agents in business, and that the 10 per cent. required to be paid to the company was of itself a pretty heavy draught on a borrower, without compelling him to pay 2½ per cent. or more commission for the privilege of getting it. In Baltimore any one who has good real-estate security can go in person to the president of a savings-bank and ask to borrow the money, and if the security is good, and the bank has money to loan, he receives it.

Q. You have mentioned that many of those loans were negotiated at 10 per cent. State whether that was not in excess of the legal rate of interest allowed by the laws of the District.—A. I think not. There was an act of Congress authorizing loans at 10 per cent. on agreement between the parties.

Q. Were you aware that brokers occupied the double position of agents for the borrowers in obtaining loans and agents for the bank in appraising the securities on which the loans were obtained?—A. I was not. I knew that there was a real-estate firm that was made appraisers, but I never knew personally anything about their personal business in regard to the bank.

Q. You mean to say, however, that your objection to the employment of brokers grew out of the fact that it was illegal itself in the dealings of a savings-bank, and because of the largely increased cost to the borrowers?—A. Certainly.

Q. Do you know of any instance in which any officer or agent of the bank received a bonus on any loan negotiated at its counter?—A. No, sir.

Q. Are there any other facts within your knowledge that would throw any light on this investigation?—A. I do not think of any other at this time.

By Mr. RAINEY :

Q. Were you a member of the board of trustees when the loans were made to Vandenburg?—A. I think not. I resigned because I foresaw that such loans were about to be made. My objection had been made, not against the loans to him specifically, but against loans on District securities.

Q. Were you cognizant of the fact of any of the Vandenburg loans which were made in September, October, and November, 1872?—A. I do not recollect any such loans being made to him. I understood that a \$2,500 loan had been made to him. I was a member of the board of trustees at that time, and I was in daily effort to try to counteract, as far as possible, the disposition to invest in these local securities. I was not particularly aware (of course these things were matters which the finance committee controlled) that any loans had been made to Mr. Vandenburg on such securities.

Q. Can you inform the committee whether or not, to your knowledge, these matters were brought to the attention of the finance committee, or whether the loans were not made on the individual responsibility of the actuary?—A. I do not know.

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SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, D. C., March 9, 1876.*

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Riddle, Stenger, and Frost.

JONATHAN G. BIGELOW sworn and examined.

By the CHAIRMAN :

Question. State your residence and occupation.—Answer. I reside in the city of Washington. I am an attorney and counselor-at-law.

Q. Have you, in the pursuit of your professional engagements, had any occasion to inves-

tigate any of the accounts of the Freedman's Savings and Trust Company? If so, state how you came to do so, and the result.—A. I have. I was employed, about one year ago, by Louisa McGahan, the widow of Francis McGahan, to file a bill in equity, in the supreme court of the District of Columbia, to set aside a pretended sale to the Freedman's Savings and Trust Company, by Daniel L. Eaton, actuary of that company, made on the 1st of July, 1872. The facts of the case are briefly as follows: On the 20th June, 1870, the Freedman's Savings and Trust Company loaned to Francis McGahan \$10,000, for one year, with interest at 10 per cent., and, as security for the repayment of that sum of money, had taken a deed of trust on the house and premises known as No. 915 E street, northwest, being the same premises as are now occupied by the topographical division of the Post-Office Department. The loan was made nominally for one year. The first year's interest was paid, and \$100 of the second year's interest. On or about the 5th of April, 1872, there being then in default about eight or nine hundred dollars interest, Daniel L. Eaton, the trustee in the deed of trust mentioned, advertised the property for sale, and the sale took place on the 1st of July, 1872. The sale was wholly irregular, and in the pretended conveyance of the property by Eaton to the Freedman's Savings and Trust Company, (that company being the purchaser at such sale,) Eaton omitted to seal the deed, and the acknowledgment thereof is without date, and the instrument is wholly defective and insufficient to convey the legal title to the bank. This property was sold at \$13,000. No accounting was ever made, by either the Freedman's Savings and Trust Company or by D. L. Eaton, the trustee and actuary of the bank, to either McGahan, who borrowed the money, or to his widow, Louisa McGahan, the beneficial owner of the property. The note has never been surrendered, and no account has ever been rendered of the purchase-money. Subsequently, on the 6th June, 1873, Mr. Andrew C. Bradley leased this property to the Post-Office Department, at a rental of \$4,200 per year; and on the 16th June, ten days thereafter, the Freedman's Savings and Trust Company, by its president, John W. Alvord, conveyed this property to Andrew C. Bradley, at a consideration, as recited in the deed, of \$18,500, of which amount \$1,500 was paid in cash, and Bradley's notes were given for \$17,000, payable to the order of the Freedman's Savings and Trust Company in one, two, three, four, or five years. And, as security therefor, the bank took a deed of trust from Bradley and wife on the same premises. Bradley, in this transaction, though appearing to be the principal, was, in point of fact, merely the agent of Alexander R. Shepherd. He had no pecuniary interest in either the renting of the property to the Government or in its purchase from the Freedman's Savings and Trust Company. These facts which I have stated appear in the sworn answer of Alexander R. Shepherd, and in the sworn answer of Andrew C. Bradley, to the bill of complaint of Louisa McGahan, in the suit mentioned. Shepherd is not a party to those notes given by Bradley to the Freedman's Savings and Trust Company, and is in no way personally responsible for their payment; and he has, as appears by his answer, as well as from the records of the Post-Office Department, been receiving the rents of \$4,200 a year on these buildings, from the date mentioned, June 6, 1873. The deed of trust given by Bradley to John W. Alvord and G. W. Stickney, to secure to the Freedman's Savings and Trust Company the said sum of \$17,000, is absolutely null and void, for the reason that the Freedman's Savings and Trust Company had, in the first place, no title to the property to convey it to Bradley; and Bradley, having no title himself, could convey none to Alvord and Stickney, the trustees. So that the only security that the Freedman's Savings and Trust Company had for the payment of the \$17,000 is the personal obligation of Bradley. Of the \$17,000, Shepherd has paid the sum of \$2,400, as appears from his answer to the bill of complaint. The balance is still unpaid, although one or more notes is or are due. I will here state, however, that in the event of a decree restoring the property to the complainants in the bill mentioned, the Freedman's Savings and Trust Company will be paid the \$10,000, the amount of the loan to Francis McGahan, with interest, provided Alexander R. Shepherd refunds the amount of rents collected from the Government. The bill is for an accounting, as well as for setting aside the pretended sale. It has already resulted in a prolonged litigation, and the case may possibly be taken to the Supreme Court of the United States, in which case it will be very expensive. This litigation arises from the carelessness of the trustee, D. L. Eaton, in omitting to seal the deed, and in a wanton disregard of the debtor, McGahan, as is more fully shown in the records of the case printed.

Q. Is there any relationship existing between A. R. Shepherd and Andrew C. Bradley?—A. Yes; Andrew C. Bradley is brother-in-law of Alexander R. Shepherd.

Q. How do you account for the fact that Andrew C. Bradley had obtained from the Post-Office Department a contract or lease, at an annual rental of \$4,200, for the property in question, then held (but by defective title) by the Freedman's Savings and Trust Company, ten days in advance of any transfer of the property by the bank to him?—A. I cannot answer that question satisfactorily to myself or to the committee. In a prolonged and very severe cross-examination by myself of the witnesses on this particular point, I am unable to determine, from the evidence in the case, through what means or by whom this lease was negotiated.

Q. For what term was the lease made?—A. The lease was made to begin on June 5, 1873, and to run thereafter for three years, at a rental of \$4,200, with the privilege of renewal thereafter for two years. The three years will be up on the 5th of June next. No rents

have been collected on the property since the commencement of the present fiscal year. They are still in the hands of the Postmaster-General.

Q. Would the annual rents, agreed to be paid for the property by the Post-Office Department, have extinguished the debt due from McGahan to the Freedman's Savings and Trust Company, if the bank had held or leased the property for its own benefit?—A. Yes; they would have already extinguished the debt. The rents on this property for the three years' lease and for the two years' renewal thereafter, would have more than paid the purchase-money by Shepherd. In other words, the annual rent would more than pay for the accumulating interest, so that at the expiration of the five years the property would not only have cost Shepherd nothing in point of fact, but would have been a source of income to him to the amount of \$2,500.

Q. How long after the transfer to Bradley by the bank was the property transferred by Bradley to Shepherd?—A. The property was transferred by Bradley to Shepherd in August, 1874. Bradley retained the title for Shepherd in the mean time; Shepherd receiving the rents, which were collected through Bradley as agent.

Q. Are you able to state from any knowledge of your own, or by reference to the report of the commissioners of the Freedman's Bank, whether or not Bradley's notes have been substituted for and used to extinguish the McGahan debt on the books of the bank?—A. I am not able to state how that is. As I stated, the Freedman's Savings and Trust Company has never rendered an accounting for the sale of the property under the deed of trust of July 1, 1872, nor has it surrendered the \$10,000 note mentioned, nor in any way accounted for the proceeds of the sale to the complainants in the bill. What has become of the note I am unable to say. I do not presume, however, that the Freedman's Savings and Trust Company can consider those notes as a part of its assets in view of the pretended sales mentioned.

Q. Did you not, in the prayer of your bill asking the privilege to redeem the property, and to have the sale made by Eaton set aside, ask for a surrender of this note?—A. I did. I have examined the report of the commissioners of the Freedman's Bank, and am satisfied that the McGahan debt does not appear on it.

Q. As a lawyer, what is your inference from that—that it is there treated as extinguished by the notes of Bradley?—A. By all of those transactions mentioned.

By Mr. RIDDLE:

Q. Are Bradley's notes reported?—A. Yes.

By the CHAIRMAN:

Q. Do you know of any other fact showing or tending to show a conspiracy between Shepherd and Bradley on the one hand and D. L. Eaton on the other, to defraud the bank or any other parties?—A. I have no personal knowledge on the subject. I knew Eaton well in his life-time. His health for the last three or four years of his life was very poor. He was a man of considerable intelligence, but his great fault, as financial manager of this bank, in my judgment, lay in the fact that he paid but little or no attention to the requirements of law in the transaction of business. He was exceedingly careless in the execution of papers relating to the money transactions of the bank. That was particularly evidenced in this case. Even the deed of trust, given to secure the Freedman's Savings and Trust Company on the 20th June, 1870, is not under seal, so that, as a matter of fact, the Freedman's Savings and Trust Company had no legal title in that trust-deed, but the complainants in the bill do not ask to take any advantage of that omission.

Q. In other words, the transaction between Eaton and Bradley by which an extinguishment of the debt of McGahan is apparently affected, left no security, available in law, to the bank for the recovery of what was due from Bradley or from his principal Shepherd?—A. That is precisely the case. The result of Eaton's carelessness in the premises is, that the bank is without any legal security. That is to say, it is secured on real estate without a legal title. At the time of the leasing of this property to the Government, Eaton was not the actuary of the Freedman's Savings and Trust Company. He had resigned his position previous to that date. George W. Stickney was the then actuary. The negotiation was carried on on the part of the bank either by Stickney or the finance committee, with either B. H. Warner acting on the part of Shepherd or with Bradley acting in behalf of Shepherd. It is exceedingly difficult to determine from the evidence in this case how this transaction of leasing the property was accomplished. Evidently the real parties to the transaction are not developed. That is the amount of it.

Q. Who is B. H. Warner?—A. He is a real-estate agent in the city of Washington, and has had considerable money transactions with the Freedman's Savings and Trust Company. He is also an auctioneer, and sold this property as such on the 1st of July, 1872.

Q. Do you know anything about the bills for advertising allowed to Warner, and whether any one, and who, obtained a percentage on that allowance?—A. The whole transaction was fraudulent from beginning to end, so far as I have been able to investigate it as against the rights of the plaintiffs. Eaton, as stated, was the trustee in the deed of trust. He was likewise the actuary, at the time, of the Freedman's Savings and Trust Company. He employed Warner as auctioneer to sell this property under the deed of trust, and employed

Warner to advertise a notice of the sale. Warner entered into an understanding with the newspapers that published the advertisements, whereby he was to have 33½ per cent. commission, and he ran up the exorbitant bill of \$736.75. He was acting as agent of the bank in that business.

Q. Who was the Postmaster-General at the time of that contract or lease?—A. John A. J. Creswell.

WASHINGTON, D. C., March 9, 1876.

GEORGE W. STICKNEY sworn and examined.

By the CHAIRMAN:

Question. State your occupation.—Answer. I am at present a real-estate agent.

Q. State whether or not you ever had any official connection with the Freedman's Bank.—A. I was employed in the Freedman's Bank from the first of May, 1867, to about the first of July, 1874. I was employed as clerk from May 1, 1867, to about July 1, 1869; as assistant actuary from the latter date to August, 1872; and as actuary from that date till the time the bank suspended.

Q. Were you, during your official connection with the bank, cognizant generally of the loans made by it?—A. I was, of most of them; of some of them I was not.

Q. Do you know anything about the loan made to C. D. Bailey, treasurer, of \$2,600, secured by 480 shares of Christian Association stock?—A. Yes.

Q. State how and by whom that loan was effected?—A. The loan that was first made was made in 1867, I think, of \$7,000. Then there were amounts paid on it from time to time until it was reduced to \$2,600. The loan was passed by the finance committee when it was first made, if I remember right. I was simply a clerk then, and the only knowledge I had of it was by entering it on the books.

Q. For whose benefit was that loan made?—A. That I do not know.

Q. Do you know anything of a loan to F. H. Gassaway, in March, 1872, of \$3,300 on 50 shares of Metropolis Paving Company stock?—A. That loan was made by Colonel Eaton, then actuary of the bank, and passed, I think, by the finance committee. There were other securities on the loan besides the paving stock, which securities were paid, reducing the amount of that note to some eleven or twelve hundred dollars.

Q. As nothing seems now to be held by the bank in the way of security for that loan except the fifty shares of Metropolis paving-stock, state what became of the other securities?—A. The other securities were paid. There were two notes as security amounting to \$2,010.50. The parties came to the bank and paid those notes, and the amount paid on them was indorsed on Mr. Gassaway's notes.

Q. On page 34 of the report of the commissioners of the Freedman's Bank there appears a loan on March 24, 1873, to Gassaway of \$2,250, and on November 7, 1872, a loan of \$2,500, on twenty shares of American Seal-Lock Company, and twenty shares of the Capital Publishing Company, and notes for \$2,250, secured by real estate, on which nothing has been paid. Can you explain that?—A. It is pretty hard to explain those loans without having the loan book, for the reason that many of them were made long before those dates, and those are only renewals of them.

Q. What were those securities worth at the time the loan was made on them?—A. I think that at the time the loan was made the securities were worth the amount of the loan. The loan of the 24th March, 1873, was first made, if I remember right, about a year previous to that date. It was made by the actuary and was approved by the finance committee, if I recollect right. The loan was made through Mr. Huntington, who was then cashier of the First National Bank. If I recollect right, there was with the twenty shares of stock of the Capital Publishing Company Mr. Huntington's obligation that he would pay eighteen hundred or two thousand dollars for that stock at any time he was called upon; but he died soon after that and his estate was insolvent. I was ordered, about that date, either to collect Gassaway's note of 24th March, 1873, or to get additional security on it, and I got this real-estate note of \$2,250, which was worth, I suppose, about \$1,000. It was the best I could do, as I could not get the money.

Q. Gassaway at that time was in default to the bank?—A. Yes, sir.

Q. Why didn't you sell the collaterals if they had any market-value?—A. They had no market-value then, at that time.

Q. Can you give us the names of some of the stockholders in the Seal-Lock Company and in the Capital Publishing Company, if the same were also trustees, officers, or agents of the Freedman's Bank?—A. I know of but one man who was connected with the Seal-Lock Company, but he was not an officer of the bank. That man was F. W. Brooks. He was the only man I ever knew connected with it. The company was chartered in New York. I do not know whether Mr. Huntington was a stockholder in it or not.

Q. Do you know anybody connected with the bank who was also a stockholder in the Capital Publishing Company?—A. I do not; I do not know who the stockholders in that company were.

Q. In August, 1870, a loan was made to A. B. Mullett, treasurer, of \$1,400, on one hundred shares of Morris Mining Company stock. Can you tell us something about that company and what its stock was worth at the date of that loan?—A. I know nothing about that loan except entering it on the books of the company. I know nothing about the nature of the stock. I have been informed that it was worth about what it states here at the time the loan was made.

Q. What was A. B. Mullett treasurer of?—A. He was treasurer of the Morris Mining Company.

Q. What was that company organized for and where was it located?—A. It was located in Colorado. I am sure I do not know what it was organized for, but I suppose it was to make money.

Q. I see in May, 1872, a loan of \$2,917 to John A. Gray, treasurer, on the indorsement of Robert I. Fleming. State of what John A. Gray was treasurer and what Robert I. Fleming's indorsement was worth.—A. John A. Gray was treasurer of the Fifteenth street Presbyterian Colored church. The indorsement of Robert I. Fleming at the time the loan was made would have been taken for that amount in any bank in the city.

Q. Why didn't you collect that note when it became due?—A. It was renewed once or twice, and interest paid, and something paid on the principal, if I recollect right.

Q. There are very heavy loans at different dates to the same Fleming, with no collateral. How did it happen that the funds of the bank were so employed instead of being invested on ample security, as required by law?—A. It is almost impossible to explain these loans without the cash-book. This loan was not made at that time. It was an old matter which I tried to fix up. Mr. Fleming was embarrassed and I tried to get all I could at the time. The loan was made nearly two years before that.

Q. Why did you allow such a large amount of the funds of the Freedman's Bank to remain for such length of time in Fleming's hands without security and when he was in default for the interest?—A. He promised to pay from time to time, and I knew, after this became due, that it would not do any good to sue him for the amount. This loan for \$1,000 was on lumber sold him by President Alvord. It came from some transactions in Florida.

Q. Why did you, as actuary of the bank, make such loans to anybody without security, contrary to and in defiance of the requirements of the law?—A. I made none of those loans.

Q. Were you not cognizant of them?—A. I might be cognizant of them and not have anything to do with the making of them. All my duties at that time were to enter them on the books. That \$3,000 loan was first made to Mr. Fleming, if I recollect right, when he was erecting the bank-building, with the intention to take it out of the amount due him by the bank. But the note in some way was skipped, so that when he settled with the bank that was not deducted.

Q. Had Robert I. Fleming any business connection with any officers of the bank, or was any officer of the bank interested in any contracts or operations of Fleming's?—A. Not to my knowledge.

Q. Have you any reason to believe that there was any such connection?—A. I have not.

Q. In July, 1873, there appears a loan of \$9,000 to John O. Evans on the acceptance of James Magruder, treasurer of the board of public works. Was that loan in conformity to the charter and requirements of law? If not, please explain why you dealt in that way with the funds of the institution of which you were then actuary.—A. Some year or so previous to that there was a loan made to somebody connected with the Metropolis Paving Company of \$10,000, and stock of that company was put in as security. That note was paid by this \$9,000 acceptance of Colonel Magruder as treasurer, and by cash for the balance. At that time none of the paper of the board of public works had ever gone over. It had all been paid promptly, and this \$9,000 has since been paid in full. It was paid by the board of audit in nine thousand 3.65 bonds, which were sold at market rates, and Mr. Evans paid the difference to make up the \$9,000, with interest at 10 per cent. for the time the note had run. That was in the fall of 1874.

Q. I see in May, 1874, a loan of \$1,366.66 to Juan Boyle, on a note indorsed by Frank Barnum. Can you tell us anything about that loan?—A. That note was made by me, I think, and passed by the finance committee afterward or before. There was a larger note than that for which part cash was paid, and that note was taken for the balance.

Q. Who was Frank Barnum, and what was his personal responsibility?—A. Frank Barnum was a young gentleman from Baltimore, who was at that time a partner of Mr. Boyles, and was supposed to be perfectly responsible. He was supposed, at that time, to be worth some \$100,000. He is a relation of the Barnums of Baltimore, the proprietors of the old Barnum Hotel.

Q. State by what authority of law any loans were made on personal securities, such as I have enumerated, and on chattel mortgages, such as that of the proprietor of the Arlington Hotel.—A. I do not know that I can state that. The matter was discussed by the finance committee and by the board of trustees, when those loans were made, and they decided that they had the right to make them. The Arlington Hotel loan was made under the provision of the charter for an "available fund."

Q. Were all the loans made by Eaton, your predecessor, and afterward by you, submitted

to and sanctioned by the finance committee?—A. Nearly all of them were. The finance committee had a report of all the loans made by the bank. They were reported from time to time both by Mr. Meigs, the examiner, and by myself.

Q. There is a loan in June, 1874, to W. J. Purman, of \$3,025, on the security of \$10,000 seven per cent. Florida bonds. Can you tell us how it happened that that loan was made while the bank was in the last gasp?—A. There is a mistake in the date there. No loan was made at that date.

Q. It so appears in the record. State by what authority of law any such loan was made at the time.—A. That loan was made a year previous to that, at ninety days, and was renewed, as the securities were good. I had a letter from one of the bankers at Tallahassee, saying that he would give fifty cents on the dollar at any time for these bonds. They were worth more than that in the market. The market-price was sixty. The loan to Purman was paid shortly after it fell due.

Q. It does not appear in the commissioners' report to have been paid.—A. It has been paid, for I took the money for it myself and returned the securities.

Q. State when it was paid.—A. I think it was paid about the time it fell due, which was on the 24th December, 1874.

Q. During your administration, there appears a loan of \$21,000 to Juan Boyle, without security. State how that loan was effected and on what authority.—A. Mr. Boyle raised a good deal of money for us, as agent for the bank, and he had some loans there before which were consolidated into that \$21,000. It was not made without collateral when it was fixed up. But it was not collateral that came strictly under the charter. I supposed that the security was adequate. I had the estimate of Messrs. Fitch & Fox on some real estate that was given as collateral, and according to that estimate I had security for the debt and some little over.

Q. Why does that security not appear in the report of the commissioners, and of what character was the collateral?—A. It should appear in the report of the commissioners because it did appear on the books of the bank. I find it does appear in the commissioners' report, page 31. The loan was \$29,000, of which \$1,000 was paid and the securities comprise a real-estate note for \$10,000. Then there was a deed to myself as trustee on some other property, which deed I gave to the commissioners when they came in, and which should appear here. Then there were \$8,000 in bonds of the Selma, Marion and Memphis Railroad Company, which were worth about forty at the time the loan was made, according to the report of Henry Claws.

Q. Was any part of the real estate, on which Coyle attempted to secure that loan, afterward sold?—A. It was all sold.

Q. When, under whose advertisement, who became the purchaser, and at what price?—A. The property on which the \$10,000 note was secured was sold under a prior mortgage of \$6,000, and was bought in by the party who held that mortgage. It was sold on their advertisement by their trustees. When the loan was made, the estimate of Fitch & Fox on the property stated that it was worth at least \$1.25 a foot, and that it could be sold for that at any time. But there was a mortgage on it of \$6,000 ahead of this security, and it was sold under that mortgage, and was bought in by the party. The estimate of Fitch & Fox made the value of the property something over \$16,000.

Q. That sale left the bank out in the cold altogether?—A. Yes; the parties bought it in for the amount of their debt.

Q. Who held that first mortgage?—A. The National Savings Bank.

Q. What about the other real estate; what did it consist of?—A. The other real estate was located at M street, between Twenty-third and Twenty-fourth streets. It was also sold under a former trust, and was bought in by myself. I gave the commissioners a deed of trust on it for \$20,000 before the sale, but it was sold under the previous trust.

Q. Then I understand you that the last-mentioned property was held by you as trustee of the bank?—A. Yes; the property was sold under a trust for the building-material. That prior deed of trust was for \$10,000, and Mr. Boyle agreed to finish the houses as additional security, but he got into trouble with his partner, Mr. Barnum, and failed to do it, and the property, as I say, was sold under the former trust, and I bought it.

Q. For yourself, or for the bank?—A. I bought it for myself. I gave the bank the two trusts, but the commissioners did not see fit to protect themselves in it, and I bought it.

Q. What did the property sell for at the sale?—A. About \$15,000.

Q. How much of that amount remained after paying off the first incumbrance?—A. It did not quite cover the first incumbrance, with the expense, interest, &c.

Q. Then the real-estate securities on which Juan Boyle was allowed to draw money from the Freedman's Bank were second encumbrance, which proved entirely worthless?—A. Yes.

Q. Who granted those loans?—A. As I said in the beginning, they were the fixing up of some old loans, and I took the best security I could get.

Q. What were those old loans, and where do they appear in the commissioners' reports?—A. They are not in those reports at all.

Q. Was not this amount of Boyle's indebtedness, in fact, the result of a charge for commissions made by him for negotiations of one sort or another, effected for the bank by him, and by your authority?—A. No, sir. Mr. Boyle pleads an offset for commissions to the \$4,000 note.

Q. Does Boyle claim any interest in the property which you bought?—A. No, sir.

Q. What relationship did you bear to the former actuary, D. L. Eaton?—A. He was my uncle.

Q. Did you ever employ Juan Boyle to go to Baltimore to sell any bonds of the company?—A. He was employed by the president of the company to go to Baltimore and make some loans on United States bonds, when the bank was in need of money and could not get any in Washington. I think the first time he went he was sent by Mr. Alvord. That was in October, 1873, I think, and it continued up to the spring of 1874. He was there several times for us.

Q. Are you sure that John W. Alvord was at that time president of the bank?—A. Yes, I am; he was president of the bank up to the March meeting of 1874.

Q. Was any mission of any sort intrusted to Boyle after the last-mentioned date; and, if so, by whom?—A. After the last-mentioned date there were some missions intrusted to him by myself to get some money.

Q. What amount of bonds was intrusted by you to him to negotiate the sale of after that date in March?—A. There were no bonds intrusted to him to sell after that date, to the best of my recollection.

Q. What kind of mission was he charged with in behalf of the bank?—A. In 1873 he made a loan from Mr. Lanahan of \$10,000, on \$20,000 eight per cent. bonds. The loan was made for ninety days, and was renewed for another ninety days. It became due on the first of May, and he said that if I would give him certain real-estate notes of his, he would pay the loan with them. I gave him the notes, and he paid the loan, and returned me the bonds.

Q. What real-estate notes were those that were delivered to Lanahan for the bonds of the bank?—A. The notes of Anne E. Boyle for \$8,000 and of Juan Boyle for \$2,500. The note of Lanahan for \$10,000 was due and he wanted his money, or wanted it fixed up another way, and we did not have the money to pay it.

Q. In other words, that was a conversion of the notes of Juan Boyle and Anne E. Boyle for money borrowed of Lanahan?—A. Yes.

Q. What were those notes originally given for?—A. They were given for money loaned to Anne E. Boyle and Juan Boyle.

Q. What then became of the debt for which they were pledged?—A. They were marked as paid on the books of the bank, and the amount borrowed from Lanahan was also marked as paid, just the same as though we had received the money for the two notes and had paid it over to Lanahan.

Q. Then the money obtained from Lanahan was paid by the notes that were due to the bank from Anne E. Boyle and Juan Boyle?—A. Yes.

Q. Thus making these notes do the office of cash in the transaction with Lanahan. Why did you employ Juan Boyle to effect that arrangement?—A. Mr. Boyle made the original loan from Mr. Lanahan, and I was pressing Boyle to pay his notes, as there was considerable interest due on them at the time, especially on his mother's note.

Q. Was any commission allowed to anybody on that negotiation?—A. No, sir.

Q. There is a loan, with no specific date to it, of \$3,000, to J. V. W. Vandenburgh, without collateral. Do you know when and how that loan was effected?—A. I do not know of any such loan.

Q. Do you know of any loan at any time made to Vandenburgh, on the personal assurance of Alexander R. Shepherd that it would be paid in a day or two?—A. That loan was not made to Vandenburgh. I recollect the transaction you refer to. It occurred in November, 1873. I was away at the time (simply for the Saturday.) Governor Shepherd and Colonel Magruder came to Mr. Alvord and got the loan of \$50,000 on a \$30,000 check on the First National Bank, drawn by J. A. Magruder, treasurer, and on a \$20,000 certificate of the board of public works, to be paid out of the first moneys that the board received when the appropriation was made by Congress. I found out from Mr. Tuttle, the Assistant Treasurer, as soon as the check was made for the amount of the appropriation, and the next morning, before the bank was opened, I went to the First National Bank and deposited this \$30,000 check, and got it placed to my credit by Mr. Swayne, the cashier of the First National Bank. The \$20,000 certificate ran along without being paid until February or March, 1874. One day, as I was in the Metropolitan National Bank, Mr. Moses Kelly said that the board of public works wanted a loan of \$35,000, and would give a six per cent. bond on the District of Columbia for it. Mr. Kelly was one of the finance committee at the time, and he advised that the loan be made, saying that it was a good loan, and the bonds were good. The market-price was then 85, and the bonds could be sold in any amount for that. I told him I was not willing to make that loan unless the \$20,000 certificate was included in it, and bonds deposited enough to cover the \$55,000. That was agreed to, and I made the loan of \$35,000, and took \$65,000 in bonds to cover that loan and the \$20,000 certificate, which made the amount \$55,000. That ran along some time, something less than a month, when the whole amount was paid. Mr. Vandenburgh had nothing whatever to do with it, unless perhaps he got the money from the board of public works. The loan of \$50,000 was made to Governor Shepherd by Mr. Alvord.



By Mr. STENGER :

Q. What was the certificate worth at that time?—A. None of the certificates or obligations of the board of public works were ever worth less than eighty-five or ninety up to that date. None of them brought less than eighty or eighty-five until after the panic. That certificate was put into this new loan. I do not know where the idea of that \$30,000 loan to Vandenberg came from. There never was any such loan as that.

Q. You know nothing about that loan of \$30,000 to Vandenberg?—A. I know nothing at all about any such loan as that at any one time.

Q. Did you never say to C. B. Purvis, or to any other person, that you had done one wrong thing, and that was allowing that money to be paid to Vandenberg on the personal pledge of Shepherd?—A. No, sir; I have no recollection of that. I know where Dr. Purvis got that idea. In November, 1872, Vandenberg came to me and wanted some more money—five or six thousand dollars—to pay his men. I told him that he was so much indebted to the bank that I did not feel like letting him have any more money on the securities of the board of public works, as other people seemed to get their money and we could not. He said it was for Mr. Shepherd. I went to Mr. Shepherd, and he said, "If you allow Vandenberg to have that amount of money now, you shall have all that is due you paid up when we get the first appropriation; but if you let him have any more, it will be your own lookout." I let him have about five thousand dollars on that occasion, and when the appropriation was made I got \$22,000 of him instead of some hundred and odd thousand, as was promised; but as to any sum of \$30,000, I know nothing about it.

Q. Did Mr. Shepherd agree that he would pay that money himself?—A. No; he agreed that it should be paid out of the first appropriation that the board got from Congress.

Q. And you got \$22,000 instead of \$100,000?—A. Yes. There was due the bank from Vandenberg and the paving-company some one hundred thousand dollars, and we got about twenty-two thousand dollars.

Q. You mean to say that when that loan of \$5,000 was made, Mr. Shepherd said that you should have the whole amount that had been loaned by the bank, which, at that time, was over \$100,000?—A. Yes, sir.

Q. When did you become actuary of the Freedman's Bank?—A. About the first of August, 1872.

Q. At the time you became actuary, did you not know that Vandenberg was debtor to the bank and in default?—A. No, sir; he was not in default at that time. There was a large margin up to the time of the panic, when the securities fell so low. Up to the first of September, 1873, none of the securities of the District were sold for less than 75, and there were plenty of them to cover the debts of Vandenberg at that rate.

Q. I find by reference to the commissioners' report, on page 95, that at the date of that report (December 14, 1874) there were then loans outstanding and due from J. V. W. Vandenberg amounting to \$144,164.33, after crediting the whole indebtedness of Vandenberg with the sum of \$35,903.75; and the loans on which that indebtedness rest began on December 1, 1872, after you were actuary, and ran on through almost every month in the year 1873. How did it happen that J. V. W. Vandenberg could obtain from the bank, under your administration as actuary, such credit on such securities as he gave?—A. The \$80,216 and the \$35,000 loans, nearly all of them, were made before I was actuary. I consolidated all the loans into those two loans with securities. The other loans were made because I supposed I had as good security as I had for anything, and, up to the last date, I think the securities were as good as any.

Q. This indebtedness of \$80,216.82 is of December 1, 1872, and is to J. V. W. Vandenberg as treasurer of the Abbott Paving Company?—A. Yes, sir.

Q. Was the Abbott Paving Company only another name for the Metropolis Paving Company?—A. It had nothing to do with the Metropolis Paving Company, so far as I know. The Abbott Paving Company was made up of Vandenberg, Harry S. Cranford, J. P. Cranford, of New York, and Mr. Abbott, who was the patentee of the pavement, and some other gentlemen who did not belong to Washington, and whose names I do not recollect.

Q. Had that company any location or business office in the city of Washington?—A. It had.

Q. Was it chartered here?—A. I think it was not an incorporated company. It was simply a private business company.

Q. Do you know what the stock of a private unincorporated association of individuals, for the purpose of taking pavement contracts or any other purpose, was worth in the market?—A. I do not. The loans were not made on any stock of the company. They were made on the securities of the board of public works.

Q. Those securities were merely certificates issued by the board of public works in advance of appropriations by Congress?—A. They were partly certificates and partly the 8 per cent. bonds issued by the board of public works.

Adjourned.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
Washington, March 11, 1876.

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Riddle, Farwell, Stenger, and Hooker.

LE ROY TUTTLE sworn and examined.

By the CHAIRMAN :

Question: Were you a member of the finance committee of the Freedman's Savings and Trust Company?—Answer. I was.

Q. In the report of the commissioners of that company there appear loans in large amounts to various persons without security, such as loans to J. V. W. Vandenburg, Robert I. Fleming, and others; explain how those transactions came to be entered into.—A. I was never aware that there a single loan made without security, or pretended security at least, and security which I supposed was ample. If any such were made, it was done by misrepresentation entirely. I never handled a cent of the money of the bank, and never received a cent, and had no interest whatever in it pecuniarily. My recollection on that point is distinct, positively clear. I do not recollect to have met Vandenburg but once in my life, and I should not know him if I saw him to-day.

By Mr. FARWELL :

Q. Did you always attend the meetings of the finance committee?—A. Not always.

Q. Was there a quorum without you?—A. Yes; the finance committee consisted of five, but three constituted a quorum. They put me on that committee for a convenience, as they said, I telling them at the same time that I had not time to assume any responsibility, as I was assistant treasurer of the United States under General Spinner.

By the CHAIRMAN :

Q. These loans, brought together here on page 95 of this report, commence in December, 1872, and run down to and include September, 1873; were you an active member of the finance committee during the years 1872 and 1873?—A. Yes; I am pretty sure I was. I resigned over two years ago.

Q. The whole amount of loans charged to J. V. W. Vandenburg in these two years aggregates \$180,068.58. Do you mean to say that during no part of that time any of the loans to Vandenburg were brought to your notice as a member of the finance committee?—A. No, sir; I may have been with the finance committee when some of those loans passed, but I do not recollect one single thing about them.

By Mr. FARWELL :

Q. You said that if you passed upon those loans it was through misrepresentation; who made these misrepresentations to you?—A. The president and actuary of the bank, first, and then the other members of the finance committee, who generally met promptly. I occasionally met with them. Many times they voted in my absence. I said to them, "You can do as you please, for I cannot be with you. I have too much to do."

By the CHAIRMAN :

Q. When you did attend the meetings of the finance committee, what members were present and attending to the duties of that committee?—A. When I went in, the chairman of the finance committee was H. D. Cooke, and Huntington and Clephane were members. I do not recollect who the other member was. Then there were some changes made. I was kept in, as they said, for convenience sake, because they could run in at my desk in the Treasury and get me to approve of things. They always said they knew where to find me.

Q. Do you mean to be understood, by the last portion of your answer, that when they would come to your desk to approve of things, (to use your language,) you took what they said on trust?—A. Yes; in this way: I said that I wanted two names at least to precede mine, and that I wanted the actuary's name so as to see that it was all right. I had confidence in the actuary, Eaton. I thought he was an honest man.

Q. Were those representations on which you placed so much reliance made to you by the actuary, D. L. Eaton, by H. D. Cooke and William S. Huntington, or either of them?—A. Yes, sir.

Q. Those are the parties on whose representations you generally relied?—A. Yes; during their service on the committee, and afterward I had to depend on somebody else. But I always told them that they must not depend on me, that I must depend on them, and that they must not deceive me.

Q. You have alluded to changes in the finance committee, and that they already developed the fact elsewhere that Henry D. Cooke ceased at some time to be a member of the finance committee; do you know at what time he did cease?—A. I do not.

Q. Have you at any time had your attention drawn to the character and description of the particular securities mentioned in what is called available-fund loans, as described in the report of the commissioners?—A. No, sir.

Q. Do you know anything of the value of the Metropolis Paving Company, the National Seal-Lock Company, the Columbia Railroad Company, the Building Block Company, the Morris Mining Company, the Maryland Freestone Mining and Manufacturing Company, and some others of the same character; if so, please state what substantial basis they were on, and what was the value of their capital stock respectively?—A. I know nothing about them.

Q. When you attended the meetings of the board of trustees, was General O. O. Howard usually present, taking part in the business proceedings of the board?—A. I met him several times, but I know he was not a constant attendant. I have met him only at the annual meetings.

Q. Did he seem to exert any influence?—A. He seemed to have influence.

Q. On page 104 of, the report of the commissioners dated December 15, 1874, there is this item: "O. O. Howard vice-president, H. D. Cooke, treasurer. April 18, 1871, lots 3, 4, and part lot 5, square 407, improved." Do you know what that loan was for, and what was the nature and value of the security for it?—A. No, sir; I do not.

Q. On page 93 of the same report, I find this item: "Hallet Kilbourn and John O. Evans, January 2, 1872, on \$75,000 second-mortgage bonds Maryland Mining and Manufacturing Company." Do you know anything of that?—A. I am sorry to say that I do not recollect distinctly about the transaction at all. I do not recollect anything about it, although it may have been done at my desk in the hurry of business, during the absence of Mr. Spinner in 1871.

The CHAIRMAN. This was in 1872.

The WITNESS. I think there were several transactions all leading to this one.

Q. On page 56 and 57 there appears a paper which is designated as an agreement between Hallet Kilbourn and John O. Evans, and the finance committee of the Freedman's Savings and Trust Company, signed D. L. Eaton, actuary; approved, L. Clephane, William S. Huntington, L. R. Tuttle, finance committee; which agreement refers to the loan and arrangement entered into between the parties in relation thereto, to which reference has already been made. Be good enough to look at this paper and explain it, if you can.—A. I cannot explain it; I can only state the fact that Mr. Huntington and Mr. Eaton and Governor Cooke said that everything in relation to the Seneca Stone Company was all right; they always said that in plain terms. They used to say that while Governor Cooke was the financial agent of the United States, the president of the First National Bank, (of which Huntington was cashier,) the president of the board of public works, the governor of the District of Columbia, and all these things. They said that everything pertaining to the Seneca Stone Company was all right, and therefore I was not particular to inquire into anything about it.

Q. Did you ever hear any of those parties, Huntington, Cooke, Clephane, Eaton, Kilbourn, or Evans, say, at any time, whether or not that transaction was intended to cover up and extinguish loans previously made directly to the Seneca Stone Company? If not, for what purpose did Hallet Kilbourn and John O. Evans execute their note for \$50,000, with the private understanding with the actuary and the finance committee that the note was afterward to be surrendered to them, and that all of the collaterals deposited with it were to be returned except the \$75,000 of second-mortgage bonds of the Seneca Stone Company?—A. I must confess to you that I do not know. I never talked with Kilbourn or Evans on the matter. When they told me of the transaction, I told them there was a mystery about it which I could not explain, and I never have been able to explain it. It is needless for me to attempt it.

Q. If I understand you correctly, you were rather a nominal member of the finance committee than otherwise?—A. Yes, sir.

Q. And you became so through a spirit of accommodation, and did not, generally, attend the meetings in person?—A. I did not.

Q. But you usually ratified whatever was done on the representation of any two members of the finance committee?—A. Yes, sir. I was willing to ratify what they represented to me as correct. You may say that I was, nominally, one of the members.

Q. It appears, from the report of the commissioners embodying the letter of G. W. Stickney, actuary, to J. M. Langston, bearing date November 6, 1873, that, prior to that time, there had been several loans to the Seneca Stone Company, among them one of \$18,000, on twenty first-mortgage bonds, aggregating \$51,783.73. Can you inform us how those first-mortgage bonds of the Seneca Stone Company have disappeared entirely from among the assets of the bank, and whether, if the \$50,000 note of Kilbourn and Evans was intended to represent or absorb the indebtedness of the Seneca Stone Company to the bank, the balance of \$1,783.73 has ever been accounted for?—A. I do not recollect about that transaction. I was not a member of the finance committee in 1873. When they told me about it I said, "Hold on to the note and let us find it out." But it seems that the note was surrendered. The majority of the board was in favor of surrendering it. I know nothing of the transaction, and was surprised when I was first informed of it.

Q. Was Henry D. Cooke a member of the finance committee at the date of that transaction?—A. He was not a member in 1873, if that is the date of it, but I am sure that the transaction was in 1871, and at that time Henry D. Cooke was a member of the finance committee.

Q. You do not know what became of the twenty first-mortgage bonds of the Seneca Stone Company?—A. No, sir; I never saw one of them.

Q. Nor of the balance of the indebtedness of the Seneca Stone Company over and above the \$50,000?—A. No, sir; I know nothing about it.

Q. Nor why that arrangement was entered into?—A. No, sir; not a thing. I am sorry to plead ignorance, but I cannot tell you. I will repeat that I never have derived one cent from the bank. I never even got a loan for a friend of mine from motives of friendship. Neither directly nor indirectly have I ever had one cent from the bank.

Q. The report of the commissioners shows large loans at various times to the Seneca Stone Company, the Young Men's Christian Association, (or the building association of the Young Men's Christian Association,) the First Congregational Church, (or on its securities,) the Building-Block Company, the Metropolis Paving Company, the National Seal-Lock Company, the Morris Mining Company, &c. Charge your memory to the best of your ability, and state whether you know the fact from the statement of the parties themselves or otherwise, that any member of the board of trustees or of the finance committee, or any officer or agent connected with the Freedman's Bank, was a corporator or owner of the stock of any of those companies?—A. Governor Cooke stated that he was a large owner in the Seneca Stone Company. That was the only case I know of.

Q. There appear loans to various individuals in large amounts; as for instance, to J. V. W. Vandenburg, Juan Boyle & Co., C. W. Havenner & Co., Robert I. Fleming, Hallett Kilbourn, the National Junction Railroad Company, &c. State whether you know that there was any partnership or business connection between these parties, or any of them, and any trustee, officer, or agent of the Freedman's Bank.—A. I cannot tell you. Mr. Fleming was the architect of the bank-building. While I may have voted on some of these loans, I do not recollect now, but I know of no partnership.

Q. Was it not according to the legal requirements and theory of the operations of the bank that all these loans and investments were to pass the scrutiny and approval of the finance committee before they were allowed?—A. Yes, sir; and then they were afterward passed upon by the board of trustees.

By Mr. STENGER:

Q. Let me read you a sentence from the testimony of Mr. Purvis, (reading that part of Purvis's testimony where he describes the manner in which Mr. Tuttle is supposed to have signed the agreement before referred to.)—A. I do not know that Cooke came in himself on that occasion, but Mr. Cooke had always told me that anything in regard to the Seneca Stone Company I need not be afraid of, for it was all right.

Q. Do you mean to say that you have no recollection of having signed a paper on which this exchange of bonds was authorized?—A. I have no recollection of it. I always said that two names must precede mine on any paper that I signed, and that I must not be asked to look over the papers, as I had not time. That is the way it was done. I did not intend to enter into the business at all, and told them I could not do it, but they said that if I would let my name go, that is all they would ask, and I supposed that they would do right. I am not certain that it was Mr. Cooke who presented the paper to me to sign, or whether it was Huntington with the approval of Eaton. Both may have come together, and I think they did. Mr. Cooke represented himself to me as one of the large owners in the Seneca Stone Company, and stated that General Grant and others of the principal men of the nation were owners of the stock; and I assumed that it was all right.

Q. Have you any knowledge of any offer having been made by one of the present commissioners to purchase any of the accounts or books of the depositors of the Freedman's Bank?—A. No, sir; I have not any knowledge at all. At one time, before I left the office of the assistant treasurership, a colored man came into my room with a letter of recommendation from one of the old trustees, Mr. C. Richards. I think he wanted a position in the Treasury. I said I could not give him any. He said, "I am one of the unfortunate depositors in the Freedman's Bank." I said, "I am sorry for that." He said, "It looks pretty gloomy. I am poor and they say that the bank will not pay more than 20 per cent." I said, "Who says so?" And he mentioned the name of one of the commissioners.

Q. Whose name did he mention?—A. Mr. Leipold's. I said, "That is a mistake. The bank will pay more than that." "Why," said he, "I am not offered even 20." I said, "You are not going to sell for 20? There is about 20 per cent. deposited right in the other room to the credit of the bank. If the bank-building is sold, it will pay nearly another 20 per cent., which is 40 per cent. In my opinion, you will get 60 or 70 per cent., and they tell me you will get 80, and you must not sell for 20." I said, "Who offers you that?" He said, "Mr. Leipold. He does not really offer it, but he says that if it had not been for him and the Secretary of the Treasury we would not get anything; that if the trustees had continued, the depositors would not have got a cent." I said "That strikes me pretty hard. Do you think that one of those commissioners would purchase the books of the depositors?" "Yes," said he, "he wants to buy my book." Said I, "I should not want to advise you to sell it, but I should like to know whether one of the commissioners proposes to buy depositors' books in that way; that may account for the legislation that is going on to reduce the number of three commissioners to two." Said I to him, "Come in to-

morrow," and he came in the next day and said that Mr. Leipold would not pay this 20 per cent. until after a little legislation, and that he was to see him again. I asked him what other books of depositors Mr. Leipold had ever offered to buy, and he gave me his own name, Sanders Howell, and the name of Mrs. Rollins. I said to him, "Will you bring them before us at any time we want to see them?" He said, "I will bring them at any time, and will swear to it." That is a year ago. Sanders Howell is a colored man, a preacher. I see him every day.

Q. Did he say to you that Mr. Leipold would not give 20 per cent. for the books of depositors?—A. He said that Leipold said he did not think they were worth 20 per cent., but that he would see him after a little legislation. This was near the close of the last session of Congress.

Q. Did he give you to understand that Leipold wanted to buy at less than 20 per cent.?—A. He gave me to understand that Leipold said he thought they were not worth 20 per cent., but that he might pay 20 per cent. after a little legislation. Then I was led to inquire what the legislation was, and for the first time I came into this building and begged persons not to pass the bill reducing the number of commissioners.

By Mr. HOOKER :

Q. Do I understand you to say that Mr. Leipold, one of the commissioners, made a proposition to buy that colored man's book at some price or other, and said that he would tell him what he would give for it when this legislation took place?—A. That is what Mr. Howell told me.

SELECT COMMITTEE ON FREEDMAN'S BANK,

*Washington, March 14, 1876.*

The committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Stenger, Riddle, and Farwell.

GEORGE W. STICKNEY recalled.

Question. At the time you became actuary of the Freedman's Bank was it not required that you should give a bond as such actuary?—Answer. No, sir; not particularly. It was voted that I should give a bond, but I did not give it, and the trustees were aware of that fact. My reason for not giving it was that one of the parties who had agreed to go on the bond for me was a borrower from the bank, and I did not want to have him on my bond until his indebtedness was settled. I thought he would fix it up, but he did not.

Q. Why did not you go outside and get others in his place?—A. They did not require me to do it, and so the matter ran along.

Q. It never occurred to you to have a proper bond executed and to tender the same?—A. No, sir; I thought that if it was necessary they would ask me for it.

Q. You knew, however, that the law required it of you?—A. Yes.

Q. Was the matter discussed more than once in your presence?—A. No, sir; only once, and that was before the finance committee in 1874.

Q. Were all the officers of the bank cognizant of the fact that you were acting without a bond?—A. I think they were. The only time the matter was discussed was in April, 1874. Mr. Douglass was president then, and the question was discussed both in reference to him and to myself.

Q. Don't you think you would have been more prudent in the administration of the affairs of that office if you had been acting on a solvent, reliable bond?—A. No, sir. I tried to do the best I could, as I saw it, for the interest of the bank.

Q. Were you ever engaged in any business, other than actuary of the Freedman's Bank, during the time you held that position?—A. No, sir.

Q. Were you ever engaged in any business disconnected from the affairs of the bank during the time that Mr. D. L. Eaton was actuary?—A. No, sir; I was not.

Q. Did you ever hear of a firm styled D. L. Eaton & Co.?—A. Yes; I was interested in that firm, but I did not do any business in connection with it.

Q. Of whom was that firm composed, and what business did it transact?—A. The firm of D. L. Eaton & Co. was started in 1867. It was composed of D. L. Eaton, J. W. Alvord, Charles H. Howard, E. Whittlesey, Henry R. Searle, John Kimball, and Dwight Bliss.

Q. Were you a member of that firm?—A. I was. I was interested in one-fourth of Colonel Eaton's stock. I owned one-fourth of the stock held by D. L. Eaton.

Q. Was it a body-corporate?—A. No, sir; it was simply an association.

Q. But you did not consider yourself liable, however, for the debts of the concern, did you?—A. If Colonel Eaton, who owned one-sixth of the stock, had to pay any debts of the concern, I should have been liable for one twenty-fourth part of them.

Q. And, of course, you would have been interested in the profits that might arise from the business?—A. Yes, to that extent.

Q. What business did that company engage in?—A. Making building-block, the same material as the Howard University is built of.

Q. Sun burned brick?—A. No, sir; blocks made of limo and sand.

Q. Did that concern borrow any money, directly or indirectly, from the Freedman's Bank?—A. I have no recollection of its having ever made any loan from the bank.

Q. Do you know of anybody borrowing any money from the Freedman's Bank for the benefit of the firm of D. L. Eaton & Co.?—A. I have no recollection of it. There was an overdraft of the company on the books of the Freedman's Bank, amounting to eighty or ninety dollars. I kept the books for the company at that time, and I tried faithfully to find out where the difference was between the two accounts, but I could not succeed. This was the only indebtedness of the company that I ever knew of to the Freedman's Bank.

Q. Was Mr. Eaton actuary of the Freedman's Bank during the continuance of the existence of that firm?—A. He was.

Q. Whose duty was it to prosecute defaulting officers of the bank, cashiers, &c.?—A. It was the duty of the executive officers, the president and the actuary, under the direction of the trustees. It was the duty of the trustees to order the prosecution.

Q. Was it ever done?—A. It was never done except in one case, the case of Corey, at Atlanta.

Q. What became of the prosecution in that case?—A. Mr. Corey was convicted, but whether he was ever sentenced or not I do not know. He moved for a new trial, and he was out on bail when the bank suspended.

Q. Was it usual for you to grant loans without the concurrence and direction of the finance committee?—A. I did, sometimes.

Q. What loans did you negotiate without the concurrence and direction of the finance committee?—A. No new loans which I negotiated—loans that were entirely new. I had the fixing up of old loans, and I tried to get the best security I could for them. I did considerable of that without directions.

Q. How many loans did you negotiate in the first instance?—A. I cannot tell that now.

Q. What is your best recollection as to the aggregate amount of the unpaid loans of that sort which you negotiated?—A. I suppose about forty or fifty thousand dollars.

Q. Would that cover all the indebtedness of persons to the bank to whom you loaned money without the directions of the finance committee?—A. I cannot say that without seeing the loans. I do not recollect them, and I cannot tell what has been paid and what not.

Q. You stated the other day that you knew nothing of those Vandenberg loans?—A. No, sir; I did not say so.

Q. How did it happen that such heavy loans were made to Vandenberg?—A. We had the money there, and we made the loans to him on what we supposed to be good security. Those loans were made with the knowledge of the trustees. They asked me from time to time the amount of Mr. Vandenberg's loans, and I told them, and they asked me the amount of his securities, and I told them. They asked me that from time to time.

Q. How much of these loans to Vandenberg remain uncollected?—A. I do not know.

Q. At the time that your connection with the bank ceased, how much remained uncollected?—A. I think about \$150,000, with security enough, at the market-rates, to pay the original loans, leaving off interest. The reason why the security was so much reduced was, that during the panic, I sold considerable of the securities of Vandenberg a great deal lower than they are now. They were sold at 70, and are now worth from 85 to 90.

Q. Do you recollect anything of a loan for the benefit of the Young Men's Christian Association—a loan of \$33,000?—A. Yes.

A. Give us some account of that.—A. That loan was passed by the finance committee. It was made by D. L. Eaton, actuary, on a supposed first mortgage. During the latter part of 1873, when the panic came, and when the bank wanted money, I was negotiating a loan through a broker, and got W. H. Ward to examine the title that we had in this mortgage on the Young Men's Christian Association property. He examined the title and reported against it, saying that the joint-stock company had no right to mortgage the property. Of course, I was not able to negotiate the loan. There are two associations connected with the Young Men's Christian Association. The loan was made to the joint-stock company, and Mr. Ward reported that that company had no right to deed the property except to the Young Men's Christian Association proper, when that association could pay for it. The Young Men's Christian Association owns about \$15,000 worth of stock out of \$200,000 worth issued for the building. The rest of it is held by different parties.

Q. Was that money borrowed by Cooke and Howard for that association, or was the loan negotiated directly with the Young Men's Christian Association?—A. It was negotiated by A. S. Pratt for the joint-stock company of the Young Men's Christian Association. All the negotiations were made by him.

Q. Who actually got the benefit of that loan?—A. The joint-stock company. There were some loans at the time that were negotiated on the stock of the company, but they were taken up entirely.

Q. Was there any mortgage or deed of trust executed to secure this loan?—A. Yes.

Q. On what property?—A. On the property of the Young Men's Christian Association, corner of Ninth and D streets. At the time the loan was made it was supposed to be good, and it would have been good if the title had been good.

Q. Whose fault was it that that mistake was made?—A. I do not know. I did not have anything to do with it.

Q. Were you not actuary at the time?—A. No, sir; Mr. Eaton was actuary. I think the mistake was made by the party that made the abstract of title. I do not know who that was.

Q. Were those who borrowed the money aware of their incapacity to convey the title?—A. No, sir.

Q. Who constituted this joint-stock company?—A. I do not know.

Q. Who were the directors in-chief of it? Were any of them officers of the Freedman's Bank?—A. Henry D. Cooke was a member of the company; I think he was treasurer at the time.

Q. He was one of the borrowers of the money?—A. Yes.

Q. And was also one of the lenders of the money?—A. He was a member of the finance committee of the Freedman's Bank at the time.

Q. That loan was negotiated after the finance committee had approved it?—A. Yes.

Q. And he was also a member of the association which received the money?—A. Yes.

Q. He was treasurer of that association?—A. I think so.

Q. Have you any distinct recollection whether he had a personal knowledge of the fact that that loan was going to be negotiated?—A. I think he did have.

By the CHAIRMAN:

Q. Was not General O. O. Howard also a member of that joint-stock association?—A. He was.

Q. And an honorary member of the board of trustees of the Freedman's Bank?—A. I think he was not an honorary member till after that date.

Q. When was that loan negotiated?—A. I think it was made in April, 1871.

Q. There are a number of loans reported by the commissioners, generally in small sums, to parties on the security of holdings, of some sort, on the Barry farm; do you know for what purpose and by what agency these loans were granted?—A. The loans were granted to enable parties who had bought property there to pay for it.

Q. Do you mean to say that those parties who held lots on the Barry farm, and borrowed money on those lots, obtained it for the purpose of paying the purchase-money of the same to the holders of the Barry farm?—A. Yes.

Q. Do you know who the holders were?—A. The holders of the Barry farm were the trustees to whom the farm was deeded. The money went to certain educational institutions, as I understood.

Q. Who were the parties who held this farm and sold out these lots?—A. S. C. Pomeroy and O. O. Howard were the trustees, I think.

Q. Was not J. W. Alvord one of the trustees?—A. No, sir.

Q. Do you know whether the trustees of the Barry farm obtained any money from the bank for the purpose of paying for the same?—A. They did not.

Q. During the administration of Mr. Eaton as actuary, and afterward during your own administration as actuary, was it customary to make investments or loans of the funds of the Freedman's Bank without previous direction or assent of the board of trustees?—A. Yes. A good many loans were made, both during Mr. Eaton's administration and my own, but most of them, and I think all of them, were reported to the board of trustees afterward, and approved by the board.

Q. Was it ever the case that these loans, or any of them, were not reported to the board of trustees, or, if reported, not approved by them?—A. There may have been a few loans that were not reported. I cannot recollect now what loans they were. I have no recollection of but one or two that were not approved.

Q. State, to the best of your recollection, what loans were not reported at all and what loans were disapproved, and what action was afterward taken in relation thereto.—A. I cannot recollect now what loans were not reported, because it was always my intention to report them all, and if they were not all reported it was because I skipped some of them. There were some small loans of one hundred dollars or so, on personal security, amounting in the whole to about eight or ten thousand dollars, which used to run along without being reported at all. The trustees all knew that they were there without being reported.

Q. Did not J. W. Alvord, as president of the Freedman's Bank, and *ex-officio* chairman of its several committees, repeatedly protest against loans on such securities as the Seneca Stone stock, the Metropolitan Paving Company stock, the National Seal-Lock Company's stock, the Columbia Railroad stock, and other collaterals of that character?—A. I believe he protested against those loans that were made after they were made, but I do not know that he was the first one who did so.

Q. Did he not go to Mr. Eaton and to yourself and tell you that these loans must be stopped?—A. He never came to me. I do not know whether he did to Mr. Eaton.

Q. Did you make any loans on security of that description?—A. No, sir.

Q. Those loans that were reported as having been made on that class of securities were made before you became actuary?—A. Yes, sir.

Q. Why did J. W. Alvord protest against those loans after they were made, if they had been made with the approval and sanction of the board, of which he was the official head?—A. I think that most of those loans were made outside of the finance committee. I do not think that they were made at regular meetings of the committee.

Q. Describe the operation by which it was done.—A. I don't know the *modus operandi*, because I was not inside.

Q. Were you assistant actuary?—A. All these matters were brought to me, and I simply had to enter them up.

By Mr. BRADFORD:

Q. State fully and circumstantially the manner in which they were negotiated.—A. The Seal-Lock Company's loan, I think, was negotiated and approved by Mr. Huntington alone, who was one of the finance committee. When we had a meeting of the full finance committee these loans would be reported and approved. After that they were reported to the board of trustees. I think that the record shows that all these loans were reported by the finance committee, after they were made, to the board of trustees and approved by the board of trustees, and I do not think that a protest was entered at the time against any one of them.

Q. Can you account for the loose and careless manner in which the books of the bank were kept, and the reckless manner in which the assets of the bank were frittered away?—A. In regard to the way that the books of the bank were kept, the reason was that we never had help enough to get the books up and to keep them up. While I was actuary I never could get the help that I really wanted.

Q. What was the reason?—A. Somebody would protest that we were paying men who could not do it, or else they wanted some friend to have the place.

Q. Who would make such a protest?—A. It was made in the board of trustees several times.

Q. Can you recollect an individual person who made that protest?—A. Mr. Langston, for one, at the last annual meeting. He was for cutting down the salary of the book-keeper.

Q. Prior to that time who made any such protest?—A. It came through the agency committee and the finance committee. They thought that the men we had could do the business.

Q. Then you account for the loose and careless keeping of those books. (if it was not criminal keeping of them) by the want of clerical force?—A. By the want of clerical force; but while the books of the principal office were not kept quite as they should be, we never lost anything by it, and, so far as I could find out, there is no mistake or error in them. In the Washington branch there is a discrepancy of from thirty-five thousand to fifty thousand dollars of difference between the amount shown to be due to depositors on the ledger, and the amount shown on the journal. This discrepancy I never could find out. I employed Mr. Wygatt, afterward cashier of the Citizens' Bank, and book-keeper of the First National Bank, for three or four months, and he went over the books and could not find out the discrepancy.

Q. Who is chiefly responsible for the loans of money on securities contrary to the terms of the charter?—A. I think the board of trustees and the finance committee are as much responsible as any one.

Q. Do you know any individual member of the board of trustees, or of the finance committee, who was more responsible for them than any other?—A. I think that the first finance committee we had made the Seneca Stone loan. Those loans on miscellaneous securities, and all this matter in regard to the Seneca Stone loan, were before the board and discussed, and there was a long report from Mr. Cooke as to the value of the Seneca Stone property. The board of trustees acceded to the loans in the first instance.

By the CHAIRMAN:

Q. The third section of the charter of the Freedman's Bank prescribes that the affirmative vote of at least seven members of the board shall be required in making any order for or authorizing the investment of any moneys, or the sale or transfer of any stocks or securities belonging to the corporation, or the appointment of any officer receiving any salary therefrom. Do you not know that investments of the funds of the company, and sales and transfers of securities held by it, were habitually made without such order, and without the sanction required by law?—A. I think that almost all the loans were made in the first instance without that sanction, because they were made by the finance committee, which consisted of only five members.

Q. Was it not an habitual practice to invest the funds of the company, and to sell and transfer these securities, without the sanction of such an order as was required by the charter?—A. Yes, it was.

Q. By whom were those investments and transfers made, thus without authority?—A. They were made by the officers of the company, and by the finance committee.

Q. Do you mean by the "officers of the company," D. L. Eaton and yourself?—A. I mean Mr. Eaton, myself, and the president, Mr. Alvord.

Q. Did you ever sell or dispose of any of the securities of the Freedman's Bank after you became actuary? If so, state when, under what circumstances, and by whose authority?—A. I sold \$60,000 of the 10 per cent. special-improvement certificates in New York, which was afterward reported to the board of trustees and approved by them. I sold these because the bank was in need of the money at the time to pay demands of depositors. I sold at different times notes secured by deeds of trust to different parties. Some of the parties were trustees of the Freedman's Bank at the time I made the sale.



Q. Name them, and state what the securities were.—A. I cannot recollect what securities they were, because there was a good deal done in that way. That was almost the only way that we could collect money out of real-estate securities in the latter end of 1873 and the beginning of 1874.

Q. You say that some trustees of the bank became parties to the purchase of securities held by the bank?—A. Yes.

Q. Name such trustees.—A. I sold three or four notes to Thomas L. Tullock. And I sold some \$20,000 of notes to Dr. C. B. Purvis for his father. He paid in full, principal and interest, the amount due on the notes.

Q. Do you recollect any other parties who bought such securities?—A. No, sir. When I would write to parties, whose notes were due, to come and pay them, other parties would sometimes come and take the notes up for them, and I would transfer the notes to these parties who took them up.

By Mr. STENGER :

Q. Did you realize out of all the notes sold in this way the full amount of the loan with interest?—A. We did not.

Q. Were any of the notes purchased at a discount? If so, how much was the discount, and by whom were the notes purchased?—A. There was a note bought by Mr. Tullock, and I discounted a part of the interest that had accrued on it.

Q. Can you tell what securities they were that Tullock bought?—A. He bought a note of James T. Pike given on property on Eleventh street, and a further note of Pike's secured on some property on New Jersey avenue south of the Capitol. The interest had been long overdue on these notes, and I discounted them because if I sold them just at the time of the panic the bank would not have realized the full amount of the notes, and as we wanted the money I thought it best to take off some discount. The other notes that I sold I made about the usual discount on, which is  $2\frac{1}{2}$  per cent. commission on the face of the note. That is the general commission for discounting notes. None of these notes were ever discounted unless when it was necessary for the bank to have money.

By the CHAIRMAN :

Q. You sold the notes at  $2\frac{1}{2}$  per cent. discount?—A. Yes; I got 97 $\frac{1}{2}$  per cent. for them.

By Mr. STENGER :

Q. Through what period of time did that course of business run?—A. From about the 1st of November, 1873, till about the time that the bank suspended. While there was no vote on the matter, the trustees individually told me to do the best I could in regard to raising money for the bank and that they would stand by me.

Q. You mean to say that they gave you unlimited authority in the matter?—A. While there was not any vote of the board on the subject, that is what the members individually told me. I would consult with some of them individually, in regard to what was best to do, when we could not get a meeting of the full board.

Q. What, from your recollection, was the amount of notes that was so sold?—A. I suppose about one hundred and fifty to two hundred thousand dollars. I sold to Mr. Corcoran about \$50,000, but he charged no discount, except that I had to pay his lawyer for making a new abstract of title.

Q. Were any of those notes sold to the First National Bank?—A. No, sir; we had no need of selling notes till after the First National Bank was past buying notes.

By the CHAIRMAN :

Q. Did you employ any agent to effect the sale of securities in New York?—A. No, sir; I took them there myself and sold them. The Government bonds that we had at the time of the panic, (about \$600,000,) were mostly sold through the American Exchange National Bank.

Q. Something was said a while ago about the insufficient clerical force of the Freedman's Bank as accounting for the condition in which the books were kept. It may be true that inadequacy of clerical force would prevent the books being got up in time, but is that any explanation of the fact that such books as were kept, were in such inextricable confusion as to "darken counsel" rather than explain the transactions of the bank—as appears to be the fact from the report of our own experts?—A. I do not think that the books are in such a condition as that. If the experts were to ask me for information I think I could give them some information that would help them in the matter.

Q. Will the inadequacy of clerical force account for leaves being cut out of some of the books, and for other leaves being pasted together, and false balances being made?—A. I never knew that there were any leaves cut out or any leaves pasted together.

Q. We hear frequently on the street, and around the Capitol, of a real-estate pool existing in this city; can you tell us what that pool was, and who were the members?—A. I suppose you refer to the real-estate pool in which property was deeded to Kilbourn & Latta as trustees. My understanding is that certain property was bought in the northwest part of the city and deeded to Messrs. Kilbourn & Latta, and Olmstead, as trustees. Who the mem-

bers of the company were I do not know, and never did know, and had no means of knowing.

Q. Were any other parties, mentioned as connected with that pool, at any time intrusted with confidential business of the Freedman's Bank or did they hold confidential relations with the bank?—A. When the charter of the bank was first awarded, authorizing it to make loans on real estate, Messrs. Kilbourn & Latta were appointed appraisers, or valuers, of property.

Q. Do you not know that a good many of the loans negotiated by Kilbourn & Latta, as brokers, and secured on property appraised by them as the business agents of the bank, were made for the purpose of improving and developing this property of the real-estate pool?—A. No loans that I know of were made for that purpose.

Q. Were there not loans obtained on real estate in that section of the city?—A. No, sir; there were some loans on notes bought by the bank which were given by Messrs. Kilbourn & Latta, I think, but they were taken from the parties to whom the notes had been given in part payment of the property. No loans that I know of were made directly with either of those gentlemen.

Q. In other words, the business men of the real-estate pool were Kilbourn & Latta, and they were also the business men in the Freedman's Bank?—A. I do not think that they made any estimates of property for the Freedman's Bank since the real-estate pool was started.

Q. Are you certain about that?—A. I am quite certain.

Q. When was the real-estate pool started?—A. The only way I know is by the date of the notes given for the property, and those notes were dated in June, 1872, I think.

By Mr. STENGER :

Q. Do you know whether the deed is dated at the same time?—A. I do not know, but I suppose the deed is of even date with the notes.

By the CHAIRMAN :

Q. What were those notes given for?—A. For the deferred payment of purchase-money. They paid so much in cash and gave their notes for the balance. These notes got into the bank from third parties—from the parties from whom they had bought the property.

Q. I understand you now to say that while you know of no loans that were made directly on the security of the property held by the real-estate pool, many of the notes that were given by the individual members of the pool found their way into the bank and were there cashed.—A. I cannot say "many," but about \$50,000 altogether, I think.

Q. Who negotiated those loans?—A. They were taken from the parties from whom the pool bought the property.

Q. What officer of the bank passed these notes?—A. They were all passed, I think, by the finance committee, and they have been all paid in full.

By Mr. BRADFORD :

Q. Was not Henry D. Cooke a member of the finance committee at that time?—A. I think not. I think he resigned on the 1st of January, 1872; either 1872 or 1873.

By the CHAIRMAN :

Q. Can you not tell us who the parties were who gave these notes, and who were the parties to whom they were given?—A. Notes for \$15,000 were given to W. W. Rapley, by one of the firm of Kilbourn & Latta. Some of the notes were made by Latta, some by Kilbourn, and some by Olmstead. Whom the other notes were given by I do not know.

Q. I understand from your evidence that Kilbourn & Latta and Olmstead were trustees of an association that was standing behind them. Do you know any of the members of that association?—A. I do not.

Q. Did you ever hear Kilbourn, Latta, or Olmstead say who were the members of the pool?—A. No, sir.

By Mr. BRADFORD :

Q. Do you know anything tending to show who was a member of that concern?—A. No, sir. I do not.

By the CHAIRMAN :

Q. Was the pool, so called, a mere private association or was it an incorporated body?—A. It was a private association, I supposed.

Q. Were there any other securities than those that you have mentioned held by the bank, which you sold or transferred, without any order or authority from the board of trustees?—A. I do not recollect any other.

Q. What became of the \$15,000 of United States securities owned by the Rost Home Colony and deposited as a special trust-fund in the Freedman's Bank?—A. When I was made actuary of the bank I found that the New Orleans branch of the bank was carrying on its books, as due to the Rost Home Colony, some \$15,000, and from correspondence afterward I found that it was held as any other deposit, and that the bank held the bonds the same as any other securities of the bank. At the time of the panic, (not knowing what might happen

to the bank,) I ordered the cashier at New Orleans to charge the amount up to our account, and he put it on his books as charged to the principal office, and I took the bonds out afterward and sold them, and took the best real-estate notes that I could find and put them in the place of the bonds. Those real-estate notes have since been paid, and the commissioners of the Freedman's Bank have the funds in their hands as cash. The bonds were registered bonds, and were sold under the direction of the finance committee and the board of trustees.

By the CHAIRMAN:

Q. The commissioners' report of December 14, 1874, says: "In addition to the liabilities and assets shown by Exhibit II, we have on hand a real-estate note for \$15,000, dated August 7, 1871, and payable one year from its date, drawn by George Mattingly to the order of the Freedman's Savings and Trust Company, and bearing interest at the rate of 10 per cent. per annum, and \$1,856.94 cash. The note is secured by a deed of trust on the property situated at the northeast corner of Ninth and E streets, and the interest has been paid to August 7, 1874. These assets are held in the nature of a trust-fund under the seventh section of the act of March 3, 1865, and, as far as we have been able to ascertain the facts of the case, the history of this fund is as follows: On the 1st of February, 1867, the Freedman's Savings and Trust Company received from the Bureau of Freedmen, Refugees and Abandoned Lands the sum of \$15,000 in currency, being the net proceeds of a crop made on the Destrehan plantation, in Louisiana, (Rost Home Colony,) after the expenses of raising it had been paid, to be invested in United States bonds, and held in trust for the purposes set forth in the order of Maj. Gen. O. O. Howard, Commissioner, under date of December 29, 1866. The funds were duly remitted to the principal office of the company, then in New York City, and on the 11th of February, 1867, \$10,000 of 5-20 United States bonds were bought by the company, and on the 24th of April, 1867, \$4,150 additional 5-20s were purchased. On the 18th of July, 1867, a further deposit of \$870.07 was received from the Bureau of Refugees, Freedmen and Abandoned Lands on the same account, which was invested on the 23d of the same month in \$800 5-20 bonds. Interest was credited on account of this trust to July 1, 1873, amounting to \$7,077.36, against which checks amounting to \$2,328.47 were drawn and paid, leaving a balance of \$4,748.89 due, standing on the books of the New Orleans branch. No interest seems to have been credited since July 1, 1873. On the 9th of July, 1873, the books of the Washington branch show that those bonds were sold and the proceeds placed to the credit of the Rost Home Colony, and on the 23d of September this deposit-account was closed, and the amount realized from the sale of the original bonds re-invested in United States currency sixes. Subsequently, during the 'run' of October, 1873, it appears that these 'sixes' were sold with other Government bonds, the property of the company, to meet the demands of the depositors, and the \$15,000 real-estate loan, referred to above, and another for \$1,500, were substituted for the Government bonds. This last-named loan was afterward paid, and the currency has been placed with the other loan." Is that the transaction to which you have referred in the foregoing statement?—A. Yes.

Q. Has there been substituted for the securities held as a special trust for the Rost Home Colony anything besides the \$15,000 real-estate loan?—A. Nothing else; and that has been paid.

Q. Where are those funds now deposited?—A. I suppose they are in the hands of the commissioners. I signed a release, and Mr. Leibold told me, about a week ago, that he had the money. I got these facts when the commissioners made their report, from the New Orleans branch, after the bank had suspended and after the books had been sent up here. When the transaction was first made I knew nothing about it. It simply appeared on the books of the New Orleans branch as a deposit, and the bonds were sold the same as any other deposits.

By Mr. FARWELL:

Q. I understood you to say that they were a special deposit not carried on the books.—A. They were carried on the books.

Q. Was interest credited to that account until you took it off?—A. Yes.

By the CHAIRMAN:

Q. After the transfer, exchange, or swapping of these securities, one after the other, was there not a balance of interest, considerable in amount, which was not carried forward to the credit of the Rost Home Colony, or debited to the bank, but which you deposited to your own individual credit in some other banking institution?—A. There was about \$1,000 interest paid on that \$15,000, which I deposited to my own credit until I fixed the other matter up. I deposited it for about three weeks or a month, until I drew the money and sent it over to the commissioners, when I turned over the rest of the funds.

Q. Did you make known to the commissioners the existence of that deposit to your own name, or acknowledge any liability of your own to account for it, until they discovered the fact and made a demand on you for payment?—A. I did not, for the reason that they promised they would pay the \$15,000 note, and I wanted to get Government bonds for it and return the deposit in Government bonds. The money was at my credit, but I did not use it in any way, shape or form.

Q. If the books of the bank, kept under your supervision and direction, exhibit the true character of the transaction as to other parts and parcels of that debt, why was it that they did not exhibit also the state of the interest account?—A. The books of the bank did not exhibit the statement of that account at all. The real-estate notes were locked up in the safe, and were there all the time.

By Mr. RIDDLE :

Q. Was Mr. Johnson, who has testified before this committee, and who was employed as book-keeper in the Freedman's Bank, fully qualified for the discharge of the duties of book-keeper?—A. I do not think he was.

Q. Was he a good clerk?—A. He was a good clerk for some part of the work, but not for that particular business of general book-keeper.

By Mr. FARWELL :

Q. Who represented this colony and who deposited these bonds as agent of the colony?—A. They were deposited by the assistant commissioner of the Freedmen's Bureau at New Orleans.

Q. What were his instructions when he left this deposit with your company?—A. There do not appear to be any instructions on record, except the order of General O. O. Howard.

Q. Under whose instructions did you make this transfer from a current account back to a special deposit, after you came in as actuary?—A. I did that of my own accord, because I thought that was where it ought to be, so far as I could find out after correspondence with the cashier.

Q. You did it without directions from anybody?—A. Yes.

Q. By whose directions did you change the bonds from five-twenties to currency sixes?—A. The five-twenties could be sold on the market better than the others, and I simply sold them and substituted currency sixes for them.

Q. By whose authority and direction did you change those currency sixes into real-estate notes?—A. My own.

Q. Is the committee to understand that all this manipulation of bonds and accounts was done entirely by you? Was the original deposit made as a special deposit on a current account?—A. It was made as a current account. It appeared on the books of the New Orleans branch at the time as a current deposit, as \$15,000 to the credit of the Rost Home Colony.

Q. Then by your action this colony will get 100 cents on the dollar?—A. Yes; whereas otherwise it would only have got its regular percentage or dividend.

By Mr. BRADFORD :

Q. Were you not named as trustee in many deeds of trust that were taken to secure loans from the Freedman's Bank?—A. I was.

Q. Did you ever receive compensation other than your salary as actuary in connection with these trust-deeds?—A. I suppose that during the time I was actuary I received about \$500 as trustee.

Q. Have you any further claim against the bank, on account of services rendered as trustee?—A. I have some claims for services rendered as trustee since I left the employment of the bank. I have no claim for services before that.

Q. It was simply in the execution of trusts which existed prior to the severance of your connection with the bank that you have these claims?—A. Yes.

Q. You have charged for those services?—A. Yes. I stated that I wanted some compensation, but not the full amount.

Q. Then your present account or claims against the bank include claims for services rendered before you ceased to be actuary?—A. No, sir.

By Mr. STENGER :

Q. Do I understand you to mean that on all these deeds of trust in which you were named as trustee, you still claim a commission to the amount for which the property has been sold, or shall be sold?—A. I claim a commission on the amount for which the property has been sold, but not a full commission. I told the commissioners, when they bought the property in, that I did not want a full commission, but that I thought I should have some compensation, because these trusts took me away from my business, and I had to be responsible for the sales.

Q. Do you not know that the understanding with Eaton was that no commission whatever was to be charged by him on those deeds of trust, which were a mere nominal matter?—A. I do not think there was ever such an understanding. Dr. Purvis introduced a resolution in the board of trustees, which never was acted on, in relation to the matter. There were other matters connected with it, and when I was made actuary he moved that the resolution be withdrawn, and it was withdrawn, and no action was ever taken.

Q. In those deeds, where you are named as trustee, was any amount fixed as commission?—A. The commission is 4 per cent. on the gross amount of the sales.

Q. And that is the amount which you claim to be due to you on all this property sold?—A. I did not say so.

Q. That is the amount which would be legally due you?—A. Yes.

Q. And anything less that you chose to take would be so much remitted to the bank, in your view?—A. Yes.

Q. Have you intimated to the commissioners what percentage you are willing to take?—A. I have not.

Q. Do you know the pecuniary circumstances of the members of the finance committee and of the board of trustees before they became such members, and their pecuniary circumstances now?—A. I think a great many of them are a great deal poorer now than when they became trustees. I know of none of them who are any better off.

Q. Does that same rule apply to the actuary?—A. It does most decidedly.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, March 16, 1876.*

Committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Riddle, and Stenger.

B. W. BRICE sworn and examined.

By Mr. STENGER:

Question. Where are you residing now?—Answer. In Baltimore.

Q. Were you at one time Paymaster-General of the United States Army?—A. Yes.

Q. How long is it since you ceased to be in that position?—A. I was placed on the retired-list January 1, 1872.

Q. Were you at any time one of the trustees of the Freedman's Bank?—A. I was one of the corporators in the original act, by special request, a request to which I acceded only on condition that no duties should be required of me, as my own official duties demanded all my time at that period.

Q. Do you recollect at whose request you became trustee?—A. At the request of General O. O. Howard, who was the procurer of the legislation, I think.

Q. There were other officers of some of the departments of the Government also named as corporators or trustees, were there not?—A. I have no knowledge or remembrance as to that. I never gave the subject a second thought; I attended the first meeting after the organization of the board, but I never afterwards met with the board, I never was in their office or banking-house, and I know nothing whatever of their proceedings.

Q. Do you recollect whether Hon. E. B. French, Second Auditor of the Treasury, was one of those corporators or trustees?—A. Very possibly, but I have no recollection on the subject. The truth is, I think I never read the act of incorporation.

Q. Do you know anything of a company known as the Maryland Freestone Mining and Manufacturing Company, otherwise called the Seneca Stone Company?—A. I was at one time a stockholder of that company.

Q. Do you recollect at what time you procured your stock?—A. I think in the year 1866; certainly in 1866 or 1867.

Q. Please state to the committee how you came to be an owner of the stock.—A. The president of the company, or one I understood to be the president of the company, Mr. John L. Kidwell, came to my office and solicited me to become a stockholder of the company, alleging that he desired select subscriptions, that he wanted to reserve the stock, as he considered it very valuable for persons of some influence and position. At the first interview I gave him no satisfaction. He repeated his call subsequently some days afterward. Then I told him I would make inquiry and determine whether I would take the stock or not. At that time I had a deposit in the First National Bank of some money, which was collected by that bank and transmitted to my own credit, derived from my patrimony in Ohio—my father's estate—and that credit in the First National Bank was known to Kidwell, as I learned from the conversation, and I suppose now (I did not then) that it was that deposit which he was seeking, as he needed money. Mr. Henry D. Cooke, then governor of the District, was a brother Ohioan, and one whose father I had known many years ago very well. I had made an agreeable acquaintance with him and reposed entire confidence in what he would represent to me. I waited on Mr. Cooke and told him that I could not afford to make an unsafe investment or to go into any sort of speculation; that what little surplus I had I wanted to invest in some productive stock, one that would be entirely safe; that I preferred a small interest with certain safety to any hazard in regard to the matter, and that I had designed to invest that deposit then in the bank in Government stocks, where I had heretofore made some investments of money derived from the same source. Mr. Cooke assured me, with great emphasis, that I could not make a better investment of my money than in the stock of that Seneca Stone Quarry Company. He gave assurances that very shortly it must pay valuable dividends, and that it was a perfectly safe company. I had told Mr. Cooke in the conversation that I sought his opinion and advice on the subject as a friend, and that I wanted a frank and perfectly sincere statement from him as to his opinion

in regard to the stock. He gave it to me as I have stated, and I invested \$10,000; paying 50 per cent. on 200 shares of stock.

Q. Do you know by whom that stock was issued to you?—A. It was issued to me by the secretary of the company on printed scrip.

Q. Did you receipt for the stock-certificate yourself on the books, or had it been receipted for by some one else and handed to you?—A. I presume that I went through all the necessary forms. I do not recollect all the details now.

Q. To whom did you pay the money?—A. I gave a check for the money to Kidwell. I never considered that in any conversation with Mr. Kidwell I had fully committed myself to the subscription which he sought of me; but a few days after my conversation with Mr. Cooke, (just referred to,) a check for \$10,000 was presented to me by Mr. Huntington, the cashier of the First National Bank, for my signature. He stated that he had paid over the amount to Mr. Kidwell. My deposit in the First National Bank did not quite attain to \$10,000, but Huntington presented me at the same time a note for the remainder, which I paid a few days afterward. He said that Kidwell had represented to him that I had agreed to make a subscription. I concluded to acquiesce without any further question or demurrer about it, particularly as I had been persuaded that the stock was a select and choice stock, and that it would pay valuable dividends, and that very shortly.

Q. Have you no knowledge of the taking of any of the stock by any other persons?—A. I have no specific knowledge. A list of the stockholders, then in existence, was exhibited to me, a few of the names of which I remember, but not all.

Q. What names do you remember now as having been on that stock-list at the time that Kidwell solicited the subscription from you?—A. General Grant was one; his brother-in-law, General Dent; the Surgeon-General, General Barnes; the Adjutant-General, General Robert Williams, and I think General Babcock; but I am not positive about him.

Q. Did you see the name of Caleb Cushing?—A. Yes.

Q. And of William H. Seward?—A. I think so. I know that it struck me as a very distinguished list.

Q. Have you no knowledge from any one of those parties named, or from any other of the stockholders, as to what they paid for their stock?—A. None whatever.

Q. Had you no other information in relation to the company and to the subscriptions for its stock than what you have given?—A. I have not.

By the CHAIRMAN :

Q. Have you ever received any dividend on your stock in that company?—A. Yes; I received a dividend in 1871, I think, in the form of additional stock. I was invited to a meeting of the stockholders of that company, at which a Mr. Kennedy, who was a stock holder, and who appeared to be the leading spirit and manager, spoke. The logic and eloquence of Mr. Kennedy induced the meeting to assent to a watering of the stock, I think 50 per cent., and at the same time that meeting declared a dividend of the watered stock. That was the only dividend I ever received.

By Mr. STENGER :

Q. So that the investment was completely lost?—A. No, I realized out of it afterward; not fully, but very satisfactorily, considering its condition. I realized, through a combination of fortunate circumstances, and lost only the interest on my investment for six years.

By the CHAIRMAN :

Q. Do you recollect whether at that meeting (when the stock was watered) any resolution was adopted in regard to the issuing of second-mortgage bonds?—A. There was as to the issuing of some bonds, and I think they were second-mortgage bonds. I know that it was preparatory to the issuing of bonds that the stock was watered. Mr. Kennedy claimed that the original stockholders had a right to this benefit, as they had borne the brunt of the company's embarrassments for six years, and as they were about to borrow money and make extensive improvements which would bring the stock up in the market, he said that the original stockholders had the right to that benefit. It was a sealed letter to me, for I had no familiarity with the subject and never gave much attention to it. I had become convinced about the time of that meeting that the stock was unavailable. It was paying no dividends, and could not be sold in the market, so I did not care what they did with it.

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
*Washington, D. C., March 18, 1876.*

The committee met at half past 10 o'clock. Present, Messrs. Douglas, Riddle, Frost, and Farwell.

SANDERS L. HOWELL sworn and examined.

By the CHAIRMAN :

Question. State your residence and avocation.—Answer. I reside at the corner of Twenty-first and L streets, Washington City. I am a clergyman.

**Q.** State whether, since the suspension of the Freedman's Bank, you have had any communication with the commissioners in regard to the condition of its affairs.—**A.** About the time of the bank's closing I had some money in it, and there was a report in the newspapers that the bank was supposed to pay ninety-five cents on the dollar. Soon after that there was another report that it could only pay seventy cents to the dollar, and so I went to Mr. Leipold, one of the commissioners, and asked why these various statements were made, and how we came to be so misled as to the value of the bank, as we thought that the Government was bound for the money deposited in the bank. He said that the Government was not bound for it, and that we were all foolish to put our money in there. He went on to speak slightly of the republican party getting up a bank for freedmen, or for negroes, as he called us. I saw him again near the close of Congress, last year, and asked him concerning the bank. He asked me how much money I had in it; and I told him as nearly as I could come to it. He asked me what I would take for it. I told him I did not know exactly, but that I wanted all of it if I could get it. "Well," said he, "you will not get all of it; and if I had not taken it up as soon as I did, you would not have got a penny. But," said he, "I think it probable that I can give you twenty cents on the dollar for your book." Said I, "That is strange to me, after the reports in the papers." Said he, "I have looked over the books and papers of the bank, and I do not think it will pay over 20 cents; however, I can probably give you that, if you will take it." I told him that I did not feel like taking that for it. He then went on to ask me if he could not buy up quite a number of depositors' books through me, and then he would assure me that he would give me 20 cents on the dollar for mine, but that he wanted to get the others as low as possible. I told him that I was engaged in a different business from that sort, and that I would rather have my own money if I could get it. Said he, "I do not know that I can give you 20 cents on the dollar, until I see a little further in reference to the new legislation in Congress. I think I can give you 20 cents on the dollar, and you may rest assured that I will do the best I can for you all; but if I had not taken up this bank as soon as I did, you would not have got a penny, not even for the bank-building; but I will do the best I can for you all." He often treated the depositors very slightly, and if they asked him any questions, he would say, "What are you pestering me for?" He has told hundreds of them that they had no business in putting their money in there, and he would say, "Whoever knew of a Freedman's Bank in the world? If I had not taken up this bank, you would not have had a dollar. We brought you out of slavery. You had nothing then, and you need not think anything of these little losses."

By Mr. FROST:

**Q.** Are you certain that he said just these words?—**A.** Yes, sir; that is what Mr. Leipold said. That is about as much as I can recollect of it. When he was paying the dividends, I noticed that he made all kinds of game of the people for putting their money in the Freedman's Bank. He even made fun of a white lady who was there. I do not know who she was.

By the CHAIRMAN:

**Q.** Do you know of Mr. Leipold, or of anybody connected with the operation of winding up the affairs of the bank, making offers to other depositors to buy their books?—**A.** He made the effort to get the book of a young man named Phil. Rollins, and of another young man whose name I do not recollect.

**Q.** Did Mr. Leipold, in the conversation you refer to, intimate what kind of legislation he wanted before he could make you any further offer?—**A.** He seemed to refer to some movement in Congress. It was at the close of the last Congress, in 1875.

**Q.** You have stated that you put your money in the bank under the impression that the United States Government was responsible for it?—**A.** I did.

**Q.** How was that impression made on your mind?—**A.** Mr. Wilson, the cashier of the bank, made that impression on my mind, and so did D. W. Anderson, the pastor of the Nineteenth-street colored Baptist Church. I do not know whether Mr. Anderson said particularly that the Government was bound in it, but he stated that it was a good thing. I belonged to that church, and we all believed that what the pastor said was true. Mr. Wilson, who was cashier of the bank, stated that the Government was bound for every dollar, and that the money was placed in Government bonds, otherwise I should not have put any money in there.

**Q.** Did you have any conversation with J. M. Alvord or any of the trustees of the bank in regard to the liability of the Government?—**A.** I have talked with Mr. Alvord since about it. I did not know much about him before the close of the bank, but I talked with him several times since then. He said that he used to be president of it, and that old man Fred. Douglass had come to be president, and that he (Mr. Alvord) was in no way responsible for the affairs of the bank.

**Q.** Do you know of any other facts that would tend to show that the affairs of the bank had been injudiciously managed?—**A.** Nothing that I know of.

**Q.** Do you know of any other colored persons who lost their money there?—**A.** Yes, sir. The Zion Church, in Georgetown, lost \$3,000 there, I think.

Q. Have you ever been paid any dividends on your deposits?—A. Yes, sir: I was paid \$153.92, I think.

Q. What percentage was that?—A. Twenty per cent.

By Mr. FROST

Q. Then your whole deposit was about \$760?—A. About that.

Q. You say you are a preacher?—A. Yes, sir; I am a licensed minister from the Nine teenth-street Baptist Church. I preach in different churches, and very often I travel, but I have been losing my health considerably. I often go on missionary work, and do things of that sort. About two years ago I left the theological institution. I was out of money, and I had got all the education I could. I came to Washington from Virginia, and went to work to making something to try to start on, but I lost all I had in the bank, and I lost a good deal of my earnings in the board of public works, as I was not paid for my work.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, D. C., March 21, 1876.*

The committee met at 10½ a. m. Present, Messrs. Douglas, Bradford, Riddle, Farwell, and Frost.

JOHN L. KIDWELL sworn and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I am a druggist by profession. I live in Georgetown; my business is in Washington.

Q. Were you one of the corporators and stockholders of the Maryland Freestone Mining and Manufacturing Company?—A. Yes.

Q. State whether, during your official connection with the Maryland Freestone Mining and Manufacturing Company, there were any loans contracted by that company with the Freedman's Savings and Trust Company.—A. I think it was during my administration that the loan was made.

Q. State, as nearly as you can, the dates and the amounts of the several loans, and the character and description of the securities deposited therefor?—A. I cannot do that at all, because I did not make the loans, nor did I know at the time that they were made there.

Q. By whose authority were the loans made?—A. The financial matters of the company were managed entirely by Mr. Henry D. Cooke and Mr. William S. Huntington. The treasurer of the company was Mr. Hayden, brother-in-law of Henry D. Cooke.

Q. And all the loans that were obtained from the Freedman's Bank were made by and through them?—A. They were made by and through them. I was never brought in contact with the Freedman's Bank in any one transaction, nor until the loans were made did I know that they were made there.

Q. Have you, since those loans were contracted, obtained in any way information as to the several dates, amounts, and character of securities pledged therefor?—A. The loans aggregated in amount about \$50,000. I have not been president of the company for three years, and have sought no information on the subject.

Q. Do you know anything of \$20,000 face-value of first-mortgage bonds being deposited with the Freedman's Bank, either on conditional sale or as security for money obtained by the Maryland Freestone Mining and Manufacturing Company?—A. I did not until that was shown me in the report of the commissioners. I have no knowledge of such a transaction.

Q. Do you know from any communication of Henry D. Cooke or William S. Huntington, or Mr. Hayden, how that loan, and the other loans, to the Maryland Freestone Mining and Manufacturing Company were adjusted and settled, or what became of the \$20,000 of the first-mortgage bonds?—A. If I were to express an opinion about that, I would say that the deposit of the \$20,000 first-mortgage bonds is a mistake. I am not positive about it. I do not know the facts in the transaction at all. I cannot imagine what the bank got \$20,000 of the first-mortgage bonds for. If that transaction took place I have no knowledge of it.

Q. It appears from the books of the Maryland Freestone Mining and Manufacturing Company, generally known as the Seneca Stone Company, that after issuing \$500,000 of stock, which was distributed in the first instance to the five original incorporators, the company issued \$100,000 in first-mortgage bonds. State how those bonds were disposed of.—A. In the first place I think that issue of \$500,000 of stock was not made to the five original incorporators. My impression is that the quarries were sold to the company for \$500,000, and that the company was to issue its stock to the amount of \$200,000, which was to be credited to Cooke, Dodge, and myself, and for which we were to take first-mortgage bonds. The purchase-money of the quarries, and the expenditure on them, was in cash, about one hundred and twenty-five or thirty thousand dollars. The company was organized at \$500,000, with the purpose of selling its stock at \$50, which would realize \$250,000. We three were the original purchasers of the quarries, and we developed them, using cash all the time; and we thought that from the developments made, and from the character of the quarries, we were



perfectly justified in organizing a company at the rate of \$250,000, double the amount of money which we had paid; my impression is, that the agreement was that the stock should be issued to the subscribers to the amount of \$200,000, and that the money received should be for furnishing further mills and developments, and that we were to take the first-mortgage bonds to the amount of that sum, (\$100,000.) That is my understanding and my recollection about it.

Q. The gist of my inquiry was to ascertain the reason for issuing the \$100,000 first-mortgage bonds and the disposition made of them. If I understand you correctly you say that those bonds were issued for the purpose of indemnifying yourself, Cooke, and Dodge, the original purchasers of the quarry, for your advances on the property put into the common stock?—A. From the money paid by the subscribers, which was allowed to go into the treasury of the company, as I tell you, there was \$200,000 of stock sold, which realized \$100,000. We allowed that to go into the treasury of the company for further developments, and in lieu of that the company issued to us three the \$100,000 of first-mortgage bonds.

Q. I understand now that \$100,000 of first-mortgage bonds was absorbed by the three original purchasers of what is known as the Peters farm, which constituted the basis of the Maryland Freestone Mining and Manufacturing Company?—A. That is my recollection; we paying for them, dollar for dollar. We gave \$100,000 for them.

Q. Then, if I understand you, the company had \$100,000 as the proceeds of the sale of \$200,000 of stock, at 50 cents on the dollar?—A. Yes.

Q. And \$100,000 cash proceeds from the sale of the first-mortgage bonds?—A. No; I did not want to be understood in that way. We sold the quarries for \$500,000 of the stock of the company; \$200,000 of the stock was sold by the company, realizing \$100,000. That went into the treasury of the company and we were credited with it, as so much cash furnished by us in lieu of \$100,000 of first-mortgage bonds, which we took at par.

Q. Then the \$100,000 of first-mortgage bonds went into the hands of the original purchaser of the Peters farm, in lieu of \$100,000 previously received by the company on the sale of the stock?—A. That is my recollection of it.

Q. Who holds those bonds now?—A. I have not the list of the bondholders. I suppose it would be difficult to get a correct list of them. The bonds are distributed pretty generally. I hold some of them myself. Mr. Dodge is the largest holder of them, I think.

Q. Have you ever deposited any of those bonds in the Freedman's Savings and Trust Company as security for any loan to yourself?—A. Yes, I have; but that I would be glad to explain.

The CHAIRMAN. Make any explanation you wish.

A. I said to you that I had never made any loan myself from the Freedman's Bank, and that statement I want to sustain. I went to Mr. Huntington, cashier of the First National Bank, on one occasion while I was president of the company, and said to him, "Mr. Huntington, must have a couple of thousand dollars to-day." He said, "All right." Said I, "I only want it till the day after to-morrow, and I would be glad to have a memorandum due-bill for it." He said, "Very well; I will manage so that it will be considered as cash until the day after to-morrow." I had expectations, which were realized, of receiving in two days seven or eight thousand dollars from the sale of stone, or something, and I said to him, "I want to leave a collateral for this loan." He said, "What will you leave?" I left with him bonds—not Seneca stone bonds, but negotiable bonds, which were then worth 75 or 80, and which were my own personal securities. I went the second day afterward and said to him, "Mr. Huntington, here is the money; give me back my securities and my due-bill." His answer was, "Doctor, I am very busy. If you will excuse me and will call in to-morrow I will hunt up that little due-bill and return you your securities." I called the next day and said, "Give me my due-bill and securities and let me straighten this up." But he again put me off. Said I, "Mr. Huntington, I do not like this. You have got my securities, and I have got no receipt for them, and I have got the money to pay for this due-bill." "Well," said he, "I have been looking for that due-bill, and cannot find it." Said I, "You must find it, for I want that thing straightened." I regret to have to mention this, but it is necessary in order to explain my position. I kept calling, but I could not get my securities or my due-bill. After two or three months Mr. Huntington was taken sick, and sent for me one day, asking me to come to the bank—the First National Bank, of which he was cashier. I went to the bank and I found four men carrying him down stairs very sick. I said to him, "Mr. Huntington, I am sorry you are sick." He said, "Doctor, I am sorry that you did not come here when I wrote you the note." I told him that I had been engaged at my store, and could not leave. He said, "I feel very unpleasant and very sick, and I want to straighten up that transaction of yours." Said I, "Mr. Huntington, it will make no difference. You will be out in a day or two, and you can straighten it up then." He said, "I feel very much worried about it, because I have disposed of those securities of yours, and I feel very unpleasant about it. I have treated you very badly, and now that I am sick I know that that ought to be straightened up, and if I had come up earlier to the bank I would have straightened it up." I told him I was sorry to hear that, for I did not expect an acknowledgment from him that he had sold my securities. He went home, and the result of his sickness was that he

died. A short time after he died I found this due-bill of mine in the Freedman's Bank, on having a notification sent to me. I lost my securities, and I found my due-bill at the Freedman's Bank. It was for \$2,000. It was no loan of mine. My securities were for a great deal more than that. The reason that I left the securities was that it was a casual thing, and I had made it a rule not to put myself under obligations to any one. They notified me at the Freedman's Bank that they had this note of mine, and I called there and saw the actuary, and said to him, "There is some hardship attending this matter of mine. You have my due-bill, and I will pay it; but there are some hardships attending it, and it is not exactly convenient for me to pay it to-day. Mr. Huntington is dead, and I do not know what the condition of his estate is. I would like, if you allow me, to pay a part of it, with the hope of getting the balance of it out of Mr. Huntington's estate." They said, "Certainly, Doctor." I said, "Gentlemen, I do not want you to indulge me at all without leaving you collaterals;" so I left there again, collaterals, a chattel-mortgage of \$3,000—not my own chattel-mortgage—and left, in addition to that, five thousand of first-mortgage bonds of the Seneca Stone Company. That was \$3,000 collateral as security for \$1,500. (I paid \$500 on the due-bill on the spot.) I left that additional security with the Freedman's Bank, and I have gone on reducing the amount of my indebtedness, hoping that Mr. Huntington's estate would pay something. I think the debt is reduced now to a little over three hundred dollars, for which there is some seven or eight thousand dollars collaterals as security. They have offered the collaterals to me several times, but I have said, "No, gentlemen, I want these securities to remain until the last dollar of the debt is paid. There are some hardships attending it," but I did not choose to explain what they were.

Q. Did I understand you to say that the first-mortgage bonds which you deposited at the bank on discovering the trick which Huntington had played you, have been since withdrawn by you?—A. No, sir; they are there still.

Q. At the time of this transaction with Huntington, was he a member of the finance committee of the Freedman's Bank?—A. I am not positive about that, but my impression is that he was.

Q. Have these first-mortgage bonds of the Seneca Stone Company ever been paid by the company, or are they still held as a mortgage-debt against it?—A. They are held as a mortgage-debt against the company.

Q. The books of the company show that, at a subsequent date to the one I am referring to, the stock of that company was increased by an issue of \$300,000 in nominal value, and another 100,000 of bonds, secured by a second-mortgage, were issued. Why was that arrangement adopted, and for what purpose, and to what use were those second-mortgage bonds applied?—A. Up to that time the quarries were a great success. We had more orders than we could fill, and the stockholders, in a very large meeting, claimed that instead of dividends there should be an increase of stock, and that the stock should be distributed to the stockholders as a stock-dividend. By a vote of the stockholders that was done. They also instructed the directors to issue another 100,000 of second-mortgage bonds, with a view of having an increased capital. The orders at that particular time were coming in very heavy, and the prospects of the quarry were very inviting. This was done by a full vote of the stockholders.

Q. If the operations of the company had become so great a success in a legitimate manner, why were not the dividends declared to the original stockholders in cash? What could have been the necessity for paying the only dividend which the company ever declared, in a new issue of stock, and at the same time increasing the debt of the company by a second mortgage?—A. The increase of the stock and the issue of the second-mortgage bonds were, I believe, on the same day. The purpose was to build an additional mill, and to enlarge the facilities for quarrying stone, and it was deemed advisable to issue the second-mortgage bonds to raise money for that purpose.

Q. What disposition was made of those second-mortgage bonds?—A. The company at that time was indebted to Henry D. Cooke, and my recollection of it is that he took \$5,000 of those second-mortgage bonds and credited the company with the amount. That I did not know at the time, until I afterward saw the entry. The balance, \$95,000, was pledged when this debt to the Freedman's Bank assumed the shape of \$50,000. It was pledged as collateral for that \$50,000. I did not know the details of that transaction, therefore I will not attempt to give them. It was managed by these men entirely.

Q. You wish to say, then, that you have no knowledge as to the details of the transaction between the Seneca Stone Company and the Freedman's Bank, and that all you do know is that \$95,000 of these second-mortgage bonds found their way into the bank?—A. That is exactly what I would say.

Q. State whether that was done with your knowledge, or through whose agency in the Seneca Stone Company that was done?—A. To the best of my recollection Mr. Huntington was named as trustee of the debt, to secure those bonds, and the bonds had necessarily to be negotiated through the agency of Mr. Huntington. That was really the fact. By a vote of the directors, himself and Cooke were recognized as the financial men of the company. They were the men who moved this whole thing.

Q. Do you know anything of the juggle by which this loan to the Seneca Stone Company appeared for a time to be extinguished by a note of John O. Evans and Hallet Kilbourn, and

how, afterward, it was revived, and Evans's and Kilbourn's note was withdrawn from the Freedman's Bank, and nothing left except the \$95,000 in second-mortgage bonds of the Seneca Stone Company?—A. It was a piece of jugglery which I know nothing about, and could not possibly have anything to do with. I have no association with that kind of people. When it was known to me that the loan at the Freedman's Bank had been created to the extent of \$50,000, and that second-mortgage bonds to the amount of \$95,000 had been deposited as security, I said to Henry D. Cooke that I felt unpleasant about that transaction, and I offered, with him, to raise \$25,000 by the sale of real estate, if he would do the same, and to take up those bonds, myself and himself, from the Freedman's Bank, paying them dollar for dollar. He promised me from month to month to do it, but he failed to do it. I then said to him, "Mr. Cooke, this thing does not suit me; I will not have any imputation resting on my children, growing out of this matter, and although it will give me inconvenience, I will make a proposition to you, (he was then one of the trustees of the Freedman's Bank:) I will give the bank real estate to the amount of \$50,000, to take up those bonds, and I will select one man, and let the bank select one man, to fix the value of the property." He carried my proposition, as he said, to the Freedman's Bank, but it was declined. He soon vacated his position as trustee of the Freedman's Bank, and Mr. Moses Kelly, who was then cashier of the Metropolitan Bank, succeeded him as trustee. Mr. Kelly and I were friends. I went to Mr. Kelly and I renewed this proposition to him. I told him that I felt unpleasant about the transaction, and I induced Mr. Kelly to renew my proposition to the Freedman's Bank. Mr. Kelly proposed it at two different meetings of the board of trustees. He was again unsuccessful, and, strange to say, he reported to me that the proposition was defeated by the colored members of the board. In that proposition I offered to give real estate on Vermont avenue, a little above the Arlington House, on the corner of K street and running up Vermont avenue to L street., at \$1.65 a foot, for that \$50,000. The next time the offer was made through the actuary, Mr. Stickney, and with the knowledge of the president, Mr. Alvord. It was again refused. I afterward sold a portion of that property at \$1.80 a foot, having offered it to the Freedman's Bank for \$1.65, and out of the proceeds I loaned \$30,000 to the Seneca Stone Company, with the hope of getting the Freedman's Bank paid. I made that loan with the view of giving vitality and force to the Seneca Stone Company in hopes that it would pay the debt to that bank. I did it to sustain the credit of the company.

By Mr. FARWELL:

Q. Was there any reason given you by the trustees of the Freedman's Bank for not accepting your proposition?—A. They claimed that technically there was no law to allow them to take anything but money in payment of a debt. That is not the only proposition we made; but they claimed all the time that they had no authority to accept it.

By the CHAIRMAN:

Q. Can you tell us about what time this proposition of yours to exchange real estate, or to settle the debt of the Seneca Stone Company to the Freedman's Bank by a transfer of real estate, was made?—A. It was a very short time after the second-mortgage bonds were deposited. The details of that transaction were without my knowledge, although I was then president of the Seneca Stone Company. The loan was made without my knowledge, through Cooke and Huntington, who were the financial agents of the company.

Q. You spoke of a sale of stock by which \$200,000 worth of stock was sold for \$100,000; who were the purchasers of that stock?—A. General Barnes, Wm. H. Seward, Caleb Cushing, Adj. Gen. Townsend, General Brice, General Dent, and General Grant, (before he was elected President;) men of that stamp.

Q. Did these parties actually pay the Seneca Stone Company fifty cents on the dollar for the stock issued to them?—A. That is my impression.

By Mr. FARWELL:

Q. This stock that was issued to them, was it originally issued on the books of the company, and the money received from it paid into the company, or was it sold to them by the getters up of the company?—A. The money that was received from these gentlemen for their stock went into the treasury of the company, and the original "getters up" were credited with the amount, and the bonds were issued to them in lieu of that amount.

Q. How do you mean that they were credited with that amount?—A. We sold the quarry to the company for \$500,000, in stock of the company. The company was to issue that stock to the subscribers, and we were to be credited with the amount which the company received. The company was then to issue first-mortgage bonds, which we were to receive in lieu of the cash. That is the way that the money got into the treasury. The stock was issued, not in the names of the original corporators, but in the names of those gentlemen who received it. The understanding at the time was that the money received from that stock was to go to our credit, and we were re-imbursed by the bonds.

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, D. C., March 23, 1876.

Committee met at 10 o'clock a. m. Present, Messrs. Douglas, Bradford, Riddle, Farwell, and Frost.

JAMES B. JOHNSON sworn and examined.

By the CHAIRMAN :

Question. State your full name.—Answer. James B. Johnson.

Q. You are the treasurer of Howard University?—A. Yes.

Q. How long have you held that office?—A. Since September 1, 1872.

Q. On page 25 of the report of the Commissioners of the Freedman's Savings and Trust Company, made December 15, 1874, there is this item: "October 22, 1872, Howard University, \$75,000, secured on property known as college reservation, in Washington, D. C." Will you tell us all you may know in regard to the manner in which this loan was negotiated, and by whom, and to what uses it was applied?—A. When I entered on the duties of the office the university was in debt to the Freedman's Bank \$56,500, in sums borrowed at different times. I believe one loan was \$40,000, one \$3,000, and three or four smaller sums borrowed for different times, some longer and some shorter. I found this condition of affairs, and reported it to the executive committee, and suggested the funding of these loans into one, consolidating them into one loan. The board of trustees had authorized the borrowing of \$20,000; and Professor Barber, who was then acting president, made application to the bank to increase the loan to \$75,000, and increase the security; and it was borrowed for one year. I remember distinctly that the difference between the existing loan and \$75,000 was \$18,500. The money had all been used previous to my term of office. That \$18,500 was, I believe, placed in the treasury of the university and used for all current expenses, in the payment of salaries, payment of interest, and other expenses. After I received my summons, I made a pencil-memorandum, supposing that was what was desired, I found, from the cash-book, the loans made, were \$8,000 on November 3, 1870; \$40,000 on August 22, 1871; \$2,000 on March 22, 1872; \$3,000 on April 11, 1872; \$2,000 in June, 1872; and \$1,500 on July 3, 1872. Total, \$56,500. The other loan was dated from October 22, 1872, the day the directors agreed to consolidate the loan.

Q. You say that this consolidated debt was contracted to be paid in one year?—A. Yes, sir.

Q. Has any part of it been paid?—A. I believe they had a rule that they only made loans for one year at a time, but it was agreed they would extend it. It was extended at the end of one year on condition that we increased the interest from 8 to 10 per cent. At that time \$37,500 had been paid. The balance due is \$37,500, so that a trifle less than \$37,500 had been paid.

Q. State, if you please, as nearly as you can, when the debt was reduced as you have described in your last answer.—A. Twenty thousand dollars in the months of December, 1874, and January, 1875. Three payments were made; I think, in all, \$20,000, and a smaller payment was made in the spring following of less than \$2,000; and the balance was paid about two or three months ago. I cannot give the exact dates without referring to my cash-book.

Q. What does the property known as college reservation consist of?—A. There are about 35 acres in the field on which the buildings stand. That is called the "campus," or "reservation." The part of this included in this mortgage is all of that part east of the buildings, consisting of about 20 acres without improvements. It is described as bounded on the north by Lincoln street, on the south by College street, on the east by Moore's land, and on the west by Four-and-a-half street, if it were extended. It is described more minutely, but those are the boundaries. That is not all the property included in the mortgage.

Q. That is the property secured to the bank?—A. The bank has mortgage on more than that; then there is our reservation.

Q. It has been stated here in the course of this investigation that the security given by the university for its loan was afterward shifted for certain securities given by Barber & Langdon?—A. That is a mistake. I will explain that when you desire me to.

Q. I want you to explain that transaction—how it came about, what it was intended for, and why it was entered upon.—A. There never was any arrangement to that effect. The executive committee made some arrangement with Barber & Langdon. They owed the university some money, and their debt was not due for eight years. The executive committee made a proposition to them that if they would pay the money within nine months' time, in installments of \$5,000 each, to enable them to pay their entire debt, they would release them from their obligation for a certain amount of money. It was understood that those payments should be made in such a way that the money was to pay the indebtedness of the university to the Freedman's Bank, and \$10,000 to the German-American Savings Bank. After they had paid \$20,000 they backed out. They were not placed under bonds, as there was no written contract. It was a mere agreement. The executive committee referred the matter to one or two gentlemen, who claimed to know the law, and they said that the memorandum would not bind them to do it, and they were permitted to withdraw. While it was reported that they had assumed the debt, it was never understood that they had assumed it. In the mean time the security which the university had given the bank was not to be

touched until the debt had been paid the Freedman's Bank, and it never has been touched. It remains now as it was given in 1872.

Q. Did Barber & Langdon receive accommodation at the bank to raise the money?—A. Not that I am aware of. I do not know who they obtained it from. They paid the money to me, and I paid it to the Freedman's Bank.

Q. You state that the bank held other security for the debt of the university than the land of which you have spoken; state what it consisted of.—A. A piece of land south of the university consisting of about 11 acres unimproved. It is intended eventually to make a park of it. It is designed as a park. It is bounded by College street on the north, Fourth-and-a-half street on the east, Sixth street on the west, and Pomeroy street on the south, containing between 10 and 11 acres of land. There is also square 1054 in the city limits, lying one and a half miles east of this place—one of the large original squares of the city. I forget now its dimensions.

Q. Do you know the fact that the Howard University, and the property and lands generally understood under that designation, and the real estate held by it in the city of Washington, donations from General O. O. Howard, were all paid for out of public funds, which, it is believed, by some, at least, General Howard had no right to appropriate in that way, and that there may be a reclamation by the Government at some future day?—A. I have heard it intimated that there were parties who believed that General Howard's donations were not legal, but I am not lawyer enough to know. The land on which the buildings stand was purchased, by the board of trustees, of John A. Smith, and how much money General Howard donated I am unable to state; but I know the trustees purchased that land on credit, and then sold lots, the money for which went into the treasury. Some has not been paid for yet. I am speaking of that parcel of land known as the Smith land.

Q. Don't you know that afterward General Howard put in a small piece of land before purchased by him, adjacent to or adjoining the ground, and that it was all held under one grant for the university?—A. I am aware of his deeding, or causing to be deeded, what was known as the Miller property to the university, but the conditions I have never seen. I suppose the conditions must be in the records, if they are in the university.

Q. You said the property known as the Smith farm was purchased by the trustees?—A. Yes, sir.

Q. Did they ever get a free and unincumbered title to the property?—A. They did; so free and unincumbered that the best real-estate lawyers and agents have taken the title of the university in smaller lots.

Q. Have you any knowledge as to how the property known as the Smith farm and the Miller property was paid for?—A. I have no knowledge whatever of the Miller property being paid for; how it was paid for. The money did not go through the university hands. The Smith farm was paid for by the treasurer—the former treasurer.

Q. Who was he?—A. General Balloch, I think it was. John A. Cole, son-in-law of J. W. Alvord, was acting treasurer before I came, though only a short time.

Q. Was there any portion of that Smith property subdivided into lots?—A. Yes, sir.

Q. And sold, among others, to J. W. Alvord, O. O. Howard, General Balloch, or other parties connected with the Freedman's Bank?—A. I cannot say how many of them were connected with the Freedman's Bank. I have no knowledge on that. They bought lots from the college. I am quite sure that General Balloch purchased two or three lots. He bought others from other parties who had bought some, so that he owns several lots. Mr. Alvord did the same. I am not sure that he bought it all from other parties. That occurred before I was treasurer. Their names appear, I think, on the book; at least General Balloch's does.

Q. Can you state, from your knowledge of the books and memoranda preserved by the university, whether the funds obtained from the Freedman's Bank were applied to the purchase of the Smith farm, and relieving the incumbrance on it for the deferred payment?—A. No, sir; I think that was all paid for before any loan was made from the Freedman's Bank. I am under the impression that the money borrowed from the Freedman's Bank generally went to pay the current expenses of the university.

Adjourned.

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
*Washington, D. C., March 30, 1876.*

Committee met at 10 o'clock a. m.—Present, Messrs. Douglas, Bradford, Stenger, Riddle, and Frost.

JOHN V. W. VANDENBURG sworn and examined.

Question. State your residence and occupation.—Answer. I reside in Washington City. I am a contractor.

Q. It appears from the report of the Freedman's Savings and Trust Company, dated 14th December, 1874, that you have at various times obtained loans from the Freedman's Bank

to an amount exceeding \$180,000. Please state with what officer of the bank those loans were negotiated.—A. My connection and operations with the Freedman's Bank are, I suppose, unlike those of any other man who had anything to do with it. I commenced at its organization. I was then connected with the Freedmen's Bureau, and kept my accounts there entirely. I continued to do the same in my own business. All my loans were made with the actuary. Most of my transactions were with Colonel Eaton up to the time that he severed his connection with the bank. He left there and went to the Second National Bank. Then Mr. Stickney was made actuary, and all my business was with him. On one or two occasions I think I made a small loan through the president, Mr. Alvord, in the absence of the actuary.

Q. Were your negotiations for accommodation at the bank directly with the officers whom you have named, or through the intervention of any third party?—A. I do not think that in any one case I had anybody between me and the bank—not that I recollect.

Q. Were you in the habit of receiving the money immediately on your application, or were your applications filed and submitted to the finance committee?—A. That I cannot tell. I suppose that, doing a general business with them, it was understood that to a certain limit on my securities I should have what money I needed. Of course I cannot tell what individual matters were referred to the finance committee.

Q. Did you receive your accommodation at once, or was your application filed and submitted to the finance committee, or did Mr. Eaton, and after him Mr. Stickney, grant the accommodation on the general understanding that you were to have it?—A. I know that on some occasions I would have to wait several days before I got my money, but whether it was through want of money by the bank, or through waiting for the application to be submitted to the finance committee, I do not know.

Q. Do you recollect any occasion when you obtained loans at the bank without depositing any security for them?—A. No, sir; never.

Q. State what was the class and description of collaterals on which you usually obtained accommodation at the bank.—A. I used what was known as corporation sewer-scrip. In some instances I put in some Government bonds, but I most generally put in auditor's certificates of the board of public works of the District of Columbia. I had some of my loans on real estate.

Q. Were these certificates immediately payable, or were they given in advance on an expected appropriation of Congress to meet the expenses incurred by the board of public works?—A. I cannot tell, of course, what the board of public works intended to do. I draw my certificates after my work was completed. Of course, if the board of public works had the money, they would not give me the certificates.

Q. Then, the board of public works had no money?—A. No, sir.

Q. And gave you certificates?—A. Yes.

Q. And those certificates you used to obtain credit at the bank?—A. Yes.

Q. Who were the auditors of the board of public works?—A. Benjamin F. Mead, and after him J. C. Lay.

Q. Who constituted the board of public works of the District of Columbia?—A. At its first organization, it was composed of Alexander R. Shepherd, A. B. Mullett, S. P. Brown, and James A. Magruder, (who was also treasurer of the board.) Henry D. Cooke was governor of the District, and *ex-officio* member of the board of public works.

Q. You have stated that your dealings with the bank were from a very early date, growing, first, out of your connection with the Freedmen's Bureau. What connection did you have with the Freedmen's Bureau?—A. I was local superintendent of the District.

Q. Who were the other officers and agents of the Freedmen's Bureau who were located in the city?—A. General O. O. Howard had his headquarters here. Charles Howard was assistant commissioner for a certain number of districts about here. I cannot name the other officers. They were subordinate to headquarters.

Q. Was not J. W. Alvord, the president of the Freedman's Bank, connected in some way with the Freedmen's Bureau?—A. I think he was connected with the schools of the Freedmen's Bureau in some way, superintendent of schools or of education.

Q. Was not G. W. Balloch connected with the Freedmen's Bureau?—A. Yes.

Q. And Alvord and Balloch were also trustees of the Freedman's Bank, and at one time General Howard was?—A. I think they were. I do not recollect who the first trustees were.

Q. When did you commence dealing with George W. Stickney, as actuary or assistant actuary of the Freedman's Bank?—A. He was there all the time, either as actuary or assistant actuary, from the organization of the bank, if I recollect right.

Q. Do you mean by your last answer to convey the idea that G. W. Stickney, while assistant cashier, was cognizant of what was going on in the office of the actuary and was aiding in the business of the actuary?—A. Yes; I suppose so, of course. He could not help it.

Q. I notice in this report of the commissioners of the Freedman's Bank this item, as of December 1, 1872: "J. V. W. Vandenburg, treasurer Abbott Paving Company, \$80,216.82." What was the Abbott Paving Company?—A. It was a company which was laying concrete pavement here.

Q. Was it an incorporated body?—A. No, sir; it was a partnership association.

Q. Who were its members?—A. John P. Cranford and Henry L. Cranford, of Brooklyn, and myself. It was an old paving company in Brooklyn that came here, and I took an interest with them, and we organized what was called the Abbott Paving Company. They had a certain interest in it and I had a certain interest in it.

Q. Did you three constitute the entire company known as the Abbott Paving Company?—A. Yes, with the party whom Mr. Cranford represented, who were, I think, three or four other persons. I do not recollect who they were. We were the representatives of the company, the president, treasurer, and superintendent.

Q. Can you not charge your memory so far as to inform us fully who these other members were?—A. There was a gentleman named O. B. Abbott, I think, of Brooklyn. I would be puzzled if I undertook to tell who they all were. I never met any of the other members except John P. Cranford, Henry L. Cranford, and Mr. Abbott. The other parties I did not know. They never were here, nor had they any business here. Their interests were represented by Mr. John P. Cranford.

Q. Have you no books or memoranda that show of whom the partnership consisted?—A. The institution was made up of what they called the Scrimshaw Paving Company and myself. I think there were five of that party. I think it possible that Mr. Cranford's father was another member of it, and I think a man named Buell. I do not think I have any record of the names.

Q. It appears that you must have been engaged in very extensive business operations, and I presume that you were a capable business man; do you mean to say that you entered into a partnership with men, and as a member of that partnership, and, as its officer, contracted loans to the amount of \$80,000 and upward, at one time, without knowing who your partners were?—A. This Scrimshaw Paving Company was a chartered institution, represented by its president. Mr. Cranford represented his party by powers of attorney to sign contracts with me.

Q. This loan of \$80,000 was made to you as the treasurer of the Abbott Paving Company; did you give your individual note for it, or the note of the Abbott Paving Company signed by you as treasurer?—A. I think I signed it as treasurer of the Abbott Paving Company.

Q. And you had authority to do that, I suppose?—A. I had authority to do that from the other partners. This note was not all one loan. It was an aggregation of several loans that had run along and that were consolidated into one note at that time, December 1, 1872.

Q. Were the loans which were consolidated into that note of December 1, 1872, also made for and on account of the Abbott Company?—A. Yes, sir.

Q. Was not that company in default, both on account of principal and interest, of the loans previously made, prior to that consolidation?—A. No, sir; we put our securities back of them all the time. We gave this bank a power of attorney to draw all the certificates and all the money due to us, and in fact it did draw our pay for all the work that we did—the bank advancing us money from time to time as we needed it. We were never behind, but always ahead.

Q. On the 1st of December, 1872, whether in the form of a consolidation of previously existing indebtedness, or in the form of a new loan, you became indebted to the Freedman's Bank in \$80,216.82 on the note of the Abbott Paving Company executed by yourself; has any part of that debt been since paid?—A. That I cannot tell you.

Q. Do you think that if it were paid, you would not have known something about it?—A. I cannot tell whether they have indorsed payments on that note or on some other note. This matter between the Freedman's Bank and us and me is in the courts now.

Q. Do you recollect any loans obtained by you on your own credit, or as treasurer of the Abbott Paving Company, previous to the 1st of December, 1872, that were not consolidated into that \$80,216.82 note?—A. My private account is not in that at all. I had some loans on my own private account. But that \$80,216.82 covered all the indebtedness of the company to the bank up to that day.

Q. The first loan that I see in this report of the commissioners to J. V. W. Vandenburg is dated June 13, 1871—\$1,251.50, on a balance of \$5,000 on a claim for work on the Washington Aqueduct; what was the nature of that claim, and how was it sustained, and has the debt ever been paid to the bank?—A. That was not a claim against the Washington Aqueduct. I had a contract with the Government to raise the slope-walls of the Washington Aqueduct, and when I organized the work I did it with the understanding that Major Elliot, then the chief engineer of the water-works, should pay the amount of my first estimates to the bank, which was done, leaving that balance. I think it has been all wiped out, at least it should have been if there was money to do it with. I disown that report entirely. I do not acknowledge its being correct in any one instance.

Q. This report is made from the books of the bank, and I want to know what explanation you can give of that transaction.—A. Well, sir, that is the explanation.

Q. What was the nature of that claim?—A. I had a contract with the Government, through Major Elliot, to lay the slope-walls of the Washington reservoir, and I gave an order on Major Elliot, which he accepted, and on that order I made this loan with the Freedman's Bank, depositing the order and my contract. The first estimate was turned right over to the bank.

Q. The next item charged to you is of September 21, 1872—\$4,000, on a certified bill for work on Virginia avenue, of \$4,250.—A. That was an auditors' certificate.

Q. On which the bank advanced you \$4,000?—A. Yes. At that time the board of works was paying money. I presume that the bank got that amount.

Q. The next item is one of September 25, 1872, \$600 on the same class of security.—A. Six hundred dollars is the loan, but what is back of it, the report does not state.

Q. Then it states certificates of the board of public works; do you recollect the amount of the certificates deposited for that loan?—A. I do not recollect.

Q. The next item is of October 26, 1872, to the amount of \$2,550, on certificates of the board of public works; do you recollect anything about that transaction?—A. I presume that that was one of the cases where I had to borrow money to bridge over for a few days. The board of works paid in cash at that time, but sometimes it did not have the money on hand.

Q. The next item is one of November 9, 1872; \$2,550 on certificates of the board of public works, indorsed by D. L. Eaton; can you give us any account of that transaction?—A. That was also on auditors' certificates. That was after Colonel Eaton had severed his connection with the Freedman's Bank.

Q. Who was the actuary at that thime?—A. George W. Stickney.

Q. Were you aware, at the time of obtaining these various loans and others to which I will call your attention, that the officers of the Freedman's Bank had no authority to invest the funds of the bank, or to lend them out in the way they were doing?—A. No, sir, I was not.

Q. Did you have any contracts for the paving of the streets in your individual character, or in any other way than as a member and partner in the Abbott Paving Company?—A. I laid sidewalks and all that sort of thing myself. As to paving streets outside of that company, I had nothing to do with it. My private work was entirely in grading, sewerling, laying sidewalks, &c.

Q. You were a general contractor?—A. Yes, sir.

Q. And had other work besides that of paving in connection with the Abbott Paving Company?—A. Yes; a good deal of it.

Q. Did you contract loans with the Freedman's Bank, as such general contractor, to aid you in your operations?—A. Yes, sir.

Q. State whether in any of those contracts you had any partners or associates, and who they were.—A. I do not now recollect any other party being interested with me in any of my work outside of that paving company. In some little job some one may have had an interest with me, but I do not recollect it now. It was nothing of any moment.

Q. Beginning now with the date January 24, 1873, and running through nearly every month of that year down to and including September 13, 1873, there are loans charged to you amounting to about seventy or seventy-seven thousand dollars. Look at this list, [handing the report of the commissioners to witness,] and say with whom these loans were negotiated, and how it happened that while you were so largely in arrears to the bank you were able to continue to draw so heavily on its resources.—A. I see here an item of \$35,000. This was not for loans made during that year, but for loans that were condensed into this one note. Quite a number of different loans were condensed and put into this \$35,000 note on this date, so that that money was not loaned during that year. For instance, I would consolidate eight or ten notes into one note. They were all made on securities. I put securities in there just when the bank called for them. I recollect that at one time the value of the securities dropped, and they told me that they wanted more, and I put in more.

Q. What class of securities did you deposit for these loans?—A. As a general thing, auditor's certificates. There may have been, in some other little operations, some real estate or something or other of that kind put in. I made a loan of \$6,000 on real estate which I have subsequently paid, but as a general thing the loans were on auditor's certificates for work.

Q. With whom were those loans negotiated?—A. Generally with Mr. Stickney. I think that he was actuary all the way through that year.

Q. Answer the last part of my previous question.—A. I suppose it was because the bank had the money and wanted to loan it and I wanted to borrow it, and I put my securities in and got it.

Q. Did you make these negotiations with G. W. Stickney?—A. Yes, or with the president. I think there were one or two instances, when Mr. Stickney was absent, that I got the money from Mr. Alvord, the president.

Q. How were these certificates of the board of public works accepted and authenticated?—A. The auditor issued his certificate on the measurement of the engineer. The paper was simply a certificate from the auditor stating that there was so much due to me for work done under a certain contract on a certain street, and was signed by the auditor of the board of public works. That is all that there was of it.

Q. If these certificates had been presented at the treasurer's officer of the board of public works for payment, was it required or not that they should be accepted by the treasurer and paid, or were they paid on the simple certificate of the auditor?—A. The auditor's certificates were the authority of the treasurer for paying them.

Q. Would it not have been as easy for you to obtain the money from the treasurer of the



board of public works as from the Freedman's Bank on these certificates?—A. I would much prefer to have done that, I assure you.

Q. Why did you not do it?—A. The board of public works did not have the money.

Q. What were those certificates, drawn on an empty treasury, worth on the market—as salable securities or as evidences of debt?—A. I do not think they were worth 4 cents a bushel. The court had decided that they were not transferable except by power of attorney. That is what I mean by that answer. They were worth money, of course, but what I mean to say is that if a man sold them without a power of attorney, they were not worth 4 cents a bushel. They were sold on the street here and in New York City as high as 95 cents on the dollar.

Q. When indorsed by somebody else, I suppose?—A. Yes, I suppose so.

Q. Was there any power of attorney executed on those certificates deposited by you in the Freedman's Bank?—A. I gave the bank a general power of attorney for all the work of the Abbott Paving Company, and a general power of attorney to draw all the money that was falling due to me. In fact Mr. Stickney was my attorney. I gave a joint power of attorney to Eaton as actuary, and to Stickney as assistant actuary.

Q. To receive from the auditor the money due to you?—A. Yes, to receive it and dispose of it, which they did in almost all the cases. They receipted for the money themselves and went down and got it. A good many of those certificates were drawn to the order of G. W. Stickney, actuary, as attorney for me.

Q. From your last answer I infer that you had taken the proper steps to transfer these certificates to the bank which were otherwise not transferable?—A. Yes, sir.

Q. As security for loans?—A. Yes.

Q. What were these certificates worth while in your hands, or in the hands of your transferee, unless they were backed by a responsible indorser; what were they worth in the market?—A. That would be a very hard question to answer. In the first place, I never sold one of them in my life, and never saw one of them sold. I do not know of my personal knowledge what they did bring.

Q. Do you recollect on one occasion, late on Saturday evening, after the usual business-hours, obtaining a loan from the Freedman's Bank on the personal assurance of Alexander R. Shepherd to the actuary?—A. At the present moment I do not recollect any such transaction. I cannot recall any individual case of that kind, and I doubt very much that it ever occurred. I have no recollection of ever getting a dollar out of that bank outside of business-hours, and I do not think I ever did. This I am sure of, that I never got any money from the bank without putting in securities.

Q. You are very positive that you never got any money on the personal assurance of Alexander R. Shepherd, William S. Huntington, or any other person?—A. I am not positive of it; but I am positive that I do not recollect any such thing. I recollect Mr. Stickney going with me once to Mr. Shepherd's store, and Mr. Shepherd told him that if he would let me have some money (how much it was I do not now recollect) on my securities, he (Mr. Shepherd) would positively see that it was paid at a certain time. That is the only recollection I have of Mr. Stickney ever having a personal interview with Mr. Shepherd about it. Mr. Shepherd and I were never in the Freedman's Bank together to my knowledge.

Q. You say that Mr. Stickney went with you to Mr. Shepherd's store on that occasion?—

A. On one occasion; whether it was the one you refer to or not, I cannot say.

Q. Why did you go to Mr. Shepherd?—A. Mr. Stickney hesitated to let me have the money, saying that he was afraid the bank would not get it back. I told him what the board of public works said as to its having the money at a certain time. He said he could not take their word until he knew better; so I said, "come with me to Mr. Shepherd and he can settle it with you." We went to Mr. Shepherd's, and Mr. Shepherd assured Stickney that if he would grant me that loan (it was a regular loan and on regular securities) the board of public works would have the money at a certain time, and that he would see it paid. I wanted the money at that time to bridge over some period. Stickney had hesitated to let me have the money on the securities, fearing that he would have to carry them too long before he got the money. I said simply that I had the assurance that on a certain day the board of public works would have the money and would certainly pay it, and in order to assure him that that was so, I took him to Mr. Shepherd to have Mr. Shepherd say so to him himself, and Mr. Shepherd said that he would see that the money was paid at a certain time.

Q. And on that assurance Mr. Stickney let you have the money?—A. Yes, sir.

By Mr. RIDDLE:

Q. Has that loan been settled?—A. I cannot tell. Subsequently to that time, there was thirty or forty thousand dollars paid in, which may have been applied to that particular loan or to some other loans. I do not know where it was applied.

By the CHAIRMAN:

Q. What was the particular loan that was made on the assurance of Alexander R. Shepherd, and what was its amount?—A. That I cannot tell; I simply recollect the circumstance, but I have entirely forgotten the date.

Q. Do you know how the money was obtained which you say was afterward applied in part to the discharge of your indebtedness?—A. I think that Mr. Magruder went up to the bank and paid it in himself, taking up a certain amount of securities. I am pretty certain that was so. It was done in my absence. It should have been all paid at that time.

Q. Can you say whether or not this item does not cover the transaction to which you allude in reduction of the aggregate of your indebtedness? The commissioners report as follows: "Less \$39,658, eight per cent. bonds sold, netting \$30,225.75."—A. No, sir; I think the selling applies to the accounts of the Abbott Paving Company.

Q. Look at this item in the commissioners' report and say whether by their footing this item, as well as another item of \$5,678, were not applied as credits to the aggregate debt of J. V. W. Vandenburg as treasurer of the Abbott Paving Company and of J. V. W. Vandenburg individually.—A. There comes in this very question again. I do not accept that report at all, and I do not propose to. They had no business to sell these bonds, and whatever accrued interest they have got and whatever they sold, that was their own business. It is one of the subjects of controversy.

Q. Did you ever pay to any officer, agent, or trustee of the Freedman's Bank any commission, or bonus, or compensation on loans taken at that institution?—A. I did not. I paid dearly enough in paying 10 per cent. interest.

Q. Was any officer or agent of that bank connected with you in any way beneficially, either in the loans obtained from the bank or in the work or business to carry on which they were negotiated?—A. I had a business transaction with Colonel Eaton, but it was a matter entirely outside of the bank.

Q. Explain the nature of that transaction.—A. I had a contract to furnish sewer-pipes for the board of public works of the District of Columbia. (By the way, I told you that I had no partner. A Mr. Hiram L. Holmes was a partner with me in the pipe business; that I had forgotten. He was then living in Brooklyn; he resides here now.) I was going to state the connection of Colonel Eaton and myself, but it is a matter of personal character. Colonel Eaton is dead, and of course I feel that it would not do him any harm and no good. It is entirely personal in its character and has no connection whatever with the Freedman's Bank.

Q. Did Colonel Eaton have an interest in that contract?—A. Yes, a partial interest for a certain time.

Q. What was the nature of that contract and what amount of expenditure did it involve?—A. I don't recollect the amount of expenditure involved. It cost a good many dollars, and there was a good deal of it paid in cash. The expenditure was in the neighborhood of \$100,000 perhaps, or may be less; I cannot recollect.

Q. When was that contract obtained, and what was the work performed under it?—A. The contract was obtained immediately after the board of public works took charge here. That must have been in 1871.

Q. Was D. L. Eaton then the actuary of the bank?—A. He was.

Q. Was it for the execution of that contract that you had occasion to obtain loans from the bank?—A. All the loans that I made through Colonel Eaton up to the time that he severed his connection with the bank were simply when the cargo was being loaded in New York and transhipped here, and as soon as it was delivered here the money was paid.

Q. What I want to know is whether, to enable you to execute that contract, you obtained loans from the bank, either through Colonel Eaton, as actuary, or through George W. Stickney, or through both?—A. I did; through both.

Q. Do you know anything about the Metropolis Paving Company?—A. No, sir; I had no connection with it.

Q. Was Mr. Lewis Clephane ever interested with you in any of your paving contracts?—A. Never.

Q. Was any trustee of the Freedman's Bank interested, directly or indirectly, in any loans obtained by you from the Freedman's Bank or in any contract that you carried on with those loans?—A. No, sir; never.

By Mr. BRADFORD:

Q. Did you make a general deposit of securities with the bank on which you drew at will for those loans made to you?—A. No, sir; I deposited securities as I got the loans.

Q. You mean that you made successive deposits as you obtained loans?—A. Yes.

Q. And the securities were of the character which you have described in answer to a question by the chairman?—A. Yes. Auditor's certificates.

Q. You made successive deposits as you obtained the several loans to which you have referred?—A. Yes. At times when the actuary would tell me that he thought he ought to have more security, or that the trustees thought so, I deposited it. I recollect that at one time I deposited \$20,000.

Q. These deposits were mere collateral securities?—A. Yes.

Q. You did not sell them to the bank?—A. Not at all.

Q. Then these matters to which you refer were pure loans to you, either as an individual or as the treasurer of the Abbott Paving Company?—A. Exactly. I think I told you that we deposited our power of attorney with the bank, so that the bank might collect all the money that we should earn.

Q. That they were to do at their own option in case of default in payment?—A. We did not pretend to draw any of the money. They drew it all.

Q. The sale of securities was left optional with them, so that in case you failed to pay the money they could sell the securities?—A. Certainly.

Q. You said a while ago that you never were behind with the bank. How happens it that at one particular time you had a transaction in which you acknowledged indebtedness, as treasurer of the Abbott Paving Company, to the amount of \$80,216.82?—A. We had the security back of it all the time.

Q. The loan itself had not been paid?—A. No, sir.

Q. Then you did owe the Freedman's Bank at the time mentioned some \$80,000?—A. Yes; and if I recollect right we had some \$120,000 to \$130,000 in securities.

Q. But at that same time you owed the bank other money as an individual?—A. Yes; but my individual securities were there. These two operations were kept entirely separate.

Q. These securities were never accepted absolutely in lieu of the loans and you discharged from the obligation to pay the loans?—A. O, no, sir.

Q. Did you ever execute your note for any of those loans?—A. In every instance.

Q. Do you recollect how you signed those notes?—A. I think I always signed the company's notes, "J. V. W. Vandenburg, treasurer of the Abbott Paving Company." My own individual notes I signed with my own name.

Q. In all of those you have been sued?—A. Yes.

Q. Have all those matters been sued upon in one single suit or proceeding, or have several suits been instituted against you on them?—A. I do not recollect how that is. I think there are two suits—one against me personally and one against me with the partners.

Q. Are those men whom you mentioned a while ago as your partners, defendants in one of those suits?—A. Yes.

Q. The very same men whom you mentioned as being interested in the Brooklyn Paving Company?—A. Yes.

Q. Are they solvent?—A. Henry L. Cranford is entirely so.

Q. That loan of \$80,216.82 you never have paid?—A. No, sir.

Q. These other loans mentioned you never have paid except to the extent mentioned in the report of the commissioners of the Freedman's Bank.?—A. I disown that report entirely. I do not want you to ask me to own up that book at all. I will not acknowledge one single thing in that book as correct.

By the CHAIRMAN :

Q. Do you mean to assert that you have paid those loans?—A. No; I do not mean to say that; I mean to say that they have made statements there which I claim are not correct.

Q. Why are they not correct?—A. That I propose to show in the court. They do not account for my securities, in the first place, and we do not agree about the amounts at all in anything.

Q. Do you claim that the books of the bank, with reference to these particular transactions, show a larger credit for you than is exhibited in the report of the commissioners?—A. Yes; I do not think they have a single auditor's certificate. They have sold some of them, and transferred some of them, or have got money upon them; of course that they had to do, in accordance with law. All these certificates were converted, I presume, into 3.65 bonds.

By Mr. BRADFORD :

Q. Does that in any way impair their value?—A. No.

Q. Who owns those bonds now?—A. The Freedman's Bank, I presume.

Q. Was anybody, (except Eaton,) who was connected with the bank, or connected with the government of the District of Columbia, at that time, interested with you in any of the transactions in which you used the money borrowed from the Freedman's Bank?—A. Never.

Q. Did you pay to anybody any bonus on those contracts?—A. No, sir.

By Mr. STENGER :

Q. I notice on page 39 of this report of the commissioners that they say they hold \$69,000 of District of Columbia 8 per cent. certificates, and that on page 95 they say they hold \$95,250 District of Columbia 8 per cent. bonds. Can you account for that discrepancy?—A. No, sir; I do not pretend to account for any of those discrepancies. I do not think you will find any two of those reports agree.

Q. I see in this report of 1874, that the amount of the notes which they claim to have then held was \$219,531.10, on which they credit payments to the amount of \$79,875.11, leaving a balance of \$139,655.99 of principal and \$20,432.39 of interest. Now the securities which they put opposite to that, and which they say the bank then held for it, amounted to \$153,007.16. Can you account for it why the amount of these collateral securities does not equal the amount of the indebtedness at that time—I mean the nominal value?—A. No, sir; I cannot account for that statement at all.

Q. Did you deposit any other collateral securities than those that are now in the bank (according to this report on page 39) and the securities which they have reported as sold, on page 95?—A. Certainly I have, or else I could not claim that I did not owe the bank.

I did not deposit any of these securities; the securities which I deposited were auditor's securities, and those have been transferred or converted.

Q. You say that all the collateral securities which you deposited for what was called these available funds were auditor's certificates?—A. Yes.

Q. Did you deposit any Second National Bank stock?—A. Yes, I suppose I did; and also some real estate.

Q. But you did not deposit any 8 per cent. District of Columbia bonds?—A. No, I did not. I presume they converted the certificates into them.

Q. The chairman has examined you about an item of \$80,216.82 as due on the 1st December, 1872. On that sum did you give another note for \$58,025.71 individually?—A. That occurred, as I told you, in consolidation of all the loans previously had, putting them all in together, all of the company's and all of my own.

Q. Do you mean to say that at that date the whole indebtedness of the Abbott Paving Company was embraced in the note of \$80,216.82 and your indebtedness in the other note?—A. There might have been two or three small loans outside of those, with different securities that remained as they were, but all the rest were scooped up in one note, and the securities left. The bank did not want to have so many notes, and so I took up the others and consolidated them into one.

Q. At the time that that was done, did you deposit any additional security?—A. I don't know that I did; they had plenty of security there.

Q. I understood you to claim that all the time the bank was abundantly secured in the way of these stocks or certificates, for your indebtedness?—A. Yes.

Q. And that if the bank is not so secured now they have disposed of those certificates and have not given you the proper credits for them?—A. That is what I claim. At any rate they do not account for them.

Q. Have you had any settlement with the Freedman's Bank?—A. I tried to settle with them, but could not.

By Mr. BRADFORD :

Q. Did they make any exhibit to you of the collaterals which they had on hand at the time you made the tender of settlement?—A. Several of them. (I do not mean the commissioners, I mean Mr. Stickney.)

Q. What securities of yours were wanting at the time you offered to settle with the bank?—A. I do not recollect now.

Q. What amount of them was wanting?—A. I think that there was a difference between Mr. Stickney and myself of some forty or fifty thousand dollars.

Q. Did that matter rest entirely within your memory or did you have some memoranda or account-book or something to which you referred?—A. Yes, we all had our papers there together. He was up at my office several times.

By Mr. RIDDLE :

Q. Did you keep an account of the auditor's certificates deposited in the bank?—A. I did; I could account for them.

Q. Did you keep an account written down?—A. I think I did.

By Mr. STENGER :

Q. You did not dispute the notes which the bank held?—A. Certainly not.

Q. These notes are signed by you?—A. Yes.

Q. But you insist that the bank has realized more money than it has given you credit for out of your securities?—A. Yes.

Q. To the extent of forty or fifty thousand dollars?—A. I cannot tell that, of course; somewhere about that.

Q. Do you mean to say, from the accounts which the bank has rendered you of the collateral securities which it now holds, that other securities which you deposited with the bank for your indebtedness have disappeared?—A. I do not know what they have done with them; they do not account for them.

Q. That you have not received credit for them?—A. Yes.

Q. You said a while ago, in answer to a question of the chairman, that you had paid no bonus for any loan; do you mean to be understood as saying that the cash which you procured from the bank cost you nothing whatever in addition to the 10 per cent. interest which you paid?—A. I mean to say just exactly that.

Q. You spoke of a pipe-contract, and said that while it was running you had procured some loans from Mr. Eaton and from Mr. Stickney, the actuary and assistant actuary of the bank.—A. All the operations with Eaton and all the loans made by me with Mr. Stickney were paid. Mr. Eaton got the money and paid everything up that he had anything to do with in regard to that pipe-contract. He collected it himself.

Q. I was about to ask you whether Mr. Stickney, who was the assistant actuary at that time, was cognizant of the fact that Mr. Eaton was a partner with you in that pipe-contract.—A. No, sir. Mr. Eaton was not a partner.

Q. He was interested with you?—A. Yes; I do not know that Mr. Stickney knew anything about the matter; I do not know that anybody did.

Q. You do not know whether he knew it or not?—A. I do not. I presume that he did not.

Q. State what the interest of Colonel Eaton in that contract was.—A. That would be hard to tell. My recollection of it is, that after I got through with the contract, and got the money for it, after settling all the expenses in regard to it, I gave Mr. Eaton half of the profits, which were very small.

Q. Was that in pursuance of an agreement with him at the beginning?—A. Yes.

By Mr. BRADFORD:

Q. Did that agreement cover anything else?—A. No, sir.

Q. Did he have any interest in any other operation in which you were engaged at that time?—A. No, sir.

By Mr. STENGER:

Q. What was the consideration which Mr. Eaton was to give for which he was to receive half of the profits of that contract?—A. Mr. Eaton had always been very clever to me. He was building a house at that time, and was trying to struggle through. I wanted to get the contract. I could run it in with my other work without its taking much of my time, and I wanted to help Eaton a little. He helped to get me this contract, that is he talked for me in the matter. I put in an open bid, underbid the other parties, and got the contract.

Q. I understand you to say, then, that Mr. Eaton went to the board of public works and interested himself in procuring this contract for you?—A. Yes. That was before any arrangement. I do not know that he interested himself any more than to say that, all things being equal, he would be glad to have me get the contract—a thing which any friend would do for another.

By Mr. BRADFORD:

Q. Was that the sole consideration which induced you to let him in as partner?—A. There was no consideration whatever as I consider it. I had made the arrangement with the bank to cover the amount of money which I wanted for a short time, while the pipe was coming from New York here. I had to pay for it in New York, and to ship it here, and as soon as it arrived here I turned the bill of lading over to the bank, and the money was obtained from the board of public works. Up to 1871 or 1872, the board paid pretty generally in cash, as it had \$4,000,000 to work on.

By Mr. STENGER:

Q. Mr. Eaton invested no money in the enterprise?—A. No, sir.

By Mr. BRADFORD:

Q. At the time you made this arrangement you knew that Mr. Eaton was actuary of the Freedman's Bank?—A. Yes.

By Mr. STENGER:

Q. I understand you to say that Mr. Eaton had been clever to you and that he was building a house?—A. Yes; I had known Mr. Eaton a long time. I do not think that any business transaction I had with Mr. Eaton had anything to do with the bank. I do not think that I got one single advantage in the bank over any other man who made a loan there. I know that I did not.

By Mr. RIDDLE:

Q. Did you think that it would facilitate you in getting money at the bank?—A. No, sir. The arrangement for the money was made before I mentioned the thing to Mr. Eaton.

By Mr. STENGER:

Q. You agreed to give him one-half of the profits of that contract which you supposed would involve an expenditure of over \$100,000?—A. I could not tell how large the expenditure would be.

Q. You agreed to do so out of pure personal friendship?—A. Yes. This payment to him did not cover the entire amount. It was only for the first few ship-loads that came in. The arrangement expired about the time that Mr. Eaton left the bank. After that I had no transaction with him at all. I gave the bank a power of attorney to collect this money, and put up ample security, of course. When I received the shipments I took the bill of lading and carried it, with the statement of the expense in New York, and deposited it with the bank, and as soon as the thing was turned over they sent and collected the money.

Q. You had procured two real-estate loans from Mr. Eaton before that time or about that time?—A. No, I think not.

Q. Those loans were procured in 1871, were they not?—A. I think not. I think I had got \$2,500 on real estate at one time, and subsequently \$1,500. I do not recollect exactly. It was when I first bought the property, and when I commenced building. I do not recollect the date.

Q. Mr. Eaton left the Freedman's Bank in 1872?—A. Then that must have been in the fall of 1871. These loans have been all paid.

Q. Do you know in what month of 1872 Mr. Eaton left the bank?—A. I do not.

Q. There is a loan of \$6,000 to you in June 1872; was that obtained from Mr. Eaton?—A. I do not remember whether it was or not.

Q. And there is one for \$5,000 on August 2, 1872?—A. That got from Mr. Stickney. That has also been paid.

Q. You cannot recollect whether the \$6,000 loan was from Mr. Eon or Mr. Stickney?—

A. I think it was from Mr. Eaton, but I do not recollect.

(The clerk stated that it appeared from the minutes of the board of trustees that the resignation of D. L. Eaton was accepted on the 11th July, 1872.)

By Mr. RIDDLE:

Q. You think that the bank on a fair settlement has been paid all the loans made to you.—A. I think so.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, D. C., April 13, 1876.*

Committee met at 11.30. Present, Messrs. Douglas, Bradford, Riddle, and Frost.

ROBERT H. T. LEIPOLD sworn and examined.

By the CHAIRMAN:

Question. State your occupation and residence.—Answer. I am one of the commissioners of the Freedman's Savings and Trust Company. I reside at 934 P street, Washington.

Q. As one of the commissioners of the Freedman's Savings and Trust Company you are, I believe, the principal business man of the commission, and most familiar with the books and business of the institution, are you not?—A. Yes, sir; I believe so.

Q. State, if you please, all you know about the manipulation of the securities deposited with the bank in trust for what is called the Rost Home Colony, in Louisiana.—A. About the time we were writing our first report to Congress, in December, 1874, Mr. Robert Purvis, one of the commissioners, came in and asked me if I knew that Mr. Stickney was using part of the money of the bank. I told him no, that I guessed that was a mistake. He said it was something in connection with the Rost Home Colony. I thereupon remembered that upon some inquiry made from the War Department I had occasion to look, among other accounts, to this account, and I found it closed. After Mr. Purvis told me that I went to the books, and found that the account had been closed by the withdrawal of, I think, some \$17,000. I looked up the checks by which the money had been withdrawn, and found that they were signed by George W. Stickney as actuary, for the Rost Home Colony. I then went to Mr. Stickney and called him to account, and asked him what it meant, and why he had not told us about it before. He said he was in hopes of fixing it up every day, and to straighten out the matter without burdening the commissioners with any information about it. He then stated that the original funds deposited were in United States bonds; that at the time of the run on the bank, in September, 1873, I think, he sold the bonds and used the proceeds in paying depositors; that to secure the Rost Home Colony he withdrew from the assets of the bank a note by George Mattingly for \$15,000, and another note of a man by the name of Terry for \$1,500. I asked him to show me these notes, and he showed me Mattingly's note for \$15,000, and said that the Terry note had been paid. Said I, "What has become of the money?" He said, "I will go now and get it;" and he went and brought in to me \$1,856.94 in money, being the proceeds of the Terry note, and some interest that had been collected on the Mattingly note. Upon further inquiry I learned that he had deposited this interest in some of the banks, to his own private credit. Of course I was not very well pleased with that, and that was one of the reasons why Mr. Stickney soon afterward had to leave the bank. Since that time we have collected other interest on the Mattingly note, and the principal of the note, too, recently. All the money that we have obtained, either from Mr. Stickney, or from the notes, or interest, we have placed to the credit of the Rost Home Colony.

Q. Prior to the conversation with Mr. Purvis to which you refer, and to your subsequent interview with Mr. Stickney, had he mentioned the subject to the commissioners, or called their attention to that transaction?—A. No, sir.

Q. Do you know anything of the debt of Juan Boyle, which I see reported by the commissioners? If so, state all you know about it.—A. In my examination of the assets of the bank, I found a note of Juan Boyle for \$29,000, with \$1,000 indorsed on the back of the note as paid the very day the note was made. In looking up the securities for the \$29,000 note, I found that the security consisted of some Southern railroad-bonds to the extent of a few thousand dollars, I forget the exact amount, and an overdue note of the directors of the Georgetown College, which was represented to me by Mr. Stickney as being secured by first mortgage, but which, upon examination, it was found was secured by second mortgage,

and that the first mortgage covered the full value of the property, so that we never got anything out of it.

By Mr. FROST :

Q. Is the Georgetown College insolvent?—A. No, sir.

Q. They would not be relieved from paying them, even if there was no mortgage.—A. I beg pardon; it was not the note of the Georgetown College. It was the note of Juan Boyle after he was a director of that college, and indorsed by them, and not protested. It came into the possession of the bank after its maturity. The Georgetown College could not be held liable. I had not a very high opinion of Mr. Boyle. I had heard of some of his transactions, and, of course, that was one of the first notes I took up to see what we could do in regard to collecting it. I made some inquiries about how the debt accrued, and found that Mr. Boyle was allowed to withdraw notes from the bank, such as he would select, for the purpose of negotiating them. And I found upon the loan-clerk's scratch-book that, under date of June 30, 1874, (one day after the bank was legally closed,) a number of these notes were charged up as paid; and they were counterbalanced by this note of Boyle's for \$28,000, and another note for something over \$4,300. The other notes were paid by the Boyle notes, so far as the books show. The Boyle notes themselves, however, bear date May 6. Mr. Stickney stated to me that the transactions virtually took place on the 6th of May, 1874, but that they were not entered on the books of the bank until the 30th of June, 1874. I do not remember exactly whose notes they were, but I know that a number of them were given by some members of Mr. Boyle's family. They were amply secured. They were given to Mr. Boyle for the purpose of negotiating and bringing the proceeds to the bank, which he failed to do, and then, when the bank was closed, of course it was necessary that the notes should be entered as paid, and they were so entered.

Q. Do you mean that they were entered as paid, when they were not paid?—A. They were paid by his own individual notes; at least I think that the notes that were given in payment were made by Boyle & Co. Then, in addition to the security I enumerated for the \$29,000 Boyle note, there had been deeded by Boyle to Mr. Stickney a lot of land on M street, which was deeded to him absolutely, but, as it is alleged, with the understanding that the benefit of the property should inure to the Freedman's Bank as security for this \$29,000 note. Upon examining into that property, we found that there were prior mortgages for its full value, in our estimation, at the time the property was deeded to Mr. Stickney. There were then in process of erection a number of brick buildings upon the ground, and we invited estimates as to the cost of finishing those buildings. We found that if we assumed the prior mortgages, and paid out sufficient money to finish the buildings, their cost would be much greater than the amount we could ever hope to get out of them, and we did not feel as if we could buy the property and pay the prior mortgages; so that the notes are virtually unpaid to-day.

By the CHAIRMAN :

Q. If I understand you correctly, in accounting for the Boyle debt, you state that he was allowed to withdraw, from time to time, securities held by the bank, which he converted into money, but did not account to the bank for?—A. I do not know whether he converted them into money.

Q. But he was allowed to withdraw them?—A. Yes, sir; the books show that the notes were withdrawn by Boyle and paid for by Boyle's own note.

Q. And not by the delivery to the bank of the proceeds of his notes?—A. No, sir; but by the notes of Boyle & Co., I think.

Q. You say that the property on M street which was deeded to Stickney as security for that note, was afterwards sold. Do you know what it sold for, and who was the purchaser?—A. I do not remember exactly what the property was sold for, but Mr. Stickney became the purchaser of it.

Q. Did it sell for enough to pay the first mortgage, and pay anything to the bank?—A. No, sir.

Q. Who was the Co. of Juan Boyle & Co.?—A. A gentleman by the name of Frank Barnum, I believe, was the other member of the firm.

Q. Have you ever examined the books carefully in regard to the loans of J. V. W. Vandenburg?—A. I have made some examination of them.

Q. Have you or not discovered that the notes on their face call for the precise amount of money paid over to Vandenburg, or whether a margin in the shape of discount was deducted?—A. I never discovered any discount. I think whenever a note was entered up on the book, the book apparently shows that so much money, the face of the note, went out to Vandenburg.

Q. There is nothing to show that there was any discount retained?—A. I think not, so far as my examination extends.

Q. What were the character and value of the securities deposited by Vandenburg for his loans?—A. Of course I can only give you information of such securities as came into our hands when we took possession. There was \$3,000 in Second National Bank stock;

\$69,000 in eight per cent. District of Columbia bonds, with accrued interest ; \$27,836.40 of auditors' certificates ; \$12,000 of auditors' certificates additional, a separate lot ; \$1,425.90 of bills against the old corporation of Washington, which have since been disallowed by the District government ; a claim for \$1,808.63 for an auditor's certificate, which was lost before the failure of the bank ; \$10,983 in acceptances by the board of public works. That constitutes all the securities that came into our possession. That differs from the statement given in the margin of our first report to the extent of \$15,000, in auditors' certificates, which we never received, and we have never been able to ascertain anything definitely about them. It must be borne in mind that when most of these securities, as they are reported in our report, were given to us, they were in the hands of the District government, or, at least, claims for them were pending before the District government, and, when payment was made to us by the District government we found this deficiency of \$15,000 in the amount as given to us by Mr. Stickney when we took possession. I remember writing a number of letters on the subject, and I have made personal examination in the office of the board of audit, but have failed to find out anything satisfactory about the \$15,000. It was represented to us, both at the board of audit office and by Mr. Lay, to whom Mr. Stickney seems to have entrusted the collection of that \$15,000, that the \$15,000 in auditors' certificates were filed in the office of the board of public works, in Mr. Willard's office, the very day that the act of Congress which made a change in the District Government passed, and that somehow or other, in the confusion of transfer, they were lost.

Q. What were the certificates and bonds which actually came to your hands?—A. About \$90,000.

Q. What does he still owe?—A. His present indebtedness, exclusive of interest, seems to be \$124,240.93.

Q. I want to know the relative value, so far as appearances indicate, of the securities actually passed over to you, and the amount of the indebtedness at the time they came into your possession?—A. At the time they came into our possession the indebtedness was \$160,088.38.

Q. Were not all, or most, of the loans to Vandenburgh made from the available fund which, according to the charter of the company, was to be kept on deposit, at interest or otherwise, always in an available form?—A. I believe so. That is, the book show these to be entered up in the available loan ledger.

Q. Which means that they were loaned from the available fund?—A. Yes, sir.

Q. With what officers of the bank do these available loans appear to have been negotiated?—A. I could not tell you whether anybody else was cognizant of the transactions aside from Mr. Stickney, or not. They appear in the regular books of the bank, entered up by the loan clerk, just the same as the other transactions of the bank.

Q. There appears in the first report of the commissioners a loan to James G. Berret, president, of \$28,500. Of what was James G. Berret president ; in whose name and how was that loan negotiated, and what security was given for the same?—A. Mr. Berret was president of the Washington Club ; the loan was negotiated in his name, and the security was a deed of trust upon the property on New York avenue, on which their club-house is located.

Q. Was that security, when taken, sufficient to secure the loan ? If so, why has it not been collected?—A. Yes, sir ; I consider the security ample for the loan, and the debt has been collected.

Q. Since that first report?—A. Yes, sir ; since the first report ; it is reported in our last report. After the maturity of the note, the debt was paid at 6 per cent. interest—after maturity—against the protest of the commissioners. After the maturity of the note, Mr. A. R. Shepherd called and asked that a statement should be made up between the bank and the club ; and when he demanded the statement he said he would pay interest at 6 per cent. after the maturity of the note, and that we would have to take that or nothing.

Q. Had he frequently told you that there was no use in collecting that debt, as it was carrying 10 per cent., and that was more than you would get if the money lay in the Treasury?—A. I do not know that it was frequently ; it was once or twice. He had asked further delay, and said there was no use in pressing it, because the money was bearing 10 per cent. interest.

Q. What is the Washington Club?—A. I do not know, except that it is an organization of gentlemen. I do not know for what purpose.

Q. Is it an incorporated body?—A. I do not know that.

Q. Mention some of the members of it, as far as you can do so.—A. I am unable to mention any. I know nothing whatever about the club. I never have been brought in contact with it, except in this particular transaction, and then only with Mr. Shepherd and Mr. Olmstead.

Q. What Olmstead is that?—A. He is a member of the firm of Kilbourn & Latta. He also came to see me with reference to this dispute about interest once or twice.

Q. What did he say about it?—A. About the same thing—that we ought not to press the collection of the debt. I forget whether he made use of the language that it was carrying 10 per cent. interest ; I think very likely he did. He and Mr. Samuel Cross came to the bank finally, and handed us a check in payment of the debt.

Q. By whom was that check drawn, and by whom payable?—A. I do not remember that.



I think it was drawn by Mr. Cross, payable to the commissioners of the Freedman's Saving and Trust Company.

Q. Who is Mr. Cross?—A. He is an insurance agent. I think he took a new mortgage upon the property, and paid this one.

Q. Have you a suit or suits pending against Vandenburg? If so, state whether or not he resists that claim, in part, on the ground that the securities deposited by him have disappeared, or been converted, and no credit given him for the amount.—A. We have a suit pending against Mr. Vandenburg. So far as we are informed, it has been resisted in the court simply by a demurrer to our right to sue; which demurrer has been overruled and leave given to answer. The answer has not yet been filed.

Q. You do not know what defense he would make on the merits?—A. No, sir. He has, however, incidentally, in conversations with me before the suit was brought, made various claims that the bank was obliged to take the securities which he deposited there, at their face value; that that was one of the agreements between him and the officers of the bank, and then, again, that securities had disappeared, or at least, that we had no account of them, and he had never received credit for them. I never put much faith in that statement, however.

Q. You have stated before that there was \$15,000 deposited there, of which no account can be rendered.—A. There is no evidence on the books of the bank of the \$15,000 referred to as being missing. It was merely one of the items given to the commissioners by Mr. Stickney, as being on deposit with the board of audit.

Q. You might not have known that the \$15,000 was missing, but he probably did?—A. He might have known it.

Q. Are not the books of that bank in such a confused and intricate condition as to render it extremely difficult to find out the true condition of any account from them?—A. I would not want to make it so general as that. The books are in a very bad condition, especially the books containing the record of the deposit accounts.

Q. Do you know anything of a debt due to the bank from George D. Johnson, amounting to \$5,694?—A. Yes, sir.

Q. State what you know about that.—A. In answer to that question I state that there were turned over to us, long after we had taken possession of the affairs of the bank, by Mr. J. W. Alvord, the former president of the bank, two notes for \$5,690.64 each, one given by Leonidas Scott to the order of George D. Johnson, and indorsed by the latter, and the other drawn by George D. Johnson to the order of Leonidas Scott, and indorsed by the latter. These notes, Mr. Alvord stated to us, were the proceeds of certain lumber sold by him to Scott and Johnson.

Q. Did Johnson ever offer you any security for that note of his?—A. I think we have a proposition of his now in the bank, which we have virtually rejected, in which he offers to pay a certain amount of money, I think \$5,000, and to give a mortgage upon certain vacant ground in the southwestern part of the city, provided we would withdraw our suit and waive all claims against Mr. Scott.

Q. Who are Scott and Johnson, and what relations did they bear to the bank at that time?—A. Mr. Johnson was formerly employed in the bank as book-keeper. Mr. Scott is a colored gentleman, supposed to have considerable means, in this city, and he has been carrying on the lumber business with Johnson.

Q. With whom were those notes negotiated?—A. They were taken by Mr. Alvord in payment of lumber.

By Mr. BRADFORD:

Q. Is that the Florida lumber?—A. Yes, sir; that is the Jacksonville lumber.

Q. Does this man Stickney now claim to be the owner of the piece of property that was conveyed to him by Boyle?—A. I think so. The title to that property is in considerable doubt. It has been sold and resold many times.

Q. But he has purchased it and paid off all the incumbrances on it?—A. I doubt whether he ever paid one cent. He was the nominal purchaser.

Q. He is now in possession of it, is he?—A. I do not know how that stands now. I have seen it advertised over and over again. It bids fair to ruin him. I know that.

Q. Are not all the duties of the commissioners now devolved upon you by the other two commissioners, and do not you solely manage the affairs of the bank?—A. I do not know that I can state that.

Q. State to what extent these duties are devolved upon you alone.—A. The general management of affairs is devolved upon me principally.

Q. Is it not only occasionally that the other members have anything to do with the affairs of the bank?—A. Once in a while I send for Creswell to consult him about some matter, because ours is a joint bond, and we are jointly liable, and I hate to take responsibilities in some cases without consultation. Mr. Creswell calls in sometimes of his own accord.

Q. How often?—A. Sometimes he calls in every day, for a few days, and then again he does not call for some time, unless I send for him.

Q. But it is true that you are the only commissioner on constant and active duty?—A. Yes, sir; I give my time exclusively to the bank. I have been there every day.

Q. Could not one man perform all the duties that devolve upon the entire commissioners?—A. That is my opinion; but I dislike to venture it.

(The witness here stated that he had read a statement in some newspaper, in which it was alleged that Mr. George D. Johnson had given some testimony before this committee reflecting on his (Mr. Leipold's) conduct in the matter of taking fees from depositors in the bank for attending to the payment of their dividends; and the witness said that he wished to deny everything of the kind.)

By the CHAIRMAN :

Q. Are you cognizant of any fact or circumstance derived from your inspection of the books, or by your conversations with Mr. Stickney, or any other officer or officers of the bank, tending to show, directly or indirectly, that any officer of the bank was interested in the loans made by the bank?—A. No, sir; all I know is that there must have been very gross negligence, and very gross negligence in the general transaction of the business. That is daily developed by the amount of taxes that were due at the time the loans were made, and which were not investigated. Deeds of trust were taken upon property which, it now turns out, was not the property of the parties, and there was a general looseness in the management of the business.

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SELECT COMMITTEE ON FREEDMAN'S BANK,  
*Washington, D. C., April 18, 1876.*

Committee met at 10 o'clock. Present, Messrs. Douglas, Bradford, Stenger, Riddle, and Frost.

JAMES A. NELSON sworn and examined.

By the CHAIRMAN :

Question. State your residence and occupation—Answer. I reside at 1633 Thirteenth street, northwest. I am a contractor.

Q. State whether you have had occasion to obtain loans from the Freedman's Savings and Trust Company; and, if so, state what collaterals, if any, you deposited as security therefor.—A. I have borrowed money from the Freedman's Bank, but always, except on one occasion, I left as collateral District securities—bonds or certificates.

Q. Have your accounts with the Freedman's Bank ever been settled up? If so, state whether the securities that you deposited have been properly accounted for to you in the settlement?—A. I borrowed \$1,000 at one time and \$700 at another time, and left securities there of \$2,000 in 18-year District bonds. These bonds were sold, as I was informed, by Mr. Stickney, at 73 cents on the dollar, and the proceeds were applied to pay the thousand-dollar note. He said that the balance was placed to my credit, but I have never received a cent of it since. That left the \$700 note there unpaid. They asked that that note should be settled, and I then asked for my balance from the sale of the \$2,000 bonds, but they refused to give any account of them, and the \$700 note has never been paid.

Q. At the time that Stickney sold those bonds you say that you had two notes at the bank?—A. Yes.

Q. And he applied a portion of the proceeds of the sale of the bonds to pay one of those notes?—A. Yes.

Q. But he did not apply the surplus in satisfaction of any part of the other note?—A. No, sir.

Q. That note still remains unpaid?—A. Yes.

Q. And the balance has never been accounted for to you, although you have called for it?—A. No, sir.

Q. When did this transaction as to the sale of the bonds occur?—A. I think it was about the last of January or first of February, 1873.

Q. Do you know of any other instance where George W. Stickney has disposed of securities deposited with the bank and has failed to account properly for their proceeds?—A. I do not know of my personal knowledge.

Q. Have you since the time first alluded to ever called on Stickney to demand a settlement with a view to obtaining proper credit for the \$460 over and above the amount required to pay the thousand-dollar note?—A. Yes, I have; I called upon him some three months after the bonds were sold. He had said nothing to me about that. I called upon him to ask him about whether he had sold the bonds, or was going to sell them. He then told me he had sold them some time ago. I asked him what he got for them, and he said he got 73 cents on the dollar. I said, "Where is the money?" He said, "I paid the thousand-dollar note." I then went to the bank and I got the note. I asked Stickney for the balance of the proceeds of the bonds, and he said that he had placed the balance to my credit in the bank.

Q. Is that true?—A. That is not true.

Q. The whole of the \$700 note is still held by the bank against you?—A. It is still held against me, but is being sued for in court. I filed an answer against the suit, claiming that that money was not accounted for.

Q. I understand you that the security sold by Stickney was 18-years District bonds bearing gold interest?—A. Yes; gold interest at 7 per cent.

Q. What were those bonds usually selling for on the market?—A. Those bonds at one time were down as low as 55 cents. About the time I first got \$6,000 worth of them in my possession they were down to 55. Then they commenced to go up a little, and from the first of December, 1872, to the last of February, 1873, they had gone up from 55 to 73 and 75.

Q. Was the interest on those bonds usually paid promptly?—A. Yes. I never collected the interest on them myself, but Mr. Stickney told me that on the 1st of January the interest was paid.

Q. So that he not only collected the interest on those bonds at 7 per cent. per annum, but he afterward sold the bonds themselves?—A. Yes.

Q. And he never accounted to you for the proceeds, except that he applied them to the payment of that thousand-dollar note?—A. That is all.

Q. You do not know of anything else of that kind, do you?—A. No, sir.

Q. Do you know of any other person besides yourself who has been similarly treated at that bank by Mr. Stickney or by any of its officers?—A. I know a man by the name of William Schooler, who lives near the corner of Twenty-second and M streets, who has been treated in the same way. He is the only one I know of.

WASHINGTON, D. C., April 18, 1876.

ISAIAH S. WASHINGTON affirmed and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I reside at 1807 T street, northwest. I am an attorney.

Q. State whether or not you ever have had any transactions with the Freedman's Savings and Trust Company? If so, state everything in relation thereto.—A. I have had business transactions with the Freedman's Savings and Trust Company. On March 21, 1874, I obtained from the bank a loan of \$75, and gave a promissory note for 60 days, secured. On April 2d, of the same year, I obtained another loan of \$75, and gave my promissory note, secured. In addition to giving my own promissory notes, I gave two orders on the board of public works for \$400—\$200 each. One of the orders was paid in certificates by the recent board of audit of the District to George W. Stickney. The understanding was that Mr. Stickney was to negotiate the certificates and apply the proceeds to paying off these promissory notes. He did negotiate the certificate for \$200, but, I believe, did not apply the proceeds to pay off either of the notes. He received the certificate on November 31, 1874, and never paid a cent of the amount toward paying for either of those notes, and has not as yet done so to my knowledge. Suit was brought against me for the recovery of the two notes by the commissioners of the Freedman's Bank, and I filed a plea setting up that I had paid those notes off by the amount received from those certificates by Mr. Stickney, who was acting as actuary of the Freedman's Bank, or in some other capacity in the bank. He filed an affidavit stating that he had received one of the certificates and had the proceeds, but that he had not applied them to pay off either of the notes, and that he did not consider that he was bound to do so. One of those notes was drawn to the order of Mr. Stickney and the other was drawn payable to my order. The orders on the board of public works were given by me to Mr. Stickney and made payable to his order. One of them he has not received, but the other he received on November 30, 1874.

Q. Was the money which you obtained on your notes the money of the bank?—A. Yes. I made the notes out and went to the bank and drew the money.

Q. Do you know how much Stickney realized on the sale of this certificate?—A. I think he got 68 or 70 cents on the dollar; I am not positive. He only sold the one certificate for \$200.

Q. That would not have overpaid the debt?—A. No; it would not have overpaid the debt, but it would have canceled a portion of it; but he did not apply any of it. He did not give me credit for any part of it, and the bank has sued me for the full amount of my two notes, \$150, with interest. The interest on one note was 10 per cent., and on the other 6 per cent.

Q. Do you know of any other colored person who obtained loans at that bank and whose collaterals were sold and the proceeds not credited to them?—A. I do not know positively; I have only heard that that was the case in regard to James A. Nelson and William Schooler.

Q. Are you cognizant of any other facts tending to show that George W. Stickney had converted securities held by the bank and misapplied the proceeds?—A. No, sir; I am not.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
Washington, D. C., April 22, 1876.

Committee met at 10 o'clock. Present, Messrs. Douglas, Bradford, Riddle, and Frost.

CHARLES W. HAVENNER sworn and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I am a broker, and reside at College Station, Prince George's County, Maryland.

Q. Have you, as broker, been employed at any time to negotiate loans of the Freedman's Savings and Trust Company? If so, give us a detailed account of your transactions.—A. I have very frequently negotiated loans with the Freedman's Savings and Trust Company. Most of my business was done with that institution during the years 1870 and 1871. We did then a very large business with that bank. Most of the negotiations at that time were made by my partner, Charles A. Sherman. Since then I have occasionally made loans with the bank off and on, but not to the extent that I did in those years.

Q. Explain to the committee why it is that loans which, according to the report of the commissioners, are charged to you, seem to have been secured on the property of one Murdock.—A. Mr. Murdock at that time was building very extensively in Washington, and we were his brokers. He got in bad repute at the bank and Colonel Eaton said he could not discount any more of Murdock's paper; that he was afraid Murdock would not meet his interest. It was then suggested, in order to obviate that difficulty, that Murdock should deed his property to me, and that I should give a deed of trust on the property to secure the loan, giving Mr. Murdock a right to redeem the property within a certain time by refunding the money. Murdock failed to redeem, and the property was sold by the receivers appointed by the court to pay off those loans. Those receivers are now paying off the loans as fast as the cash payments for the property mature. They have already paid part of the loans, I think. That is about the history of the Murdock case.

Q. Did I understand you to say that you obtained accommodation from the bank for Murdock on the security of Murdock's property?—A. For Murdock; but, virtually, for myself, because the property had been deeded to me.

Q. That was a nominal conveyance?—A. Yes; the understanding was that Murdock had the privilege of redeeming.

Q. You obtained the loans for Murdock on the security of Murdock's property, because Murdock could not obtain them himself?—A. Yes; that was it. It was not that the property was not worth enough to pay the loans, but Colonel Eaton was afraid that Murdock would default in his interest, and he wanted the interest promptly.

Q. Are you familiar with the fact, so apparent in the report of the commissioners, that the officers of the bank were constantly allowing the interest-account on almost everybody's notes to accumulate and run on; and, if so, why should they make this exception against Murdock?—A. I am confident that interest-accounts were allowed to accumulate, but the exception was made. Colonel Eaton positively declined to do any more business in the name of Murdock. He would not do it without a responsible name on which he could rely to get his interest.

Q. You say that the notes put in in your name, and for the benefit of Murdock, were discounted at the bank?—A. Yes.

Q. At what rate—A. Ten per cent.

Q. I want to draw a distinction between a discount and a loan at ten per cent. interest.—A. The notes drew the full face with the interest accruing.

Q. Have you any knowledge of the fact that the actuary or any officer of the bank was directly or indirectly interested in any loans negotiated by you or by any other person?—A. No, sir; I have not. I know that on several occasions a part of our commissions was paid to Colonel Eaton for discounts which he procured for us, and which he said was outside money not belonging to the bank. He always claimed it as outside money which did not belong to the bank.

Q. How were the notes drawn on which these payments were made in the commission on which Colonel Eaton shared?—A. As well as I can recollect they were an ordinary deed of trust note, made payable to some second party and indorsed by that second party, and just passed over to Colonel Eaton.

Q. Were they carried to your account on the books of the bank?—A. That I cannot tell, because I never saw the books of the bank.

Q. In settling for the notes negotiated by you, did you have a private, personal settlement with Colonel Eaton, or did you settle with him as actuary of the bank?—A. The notes were generally in the bank for collection. Sometimes we would go into the bank back room and call for a certain note, and pay the money. I do not know what became of it.

Q. There were a number of those notes drawn by you which appear by the commissioners' report to be still unpaid. Have you examined that report; and, if so, will you state whether you recognize any of them as the notes negotiated by you with Colonel Eaton and in the commission of which he shared.—A. I do not think there is a single note unpaid in which he shared the commission. I should have said that those negotiations where Colonel Eaton

received that commission were made by my partner most of the time, if not the entire time, and that the commission was charged on my cash-account as so much commission to Colonel Eaton on such and such loans. I am speaking of the firm when I say "I."

Q. Was there any commission paid to Mr. Eaton on notes negotiated by you or your firm for Murdock with the bank?—A. There was no commission paid to Colonel Eaton on any of them that I remember.

Q. What notes were they on which commission was paid to Colonel Eaton?—A. I think there was a note negotiated for John Wilkes, son of the Admiral, and I think there was a commission paid on that to Colonel Eaton. It was a temporary loan, loaned on bonds. We took bonds of the corporation of Washington, which he said belonged to a private friend, and we were to return the money or the bonds when called for. That loan was taken up and is now in litigation between Wilkes and ourselves, because there was a loss on the bonds of some three or four thousand dollars. I think the bank held a \$10,000 mortgage of John Wilkes at the time of the failure of the bank, upon property which is near the Baltimore and Ohio Railroad depot.

Q. Are you apprised of the fact that at one period of the company's history, or soon after the amendment of the charter in 1870 allowing the bank to loan money on real-estate security, the bank encouraged and was generally besieged by brokers who were negotiating loans for outside parties?—A. I am apprised of the fact that a good many brokers besieged the bank for loans, and I judge that a majority of the loans were negotiated through brokers.

Q. Did it not become, in consequence of that change, the policy of the bank to receive and entertain brokers that came in to negotiate loans rather than parties who wanted the money themselves?—A. I think myself that that was very much the case. It appeared to be the case.

Q. Are you prepared to state whether the funds which you obtained from Mr. Eaton and in the commission on which he shared, were in fact funds over which he had individual control, or were the funds of the corporation?—A. I had only his word for it.

Q. Did you know of any business or employment outside of his connection with the bank that would probably have placed Colonel Eaton in funds?—A. None whatever. It was always a mystery to me where he got the funds.

Q. By reference to the commissioners' report of December 15, 1874, there appears to be a real-estate loan to John Wilkes of \$10,000, dated September 16, 1870. Is that the loan the commission on which was partly paid to Colonel Eaton?—A. I have been thinking that question over in my mind for two or three minutes, and I cannot convince myself that it was or that it was not. It strikes me very forcibly that when we were called upon for the bonds we had to return the bonds, but that after that Eaton gave us the money out of the bank. I will not be certain of it. I cannot recollect all the facts connected with it sufficiently to speak positively, but it strikes me very forcibly that that is the same loan, although the negotiation was made with the bank at a different time.

WASHINGTON, D. C., April 22, 1876.

WILLIAM SCHOOLER sworn and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I reside at 2015 M street, N. W. I am a contractor.

Q. Have you had any dealings with the Freedman's Savings and Trust Company? If so, state what they were, and how you stand with the bank at this time.—A. When the bank first opened I deposited \$20, and became a regular depositor. As I progressed in business I deposited money there until the time that the bank failed. I made a loan from the bank once of \$3,000, and gave Mr. Stickney, the actuary, a power of attorney to collect from the board of public works an account of seven thousand and some hundred dollars due to me. I paid ten per cent. interest on the loan, and when I got my work measured Mr. Stickney collected the money and settled with the bank and paid every dollar I owed.

Q. Did you make any other loan at that bank?—A. I did not. Mr. Stickney went into partnership in another job of work after that.

Q. Were you partners in that job?—A. No, sir, we were not. I had a couple of contracts, and I suggested one day to Mr. Stickney that if he had any surplus money, and would furnish it, I would execute the work and would give him half the profits. He told me he would look over the matter. I told him that he would make his money pay more in this way than by a percentage. The next day we made an agreement. I believe that the amount of money expended in the work was about \$12,000. Mr. Stickney had a power of attorney for both jobs, to collect and receipt for the money coming to me.

Q. Was the money advanced to you on that job advanced from the bank?—A. Mr. Stickney kept his bank-account there, I suppose. He said it was his individual money.

Q. Did you get the money out of the bank?—A. Yes.

Q. Did he get half of the profits?—A. He got the full amount of his advance back and one-half the profits.

Q. Is there any instance where the securities deposited by you for a loan had been converted and not accounted for to you?—A. No, sir.

## SELECT COMMITTEE ON THE FREEDMAN'S BANK.

The committee met at 10 o'clock a. m. Present: Messrs. Douglass, Bradford, Riddle, Farwell, Hooker, Frost, and Rainey.

WASHINGTON, D. C., April 29, 1876.

JUAN BOYLE sworn and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I reside in Washington, D. C. I have not any occupation at present.

Q. On page 31 of the report of the commissioners of the Freedman's Bank, dated 15th December, 1874, there is an entry as of May 6, 1874, "Juan Boyle & Co., \$29,000, due May 6, 1875, secured by real-estate note for \$10,000 and \$3,000 in bonds of Selma, Marion and Memphis Railroad Company." Please state all the circumstances attending the negotiation of that loan, and what has since transpired in regard to it.—A. Shortly before the panic of 1875 I was indebted in a small amount (some few thousand dollars) to the Freedman's Bank. I went to Mr. Stickney and gave him a fee-simple deed (with the word "trustee" inserted) of lots on M street, between 23d and 24th streets; about 14,000 square feet of ground. There was at that time a small incumbrance on the property. Mr. Stickney loaned me, I think, \$3,000 in 8 per cent. gold-bearing bonds of the District of Columbia, which were worth then about 80 or 85 cents on the dollar. That was before the closing of Jay Cooke & Co. At the time of the panic, either the day or the day after Jay Cooke & Co. closed, a gentleman came into my office and told me that Mr. Stickney had just gone to Moses Kelly to borrow from the Metropolitan Bank \$5,000 in currency to assist in running the Freedman's Bank for that day, as that bank had an hour longer than the others to run, and that he did not think Mr. Kelly would let him have the money, because all the banks at that time were afraid to part with their currency. I had in my safe \$19,000 in cash, and I took \$10,000 of it to the Freedman's Bank. When I reached there I found a great crowd of depositors, who were drawing on the bank, and a majority of the clerks were in a great state of excitement. This was either the day or the day after the closing of Jay Cooke & Co., which was the 18th of September, 1873. It was certainly not later than the day after. When I went into the bank-room I found a number of gentlemen assembled, who I understood were members of the finance committee and of the board of directors. The president, Mr. Alvord, walked forward to the middle of the room, and I told him what I had called for; that I had \$10,000 in cash to give the bank. He told me that he had just given orders to close the bank, as they had not sufficient money to run it with. I think he told me then, or that some one connected with the bank told me afterward, that the money on hand had run down to \$4.20 or \$2.40, and there was then nearly an hour before the time for closing. I offered Mr. Alvord the \$10,000 without saying a word to him in regard to security, payment, or anything else. He hesitated for a few minutes, when several gentlemen from among the board of directors called out to him, "Take it and give him anything he wants." I think that one of the gentlemen who made that remark was Professor Langston. There was an old gentleman from Baltimore present, Mr. Albert, who I understood was one of the directors, and I think that Mr. Purvis was also there. I said to Mr. Alvord, "Take the money and you can fix with me afterward." He immediately went behind the counter and deposited the \$10,000. A few minutes afterwards he came back, and Mr. Alvord and myself went over to the Treasury. At that time I had not seen Mr. Stickney or spoken to him on the subject. Mr. Alvord and I went to the Treasury building and into the Register's office, where Mr. Alvord got the Register to transfer a lot of currency-sixes which were owned by the bank. He came back again and I think he gave me \$20,000 of those bonds, which I carried over and put into my safe. I went back to the Freedman's Bank, perhaps later in the evening, or it may have been the following morning very early, and gave the bank \$9,000 more. Mr. Alvord and Mr. Stickney talked with me in regard to my going to Baltimore to try and make some loans for the bank. I went to Baltimore, and I think I got \$15,000 in currency that day. When I reached Baltimore the banks there were in an apparently sound condition, and they seemed perfectly satisfied to let out currency. When I came back to the Freedman's Bank they told me that they had failed to get what they had expected in New York and that they wanted a very large sum of money. I told them that I thought I had found a place in Baltimore where I could borrow on their bonds. Mr. Alvord therefore gave me some more bonds and I went back to Baltimore with them. The second installment of bonds were handed to me by Mr. Alvord, and the first installment by Mr. Stickney. Before going to Baltimore I told them that I had some securities of my own which at that time could not be used, and that as I was working for the bank and had already sustained the bank and prevented its closing, I should have some of the money for my own use. They told me that if I would go to Baltimore I should have for my own use any money that I wanted, and I think that at that time I used some three or four thousand dollars of the money belonging to the bank. I do not recollect how many bonds I negotiated in Baltimore. I never sold any of them but \$10,000, but I borrowed money upon them, of course at a high rate of interest. When I returned the bank officers all seemed very much pleased with my action, and on several occa-

sions they sent over employés of the bank to see me with regard to my transactions, and sometimes they brought money over from Baltimore to the bank. A few days after that Professor Langston met me and told me that the board of directors were so pleased at my action that they intended to give me a vote of thanks, (which did not pay very well,) and Mr. Stickney and Mr. Alvord told me that I should be well paid for my services. I think that the bank took advantage of the sixty days' notice which the law allows to savings banks, and when the time was nearly expired and they were expecting a run upon the bank they employed me to negotiate their real-estate securities or any other securities that they had. I went to Baltimore again and took up the Government bonds which I had deposited there, and put in their place District securities, and when that loan fell due I went over again and negotiated the real-estate loans with the parties who gave me the District securities in place of them.

Q. What do you mean by District securities?—A. I mean bonds of the District of Columbia which were held as collateral by the Freedman's Bank. These securities were then the same to the bank as cash, while their mortgages were not. All the time during these negotiations Mr. Stickney held the lots on M street which I have just mentioned. I told Mr. Alvord several times that I expected the bank to assist me in paying off my debt on this property. Mr. Stickney made an agreement with me to allow me to go on and build the houses, which I did. It had never been settled what I was to receive for my services to the bank. Of course I know that they were worth a great deal, and that the money which I advanced to the bank was worth a great deal more, so that I expected to claim at that time what I have since claimed, \$10,000, and I have now a suit in court against the bank for that amount. I expected a credit of that amount on my debt to the bank, and I expected the bank to give me every assistance that it could to pay my debt. I started the houses and Mr. Stickney gave a deed of trust to Mr. William H. Ward, for me, (I giving the note,) for \$14,000, to secure him for lumber and material of all kinds furnished for the houses, and for a certain amount to be paid to the brick-layer, as that was the heaviest item. The building went on and the houses were under roof and nearly completed when the Freedman's Bank was closed. Mr. Stickney then came to me and said that my account was an open account and that it had not been entirely settled up. At that time the credit of Juan Boyle & Co. was supposed to be good for twice the amount—I mean their individual note without any security.

Q. You mean that it was good for \$28,000?—A. Yes. I mean the note of Juan Boyle & Co. was supposed to be good, (and I thought it to be good,) for at least \$28,000 without any security, as my partner was a very wealthy man, and I had made a great deal of money myself. I gave the note for \$28,000 with the expectation that I would, of course, be allowed this credit of \$10,000. I deposited \$3,000 in Selma, Marion and Memphis Railroad Company's first-mortgage bonds, which were secured by the indorsement of the State of Alabama, and which bonds at that time were worth, I think, about 60 or 70 per cent. I also gave a note of \$10,000 secured as a second mortgage on lot 9, square 54, for which I had paid over \$16,000. The bank also held the trust on this M-street property. After the commissioners were appointed they apportioned out this debt of mine in this way: \$21,000 on the M-street houses, and the remainder to go against the \$10,000 note, the second mortgage, and the Selma, Marion and Memphis Railroad bonds. Mr. Stickney came to my office, and told me that he had given a note to the bank for \$21,000, which he wanted me to sign. I went over to Mr. Leipold and had a talk with him on the subject. I first proposed that the bank should allow me to finish the M-street houses with the bank-money, and that then I would permit the houses to be sold, and thought that the price they sold for would settle everything. He said that he would consider the matter, and, I think, the next day he declined my proposition. I then proposed that the bank should finish them, and he declined that proposition also. I told him then that I thought that all things should be taken into consideration—the services which I had rendered to the bank—and that I ought to have some assistance from the bank to enable me to finish the houses; but that if they did not give me any other assistance, they, at least, ought not to embarrass my position by recording this \$21,000 note which Mr. Stickney had given to the bank without consulting me, (although he considered that he had a perfect right to do so.) This was a note of Mr. Stickney's on this M-street property which belonged to me.

By Mr. FARWELL:

Q. The title to it was in him?—A. Yes.

By the CHAIRMAN:

Q. But with the clause giving him power to sell it for the benefit of the bank?—A. Yes; as a trustee for the bank.

Q. Have you a copy of that deed with you?—A. No, sir; I think Mr. Stickney has the deed.

Q. Had you a written agreement with Mr. Stickney about that?—A. I do not know whether I had or not, but I do not think I had. Mr. Leipold offered me the \$21,000, either to return me the note itself or to give me a credit for \$21,000 on the \$28,000 which I owed to the bank if I would turn over the houses to him. I told him that I thought that proposi-

tion was unfair, because if there was any money to be made out of the houses I should get part of it, and I said that he should give me the privilege of finishing the houses and selling them, and paying the bank the money which I owed it. He said that they would not do that, but that they would keep the note off record; that is how I understood him. I left the bank, and when I went back again I found that the note was on record, and therefore I could never do anything more in regard to finishing the houses. The houses were sold under the deed of trust. I was present at the sale, and did not see any representative of the Freedman's Bank present. Of course the security was entirely sacrificed. There was no one present to run the property up in the interest of the bank, and the property was bid in for, I think, some \$14,000, just the amount that was there in bricks and mortar and in lumber and materials, leaving out entirely the cash which I had paid, and which Mr. Stickney had assisted me in paying on the buildings. In June following the lot that had the second trust of \$10,000 on it was also sold for the first mortgage of \$6,000, and that lot went for \$6,000 and the interest and expenses. The commissioners brought suit against me for the bonds and obtained a judgment, I believe, and I have entered a suit against them as an offset, claiming \$10,000 for my services.

By Mr. FARWELL :

Q. You referred to some securities which you said you had, but which were not salable. Why did you refer to them?—A. Simply to show that I did not get money from the bank without giving something as security, and which was supposed at the time to be perfectly good. They were not bonds, but they were city securities, like notes, &c.

Q. These you deposited for loans which you obtained from the bank?—A. Yes; but not specifying any special amount.

Q. During what time were those services of yours rendered?—A. From the time of the panic in 1873 until the bank closed.

Q. How long was that?—A. About eight months, I think.

Q. What was the class of services which you rendered for that claim of \$10,000?—A. I saved the bank from being closed. I was told, I think, both by Mr. Alvord and Mr. Stickney, that for my services on those two days the officers of the bank would not have hesitated to give me \$5,000 a day. My expenses at Baltimore were from \$25 to \$30 a day, because I was an invalid at the time, and was obliged to ride. On one occasion I was at four banks in Baltimore before the hour for opening, in order to negotiate these matters.

Q. The services which you rendered were in negotiating bonds of the Freedman's Bank?—A. Yes; in negotiating loans. The times were extraordinary, and therefore, of course, the services were extraordinary. These bonds could not be sold to any advantage on account of the closing of the stock-exchange in New York.

By the CHAIRMAN :

Q. You mean to say that you claimed this compensation of \$10,000 for your services in advancing funds to the Freedman's Bank, and in negotiating the exchange of securities owned by the bank, by which means the bank was kept afloat eight months longer than it otherwise would have been?—A. That is exactly what I mean.

Q. When that note of \$28,000 was given, did it include the smaller loans that you spoke of having previously obtained from the bank?—A. It included everything.

Q. That note, thus executed, represented your entire indebtedness to the Freedman's Bank?—A. So I understood.

Q. You say that Mr. Stickney and Mr. Leipold, in adjusting, or attempting to adjust, this debt of yours, apportioned it so as to allow \$21,000 of the amount to stand against the M street property, and the balance, \$7,000, to stand against the second-mortgage note and the Selma, Marion and Memphis Railroad bonds?—A. Yes, sir; this was after the closing of the Freedman's Bank.

Q. You called on Mr. Leipold, and, in the course of that interview, Mr. Leipold proposed to surrender this \$21,000 note which Mr. Stickney had drawn, (supposing you had sanctioned his proceeding,) or to give you credit for \$21,000, and to take the M street property. Do I understand you correctly?—A. Yes, sir.

Q. Were either of the other commissioners, Mr. Creswell or Mr. Purvis, present during that interview?—A. No, sir.

Q. Had they any knowledge of this proposed arrangement between you and Mr. Leipold, so far as you know?—A. I do not know.

Q. You refused that proposition of Mr. Leipold's?—A. Yes, sir.

Q. And shortly thereafter Mr. Stickney had the property sold under his deed in favor of Ward?—A. Mr. Ward had the property sold in favor of the parties secured.

Q. For working-material furnished on those houses?—A. Yes, sir.

Q. And at that sale no person appeared to represent the Freedman's Bank, and the property was bought in for \$14,000?—A. For something over \$14,000. I did not see any one there to represent the bank, and there were very few bidders present. Most of them I know.

Q. By whom was that property bought?—A. By Mr. Stickney.

Q. Have any of those houses been since sold? If so, state at what prices.—A. I have understood that several of them have been sold. I think they averaged from \$5,000 to \$6,000 apiece.



Q. From whom did you understand that?—A. I understood it from a gentleman who bought one of the houses and had sold or made negotiations for selling one of them. I knew of a house being sold to a Mr. Pendleton for \$4,000 in notes and a piece of property for which Mr. Pendleton had paid over \$3,000.

Q. If there had been a fair competition at the sale of that property when it was sold under the deed of trust a ward and if there had been any person present to protect the interest of the Freedman's Bank in that property, would it have brought more than \$14,000?—A. Mr. John O. Evans was present at the sale, and I asked him his opinion as to the value of the houses, and the lowest valuation he put upon them was \$2,100 on some of them, and \$4,500 on others. There were nine houses in the row, but there was some arrangement in regard to two of them, which arrangement I do not now recollect. I think that Mr. Stickney had given out a good deal of his own paper to assist in building the houses and that he was allowed two of them, and that the bank was to have the other seven.

Q. You were engaged at that time in the real-estate business?—A. I do not think I was at the time of the sale.

Q. But you had been?—A. O, yes; and I might have been considered so then, although my affairs were about being wound up.

Q. I want your opinion as an expert as to whether those houses, even at that time, if there had been a fair competition, and if there had been an effort to protect the interests of the Freedman's Bank, would or would not have sold for more than enough to pay the \$14,000 due for the material and workmanship on the buildings?—A. They ought to have sold for more than that. There was fourteen thousand feet of ground in the property, which I was told by Fitch & Fox (who are considered among the best judges of real estate in the city) was worth sixty-five cents a foot. Every dollar of the \$14,000 for which the property was being sold was put in the property in the way of material. Besides that a large portion of the money which I received from the bank went for the payment of labor on the houses. The ground was there and the money which I had put in was there and what Mr. Stickney had put in was there, and, therefore, I would say that the property was worth more than \$14,000 because the ground on the opposite corner, which belonged to Mr. Walter Davidge, was held at seventy-five cents a foot, and was not more valuable than that ground.

Q. I understand that long before or some time before the deed was made by Mr. Stickney to Ward in trust to secure the payment for the material and workmanship, you had made a deed of the same property to Mr. Stickney with a clause authorizing him to sell as trustee for the benefit of the bank?—A. The deed is simply a fee-simple deed with the word "trustee" inserted.

Q. What did you and Stickney understand by the insertion of the word "trustee"?—A. That the property was held under that deed as a trustee for the bank by Mr. Stickney to secure some bonds which Mr. Stickney had loaned me. It was not considered that he had loaned anything like the value of the property, and I only had them as a temporary matter.

Q. There was no misunderstanding between you and Stickney about it?—A. No, sir.

Q. It was understood that the real purpose of the deed was to secure the Freedman's Bank for the bonds of the bank which Stickney had advanced you to raise money on?—A. Yes, sir.

Q. Was that a prior lien to any subsequent lien or conveyance made by Mr. Stickney to Mr. Ward?—A. It was. Mr. Stickney made that agreement to assist me to build the houses, and, instead of giving me the money out of the bank to do it with, he simply gave a trust to secure the builders.

Q. In the conveyance which Stickney made he did not secure anything to the bank?—A. It was understood between Stickney and myself that it would secure the bank.

Q. Did Stickney, in his conveyance to Ward, insert any provision for the security of the bank?—A. No, sir; because that provision was already in his deed.

Q. My object is to show that this property was already incumbered for a debt to the bank. That was so, was it not?—A. Yes.

Q. And Stickney afterward incumbered it for the material and workmanship in constructing the houses?—A. Yes.

Q. And when the property was sold the proceeds went to pay for the material and workmanship in constructing the houses and not to pay the bank?—A. That is it.

Q. In those transactions after the closing of the Freedman's Bank, I understand you to say distinctly that you had no communication, directly or indirectly, with Mr. Creswell or Mr. Purvis, the other commissioners?—A. I had not. I may have met Mr. Purvis once, but I never spoke to him on the subject. I do not know that I ever spoke to any of the commissioners except Mr. Leipold.

Q. What became of the Selma, Marion and Memphis Railroad bonds?—A. The commissioners hold them now.

Q. You say that they are guaranteed by the State of Alabama?—A. Yes, sir.

Q. Do you know whether any of them have been converted or whether any attempt has been made to convert them in order to relieve you from the burden of your debt so far as the amount would go?—A. No, sir; I called upon Mr. Totter, the attorney for the commissioners, several times, and he generally stated that the bonds were not worth anything. He told me that Mr. Leipold said they were not worth anything at all, and I have requested

him several times to ask Mr. Leipold to return them to me so that I might make an effort to make them available.

Q. Where are those bonds now?—A. I do not know. I left them with the Freedman's Bank at the time I had the negotiations.

Q. Do you know whether they were ever in the possession of Mr. Totten?—A. Mr. Totten was the attorney who brought the suit against me for \$28,000. I called to see what he was going to do with reference to these bonds, as no credit had been given to me for them. I also got my counsel to call and see him on the subject.

Q. You do not know whether Mr. Totten has the bonds?—A. No; I do not know anything about that.

Q. Did I understand you correctly as saying that the advance of \$19,000, made by you on the day that Jay Cooke & Co. failed, or on the day after, enabled the Freedman's Bank to tide over the run made upon it at that time?—A. I claim that it did, and I claim, besides, that I tided it over with my assistance from that time until the bank closed.

Q. Have you had considerable experience in banking operations; in dealing in money?—A. Yes, sir.

Q. I find on page 40 of the commissioner's report that the total balance due at the principal office on account of what is denominated the available fund, was \$312,968.53. If the available fund of the bank, out of which these loans were made, actually had been kept as the law requires, in an available form, could not the bank easily have met the run upon it, and have survived that run?—A. I suppose that at any other time but at the time of that panic the bank would have had cash enough on hand.

Q. If that available fund had been kept in an available form to the amount of \$312,968.53, could not the bank have met the run made upon it at the time of the failure of Jay Cooke & Co., and have survived that run?—A. It certainly could have run much longer than it did without assistance.

Q. Would there have been any necessity for that amount if that amount of money, in an available form, had been on deposit, for the bank to have sacrificed its securities in order to raise moneys to meet the run?—A. I should think not.

Q. If you have any other statement to make on your examination-in-chief explanatory of any of those transactions on which you have been interrogated, you may make it now.—A. I wish to state that when I made these transactions in Baltimore I did not receive my authority (as stated in the newspapers a few days since) from Mr. Stickney. I received it directly from the president of the bank, Mr. J. W. Alvord. The first authority that I received was directly from him, Mr. Stickney not knowing that I was even in the bank-building at the time, and I understood that it was sanctioned by the members of the finance committee then present. I had also sent to me, by one of the employés of the bank, a certificate, with the seal of the bank attached, authorizing me to make certain negotiations; and another one, to which Mr. Alvord's name was signed, authorizing Mr. Stickney, as actuary, to indorse my paper in Baltimore, for the purpose of raising money there, as I had influence there, which the Freedman's Bank had not. I think that, at another time, I received from Mr. Alvord an order to go to the branch of the Freedman's Bank in Baltimore and get bonds which they had there. I have had transactions with Mr. Alvord amounting to \$20,000, in United States bonds, at one time, and I think to \$60,000 in District bonds at another time, and I do not recollect that he ever asked me for a receipt. The reason I wish to make this statement is, that I read in Mr. Purvis's testimony a statement that I had been sent to Baltimore by Mr. Stickney, and it appeared as though I had no other authority.

Q. State whether you had any of these securities at the time that the bank went into the hands of the commissioners.—A. Not when the commissioners took possession of the building, but I had when they were appointed. I think I had in my possession about \$70,000 of real-estate notes. They were in my safe in the office. I returned all of them. I believe that the books of the bank show that I never sold more than \$10,000 of the United States bonds belonging to the bank, (which I did through Lewis Johnson & Co.,) and that all the negotiations I had were accounted for to Mr. Stickney, or to some officer of the bank, and are now on the books. The reason why I make this statement is because Mr. Purvis states in his testimony that I have never made any account of my transactions with the bank, and that I have never accounted for the bonds which I received from the bank.

Q. You say that in all these transactions you obtained no commission for your trouble.—A. I never received a dollar for commission, or even for my expenses to Baltimore.

By Mr. BRADFORD:

Q. Can you state how much money you raised for the bank during that period?—A. I cannot; I have no recollection.

Q. Can you approximate the amount?—A. I expect it was as much as \$100,000.

Q. Have you any notion as to how much money was expended by the bank during that period in the payment of depositors or their creditors?—A. I have no idea at all. I was occupied so constantly with my own affairs and with the affairs of the Freedman's Bank that I cannot recollect what amount I negotiated for the bank and turned over to it.

Q. Will you state from whom you derived the Selma, Marion and Memphis Railroad bonds of which you speak?—A. I bought them in Baltimore, from Mr. Thomas N. Lanahan, a very prominent lawyer in Baltimore.

Q. How long had you possession of them?—A. I think two or three months.

Q. Do you know anything of the source from which he procured the bonds?—A. I understood that he bought them from an estate in Baltimore, but I do not know what estate it was. I think he told me that they cost 80 cents on the dollar.

Q. Do you recollect when you had this conversation with Mr. Lanahan?—A. At the time I purchased the bonds which was some time before they were turned over to the bank.

Cross-examination :

By Mr. LEIPOLD :

Q. You stated that the conveyance which you made to Mr. Stickney, as trustee, was for the benefit of the Freedman's Bank ; was there any such consideration mentioned in the deed itself?—A. No, sir ; the word trustee was in the deed.

Q. Was there anything in the body of the paper to indicate that it was given for any particular trust ? Was the trust declared in the body of the deed?—A. No, sir ; it was not.

Q. Could Mr. Stickney, under that conveyance, have absolutely disposed of that property deeded to him in that manner without any action by the officers of the bank ? I ask you that as a legal proposition.—A. I am not a lawyer, and cannot answer it as a legal proposition.

Q. Could Mr. Stickney have given a good title to the property without any corroborative action on the part of any officer of the bank?—A. I do not know what record he made of it in the bank.

Mr. STICKNEY. It is an ordinary deed of conveyance to G. W. Stickney, trustee.

(A copy of the deed was subsequently furnished to the committee, and is as follows :)

Q. State under what circumstances Mr. Stickney gave a note to the commissioners for \$21,000, and secured that note by a deed of trust on this very property.—A. I only have it as stated to me in my office by Mr. Stickney after he had made the note. He told me that he had given the commissioners a note for \$21,000 with the understanding that they would not embarrass me in finishing the houses ; that there had been some arrangement made by which the note should not go on record, and that on account of that arrangement he had invested \$800 more just at that time in these same houses ; but he afterward came back to me and told me that the deed had been sent down and recorded without his knowing anything of it.

Q. State the circumstances of that conversation which you refer to that took place between you and me, and in which I offered to accept that \$21,000 note and to give you credit for the amount.—A. You had put the deed of trust for \$21,000 on record, which of course prevented my doing anything further in building the houses, as it ruined the credit of the property and stopped the building. I asked you either to let me go on with the building, or to give me money to finish it for the benefit of the bank, or for the bank to finish the houses, and you declared that you would do nothing except take the houses in fee. I told you that I did not believe that it was the purpose of the commissioners to speculate on the necessities of the debtors of the bank, and that therefore I thought that if there was anything coming out of the houses over and above what was due to the bank, I was justly entitled to it. I think that that was the last conversation which we had on the subject. I left, and the sale took place immediately afterward.

Q. You stated that you came to see me with reference to my putting on record that deed of trust, and that it was your impression then that after that deed of trust had gone on record as against this property, there would have been no opportunity for you to have raised any other money on the property?—A. That is it.

Q. Then you came to me, and wished the commissioners to go on and finish these houses, saying that from the profits of the houses your debt to the bank might be paid, and that the difference, if any, should inure to your benefit. Was that the statement that you made?—A. That is the statement that I made.

Q. Did I agree to do anything of that kind?—A. You refused to give me the benefit of the property over and above what was due to the bank, but you still said that you would take the houses just as they stood in fee.

Q. Take the houses for what—for the payment of the entire debt?—A. No, for the payment of \$21,000 of the debt.

Q. What other conversation took place between you and me in regard to that matter?—A. I do not recollect any other unless you give me some reference to it.

Q. Did I make such a remark as this, that the bank could not afford to advance money for the finishing of these houses in order that you might derive profit from it?—A. I do not recollect any such remark.

Q. Why did I refuse to allow you to share in the prospective profits that might be derived from that row of houses ? Did I give any reason why ?—A. No, but I have my own reason for thinking why you refused.

Q. Give the reason.—A. The reason that I have is because I do not think your feelings toward me were very friendly. I so understood before and since. Therefore I did not think that you were ready to give me any advantage at all, and thought that you would rather in the meantime place me at every disadvantage.

Q. What was the entire amount of the incumbrances on that property at the time that

you wished the commissioners to go ahead and finish that row of buildings?—A. I think it was a little over \$14,000.

Q. What was the nature of the incumbrance?—A. A deed of trust.

Q. Were there any builders' liens or any claims of that kind against the property?—A. I think not.

Q. How many houses were there that had been deeded to the commissioners as security for that \$28,000?—A. There were nine in the row. I never was consulted in regard to the deed of trust, and I never saw it, but I have understood that it embraced only seven of the houses.

Q. What was the condition of those seven houses? How far had they progressed toward completion?—A. They had the floors and roofs. They had the sashes, blinds, and all the material so far as lumber is concerned, with the exception of the steps and the lumber to put up the back fences.

Q. Was that the condition of the whole seven houses?—A. Yes.

Q. Were the seven houses all under roof?—A. Yes, they were all under roof; all but one or two of them had in the sashes and bay-windows, and the lumber for the others were stored in some of the other houses. Some of the houses were further completed than others. Some were entirely plastered, and some were not.

Q. Have you any idea what the probable cost of finishing those houses would have been at that time?—A. I understood that there was a bid made for six thousand dollars odd to finish the entire seven houses. I think I got that information from yourself.

Q. There are only seven houses included in the deed of trust to the commissioners?—A. I do not know that. I know that there were nine houses in the row. You told me that you had an estimate or bid as to the cost of finishing the houses, and I think it was a matter of six thousand dollars odd. I am not positive about it, for at that time I had really lost all interest in the matter.

Q. Now with reference to this proposed arrangement. You have stated in your testimony that the security on these houses was given to the Freedman's Bank to secure it for the amount of some bonds which Mr. Stickney had loaned to you; what were those bonds?—A. My testimony does not state it with regard to these houses. I spoke with regard to lots. The houses were not then commenced. The bonds were 6 or 8 per cent. gold-bearing bonds, called sinking-fund bonds of the District of Columbia.

Q. For what purpose had Mr. Stickney loaned you these bonds?—A. I had use for them, and Mr. Stickney loaned them just as he would have loaned me the money of the bank, and he took this security for them.

Q. Did you ever have any dealings with Mr. Stickney in regard to real-estate notes, the property of the bank?—A. Yes; just in the same connection as I had in relation to the bonds.

Q. Mr. Stickney loaned you real-estate notes?—A. No, sir.

Q. Did he give them to you to negotiate?—A. Yes.

Q. How did you pay for them?—A. I paid the money back to the bank for all the notes that I negotiated, except that part which is included in the \$28,000 note.

Q. Then the \$28,000 note partially arose as a balance due from certain notes which were handed to you by Mr. Stickney for the purpose of negotiating them; is that correct?—A. No, sir; Mr. Stickney gave me these notes instead of cash. He did not give them to me to negotiate.

Q. You had to negotiate them in order to use them?—A. Yes, if I wanted to do so, and I did negotiate some of them.

Q. Do you recollect how much they amounted to?—A. I do not.

Q. To what amount did you take these notes?—A. I had about \$70,000 of these securities of the bank, and I think that I received out of them about \$8,000 or, perhaps, \$9,000. The notes were taken at their face value, and any loss or discount upon them I lost myself.

Q. At the time that you gave this note for \$28,000, did you understand that it was given to the bank in payment for these very real-estate notes which you had taken from the bank and negotiated for the purpose of erecting these buildings?—A. I did.

Q. Was there any other note that you gave to Stickney on or about the same date?—A. There was a note for \$4,000 odd, which was, I think, my note indorsed by Mr. Frank Barnum of Baltimore. Mr. Barnum's indorsement was then and long afterward and is to-day, I suppose, good for a large amount. I gave him that note in settlement of some real-estate notes on a piece of property which Mr. Barnum held in trust, and I gave the balance in cash. The note fell due after the commissioners had taken possession of the bank, and it was not protested, and I alone was held responsible for that note.

Q. Do you recollect the identical notes which were given to you by Mr. Stickney to negotiate, and in payment of which this \$28,000 note of yours was given?—A. No, sir; I do not, there were so many of them.

Q. Do you recollect on what day that transaction took place, when you handed Mr. Stickney this \$28,000 note and this \$4,300 in payment of these other notes which he had surrendered to you previously?—A. I do not think that this \$4,300 note had any connection with any affair of mine. The Freedman's Bank wanted money, and in negotiating these real-estate notes in Baltimore, the parties made me offers for the notes, and we had no other

securities to give except Mr. Barnum's individual security to take up this note on his property, so we took up this real-estate note on his property, and gave Mr. Barnum's personal note. I think that transaction occurred before the \$28,000 matter. I do not think that it had any connection whatever with the other matter, and I did not regard it as a matter of my own at all. Mr. Barnum was very apt to be out of town, and the note was, of course, to be sent to me, and if I did not pay the whole of the note, I was to be allowed to curtail it for Mr. Barnum's benefit.

Q. What I want to get at is whether, on the day that the notes bear date, the transaction took place between you and Mr. Stickney. The notes bear date May 6, 1874; was that the date when the transaction took place?—A. I think that that was the date when I delivered to Mr. Stickney the \$4,300 note, but I do not think that it was the date when I gave Mr. Stickney the \$28,000 note. I can connect the two things as transactions of the same time.

By Mr. CRESWELL :

Q. When did you give this deed to Stickney as trustee?—A. I cannot give the date, but I can furnish it.

Q. Was it before the commencement of building on these lots?—A. Yes, sir.

Q. And it was for the lots and the seven houses?—A. O, no, sir; I do not know that the houses had been more than thought of at the time.

Q. But it was for the ground on which the houses were afterward constructed?—A. Yes.

Q. State at length, and clearly, exactly what the understanding was between you and Stickney, and what you meant to convey by the word trustee in this deed?—A. My intention was to give this to Mr. Stickney as security for the bonds which I got from the bank.

Q. Was that the understanding with Stickney? Did he understand it clearly at the time?—A. He certainly did.

Q. Did you give him that deed of trust to secure the bonds which you got from the bank?—A. Yes.

Q. And was the property to go entirely for the security and benefit of the bank?—A. Certainly, it was. When I gave Mr. Stickney this deed as security, I gave it as much as a trust for myself as I did for the bank. At the same time, I expected to be required to pay that indebtedness to the bank before Mr. Stickney would surrender the title to me.

Q. Then you had it understood with Mr. Stickney that this trust meant yourself as well as the bank?—A. Certainly.

Q. And meant Mr. Stickney as well as yourself?—A. No, sir.

Q. Was it to secure anything which Mr. Stickney might lose by the transaction as well as yourself and the bank?—A. I think not.

Q. How large was the actual amount of indebtedness which you intended to secure by that deed?—A. I think I got \$3,000 bonds, and \$1,000 in cash the next day. That is all I now remember.

Q. Then did you only intend to secure \$4,000 to the bank by that deed to Stickney as trustee?—A. It might have been considered that if I wanted more I could have gone and got it.

Q. But at the time you gave the deed that was all that you intended to secure?—A. I did not expect to want any more than I had received.

Q. Did you ever receive anything more from the bank than that \$4,000 which was to be secured by that deed?—A. Not until this transaction which I have spoken of.

Q. With whom did you make your arrangement to build on these lots?—A. With Mr. Stickney.

Q. Who was the contractor?—A. The first contractor was a man named Angus.

Q. Had you a contract with him?—A. Yes, sir.

Q. You and Mr. Stickney represented one interest and Mr. Angus the other?—A. Yes.

Q. Was it understood at the time you made this deed of trust to Stickney that he was to go over and aid you in constructing these houses?—A. Not at the time the deed was made.

Q. Was it understood then or afterward that he was to give a lien to secure the builders or mechanics?—A. It was either intended that he should do that or that the bank should advance him money sufficient to do the work with.

Q. And you made this arrangement with Stickney that the bank was to advance the money?—A. Certainly. I do not know that all the arrangements were made with Stickney. I know that I talked on several occasions with Mr. Alvord in regard to all my matters.

Q. Did you make any arrangement with Mr. Alvord?—A. No, sir.

Q. Did you have no arrangement with any officer of the bank except Stickney that you were to be assisted by the bank in erecting these buildings?—A. No; but I had an understanding from the officers of the bank that I was to receive assistance from the bank.

Q. With what officers did you have that understanding?—A. I think with General Howard, (I believe he was connected with the bank,) and I think with Professor Langston.

Q. When did you have that understanding with General Howard?—A. I had a conversation with General Howard just after the panic with reference to what I thought I ought to do in regard to the matter.

Q. That was in September, 1873?—A. Yes, sir.

Q. When did you have a conversation with Mr. Langston?—A. I had a conversation

with Mr. Langston after the houses were commenced. That was some time before turning over the bank to the commissioners. I went to Mr. Langston's house, or rather to the college, and had two or three conversations with him with regard to paying the bank the loan of \$70,000 odd which was made to the Howard University. I called on these gentlemen to make arrangements with regard to the loan. Mr. Stickney did not want to make the loan to me unless the Howard University paid the commissions. That loan would then be due in a few months, and the university would then have to pay it or be sold out, or borrow at the expense of the institution. I went to see Mr. Langston several times on that subject, and I requested him to make the loan. I went, when sent for, to meet a committee of gentlemen belonging to the Howard University and connected with the Freedman's Bank. I do not know who they were, except that Professor Langston was present. General Howard sent me a note signed with his name, requesting me to call and be present at that meeting. The meeting took place at the building of the Second National Bank, and I had this conversation in regard to the management of the bank, or rather in regard to furnishing the funds for the bank. They sent some person to New York to see whether he could do better than I could in raising funds, but he telegraphed them back that he could not.

Q. That was for furnishing money generally for the protection of the bank?—A. Yes. The reason why I make this statement is to show that I was not merely working with Mr. Stickney in connection with the bank, but that these were matters which ran along sometimes for three or four weeks.

Q. What I want to know is about these lots and buildings. You say that you expended, in the way of construction and for material on those lots, about \$14,500, including the value of the lots?—A. No, sir; the lots contained 14,000 feet, and were valued at 50 cents a foot. The material came to \$14,000 odd, not for any building, but for material. Then, besides, there was the cash which I had put in the building and what Mr. Stickney had put in it.

Q. Was there any lien to be on those lots and buildings for the amount of money expended by way of construction, either for labor or materials?—A. The \$14,000 was given for materials.

Q. Was a lien given on the buildings and grounds for that sum?—A. It was given on the ground as I before stated.

Q. To whom?—A. To William H. Ward.

Q. Was it in your view, at the time, that he was to secure such sums of money as you were to expend for materials and labor, and did you consider that he had authority to do it under the deed of trust?—A. I did not consider that he had authority, unless there was some understanding between us.

Q. What right had Stickney to give Ward this deed?—A. He gave it at my request.

Q. What title did Stickney have to the property when he made the transfer?—A. He had the title in fee.

Q. By whom was the title in fee made to him?—A. It was made to him by me.

Q. In the deed as trustee?—A. Yes.

Q. Do you claim that under that deed by which you conveyed the property to him as trustee, he had authority to convey it to Ward?—A. Certainly.

Q. It was an exercise of authority, under the deed which you gave him?—A. Certainly.

By Mr. PURVIS, (formerly one of the board of trustees:)

Q. Did you make a return to the bank for every dollar of its securities which you sold?—A. I have answered that question before. I made the return to the bank of every dollar that I received from it, and I think it is so recorded in the books of the institution. I have also stated that I had in my possession thousands of dollars of the funds of the bank. There were a good many of the notes of the bank put in my hands for negotiation. I transacted business for the bank from the time of the passage of the act of Congress allowing the bank to negotiate loans on real estate, and the bank has never lost a dollar by any investment that I made for it; I wish that to be distinctly understood. I repeat that I made many loans for the Freedman's Bank, and I never have heard of any note which I negotiated at the bank that was not paid, or of any investment that I made for it that was not good, and I was connected with it for several years.

Re-examination by the committee.

By Mr. HOOKER:

Q. Did I correctly understand your statement as being that two of the nine houses which you say were built on this property after the execution of that deed to Mr. Stickney were turned over to Mr. Stickney?—A. I have so understood—that there was some arrangement with reference to two of the houses made between Mr. Stickney and Mr. Leipold. I do not know what the exact arrangement was. I have never seen the deed of trust securing the \$21,000 to the bank, and do not know whether it was on seven houses or on the nine.

Q. When you executed this deed to Mr. Stickney investing him with the trust, was it the understanding between you and Stickney that this property was to be built upon for the purpose of enabling you to repay your indebtedness to the bank, or that if it was not repaid

then the bank was to take the property?—A. There was no such understanding as that; it would have been unnecessary.

By the CHAIRMAN:

Q. Your examination, both in chief and on the cross-examination, developed the fact that there were two deeds on those M-street houses, one given by you to Stickney, as trustee, and the other given by Stickney to Ward, as trustee. I wish to bring your attention back distinctly to the object of the deed which you gave to Stickney. Was or was not that deed intended as a security for money already advanced and as indemnity for any advance that you might afterward obtain from the bank?—A. It was.

Q. And it was understood between you and Stickney that that was the purpose?—A. Yes; that was the exact purpose of the deed.

By Mr. RIDDLE:

Q. Had you paid for the property at the time that you executed the deed to Stickney?—A. It was very nearly entirely paid for, and it was paid for by installments afterward. There was not over \$1,000 due on the property at the time, I think. There was one note for \$700 and another for a smaller amount due on it; which notes were paid afterward.

By Mr. RAINEY:

Q. Under the arrangement to which you referred as having been made between yourself and Mr. Alvord to negotiate notes for the bank, did you have any understanding with him as to what percentage you were to receive for your services in that direction?—A. None whatever.

Q. Did you feel yourself at liberty to charge whatever percentage you might think your services were worth, or were you to charge the usual rates?—A. I was told by Mr. Alvord and by Mr. Langston and by several other of the gentlemen at the bank, that I was to be handsomely rewarded for my services; that the bank would never forget my services and would pay me handsomely, and that I should receive favors, &c., from the bank on account of what I had done for it. I could have taken that \$9,000, which I gave to the bank, and I could have got for it two per cent. a day in Washington City. That would have run for at least ten days. I had one call against Fisher & Sons, one of the oldest houses in Baltimore, for which I expect they would have paid me very nearly the face of the call in anything except currency, to prevent my making the call on them. That was supposed to be the cause of their failure, and of the closing of their house. I put all these things together in considering what I should receive. I sat two or three days in Fisher's office assisting them, getting sometimes \$400 and sometimes \$500 at a time, just as the money was paid into the bank. At that time Baltimore and Ohio Railroad stock could not be negotiated in Baltimore. I was brought in contact with Robert Garrett, the son of the president of the Baltimore and Ohio Railroad Company, and with several other prominent men of Baltimore, and they offered me any amount of securities rather than I should make this call on Fisher & Sons, and if I had wished to sell out to those gentlemen I could have made as much as my charge against the Freedman's Bank. That is my opinion.

Q. Then your present claim against the bank is predicated on the declaration made by Alvord, that you would be handsomely rewarded?—A. Yes.

Q. You feel that you were not handsomely rewarded, and that you are at liberty to charge for the services you have rendered?—A. Yes.

Q. You never took pains to see what the percentage would be?—A. No; I charge \$10,000 not only as commission, and not only on the promise to reward me handsomely, but on account of the services actually rendered. I saved the bank from being closed, and the closing of it for one day would have drawn it into litigation. If I had asked for \$20,000 the day I went into the bank with my money, I believe that not only the president, Mr. Alvord, but all the members of the finance committee, and of the board of trustees, would gladly have given me \$20,000 rather than have the bank closed.

Q. Have you ever received any compensation for your services rendered?—A. Not a dollar.

Q. How long were you in the service of the Freedman's Bank?—A. From the time of the panic until the close of the bank.

Q. How many months was that?—A. About eight months.

Q. Then you rendered eight month's service to the bank without receiving any compensation?—A. I never received a dollar, not even my car-fare to Baltimore. You must also take into consideration that at that time I was an invalid and could not walk, so that I had a carriage to take me about Baltimore for some days, and my carriage-fare and expenses amounted to \$25 or \$30 a day.

Q. At that time what was your personal indebtedness to the bank?—A. Only a few thousand dollars. I could have gone to any bank in which I dealt and received the money on my note, and gone to the Freedman's Bank and paid it.

Q. Have any of your notes in the Freedman's Bank gone to protest?—A. I do not recollect any note of mine going to protest before the panic, or before my difficulties, or even since the panic until after my own affairs came into litigation. Several years ago, before

the bank was moved to Pennsylvania avenue, my account has been overdrawn to the amount of \$3,000 or \$4,000, and my account was always made good.

Q. Was that note for \$4,300 which Barnum indorsed for you ever paid?—A. No. The note fell due after the failure of the bank, and it was not protested. As my affairs were in litigation, the only security for that note was Mr. Barnum's indorsement. It was not known whether I was worth a dollar or not. That note was left in the bank and was never protested; therefore it falls simply on myself again.

Q. What hindered it from being protested?—A. I do not know. I only know that it was not protested.

Q. You had nothing to do with hindering its protest?—A. No, indeed, sir.

Q. Was the result of the non-protest the releasing of Barnum from liability for it?—A. Certainly. The note was in the hands of the commissioners. So far as I know it was left in the bank.

Q. Was Mr. Barnum a responsible indorser at that time?—A. I think he was worth, then, and is worth now, \$70,000.

By Mr. STICKNEY, (formerly actuary of the bank :)

Q. Had I any personal interest in that M street property after the arrangement was made with the commissioners, when I took the two houses?—A. None whatever.

WASHINGTON, D. C., April 29, 1876.

Examination of R. H. T. LEIPOLD resumed.

By Mr. BOYLE, (the last witness :)

Question. When you offered me the \$21,000, the return of the note, or the credit on my \$28,000 note of \$21,000, did you do that for the benefit of the Freedman's Bank?—Answer. I do not admit that I ever offered you the note for \$21,000. It was not your note, and how could I have offered it?

Q. Either the credit or the note?—A. When I offered you the credit, it was undoubtedly for the benefit of the bank.

Q. Why was it that my security was allowed to be sacrificed, and that no one was present on behalf of the bank at the sale of the M street property?—A. When Mr. Stickney spoke to me, (the title of the property being entirely in him, the fee-simple)—

The CHAIRMAN. Was Mr. Boyle present at any conversation of yours with Mr. Stickney?

The WITNESS. I do not recollect that.

The CHAIRMAN. Then I object to anything in your answer that is to affect Mr. Boyle.

The WITNESS. I shall say nothing against Mr. Boyle. When Mr. Stickney spoke to me about this, I knew, of my own knowledge, that there was money being borrowed and encumbrances being given constantly on the property for the sake of getting material, and for paying the laborers for the work that was going on. I spoke to Mr. Stickney, and said that that must stop; that we must have security for that debt. Thereupon Mr. Stickney agreed that he would give the commissioners a note of \$3,000 on each of the seven houses, and secure it by a deed of trust on the property. He stated to me something about reserving two of the houses; that he could not give a deed of trust on two of them, because he had paper outstanding for which he was liable, and in regard to which he must protect himself. The only thing he could do was to give a deed of trust on the seven remaining houses. That conversation was by me brought to the attention of the other commissioners, and the matter was fully discussed. The note was taken as well as the deed of trust. Mr. Stickney, at the time that he gave that deed of trust and that note, also gave me to understand that if the paper were put on record it would keep them from going ahead and finishing the buildings, and that then we would only have the bare walls. My understanding at that time was definite that all of the seven houses were not under roof; that they were in different processes of construction; that one or two of them were entirely covered by roof, others nearly up to the roof, and some of them only over the first story. That conversation with Mr. Stickney was also brought to the attention of the other commissioners, and was thoroughly considered. They said, "What does the security amount to, unless we put it on record?" I immediately sent and put it on record. Then came the trouble. The work on the houses stopped at once. Everybody became aware that there was as much encumbrance on the property as the property was worth, and they could not possibly raise any more money on the houses. Then the question came up between Mr. Boyle and me whether the bank would go to work and advance the money to finish these buildings. I never acted without the concurrence of the other commissioners, as the records of the bank will show. I said to Mr. Boyle that I for one was not willing to advance the money of the bank, and to finish these buildings and allow Mr. Boyle to participate in the ultimate profit of the thing; that if the bank took that property and finished the buildings, whatever the property realized must belong to the bank, and that I would not consent to share any



surplus with Mr. Boyle. I had all along had conversations with Mr. Stickney about the propriety of his deeding to us absolutely in fee that property; that he could not do it without the concurrence of Mr. Boyle—or rather that he had no right to do it. I said this, however: If we take this property, we will take it under that deed of trust for the \$21,000, and give you credit for it." The question with Mr. Boyle was whether we would at once take the property for his indebtedness to the bank, or whether we would allow him to share in any surplus that there might be after the bank had re-imbursed itself. I would not make any agreement by which any of the profits should go to Mr. Boyle. It was settled that Mr. Stickney should turn over the property in fee to us, but Mr. Boyle was not willing that the property should be deeded to us, and refused to allow it to be done, because he had refused to give him the benefit of any surplus that might arise. Then the question came up whether we would let the property go to sale under prior deeds of trust, (there were several deeds of trust ahead of us,) and it was determined that the property must be sold. In the mean time, while the property was advertised, we went about getting estimates from responsible builders (I think we have those estimates, and they will be produced) as to what it would cost to finish these buildings. The encumbrances on the property, to the best of my recollection, footed up about \$16,000, and in addition to that there was something said about builders' liens for labor, or something. We took the estimates of responsible builders, and put the amount down, and put down the amount of the encumbrances, and we found that if we paid the encumbrances (which we would have to do in order to get a clear title) and advanced the money which the estimates showed to be necessary to finish the buildings, they would have cost us more than, in our judgment and in the judgment of others who were consulted, they would have been worth, and for that reason finally we came to the conclusion that we would abandon the property, and therefore we did not attend the sale of the property. I know that we took counsel of attorney in the matter, and I think his opinion in writing is on file in the bank.

Mr. CRESWELL, (one of the commissioners.) Do you recollect the aggregate amount of the expenditure which we would have been required to make?

Mr. PURVIS, (another of the commissioners.) I think it was something like \$33,000, including the previous loan.

The WITNESS. Yes, I think it would have amounted to about \$34,000 to complete the buildings.

By Mr. BOYLE:

Q. What would the houses have been worth when finished?—A. I think we came to the conclusion about that time that the houses would have been worth \$35,000, or \$5,000 apiece, and they would have cost the bank \$34,000.

Mr. CRESWELL. With the uncertainty of making sales.

Q. Were any of the houses without roof at the time of the sale?—A. I do not recollect that. It was my impression at the time that the houses were in different stages of progress. Whatever I knew about the matter I got from Mr. Stickney.

Q. Was there not a waste of securities given by me to the Freedman's Bank? In other words, was there any attempt to save anything for me?—A. Certainly, every attempt. No matter was ever more carefully considered by the bank than your matter.

Q. In regard to the note which I left in the bank for \$4,300, indorsed by Mr. Barnum, was I protected fully?—A. All that I can say in answer to that question is that we have a gentleman employed who is known as the loan clerk, and who has charge more immediately of the notes held in the bank. His name is H. S. Neiman. The question came up whether that note which you referred to was protested, and it was found that it had not been protested. I asked Mr. Neiman about it, and he gave me to understand that the note was not at that time among the notes in the bank. I asked him what had become of it or where it was, and he said he could not answer for that. Mr. Stickney at that time was in our employment, but he was absent from the bank. I am not personally cognizant of whether the note was or was not in the possession of the bank at that time.

Q. Is it not a matter of fact that there has been no opportunity given to me to protect myself in that particular, with reference to a note for \$2,000 secured on a house on south A street? The property was sold and bought in by the bank, and afterward a suit was brought to recover what was regarded as a surplus above what they paid for it. Do you recollect anything about that?—A. No, sir; that was a second mortgage-note, was it not?

Mr. BOYLE. Yes; the property, I think, was valued at about \$3,000.

The WITNESS. I believe the property was bought in at \$7,500. Mr. Stickney represents us in that matter. It stands as if it had been bought in at \$7,500.

By the CHAIRMAN:

Q. It has been stated in the course of Mr. Boyle's examination, that in an arrangement of his indebtedness with the Freedman's Bank there was an apportionment made by Mr. Stickney in which a sum of \$21,000 of the \$28,000 due by him was charged to the M street property, and the balance was charged to the second-mortgage note, to which he has referred, and to the railroad bonds; is or is not that correct?—A. It is very hard for me to answer that question in that shape. I do not think that any arrangement of that kind was made, having that object in view particularly.

Q. How did it happen that \$21,000 of the indebtedness was embraced in the deed of trust which it seems was made by Mr. Stickney for the security of the bank, and which amount it is stated (in your hearing and not contradicted by you) you were willing to credit Mr. Boyle with and to take the property?—A. \$21,000, I think, was represented to me as being about the value of the seven houses; that each house was supposed to be worth, in its then condition, \$3,000. That was the reason why Mr. Stickney gave a deed of trust for the \$21,000 and no more, although the debt was more.

Q. Does not that show that \$21,000 of Mr. Boyle's debt was, in fact, by an arrangement made by Mr. Stickney, charged to that property, and that you were willing to take the property and give Mr. Boyle credit for that amount?—A. Not necessarily.

Q. Is it not a fact that Mr. Stickney did propose to charge \$21,000 of Mr. Boyle's debt to the M-street property, and that you were willing to give Boyle credit for \$21,000, and to take the property?—A. No, sir.

Q. Do you mean to say that the conversation which Boyle states he had with you on that subject is not correctly given? If so, please state what did transpire on that occasion.—A. I mean to say, as far as I recollect it, that the conversation which took place between Mr. Stickney and myself in the matter—

The CHAIRMAN. I am asking you about your conversation with Boyle.

The WITNESS. I do not exactly recollect the conversation with Mr. Boyle. I may have said to him, in answer to a proposition which he made to me as to our assuming the finishing of these houses and allowing him to share in any ultimate surplus that there might be, that I was willing to take the fee-simple to the houses in lieu of the \$21,000 deed of trust.

The CHAIRMAN. That is exactly what Mr. Boyle says, and you do not contradict him in that respect.

The WITNESS. If what I have just said is exactly what Mr. Boyle says, I do not of course contradict him.

By Mr. HOOKER :

Q. This estimate as to the value of the property was predicated on a calculation of seven houses, at \$3,000 apiece?—A. Yes, sir.

By the CHAIRMAN :

Q. On page 17 of the commissioners' report of December, 1874, there is this entry: "Dec. 1st, 1871; James G. Berret, president; \$23,500." At the date of this report there was due, including interest, \$30,718.22 on notes at 6, 12, and 18 months on the books of the bank. Was either the principal or interest of those notes collected at maturity.—A. No, sir; it was not collected at maturity. Some interest had been paid on the notes.

Q. Is there any evidence that the interest was paid when the notes fell due?—A. I say that some interest had been paid.

Q. Do the records of the bank show that this loan was made at 10 per cent.?—A. I think that the face of the notes shows that.

Mr. STICKNEY. The interest was 7 per cent.

The WITNESS. Well, I take Mr. Stickney's word for it.

Q. Do you know of any effort to collect that debt from Mr. Alexander R. Shepherd, and of his refusal to pay interest at a higher rate than 6 per cent.? If so, explain what connection Mr. Shepherd had with the debt.—A. All that I remember about the matter is that very soon after the commissioners came there we made an effort to collect that note. I wrote to Mr. James G. Berret, the maker of the note, the usual form of letter, that if the note were not paid we would have to instruct the trustee to foreclose and to sell the property. There was no attention paid whatever to that letter. I made repeated efforts, and wrote repeated notes requesting the payment, and then I instructed the trustee to go ahead and sell the property. There was some point in the deed of trust that was raised upon us as to whether the surviving trustee had a right to sell, inasmuch as the word survivor was not used in the deed of trust. At any rate, in the course of our efforts to raise this money, it came to my attention that Mr. Olmstead had something to do with it as representing the club. We still continued to make efforts to get the money, and one day Mr. Shepherd came to the bank and asked me to make out an account of that club-house loan. I said, "All right." He walked off two or three paces and then came back and said, "Make out the interest at 6 per cent. after maturity." "But," said I, "governor, that is hardly the understanding of it." "Well," said he, "you must either make it out in that way or not at all." Then I consulted with the other commissioners about it, and we submitted the question to an attorney as to whether we would be obliged to take 6 per cent. interest after the maturity of the notes, inasmuch as some of the interest had been paid beyond maturity, and we had an opinion in writing that there was no remedy for us, but that we had to do it, and that is the way the notes were paid.

By Mr. BRADFORD :

Q. Did Mr. Shepherd ask you not to press for the payment of those notes, as you had ample security at 10 per cent.?—A. I do not recollect whether that conversation was with Mr. Shepherd in person, whether he wrote any such thing, or whether he told Mr. Stickney so and that Mr. Stickney told me, or whether Mr. Olmstead said it. I think Mr. Olmstead said, "That debt is drawing 10 per cent. interest; why do you want to collect it?"

By Mr. RIDDLE :

Q. Did you mean to say that a portion of the interest was paid before the maturity of the debt?—A. Yes. The interest had been paid down to maturity and beyond maturity.

Q. Before it was due?—A. No, but every six months afterward, as it became due.

By the CHAIRMAN :

Q. According to the terms of the loan, one of those notes matured on the 1st of July, 1872, another on the 1st of January, 1873, and the 3d of July, 1873?—A. Yes, sir.

Q. And you say that the interest had been partially paid on those notes?—A. I think so. That is a matter of memory.

Q. Do you recollect the ground on which the attorney expressed the opinion that interest at a higher rate than 6 per cent. could not be enforced?—A. I do not recollect the ground. We have got the written opinion and can submit it. He gave authorities, decisions of the supreme court, &c.

Q. Since the conversation that you have mentioned with Mr. Shepherd, what steps have been taken to enforce the collection of those notes?—A. They have been all paid.

Q. I understand that that loan was made to Mr. Berret as president of the Washington Club; was the property on which the mortgage or deed of trust was given improved at the time of the loan?—A. Yes, sir.

Q. Can you inform the committee who constituted the members of that club?—A. No, sir.

Q. I see on page 15 of the commissioners' report of December 15, 1874, two items charged to W. J. Cook, one of April 29, 1871, of \$4,500, and the other of January, 1862, of \$2,700, and on the same date the amount due on the first note was \$5,507.50, and on the second note \$2,857.05; can you state what steps were taken to collect the amount due on those notes?—A. The \$4,500 note was secured by deed of trust on certain property on which the note referred to by Mr. Boyle in his testimony was also secured. That property has been sold and bought in by the commissioners at an amount sufficient to pay the whole note. The \$2,700 note, I believe, is to be paid to-day. The release was made out the day before yesterday.

Q. Did not Mr. Cook call upon you one day this week in reference to that note, and effect an arrangement with you for a settlement? If so, in what manner?—A. Mr. Cook approached me this week on the steps of the Treasury building as I was coming out. Said he, "Leipold, I want to pay that \$2,700 note, but I have not got quite enough money to do it. Will you not take \$2,500 and take my notes for the balance?" I said to him, "My dear fellow, we cannot do that." "Well," said he, "I have made an arrangement to raise \$2,500 at 6 per cent. and I want very badly to pay that note; I wish you would do it." I said, "We could not think of such a thing, we could not give up that security." That is all that happened. He came to the bank afterward and asked me whether the deed of trust was there. I looked at the papers and found that it was not. I found, however, a receipt of the clerk of the court, in Maryland, showing that certain papers had been sent to him on a certain date, and we wrote him a letter and he wrote back that the papers had been returned to Mr. Stickney. In the mean time Mr. Cook had been up there and found that the papers had got on record, and then he came back to the bank and asked us to prepare a release, as he was ready to pay the loan in full, and that he would pay it to-day.

Q. Did he offer to discharge any part of that indebtedness with claims of depositors, which he had purchased?—A. No, sir; no such thing was ever mentioned.

Q. Did you know the fact that he was a holder of any such claims?—A. I now remember, since you speak of it, that he did collect some dividends from the bank.

Q. On assigned claims?—A. On pretended assigned claims. The checks were made payable to the order of the depositors. I do not know what he has done with them.

Q. Were the dividends paid to him?—A. The dividends were handed to him. He presented the books. We make it a rule to draw checks to the order of the depositors, but if reputable persons present the pass-book, we put the check in the pass-book, and hand it to the man who presents it.

Q. What was the amount paid to this man Cook, and whose books were they that he presented?—A. I do not recollect anything about it. He brought in a number of books at different times—books which he represented himself as holding by way of assignment, and some which he represented to be holding as agent for the depositors for the collection of their dividends; but in no case did we pay him a dividend. We simply handed him checks payable to the order of the depositors. That was the general rule adopted in pursuance of a printed circular issued by us. Mr. Gilbert Moiers, of F street, in this city, has from time to time presented a large number of books at the Freedman's Bank, which we have until recently returned to him as we did in all similar cases, with checks in the books drawn to the order of the depositors. He afterward indorsed those checks as an attorney in fact, and they were presented for payment to the assistant treasurer in New York. The assistant treasurer refused to pay them on that indorsement. Subsequently a gentleman by the name of Harvey Spaulding came with those checks to the bank, and brought with the checks powers of attorney purporting to have been executed by the depositors before a United States commissioner in the city of Vicksburgh, Miss., and I think in Memphis, Tenn., authorizing Gilbert Moiers to indorse the checks and to collect the dividends.

By Mr. HOOKER :

Q. Do you recollect the name of the commissioners before whom those powers of attorney purported to have been executed?—A. I do not. He asked me to authorize the assistant treasurer to pay the checks on those powers of attorney, and I refused to do so. It has been subsequently reported to us that none of these people have ever heard of their books or dividends.

By the CHAIRMAN :

Q. On page 12 of the commissioners' report of December 15, 1874, is this item, "October 5, 1870, W. J. Murtagh, \$1,200; due January 3, 1871," and no interest paid thereon; state whether that note is still due, and what steps have been taken to collect it.—A. Part of the note is due. The interest has been all paid, and a small part of the principal; perhaps \$200, or perhaps more.

Q. In the commissioners' report of January 18, 1876, the balance reported due on that note is \$1,193.76; have you taken any steps since then to collect the amount?—A. No, sir; but there are small payments made on account of that loan every little while.

Q. Are you not, in the effort to wind up the affairs of the bank, pressing vigorously the collection of debts due to it; and if this is a good debt, is there any reason why it should have been excepted from the general rule?—A. I do not know any reason why it has been excepted. There are a great many loans that are not paid, but on which the interest is being paid. We could only enforce payments by threatening to sell the security, and we have made that threat.

Q. What is the security?—A. Some real-estate security.

Q. It appears that the securities in other cases have been pressed to sale when there was no legal impediment, and to suits, when there was; why should any indulgence have been granted in this case that was not extended to the others?—A. I do not know that any indulgence has been granted in this case which has not been given to a hundred others, I suppose, except that the interest is all paid up, and that the principal is being paid up by installments. Besides, the times are hard, and we are all the time offering property for sale and not finding purchasers for it.

Q. It appears by your report that the interest was only paid in December, 1875, and a small portion of the principal, leaving still \$1,193.76 due of the original \$1,200 note. How much of that has been paid since the date of this report, January 18, 1876?—A. I think about two or three hundred dollars. At that time, or some time before that report was made, there was a good deal of interest due, and we instructed the trustee to sell the property. Mr. Murtagh came there and said, "I cannot pay this now, but I will pay the interest of it up, and will try to make an arrangement to pay the principal as soon as I can;" and Mr. Murtagh paid enough money at that time, not only to pay the interest up to the date, but beyond the date, and to the next interest-day, and since that time small amounts have been paid.

Q. You say that there are hundreds of debtors who have received the same kind of indulgence that has been extended to Murtagh; why has it not been extended to the others?—A. There must be a start somewhere. We cannot advertise all this property all at once. There must be a beginning somewhere. There is scarcely a day that advertisements do not appear in the papers for the sale of property, and we are selling as fast as we can possibly do so. Sometimes there are three or four sales on the same day, and it is impossible for us to attend all of them. We take those persons who are in arrearages of interest, those who have not attended to the payment of interest—we take them up first and go ahead with them. Those who are showing a disposition to reduce their debt, either by the payment of interest or by the partial payment of principal, we postpone until after the others are got out of the way.

Q. The commissioners entered on their duties on the 11th of July, 1874, and no interest was paid on this note of Murtagh till December, 1875. Are there any other debtors of the bank, whose interest had accumulated from the time of your taking charge of the affairs of the bank, who were allowed to run on for that length of time, without payment being demanded?—A. In the first place, I am not ready to admit that there was no interest paid on that loan until December, 1875, and in the next place I say that this is not an exceptional case; that there are a number of other cases in the same category.

Q. Was not there at the time, or since you took possession of the affairs of the bank, interest amounting to \$187 due on that note?—A. Yes; at the time we took charge there was \$187 interest due.

Q. Was that interest, or any interest that accrued afterward, paid prior to the date given in your report—December, 1875?—A. I cannot tell you. I can give you the information by examining the indorsement on the note.

Q. Do you not, in your report of January 18, 1876, mean to state accurately the times when the interest was paid, or do you mean to say now that it was at various times?—A. I do not mean to give any date in my last report as to when the interest was paid. I say that the interest was paid to December, 1875.

Q. Was it in one payment or more?—A. It was in different payments.

Q. Is Mr. Murtagh one of your bondsmen?—A. He is.

Q. If Mr. Murtagh's pecuniary responsibility is such as to justify his being taken on your bond as one of the commissioners of the Freedman's Savings & Trust Co., ought he not to be sufficiently able to pay a debt of \$1,200 within twenty months' time?—A. I suppose so.

Q. Do you suppose that Mr. Murtagh has any more use for that money than the depositors of the bank who are clamoring for the collection of the debts to the bank in order to get their dividends?—A. I do not know what use he has for his money. I have treated Mr. Murtagh just like any other creditor of the bank. Mr. Stickney is trustee in the matter, and I have addressed him communications, instructing him to sell out and to show Mr. Murtagh no mercy.

By Mr. HOOKER:

Q. In point of fact up to this time you have not had any sale of this security?—A. No, sir.

Q. You mentioned a moment ago that there were hundreds of persons to whom indulgence is extended if they would pay the interest. Do you mean to say that this indulgence was extended to persons whose debt to the bank was amply secured upon real estate or otherwise, which would enable the amount to be realized?—A. No, sir; I doubt very much whether there is a single loan on the books of the bank upon which we could go ahead and sell the security at this time and get our money. When we have had sales, there frequently has been nobody there to offer anything; and when there have been people there, the bank has not realized half the amount of its interest. When the property has been offered for sale in the market, even when we thought that the amount of the bank's interest would certainly be realized, it has not amounted to anything, for we find that there are repairs, and taxes, and all sorts of expenses.

Q. In the distribution of the dividend of 20 per cent. declared by the commissioners, has any evidence been presented to the commissioners, showing that depositors at Nashville and Memphis have assigned their pass-books or disposed of them?—A. A number of powers of attorney have been given to one Gilbert Moiers, with reference to Memphis books, and they have been presented at the bank by him.

Q. And payments made to him?—A. Yes, sir; in the way I have explained, by checks to the order of the depositors.

By Mr. C. B. PURVIS:

Q. Since you have been commissioner, have not the commissioners exacted of Mr. Stickney a bond?—A. We have.

Q. Is not Mr. Murtagh one of his bondsmen?—A. He is.

Q. And Stickney is trustee of the property that the bank holds as security for Mr. Murtagh?—A. I believe he is the trustee.

By Mr. STICKNEY:

Q. After the commissioners wrote me to sell Mr. Murtagh's property, did I not see Mr. Murtagh and inform him of what you had ordered me to do, and was there not some arrangement made between Mr. Murtagh and you and myself in regard to the way in which his loan should be paid?—A. I don't remember whether there was any specific arrangement. Mr. Murtagh came there, or perhaps you came there and paid a part of the interest.

Mr. STICKNEY. Mr. Murtagh paid all the interest himself.

The WITNESS. Well, Mr. Murtagh paid all the interest up, and then it was stated that Mr. Stickney would have advertising done for the sale of the property, and should apply it on the payment of that note.

Q. That was that I should put all the advertisements in his newspaper for proceedings in sales, and that instead of your paying the money for the advertisements, it was to go on his note?—A. Credit should be given on that note for the advertisements.

By Mr. HOOKER:

Q. Is that the way the whole interest has been paid?—A. No, sir; that is the way some of the principal has been paid.

By the CHAIRMAN:

Q. The report made by the commissioners, at the request of the committee, showing the itemized statement of the expenses incurred by them in the management of the bank's affairs, shows very large amounts paid for advertising, to B. H. Warner. By whom were bills incurred, and in what paper, or papers, were the advertisements published?—A. The bills were incurred by the trustee, upon the order of the commissioners to proceed to sell the property. I don't remember the papers particularly; I suppose some were published in the Republican and some in the Star.

Q. You do not know in what papers?—A. In different papers.

Q. Do you know of any arrangement between the papers publishing those advertisements and the auctioneer by which he was allowed a rebate or commission of 25 per cent. upon the amount of the bill incurred for advertising?—A. I don't know anything of the fact, sir; it is a mere matter of report. It is a common report, I believe.

By Mr. HOOKER :

Q. Can you furnish to the committee the amounts paid to the different papers for the publication of the notices of sale of property?—A. No, sir; not the amounts paid to the different papers. The statement of our expenditures reported to the committee will show how much was paid for auctioneer's fees.

By the CHAIRMAN :

Q. When the bills came in for advertising and you paid them, did you not preserve them as vouchers?—A. Certainly we did.

The chairman requests that the witness, when he returns on Tuesday, will produce those papers.

The witness states that he will do so.

Q. Can you inform the committee at this time what amount, approximately, if not exactly, has been realized on collections since the first and only dividend was declared?—A. I don't know, sir; I think we have about \$60,000, over and above the money required to pay the first dividend, but that does not include all the collections, because all the expenses that have accrued since that time have been paid out of the current collections. We have about \$60,000 net, after the first dividend.

Q. Then, if I understand you correctly, the net proceeds of all your collections since the first dividend was declared, is about \$60,000?—A. Yes, sir.

Q. What was the date of the dividend?—A. November 1, 1875. I wish to state here that we really did declare the dividend before we had got enough money, so that is one item that comes into the calculation.

Q. State the aggregate amount that has come in, exclusive of interest.—A. That I cannot tell without referring to the books to see how much money we had on hand the day when we declared that dividend.

By Mr. RIDDLE :

Q. How much money ought you to have had before paying the dividend?—A. Five hundred and ninety-two thousand dollars, to declare a dividend of 20 per cent.

Q. And you do not remember how much less than that you had?—A. No, sir; I cannot recollect exactly; but there was not perhaps more than \$20,000 difference.

The chairman, on behalf of the committee, extended to Mr. Leipold the privilege of making any explanation that he thought proper as to any matters heretofore testified to in which he was implicated.

The WITNESS. I desire to say that before I knew the contents of any testimony that had been given before this committee affecting my integrity or action as commissioner, I could not possibly make any statement or avail myself of any opportunity to make a statement, for, as I said to the committee when I was last before them, without knowing that there had been any charges against me, I could have no statement to make. But if anything has been said against me, and you will allow me to know what it is, I can make my statement.

By the CHAIRMAN :

You have a copy of the evidence, have you not?

The WITNESS. I have got one since I was last before the committee, and as to the matters therein stated concerning me, I am prepared to make a statement now. I take it up in the order in which it comes in the book. I will first refer to the testimony given by Dr. Purvis. He refers to an interview that had taken place in the presence of the commissioners between himself and myself. I know that great injustice has been done me in that statement, inasmuch as it did not give all the facts and all the language that was used at that time. When Dr. Purvis came and presented to the commissioners the application of Mr. John H. Cook and Mr. Wormley to be appointed the attorney and the auctioneer of the commissioners, I stated, "As far as I am concerned, I am not willing to agree to any such thing; I want to be left free to act in each individual case as the interests of the bank may require. I am not willing to pledge myself to any one man." That was the statement that I distinctly made, and, said I, "By and by, when I get time, if I ever have time, I propose to attend to some of this law business myself. I did not simply come here for this salary, because it was the same salary that I received in the Treasury. I came here to try to get into my profession, and to make some sort of reputation." Dr. Purvis then said to me, "What time have you to practice your profession? your place is here." It was that remark by Dr. Purvis that affected me very unpleasantly, and made me angry. I said, somewhat quickly, "Doctor, I am not the clerk of this commission; I am a commissioner; my hours are not limited from 9 o'clock to 4 o'clock." Something of that kind took place; and Dr. Purvis said, "Well, I had no idea that you were coming here for any such purpose as that, or I should not have voted for you." I said, "I wish you had not, and I wish nobody else had." What I call attention to, particularly, in this connection, and what I want to substantiate, and can substantiate by the testimony of the other commissioners, is, that I was opposed to pledging myself to any one man in this matter, but desired to keep to myself the privilege to act in each individual case as the circumstances might require. Any one reading Dr. Purvis's statement would suppose that I wanted to do all this law business myself,

and that I wanted to make all the fees myself. I used no language to justify such a statement. As proof, or at least as substantial proof, of this statement I produce a book which is my own private property, showing the number and character of the cases intrusted to the different attorneys. I have always felt, and have expressed myself to the effect to Mr. Purvis and to Mr. Creswell, that, in my opinion, Mr. Cook (against whom I have not a word to say, for he is a perfect gentleman) did not have experience enough to meet some of the counsel opposed to him; and, inasmuch as we were bonded officers and responsible for our action, we could not defend ourselves against the mismanagement of an action simply by the remark that Mr. Cook was a colored man. Of the number of cases that have been intrusted to Mr. Cook, there are fifty-one cases of overdraft; eleven cases of promissory notes; twelve equity cases, and sixty-seven other cases involving various questions.

The next point to which I wish to direct the attention of the committee, is the testimony of George T. Johnson. The import of that testimony seems to be that I favored a lawsuit rather than to accept security offered by Mr. Johnson for a certain debt. I desire to state, first, that everything that was done in connection with this Johnson case, came fully before the other commissioners. Mr. Johnson and his partner, Mr. Scott, were indebted to the bank a large amount of money, over \$11,000. I addressed notes to Mr. Johnson and Mr. Scott separately, stating to them that certain notes had been transferred to us by Mr. Alvord, the late president of the Freedman's Savings and Trust Company; that they were over-due and must be paid. Thereupon, Mr. Johnson and, I think, Mr. Scott came to the commissioners, and in the presence of Mr. Purvis, at least, there was a long conversation between us. He found fault with our pressing him. He wanted certain terms, and I agreed with him finally that if Mr. Scott, who was a responsible man, would give us a deed of trust upon all his property, we would then, in accordance with the representations made to him, that he was to have additional time if these notes matured and were not paid, give to him two years' time to pay the money; but Mr. Scott was not willing to do that. He said he would give a deed of trust on certain of his property, and that Mr. Johnson would give a deed of trust on some other property that he held. I reasoned with Mr. Scott, and said to him, "We can go into court and get a judgment against you, and that judgment will be a lien upon all your property at once; why not give us a deed of trust on all your property?" That, however, he positively refused to do. After that interview, I placed the notes in the hands of Mr. Cook, as attorney, to bring suit against these men, and Mr. Cook at different times came to me and said that Mr. Johnson had spoken to him about some offer he wanted to make to the commissioners, and I said, "Well, let him put it in writing." He spoke to me twice about it, and that was my answer. He did put it in writing, and this is the paper.

Witness produces the paper, which he reads, as follows:

"WASHINGTON, D. C., March 10, 1876.

*"To the Commissioners of the Freedman's Savings and Trust Company:*

"GENTLEMEN: Will you accept \$4,000 from Leonidas Scott, in part payment of our notes on which you have brought suit; and also accept from me four notes for the balance, payable in equal installments in twelve, eighteen, twenty-four, and thirty months, to be secured by a deed of trust on lots 9, 10, 11, 12, 13, and west thirty feet of lots 14 and 15, in in square 172, furnishing us at the same time a release of all demands against Mr. Scott, and the authority of the receiver in the Florida suit for your acceptance of this proposition, in order that no action may be brought by him against us.

"GEORGE T. JOHNSON,  
"Of SCOTT & JOHNSON."

This was the first tangible offer that we had from them in writing. The first thing that I did upon the receipt of that offer was to inquire into the title of the property. I found it was a tax-title. The next thing I did was to send it down to the tax-office and get at the amount of taxes. I then figured up, and found that the property comprised 26,400 square feet of ground; that the assessed value was twelve cents a foot, which amounted to \$3,168, and that the taxes upon the property at that time, exclusive of the interest on the tax, was \$1,410.46. The tax deducted from the assessed value of the property, leaves \$1,757.61 margin. That added to the \$4,000 makes \$5,757.61, which we were asked to accept for an indebtedness of \$11,381.28 exclusive of interest, and we refused it. We were not satisfied, either, that the tax-title was good. Tax-titles are, of course, good, what there is of them, but they are liable to dispute.

On page 90 of the printed testimony Mr. Johnson was asked various questions as to what interest I had in prosecuting or defending cases of the Freedman's Bank in court, and he said that he knew I was associated in several suits for the bank with Mr. Totten. He was asked if he knew anything on the subject himself, and he said "No;" and when asked for the source of his information, he said that he heard through somebody else that I had told Mr. Sperry that Colonel Totten had made a proposition to me to divide fees with him if he were appointed attorney for the bank, and that I asked Mr. Sperry's opinion about it, and

that Mr. Sperry told me not to touch it. Substantially the same testimony was given before the committee by Dr. Purvis. As to that matter, I simply wish to say, as I have said in a letter that I have addressed to Mr. Douglass, the chairman of this committee, that Mr. Totten has never offered me any money; that he has never paid me any money; that there is no arrangement between Mr. Totten and myself whereby I have already received any money, or compensation, or consideration, or whereby I ever expect to receive any consideration; either in money or otherwise; and in support of this testimony I have to request that the committee will put Mr. Totten under oath, and question him in regard to the entire matter. I wish to say, however, that I did talk to the commissioners about the propriety of my participating in the legal business of the bank if I ever had time for that purpose; that the question incidentally came up between us as to the participation of the fees. Mr. Creswell had said that in any matters of trust it was customary in his State for a trustee who rendered services outside of the ordinary duties of his position to submit an account to the court for such services. If I remember correctly, Mr. Purvis stated it as his opinion that he did not see what harm there could be in it, if it would not cost the bank anything more, and the bank would not lose anything by it. That seems to me to have been the reply. Subsequently the matter came up again, I think between Mr. Creswell and myself, (I don't know whether Mr. Purvis was present at the time,) and Mr. Creswell stated that in matters of this sort, in connection with a public trust, he did not think it would be advisable to do anything of the kind. I also had some talk with Mr. Totten on the subject. I said, to the best of my recollection, "Colonel Totten, in any business of this kind that we may give you, if I ever have any time to attend to any part of it, would you have any objection to my going in and representing the bank?" Said he, "Of course not." Said I, "If I were to render any such services, would not I be entitled to compensation?" And he said, "Certainly." That was the substance of what passed between Colonel Totten and myself on the subject. Afterward I thought the matter over in my own mind, and I doubted the wisdom of it. I saw how it would be misconstrued, and how all sorts of things could be made of it. I myself having occasion to go to Colonel Totten's office about something, (and it was the only time, I believe, that any conversation on any subject occurred between us,) I said to him, "I have thought about that matter we talked about the other day; it has worried me a great deal, and I won't have anything to do with it. I don't care whether it is right or wrong, it is liable to be misconstrued, and I will not have anything to do with it." "Well," he said, "You know what is right." That was before any money passed to the commissioners. Since that time the matter has never been talked of between us, and there never has been any understanding between us on the subject.

As to my having made some remarks to Mr. Sperry to the effect that Mr. Totten had offered me any money, I do not remember having used that language. I do not deny that I may have talked it over to Mr. Sperry just as I did with the commissioners; but as to saying that Mr. Totten had offered me any money, I could not have said it. It is not the truth, and it is not like me to say anything that is not true.

By the CHAIRMAN :

Q. Was Dr. Purvis present when any of the conversations you have detailed with Mr. Totten took place, and to which he has deposed?—A. No, sir; I don't remember that he was.

By Mr. RIDDLE :

Q. Is it not stated in the testimony that your name appears associated with that of Mr. Totten as an attorney on the dockets of the courts of the District of Columbia in cases in which the Freedman's Bank is a party?—A. Yes; and that is done at my own request, and with the full concurrence, as I understand it, of the other commissioners. In the first place, while I have not, up to this time, had any chance, still, if I ever have time, it is my full intention to participate in the prosecution of these cases for the benefit of the bank, and with the distinct understanding with Colonel Totten that if I render any services in the cases he would not charge anything for them; and also so that if anything should happen to Colonel Totten, and he should be taken sick, or anything of that kind, I would be able to go on with those cases. I have talked with Mr. Creswell more than once. I don't know that I ever did with Mr. Purvis on the subject. I will confess very freely that as a young lawyer I did not think it would hurt me to have my name associated with that of Mr. Totten. I desire to refer now to the testimony of Mr. Sanders L. Howell. All I can say on that subject is this: No such conversation certainly ever took place between us. I think I know the man, however. Mr. Purvis and myself have talked it over in the bank, and we have tried to get at the man so as to know who he is, and I think we have come to the conclusion that we have an idea who he is. He used to come to the bank very often. He had a large deposit there, and came to me a number of times and asked me some questions about the business, and then would go to all the other gentlemen in the bank. Afterward he forsook me entirely, and would go to Mr. Purvis all the time, until Mr. Purvis got out of all patience with him. Mr. Purvis has told me since that he told him substantially that a Mr. Wilson had made those statements that Mr. Howell himself testifies to. I have simply to say that I deny the whole thing. I deny that any such conversation ever could have taken place between us. Its absurdity is on its face. The only conversa-



tion I have ever had with him was in reference to some legislation affecting the bank, and I was accustomed to speak freely then as I am now. I said to him, "If the bill passes Congress making provision for the purchase of this property, (on investigation you will find that the bill was pending at the time,) we will be able to pay you a dividend of 20 per cent. pretty soon; but if it does not, there is no telling when we can pay you."

By Mr. FROST:

Q. Was that before the first dividend?—A. Yes, sir; months before. I said that to him then just as I now say every day to other parties: "If Congress will come to our relief and purchase this property, we shall be able to make another dividend of 20 per cent. soon; but if they do not there is no knowing when we can do so."

In reference to Mr. Tuttle's testimony, inasmuch as that is entirely based upon what this man Howell says, my answer to it is the same as my answer to Mr. Howell's testimony. As to the interview between Dr. Purvis and the commissioners in reference to the appointment of Mr. Cook and Mr. Wormley, I call upon the other commissioners either to verify or to deny what I have said in reference to that interview.

As to the charge, implied or otherwise, that there is an arrangement existing between Colonel Totten and myself, whereby I am to participate in any past, present, or prospective fees, I ask the committee to summon Colonel Totten.

As to the testimony of this man Howell, I ask that Mr. Purvis, with whom that gentleman has had many a conversation, shall be questioned on the subject, as well as the other employes of the bank who have been constantly present through all the interviews that took place between me and anybody who chose to come into the bank on business.

I will add here, if you will allow me, that I am not conscious of having done anything, since I have been connected with that bank, but my duty and my whole duty; and sometimes more, really, than was expected of me. I have always most implicitly and most earnestly sought to protect and further the interests of these people; and for the verification of that statement I rely upon the commissioners and everybody else who has had any business with the bank.

By Mr. C. B. PURVIS. Do you admit writing this letter appearing in the National Republican of the 22d of April, 1876, with your name attached?

"In my letter to you of the 2d ultimo I respectfully requested that an opportunity be given me to be heard on the subject of certain charges alleged to have been preferred against me before your committee, by one George T. Johnson, and that I be permitted to confront him before you. This was denied me, as was also my further request that I might see his testimony. I have a similar request to make with reference to the testimony said to have been given before your committee by one C. B. Purvis and Mr. LeRoy Tuttle, reflecting upon my conduct as one of the commissioners of the Freedman's Savings and Trust Company; and in view of the very injurious character of this testimony, I sincerely hope that the favor asked will be accorded to me. The testimony is simply outrageous and wholly devoid of truth.

"I have never attempted, either directly or indirectly, to persuade or induce any depositor of the Freedman's Savings and Trust Company to dispose of his or her pass-book; neither have I ever paid or offered to pay any money or other consideration for any such pass-book or other claim against the company; neither have I ever had, nor have I now, any interest, either directly or indirectly, in any such pass-books or claims. On the contrary, I have always endeavored to persuade any and all who have approached me on the subject to hold on to their books, telling them that they were more valuable to them than they could possibly be to any one else, and to prevent any and all traffic in said books. I myself prepared, prescribed, and rigidly adhered to a rule, under no circumstances to recognize any assignment of such books. The statements of Purvis that I announced, soon after I was appointed, my intention of making all I could out of the affair, and in fact the entire interview which Purvis claims to have had on the subject of the appointment of Mr. John H. Cook as attorney, and of Mr. Wormley as auctioneer for the commissioners, and my manner and reply, is a gross perversion of truth; and if my colleagues, including his own father, are put upon the stand and under oath, they cannot but corroborate what I say in regard to this matter.

"The allegation that Mr. Totten had paid, or offered to pay me, any sum of money, is also false; and so, too, is the charge that there is any professional connection between us, other than that I have asked him to associate my name as counsel of record in such of the bank cases as might be intrusted to him. The propriety of this association of my name with that of Mr. Totten in cases in which the bank was interested was fully discussed and approved by the other commissioners. My desire to be thus associated was mainly that I might perfect myself more and more in the practice of my profession, a purpose which I had in view when I resigned my position in the Treasury Department, and which I not only gave to the honorable the Secretary of the Treasury as the main reason for my resignation, but also announced to those of the trustees of the company who were friendly to me at the time of and prior to my election as commissioner. A further object to be secured by the association was, that in the event of anything happening to Mr. Totten I might be fully posted about the several cases, and, if necessary, take charge of them.

"The reason I have not appeared in court in any of the cases has simply been because of

the want of time. I have never, however, received or charged, either directly or indirectly, one cent for services rendered in these cases, and Colonel Totten understands that any services of this kind I may render are to inure to the benefit of the company entirely.

"When it is remembered that I incurred the serious displeasure of Purvis by my strenuous resistance of his repeatedly attempted officious intermeddling in the business of the commissioners, and his attempted dictation as to what we should and should not do, and as to whom we should and should not employ, the animus of this cruel and unjust attack upon my character by this person may readily be inferred.

"My dear sir, I court the fullest investigation into all my official acts, but do let me have a chance to defend myself and to confront my accusers."

A. I admit writing that letter.

Q. I ask you whether you have read the testimony which I gave before this committee?—

A. I have now; yes, sir.

Q. You say in this letter: "The statements of Purvis" (I suppose you mean me) "that I announced, soon after I was appointed, my intention of making all I could out of the affair," &c., "is a gross perversion of the truth," I ask you whether there is anything in my testimony that justifies that statement in your letter?—A. Not as it is printed in the official testimony sent to me by this committee.

Q. And you believe that testimony to be correct as printed?—A. Yes, sir.

Q. Then you take back this statement?—A. No, sir; I do not. I had not read this testimony as it is printed at the time I wrote that letter.

Q. Do you think you had a right to write a letter until you knew what the testimony was?—A. Yes. I do not take that letter back.

Q. I ask you whether you think you had a right to publish a letter based on the testimony until you knew what the testimony was?—A. I think I had a right to do it. Whether it was just the time to do it or not is another question. I might think differently now after reading this other testimony.

Q. In this letter you used the expression, "to make all I could out of the affair." You admit, then, that there is no such expression as that in my testimony?—A. There is no such thing as that printed in this official report of the testimony.

Q. Did you ever know me to tell you anything that was not true?—A. Not that I know of or now remember.

Q. When you stated that you did not accept the position merely for itself, and that you wanted to do some of the law business, was not my reply that equity cases are not pleaded at night?—A. No, sir; I do not remember that you used that language. As I remember, the language you used I gave it just now in my testimony: "You cannot practice law at night," or something of that kind.

Q. Did I not turn to Mr. Creswell and say to him: "When you were nominated and not confirmed you said to the board of trustees that you (Mr. Creswell) intended to do the legal work of this bank."—A. I do not remember that.

Q. Did not Mr. Creswell say, "Not in the sense that you understand it; it was merely to give advice?"—A. I do not remember that that conversation took place at that interview.

Q. Did I ever ask you in reference to the appointment of Mr. Cook before this interview?—A. I do not remember that. I think you spoke to me about it several times.

Q. Did I ever bring before you the appointment of any one besides Mr. Cook and Mr. Wormley at that particular time?—A. I think not.

Q. Was not Mr. Cook's application made before that interview took place?—A. It must have been made before because you brought it there.

Q. I mean, had not a previous application been made?—A. I do not remember.

Q. Was that an application I brought, or was it merely a letter setting forth why he should be appointed?—A. As I understood it, it was an application for his appointment.

Q. You do not know, do you?—A. It was a long document. Of course he set out certain reasons why he should be appointed, but nevertheless it was an application.

Q. I believe you have complained within the last year or year and a half that you could not sleep, and have been constantly complaining of your nervous condition; is that so?—A. No; it has only been within the last two or three days.

Q. Have you not said that your mind troubled you, and has it not been suggested to you that the constant use of tobacco has been the disturbing cause?—A. I don't know, I am sure; I have suffered a great deal from headache.

Q. You say in your letter to the chairman of this committee, "When it is remembered that I incurred the serious displeasure of Mr. Purvis, by strenuous resistance of his attempted officious intermeddling with the business of the commissioners, and his dictation as to what we should and should not do, and as to whom we should and should not employ, the animus of this cruel and unjust attack upon my character by this person may readily be inferred." I would like to ask what you mean when you say that I attempted to intermeddle with the business of the officers, and that I attempted to dictate to them what they should and what they should not do?—A. I say this: that the manner in which you spoke to me was very offensive. When I spoke of my hope of transacting some of this legal business, you said, "What business is that of yours? Your business is here in this bank; what time have you to attend to law business? You cannot attend to law business at night." I considered

that a most unwarrantable interference with my privileges and prerogatives, as commissioner, and I said to you at the time, "I am not the clerk of this commission; my hours are not necessarily limited here."

Q. Do you mean to say that I said more than that I would not have voted for you if I had thought you meant to make the position a stepping-stone for yourself?—A. I think you said just what I have given in my testimony.

Q. Do you mean the first time you gave your testimony, and while giving it, or the statement you make now?—A. I think the statements are the same.

Q. You did not mean then by my "intermeddling with the business of the commissioners" that I was meddling with the business of the bank when I came to ask you to proceed against Mr. Stickney, or any one else who had been charged with using the funds illegally?—A. No, sir.

Q. Then what do you mean?—A. You kept coming there and calling the board of directors together, kept having meetings and attempting to get resolutions passed ordering different things, until I, myself, went to the Secretary of the Treasury, and asked him what the privileges of the commissioners were, and whether the board of trustees had the right to meet at the bank, &c. I remember the Secretary's holding that they had not, and that if you gentlemen came in there, and did anything which might interfere in any way with the securities, or the affairs of the bank, we would be liable on our bond for any such interference.

Q. How many meetings did we hold as trustees?—A. I don't know, but there were several meetings.

Q. You did not know my motive in calling the board of trustees together, did you?—A. No, sir.

Q. You had nothing to do with it one way or the other, did you?—A. Not that I know of.

Q. You do not pretend to question my right to call the board of trustees together?—A. I question your right to call the board together at that bank.

Q. But you do not question my right to call the board of trustees together?—A. No, sir; you certainly can call them together if you wish it.

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C. B. PURVIS recalled.

By Mr. LEIPOLD:

Q. Do you remember whether I did or did not say, when you brought the matter of Mr. Cook's appointment before us, that I, for one, was not willing to pledge myself to any one man, but that I desired to be left free to act as the interests of the bank demanded in each particular case?—A. Yes, sir; I remember distinctly all about it. I remember that you made that remark in addition to what I have already sworn.

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ANSON M. SPERRY recalled.

By Mr. C. B. PURVIS:

Q. Did you tell me that Mr. Leipold had consulted you as to what he should do in reference to a proposition to divide \$700 that Mr. Totten had made to him?—A. I said that probably in your presence, perhaps to you at your house.

Q. Did Mr. Leipold consult you for your opinion as to dividing any money that Mr. Totten offered to divide with him, or did you not tell him not to take it?—A. I could not repeat the exact words.

Q. You can say "yes" or "no," can't you?—A. No, sir; I cannot answer "yes" or "no," but he either said that Colonel Totten had offered to share the fees with him, or that he could share the fees with him. I advised him not to do so.

By Mr. FROST:

Q. You mean fees as a lawyer and commissioner?—A. My understanding was, the fees which Mr. Totten charged to the bank for his services.

Q. That Mr. Leipold was to divide them with Mr. Totten?—A. That he either offered him to share, or that he could share in these, or that he supposed he could, or words to that effect. I cannot recall the exact words.

By Mr. C. B. PURVIS:

Q. Did you not say to me that you thought the amount was \$700?—A. Yes, that is the amount of the first payment made to Colonel Totten.

Q. Did Mr. Leipold tell you, or did he not, that the suits that Colonel Totten had would involve fees amounting to \$40,000 or \$50,000?—A. He did not tell me any more than he told other persons. It was in conversation with Mr. Wheeler, and came up incidentally. It is due to Mr. Leipold to say that that came up when he was regretting the

very large expense into which the bank was plunged by reason of the many complications around it.

Q. Did you ever hear of Mr. Leipold making out any deeds of trust?—A. No, sir.

Q. Or charging for them?—A. No, sir.

Q. And that he refunded the money after taking the pay?—A. I never heard of that as to deeds of trust.

Q. Or as to deeds of release?—A. It was in the case of the deed of release, I think, of our Jacksonville property. Mr. Leipold will be quite willing that I shall tell all about it. Mr. Leipold prepared that lease, for which he paid himself first by a check of \$10, which he drew. Upon his own motion or upon advice that that was an unusual charge for making out such a paper, he reduced the amount to \$5, and drew a check to his own order, which was paid. Subsequently, Mr. Leipold, acting upon his conscience in the matter, and for expediency, I suppose, refunded the money.

By Mr. LEIPOLD :

Q. Do you remember distinctly that conversation which took place between us—can you place where it was, and under what circumstances, in which you state that I said to you that Colonel Totten had offered to share money with me?—A. I cannot fix the date, but I was standing at my desk, which was near yours, and you were standing near.

Q. Have you any distinct recollection of what I said?—A. Of course I could not recollect the phraseology, but it was to that effect, that you had been offered a share in the fees, or supposed you could have a share in the fees.

Q. Was it not a conversation that took place between me and the commissioners, as to the propriety of doing such a thing?—A. No, sir; it was more definite than that. I remember my remark to you upon the subject of taking perquisites.

Q. As to the other remark which you say I made, (which did not appear in the evidence heretofore,) what were the circumstances under which I made that remark—that the law business as far as it had gone would now probably stand the bank in fees \$40,000 or \$50,000?—A. It came up in the matter of prosecuting criminally Hamilton, of Lexington, the defaulter, and in reference to pushing that suit, and whether it should be pushed or not. This conversation was had in the presence of Mr. Wheeler, sitting down familiarly at his desk; we were all sitting down talking the matter over primarily in reference to the prosecution. You were regretting the expense to which the bank was being put, and mentioned in that connection, and by way of regret, that the lawsuits alone would now involve \$40,000 or \$50,000 fees.

Q. Are you quite sure that I mentioned Mr. Totten's name in that connection?—A. I am as sure as I can be of a conversation held at a remote period.

Q. Did I not say that the law business as far as it had gone would probably cost the concern \$40,000 or \$50,000?—A. No; I do not think that was it, sir.

By Mr. FROST :

Q. What connection was there between Mr. Totten and Mr. Leipold at that time?—A. I am sure I do not know, sir.

Q. Was there any business connection between them; were they partners in business?—A. I don't know. Do you mean Mr. Leipold individually, or as commissioner?

Q. Individually. Was there any partnership between them?—A. Not to my knowledge, sir. I have been told since that Mr. Leipold was on the record as attorney in cases in which the bank was involved.

By the CHAIRMAN :

Q. Is there any relationship between Mr. Totten and Mr. Leipold by consanguinity or otherwise?—A. I have no reason to suppose that there is; on the contrary, I supposed quite the reverse.

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JOHN A. J. CRESWELL sworn and examined.

By Mr. LEIPOLD :

Question. Have you read the testimony, on page 77 of the printed record, represented to have been given by Dr. Purvis, relating to the conversation which took place between the doctor and the commissioners with reference to the appointments of Mr. J. H. Cook as attorney and Mr. Wormley as auctioneer for the commissioners?—Answer. Yes, I remember there was such a conversation.

Q. Do you remember whether the language made use of, or which Dr. Purvis represents me to have made use of, is the language that was used?—A. I do not think that that states it exactly.

Q. Will you please state to the committee, to the best of your recollection, what the conversation actually was?—A. I can state very distinctly my own part in the conversation. I said that, so far as our duties were concerned, it was incumbent upon us to secure the

most efficient management of the bank, and to close up its affairs so as to secure the largest results to the depositors. I said that to that end we must secure efficient agents, and it mattered not to us what color they were; if we could get them of one color, all right; if not, we must get them of another, but at all events we must have efficient men. In the next place, I said if we could get colored men who could do the work that we desired to have done, other things being equal, we should prefer them; and I should be willing to take Mr. Cook and Mr. Wormley both, if they could do the work for the bank and for the commissioners as well as any others whom we could get in the city, but only upon those conditions. There was something said by you in reference to the conduct of the law business in the courts. You said something about desiring to make a reputation as a lawyer at the time you accepted the appointment, but I have no recollection that you used such language as that you desired to make all the fees in these cases yourself, or that there was anything said on your part that indicated that you desired to exclude Mr. Cook as interfering with your wish in that regard.

Q. Did I say that I wanted to do all the legal work myself?—A. I do not think there was any such remark made by you.

Q. Was there any such remark employed as that "I wanted to do all the legal work myself," as against Mr. Cook?—A. I think not; not to my recollection.

Q. On the application being presented, did I say, "We will not do it;" would that be like me, to make that statement as for all the commissioners?—A. I don't think you said that, but I will frankly observe that you are a man of excitable temperament, and you might make such a remark for yourself. You did not make any such remark as for the whole commission. I don't say but what you might have said that you were not disposed to give all the business of the bank to Mr. Cook.

Q. Have you any objection to stating what I said in connection with that matter of the appointment of Mr. Cook?—A. Not the slightest objection. It was merely that you desired to be free to do what you thought was best for the benefit of the bank. I have no recollection whatever of your saying anything to the effect that you desired to exclude Mr. Cook from the business of the bank, because of a desire to usurp it yourself. I think your objection to Mr. Cook was based on a different ground. I think you stated it correctly in your own testimony that you desired to reserve to the commissioners the right to select such attorney as they might see fit in each case.

By C. B. PURVIS :

Q. Did not Mr. Leipold get angry and say, the moment the application or letter of Mr. Cook was read, that it was an insulting letter?—A. I think there was some exception taken by Mr. Leipold to the form of the application.

Q. Did he not get angry then?—A. I do not know that he got angry, but he spoke with some degree of feeling as to the form of the application.

Q. You admit that he said something about his doing the legal work himself?—A. Yes; there was something said about that in the conversation later.

Q. And did I not say as a result of what he said that if I had known that he came there to make the position a stepping-stone, I would not have voted for him?—A. I do not know that you said that, but you certainly said something by way of objection to his acting as commissioner and as attorney at the same time.

Q. Do you not remember Mr. Leipold saying he saw no reason why he should not make out all the deeds of trust and deeds of release at home at night himself?—A. There was something said about that.

Q. On the strength of what Mr. Leipold said about his doing legal-work did I not turn to you and say, "Mr. Creswell promised to do the legal work himself?"—A. Yes; and I said to you that you had misapprehended me altogether. I did not intend to take charge of the conduct of all the cases of the bank in the courts. I said I would undertake to advise the commissioners as to the course they should pursue.

Q. Did you not say to me, after that, when I applied to you, that the preference should be given to Mr. Cook, he being a colored man?—A. Yes, I did say so—other things being equal—and I said the same thing with regard to Mr. Wormley.

Q. Your impression, then, is that the reason I said to Mr. Leipold that I would not vote for him was because of what he said in reference to doing the legal work?—A. Yes, sir; and there is one remark I wish to make, that is that Mr. Leipold's position, during our whole management up there as commissioners, has been that we should never recognize any assignment of these claims to any person. He has stated that strenuously and sometimes bitterly, and his position on that question has been so determined that I think it due to him to state it.

Q. Have I ever applied to you for a position for any one in that bank?—A. No; except this application of Mr. Cook.

Q. Have you ever known me to attempt to meddle with the business of this bank?—A. No; not unless that could be construed as meddling. There is a matter personal to myself as to which I wish to make a remark. On pages 96 and 97 of the testimony given by Jonathan Bigelow, he alludes to a lease made by me, when Postmaster-General, about the month of June, 1873, to one Andrew C. Bradley, for a building on E street at a rental of

\$4,200 a year. If Mr. Bigelow had come up and examined the reports of the House of Representatives he would have found the whole history of that matter detailed by me in the report which I sent to the Committee on Appropriations, and which was printed by order of the House. The facts are these: In the month of May or June, 1873, after the making of the appropriations for 1874, it became apparent to me that there was not room sufficient in the Post-Office building to properly work or employ all the clerks designated in the appropriation bill, and I named three gentlemen of the Post-Office Department to examine and determine whether there was space enough. They reported to me that there was not; that the public service required that there should be additional room; and after a thorough examination of the Post-Office building they said that room could not be found within the walls of that building, and it would be necessary to find additional accommodation outside. With that view, I addressed a note to the Secretary of the Treasury, asking him to assign me some one in the architect's bureau of the Treasury to examine the buildings which might be from that time forward (and some of which had been already) submitted to me for that purpose. The detail was made to me of some gentleman whose name I have forgotten, and all the applications of buildings submitted—eight or ten in all—were given to him, and he made a thorough examination of them and reported to me two or three buildings to which he gave the preference. The one, however, to which he attributed the best accommodation was the building on E street. I knew nothing about Mr. Shepherd being interested in it. I did not know Mr. Bradley, and I think this was the first time I met B. H. Warner. Mr. Warner was acting as the agent of Mr. Bradley, and I did not know Bradley or Shepherd in the matter at all. The reason why Mr. Warner came to me was that he was the representative of that particular property. The agent of the Treasury, from the architect's office, reported to me that this building was decidedly the best adapted for the business of the Department; that the rent was \$4,800, and that it was a reasonable rent. I went down myself and examined the building, taking his report in my hand; and on coming back to the Post-Office Department I found Mr. Warner there, and I said, "Your rent is too high, I will give you \$4,200. If you take that, well and good; if not, we will not take it." He retired, and in a while returned and said he would take that rent although it was too small. I said further, "I rent this building conditionally. I take it subject to the approval of Congress, and that fact will be inserted in your lease, but you cannot get a dollar for your building until Congress ratifies the lease." He inserted that statement in the lease; and when Congress assembled I sent a full report of the whole transaction to Congress, with a list of all the applications submitted to me, the prices at which the owners proposed to rent the building, and my decision. The whole matter was in that way laid before the Committee on Appropriations, and they ratified it. The rent has since been reduced from \$4,200 to \$2,200 by the action of the House of Representatives, I think about a year ago. So far as Bradley and Shepherd were concerned I knew nothing whatever about them, and the only object I had in making that lease was to promote the interests of the Post-Office Department.

By Mr. FROST:

Q. How do you account for the difference in rent between the \$4,200 and the \$2,200?—  
A. I think Mr. Jeremiah M. Wilson, of Indiana, said the rent was excessive, and had it reduced from \$4,200 to \$2,200; but it was the best building that I could get, and at the most reasonable rent at the time. There was a considerable fall afterward in the rent of buildings in Washington.

By the CHAIRMAN:

Q. Did you not observe, when reading that testimony, that the information sought to be elicited by the examination of Mr. Bigelow had not any reference to the motive of the Post-Office Department in making the lease, but to find out if he could explain how it was that a party could obtain from the Government a lease of that property ten days in advance of his having any title to it, colorable or genuine?—A. I did not examine the title when Mr. Warner came to me. The lease was drawn up by the Solicitor of the Treasury, and all questions of law and title were of course to be submitted to him, and to be subjected to an examination by the committee before any payment should be made.

By Mr. LEIPOLD:

Q. Tell the committee what you know about my general conduct in the management of the business of the Freedman's Savings and Trust Company, as far as it foreshadows whether or not I tried to promote, as far as possible, the interests of the depositors of that concern.—A. I will state that very cheerfully. I have been very much impressed, Mr. Leipold, with your efficiency, and with the constant zeal and energy which you have displayed in your efforts to promote the interests of the depositors and creditors of that bank. I think your management has been efficient to an extent equal to that of any trustee I have ever known.

Q. Has anything ever come to your knowledge that has for one moment impaired your confidence in my integrity and honesty, as connected with any transaction of that bank?—  
A. Nothing whatever. I have as much confidence in you now as I had when I began. Just as soon as my confidence should be impaired I should make it known.

ROBERT PURVIS sworn and examined.

The WITNESS. Having heard the statement or explanation given by Mr. Leipold in regard to the matter of our claims against Johnson and Scott, as well as the charges that have been brought against him by a man by the name of Howell, I am here to confirm fully in every respect all that he has said in defense of himself. I think that whatever was said or done in regard to the Scott and Johnson affair had my hearty approval, and was consistent with that singleness of purpose which has characterized his conduct in the prosecution of all the claims of the bank against the parties. I think he acted wisely and justly in that matter, and I was fully in accord with him. In regard to this man Howell, and the selling of books, I think he may be perhaps honest about it, only that he has confounded the name of Mr. Leipold with some other person, for he came continually to the bank, and sought me, latterly, to make complaint against Mr. Wilson, the former cashier of the bank. I never heard him say anything against Mr. Leipold in that connection, and I may say that when anything was said in regard to this matter, Mr. Leipold always, with myself, felt and said that the depositors had better hold on to their books, and that it was worth more to them than anybody else. As to the matter of conversation at the meeting that we had, I have a perfect and, I am sorry to say, a very painful recollection of what transpired.

By the CHAIRMAN:

Q. Which interview was that?—A. I am speaking now in regard to the conversation touching the application of Mr. Cook and Mr. Wormley. These gentlemen both desired to be employed. One of them had been solicitor to the bank when in existence, and from my knowledge of Mr. Cook I thought him suitable in every respect, being a man of education and a gentleman. I had a little talk with Mr. Creswell in regard to the appointment of colored men. The colored people looked to me as somewhat representing them there, asking no favors, to be sure, but, as Mr. Creswell said, all things being equal, they thought they ought to be heard and represented there. Mr. Cook addressed me first in the matter, I think. He talked to me about the place, and I hesitated somewhat and told him I thought he had better address a letter to the commissioners. From some little thing that happened before this time; I thought it was, to some extent, true that Mr. Leipold had some unreasonable prejudice against him, and against the appointment (as it seemed to me afterward) of any one that would interfere with some preconceived plans of his with regard to the counsel for the bank. I was present when my son presented the application, and I at once saw an opposing feeling. Mr. Leipold is a hasty man and, I think, unwittingly does many things in a hurry. I recollect his speaking up at once and saying, "I am opposed to it. I am not here to make sacrifices for the colored people. I am here to make a reputation and to take these cases into court with such counsel as we may appoint, and to divide the fees." That was distinctly stated, and I have talked with Mr. Leipold since, and I do not think he has attempted to deny it. Then my son, equally hasty with him, said, "If you had avowed that, you never would have been appointed; I should have opposed you." Mr. Leipold did say in regard to Mr. Cook that he would not commit himself to putting the interests of this bank into the hands of any one man, and I think Mr. Creswell, too, said, in substance, the same thing. Beyond that I do not know that I recollect. A great deal of it was in the manner; it was very decidedly opposing. It certainly impressed me decidedly that he was very much opposed to the appointment of Mr. Cook, because he had planned out, as he avowed above-board, that he wanted to go into the courts and have a part interest in this matter, and he did not at that time see, I suppose, as he afterward saw, that there was any impropriety in it, but he certainly did expressly avow the views I have mentioned.

By Mr. LEIPOLD:

Q. You are quite certain that the question of fees came up at that particular interview?—A. That was your language exactly.

Q. And at that particular interview?—A. Yes, at that particular interview.

Q. At that interview, was it not something of this kind that was said: that I was opposed to pledging myself to any one man; that I wished to be free to act in each case as it came up, and that by and by, if I should get time, I wanted to attend to some of this law business myself?—A. Well, we have frequently talked about that, and I have frequently heard you say that you wanted, as a young lawyer, to have practice and experience; but I do not think it was said then. I think you were excited at the time.

Q. Is there not a very great distinction between that and what I am represented in this testimony as saying—that I wanted to do all this law business myself?—A. I did not hear you say that. You declared very distinctly what I have said, that your purpose was not to make sacrifices for the colored people, (which was a very gratuitous remark,) but that you came there to make a reputation, and to get into court and to share the fees.

Mr. FROST to Mr. Leipold. Do you admit that remark, Mr. Leipold?

Mr. LEIPOLD. I do not admit that the matter of fees was discussed at that time. I said, as I have already stated, that we had talked of fees.

The WITNESS. Or share the fees with such counsel as may be associated with the matter?

Mr. LEIPOLD. I do not admit anything of the kind.

The WITNESS. Then Mr. Creswell said something about the impropriety of committing the commissioners to any one person, but the feeling was very decided about Mr. Cook.

By Mr. LEIPOLD:

Q. Are you not aware that the law business is distributed among different attorneys?—A. You have told me that you have given Mr. Cook a portion of the suits. I made it my business to inquire of Mr. Cook in the matter, and I feel sorry to know, as he has informed me, that what you gave him were such insignificant cases, with such little pay, that a single case or two that Mr. Totten holds would probably cover all that you have given him, and that you seemed to be doling out to him in a way that must be regarded as very exceptional. I have never said anything to you in regard to it, but I have got that from Mr. Cook himself. I understand that you have given him simple matters of over-draft, some of them involving only a few dollars; I don't know the amount involved.

Q. Has anything come to your knowledge in the conduct of the business of the bank by myself that would impair your confidence in my integrity?—A. Only so far as I may have been impressed by the statements that Mr. Sperry made to me touching the matter of dividing a \$700 fee with Mr. Totten.

Q. From what you know of the conduct of the business in that bank, are you prepared to say that I have left anything undone which was necessary to be done for the protection of the depositors of that concern?—A. I am free to say here, as I have said everywhere, that I have known of no man that with such good faith and persistency has attended to the interests of these depositors. It cannot be better done.

By Mr. C. B. PURVIS:

Q. The only difference between my statements and Mr. Leipold's, I understand, is the use of the word "all" in connection with the legal business?—A. Yes, sir; that is very material.

Q. Did you understand me as saying distinctly to Mr. Leipold that I would not have voted for him if I had known what he then stated, and was not that remark of mine the outgrowth of what I said in regard to having these lawsuits himself?—A. Certainly.

Q. Did I not urge the appointment of Mr. Cook on account of his color, all things else being equal?—A. I think you made some such remark; I don't recall it exactly.

Q. Did you not urge his appointment?—A. Yes, sir; I thought he was competent.

Q. Did not Mr. Leipold say he saw no reason why he could not take some deeds of trust home and make them out and take the pay for them?—A. Yes, sir; and I confess I did not see any reason against it myself at the time.

Q. Did not Mr. Leipold, when he first came to the bank, say he was a man for work?—A. Yes, sir.

Q. Did not Mr. Creswell say, "I will attend to the legal part?"—A. Well, I understood him so, with the explanation that he subsequently gave.

Q. I mean at that interview with the trustees?—A. Yes, sir; when Mr. Leipold had declared that he was a working man, and a man that would look after these accounts, and Mr. Creswell referred to the fact that he would give the benefit of his experience and knowledge on any question involving law points, then it occurred to me that although I had received the compliment of a unanimous vote, yet that I was a supernumerary, and I at once said I will not accept this position; but I was told by Mr. Ela and other gentlemen, "We want you there; you are known to the colored people and it would impart confidence to this thing;" and urged and pressed it upon me, and finally I yielded. Although I have said that I was a supernumerary, and one of the members of this committee has presented Mr. Creswell and myself in a light very annoying to me, yet I will say that I have rendered services and so has Mr. Creswell.

Q. Have I ever directly or indirectly interfered with the commissioners?—A. Never.

Q. Have I ever attempted to dictate any of the appointments?—A. Never.

Q. Was Mr. Cook your recommendation, or was he mine, to your colleagues?—A. He was my recommendation.

Q. Did not Mr. Creswell say when he accepted the nomination that he wanted our cooperation?—A. Yes, sir; and moral support.

Q. Did you understand that my calling the trustees together was giving him that moral support in prosecuting defaulters?—A. So I understood it, and there could be no other possible motive.

Q. When I went as one of the committee to have Mr. George Stickney removed from the trusteeship of the deed of trust, did not Mr. Leipold treat us badly?—A. He treated you cavalierly, I thought.

Q. Do you not know that Mr. Leipold has from the beginning had some prejudice against Mr. Cook?—A. I have already stated that.

Q. Have you not heard, time and time again, that Mr. Leipold had no sympathy with colored people?—A. I heard him make the remark that he had not come there to make sacrifices for the colored race.

At the request of Dr. Purvis, the chairman states that he never saw Dr. Purvis in his life until he met him in the committee-room as a witness; that he was subpoenaed on the suggestion of somebody on the ground that he could communicate something that was of importance in the progress of the investigation.

Adjourned.



SELECT COMMITTEE ON FREEDMAN'S BANK,  
Washington, D. C., May 1, 1876.

The committee met at 10 o'clock; present, Messrs. Douglas and Riddle.

ENOCH TOTTEN sworn and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I reside in the city of Washington. I am a practicing lawyer here, and have been practicing here about eleven years.

Q. In the course of your professional engagement have you been employed frequently and in important matters by the commissioners of the Freedman's Savings and Trust Company?—

A. I have been engaged in a good many important matters, and in some that are not very important. I have done a good deal of their legal business.

Q. Can you give an approximate estimate of the professional value of the services rendered by you up to that time, and of those to be rendered on the matters now in hand?—A. I do not know exactly how to get at that estimate. I have charge of probably thirty or forty cases. If my services were to be terminated now, the value of such services would be somewhere in the neighborhood of \$6,000 or \$8,000. I have never calculated the matter at all.

The CHAIRMAN. I thought you very probably had some entries on your books.

The WITNESS. I have some entries of various things. When I get a case I usually charge a small fee, which I call a retaining-fee. The cases are going on constantly, and I do not charge for each thing I do in them. When I terminate a case then I make my charge for the whole business in that case. So far as future work is concerned, I do not think I could give you any estimate about it. The services which I may hereafter render in time will be entirely dependent on the extent and earnestness of the fight made in them. Where there is no controversy the fees do not amount to anything of consequence. My cases are nearly all cases that are litigated with a good deal of vigor. I have but very few cases on promissory notes where judgment is taken by default, and I have several which are very bitterly contested.

Q. Have you ever intimated to any one, (to Mr. Leipold, for instance,) that the litigated matter confided to you as attorney for the bank would reach probably to \$40,000 or \$50,000?—

A. I never have, neither to Mr. Leipold nor to any other person. I never have said anything from which any such inference could be drawn. I never had an idea that my fees could reach that sum.

Q. Did I understand you to say that from \$6,000 to \$8,000 would cover your fees for services rendered up to that time?—A. I think that they would probably not go over \$3,000, and most likely would fall short of that sum. I have been doing business for the commissioners since sometime in the month of August, 1874.

Q. What heavy, hotly-contested cases, where there is a possibility of realizing anything for the bank are now under your professional charge?—A. I can give you some of them. In the first place I have a case against Stephen Talty; that is in the Supreme Court of the United States. We have had two bitter trials of that case, one before a jury, and one in the court of appeals, and it is now gone to the Supreme Court. The amount involved is about \$64,000 or \$65,000. That case arose before the commissioners came into office. It was given to me by Mr. Eaton. It is a corporation-stock case. Talty is the plaintiff who took out a writ of replevin. I represent the bank against him.

Q. What was the ground of his claim to replevin?—A. He claimed that the property was his, and was given as collateral security to a man named Kendig, and that Kendig sold it without authority. I regard that case as a good one, and believe that the bank will get the money. Then there is the case of the Freedman's Bank against Dodge & Darneille, which is a proceeding to set aside a deed of release alleged to have been improperly given, and to sell the release, which consists of property in Georgetown. I got beaten before the chancellor in that case, but on an appeal the judgment was reversed, and I got a decree, and from that decree an appeal has been taken to the Supreme Court of the United States. The case will not be reached till some time next term. The next case, which is also an old case, arises out of a deed of trust on the furniture in the St. James Hotel. That has some connection with the Spicer note. I have also had a decree in that case. That case arises through a controversy as to the distribution of the assets arising from the sale of the St. James Hotel furniture under the chattel-mortgage. The conflict is between the landlord's lien and the chattel-mortgage held by the Freedman's Bank. I got a decree in that case, also, and it is gone up for review to the Supreme Court. I am not as confident about that case as I am in the Talty case and the other one, but I think it is also a good one. There is another controversy which we have with the Young Men's Christian Association which is very lively, and we have also another controversy quite lively with S. T. Suit. That case was tried in the Prince George's circuit court and has gone to the court of appeals in Maryland, and will probably come up to the Supreme Court. In that case they assail the statute under which the commissioners are acting as being unconstitutional and void. I have also a case against General Robert Williams to foreclose a mortgage near I street, and that case has been very bitterly contested. Then there are two of the Vandenburg cases which are fought step by step in order to get as much time as possible. I have two cases against a

man named Lanahan, with whom we are having a controversy; but whether we will get anything out of them depends a good deal on the opinion of the court.

The CHAIRMAN. And on the ability of the defendant—the value of the security?

The WITNESS. The security is pretty good. The notes have got into the hands of Mr. Lanahan, and I am assailing his title. The case arises out of some transaction with Mr. Boyle. There are a good many other cases, but I have given you the bitterest ones. They all fight furiously. They seem to think that the Freedman's Bank is bursted, and that they may as well get clear of it as anybody else.

Q. Speaking of the Dodge suit you said that there was an improper lease made which it is the effort of the bank, through you, to set aside; who made that release?—A. Mr. Huntington. I do not want to swear that it was an improper release.

Q. You say that this release was made by W. S. Huntington?—A. If I did say so I ought not to have said so. As I understand it, it was made at the request of Mr. Huntington as the holder of the note, and the request was made to the trustees, F. W. Jones and Mr. Darnelle. I think they were innocent in the matter. Mr. Jones, one of the trustees, held the mortgage for the benefit of the bank, as the assignee of the note, and he states that this note was in the hands of W. S. Huntington.

Q. By what authority did W. S. Huntington make the release; did he have possession of the notes?—A. I do not know. I argued in the case that if he did have possession of them he had no business to have possession of them, and the court, I think, adopted my theory of the case, that these notes belong to the assets of the Freedman's Bank, and that if Huntington did direct the release to be made by the trustees, he had no authority to do it, and they had no business to execute the release on his say-so; but as a matter of fact, the records show that he did order that release to be made.

Q. You are aware of the fact that W. S. Huntington was one of the finance committee of the Freedman's Bank?—A. I have no doubt that he was at one time a member of the finance committee.

Q. Were you aware of the fact that the most intimate and confiding relation existed between W. S. Huntington and the actuary of the Freedman's Bank?—A. I cannot swear to that, but I think so. I was not very intimately acquainted with either of the gentlemen.

Q. Are you aware of the fact that W. S. Huntington and R. T. Dodge were both stockholders in the Seneca Sandstone Company?—A. I do not know it, but I think so. I do not know whether Huntington had stock in that company or not. It was understood as a matter of general information that he had to do with that concern, and that some Mr. Dodge had also to do with it, but whether it was R. P. Dodge, I do not know.

By Mr. LEIPOLD:

Q. I wish you to detail whether any conversation took place between you and me about my associating myself with you in the bank cases, and about my participating in the fees, and what the facts are as to my participating in any fees, either prospectively, retrospectively, or in any way. Tell all that ever occurred between us on the subject.—A. Soon after Mr. Leipold and these other gentlemen were appointed commissioners, Mr. Leipold told me that he was anxious to get into the practice of law, and that he expected to attend himself professionally to the business of that bank, or rather that he should have the charge of it, and that he wanted me to assist him in the business. He said that he had but little experience in the practice of the law, and that the matters must be important, and he desired my assistance. What we said about fees I do not recollect distinctly, but I remember that he said that the fees to be charged for the work were to be the ordinary compensation that attorneys charge for such services. I do not think he said anything about a division of fees or that he was to have any of them. But my notion about it at the time was that if he did work, he would be entitled to be paid for it; and that for what I did I should be entitled to be paid a reasonable compensation. After a while Mr. Stickney got me to do some business. Soon afterward, (I do not recollect how long, nor can I give the dates about it,) Mr. Leipold came to me and told me that he found from the situation of affairs of the bank that he could not practice law; that he had not time to do it, and that the conversation which he had with me might go for naught. He said that he would have nothing to do with the professional business of the concern, and that he wanted me to understand that there was nothing more of that idea which was in his mind at the outset. I think that he said something about the embarrassment which he was laboring under in getting the work of the bank straight. At all events he said that he would not help me in any way; that he could not do it, but that if the time did come when he could help me in the business, he would let me know. That was the end of the conversation. I do not think he has had any conversation about it since, until very recently—until it was published in the newspapers that he had divided fees with me. I never did divide any fees with him, nor did I expect to do so. I have received from the bank, from time to time, fees on account of my services, but I never offered Mr. Leipold, or anybody else, any part of them, nor did I expect to divide fees with him or anybody else. Somebody else swore here that there was a professional connection between us. That is not true. He has not anything more to do with my business than you have, and the only conversation from which anything of the kind could be drawn was the original conversation which he had when he thought he could attend to the professional business of the concern.

That is all that there was about it. I have been attending regularly to the business for the bank, and I go in there nearly every day on my way down town. Mr. Leipold generally has a lot of memoranda on which he wishes to ask my advice, and I give him advice every day of my life. I do not charge him for this, however. I have done a good deal of work for the bank which I have not calculated to charge for, and do not intend to. It is a customary way that I have, and I think that almost all the members of the bar here have it, when we are doing work for a man to give him horseback opinions when he wants them. If, however, it is a matter of importance, I decline to let my clients act on an opinion of mine given off-hand; but frequently matters come up about which my opinion is, in my own judgment, perfectly reliable. But so far as dividing fees with Mr. Leipold is concerned, that is not true. I never supposed that Mr. Leipold's idea was that I should divide fees with him. My idea was, that if he did work for the bank, he could charge the bank for it, and that the other commissioners could regulate his fees as they do mine.

Q. Is not my name, as a matter of fact, associated with yours as an attorney in the bank cases that are intrusted to you?—A. Yes.

Q. What is your understanding about that?—A. Mr. Leipold's name is signed to all the pleadings and proceedings, except, perhaps, in a few cases, where I have forgotten it, and Mr. Leipold's idea, and my own, too, in having that done was that when he gets the business of the bank cleared up so that he might not stay there all the time, he might come and help me to do the legal work, and relieve me from the drudgery of the business. He wants to get into the practice of the law, and I have kept the proceedings in that way so that if I should die or should go away, Mr. Leipold could take charge of these cases and close them up.

By the CHAIRMAN :

Q. I understand you to say that the beginning of your employment as counsel for the bank was by Mr. Leipold associating you with himself?—A. To do the business. That was my understanding; that he, being a young man, wanted assistance from somebody older than himself in the practice of the law.

Q. That did not constitute any copartnership between you and him which entitled him to any share in your fees?—A. No, sir.

Q. If you are the assistant counsel, whether senior or junior, and if Mr. Leipold is 'counsel of record in those cases, what is to prevent him, according to the practice of the profession, from charging his fees to the bank? Has he not a right to charge his fees?—A. He would have a right to charge his fees if he did anything.

Q. Then, whenever he has leisure he has a right to come in and do what he likes in those cases and charge fees for his services. In other words, the associating of your name with his is not so much to afford him an opportunity to come in from time to time as to keep the cases open for him to come in when he chooses?—A. It is to give him an opportunity to come in if he chooses.

#### CONTINUATION OF THE STATEMENT OF MR. LEIPOLD.

The WITNESS. I wish to make two corrections in my testimony given on Saturday last. The first is with reference to the failure to have the note of Mr. Juan Boyle protested. If I recollect correctly, the testimony that I gave was that I did not think the note was in possession of the bank at the time that it matured, and that for that reason it was not protested. On looking at the records, and having an interview with the loan-clerk who has charge of the notes, I find that that is not so. The note was in possession of the bank—at least I presume it was—but when it came into the bank originally (the loan-clerk being absent) the clerk in charge of that particular branch for that day neglected to enter the note on what they call the tickler. When a note comes into the possession of the bank it is entered under the regular date of its maturity, so that two weeks before the note becomes due the clerk looks over the books and sends the notices. This note not having been entered on this little book, it was overlooked at the time that it matured. Any impression that may have been created that Mr. Stickney had anything to do in withholding that note from protest would be unjust to him. It was simply an oversight of the clerk who had charge of that part of the business. There is another statement which I wish to make. From some testimony which I am supposed to have given before the committee a little over a week ago, two gentlemen of the committee have drawn the inference that I meant to testify that the other two commissioners never rendered any services. I am not conscious of having given such testimony. The question that was addressed to me by the chairman of the committee was something like this: "You are the working man of the commission?" I hesitated, and if I did not say, I wanted to say, (I think I did say,) "I do not like to say anything on that subject." Thereupon the chairman said something to the effect that when he had been to the bank I seemed to have been the working man. Toward the last of my examination another member of the committee asked me some question about some matter which I hesitated to answer, but I did say, in answer to a question of his, that Mr. Creswell came to the bank sometimes every day for a week, and that then again he would not come there for a week, but that whenever a matter of importance came up I would either send for him or consult him about

it. I believe that that was the full extent of the testimony that I gave with reference to this subject. If the inference created by that testimony was that the other two commissioners never rendered any services, it does them great injustice, and I never meant to intimate any such thing. I do wish to say that, from my understanding of the matter, both Mr. Creswell and Mr. Purvis did all they undertook to do originally when the matter was discussed before the board of trustees who elected them, and they have both rendered services, and very important services. As to the services rendered to the bank by myself, I would much rather that others speak of them than speak of them myself.

By the CHAIRMAN :

Q. On Saturday last, when you were under examination, you stated that there had been no discrimination made between the classes of the debtors of the bank in enforcing payments, and you left the impression on my mind that whenever the debt was well secured, and when the interest was promptly paid or collectible, the same indulgence was extended to all. Am I correct in putting that interpretation on your evidence? If not, please state what you did mean to say on that occasion.—A. No intentional discrimination has been made.

Q. On the occasion referred to in the last preceding question, I was examining you as to the debt of W. J. Murtagh, as stated on page 12 of the commissioners' report. I find on the same page a debt charged to J. H. J. Schureman for \$1,200, (the same amount as is charged to Murtagh,) on which it appears that \$13.42 interest was paid to the commissioners, while but \$2.88 had been paid by Murtagh. Has the same indulgence been extended to Schureman as was extended to Murtagh?—A. Yes, sir.

Q. Have you not caused the security on which Schureman's loan was obtained to be sold, and is there not a balance in the hands of the trustees due to Schureman over and above his debt?—A. In the first place, there is no comparison between the value of the security in the Schureman case and in the Murtagh case. In the next place, Mr. Schureman had made no payment since the date of the report, (if I remember correctly,) either on account of interest or on account of principal. Mr. Murtagh had. In the next place, there was a large accumulation of taxes against the Schureman property, amounting, I think, to over \$350. After trying in every way to induce Schureman to make some payment, we found that he was not the owner of the property at all; that he had disposed of it to a man named George T. Johnson, who is largely indebted in other matters. Having used every effort without success to induce Mr. Johnson to pay at least a portion of that debt, we filed a bill in the court to have a trustee appointed and the property sold. The value of the security is shown by the fact that we have had to buy the property at \$600, while the amount of the indebtedness was about \$1,700.

Q. The commissioners' report shows that at its date \$187 had accrued on Murtagh's debt, and that he had paid \$2.88. The same report shows that \$237 of interest had accumulated on Schureman's debt, and that he had paid \$32.40. In what respect was he in greater default than Murtagh?—A. The figures themselves show that at the time of the report the indebtedness of Murtagh was \$1,389.88, and the indebtedness of Schureman, \$1,409.40; but the discrepancy between the two arose subsequently to that first report, and all action had by us, in either matter, was subsequent to that first report.

Q. Is this [handing a paper to witness] your handwriting?—A. Yes.

Q. I hold in my hand a note, dated September 15, 1874, admitted by you to be in your handwriting, to the following effect: "J. H. A. Schureman, esq. Dear Sir: Your note for \$1,400, dated April 24th, 1872, was due April 24th, 1873. If not paid by the 30th inst., the property will be advertised for sale under the terms of the deed of trust." I have another note of the same date, also written by you, addressed to the same party, in the following words: "Dear Sir: Your note for \$200, dated April 24th, 1872, was due April 24th, 1874. If not paid by the 30th inst., the property will be advertised for sale under the terms of the deed of trust." How much interest was due on the debt of \$1,600, and how was that debt secured?—A. The interest due at the time of our making our first report was \$274.22.

Q. How much was due at the date of these notes?—A. I cannot tell without referring to the bank and figuring it up.

Q. Look at these notes [handing them to the witness] and see if they are the notes referred to.—A. They are.

Q. Do the notes show that the interest was paid in full on both of them up to April 24, 1873?—A. Yes, sir.

Q. Did you apply to Schureman for any interest (being a little over one year due) before notifying him of the sale stated aforesaid?—A. I do not recollect. I presume I did.

Q. Did you have the property sold?—A. We did.

Q. You stated as a reason for directing Schureman's property to be sold and enforcing the collection of the debt, that you had discovered that the property was not his, and that, besides, the taxes had been allowed to accumulate to the amount of some \$300?—A. I made no such statement with reference to that particular property. You are speaking now of another loan entirely. This is a \$1,600 loan secured by different property entirely.

The CHAIRMAN. The \$1,600 loan is secured on lot 24, square 728?

The WITNESS. Yes, sir.

The CHAIRMAN. And the \$1,200 loan is secured on part of lot 24, square 728. The only difference between the two is that one is secured on part of the lot and the other on the whole lot?

A. No; but on another part of the lot.

Q. How does that appear?—A. It is put down here [referring to the commissioners' report] as the whole lot, but that is a mistake; it is only part of the lot—the \$1,600 note is secured by a different part of lot 24 from the \$1,200 note.

Q. Which part of lot 24 was sold for only \$600?—A. The part securing the \$1,200 loan.

Q. Is not that matter now in litigation on the suit to foreclose a mortgage?—A. No, sir; it has been disposed of since our last report.

Q. Then the \$1,600 note was or was not amply secured; what do you say about it?—A. I think it was amply secured.

Q. If the debt was amply secured, and there was no more interest in arrears than in the other case, why did you order this property to be sold when you extended indulgences to others in the same situation, and especially to W. J. Murtagh?—A. To that I can simply say that we held hundreds of notes secured by real estate; that we had to make a beginning somewhere: that without any intention to discriminate against Mr. Schureman, his case happened to be put up before the case of the other gentleman; but, if I recollect correctly, it was because Mr. Schureman was not in a position, either then or prospectively, to reduce his indebtedness, and in addition to that there was a very large accumulation of taxes on that property.

Q. Who sold the property for the commissioners?—A. I think it was Mr. Stickney.

Q. Has he ever made any return of the proceeds to you?—A. Yes; as far as the interest of the bank called for it.

Q. Are you acquainted with Mr. Stickney's handwriting?—A. Yes.

Q. Look at this statement, [handing it to the witness,] purporting to be an account of sale of that property, and see if there was not a clear surplus over and above the payment of the debt, principal and interest, accrued taxes, and most extraordinary charges for actuary-fees, commission, and advertising.—A. There seems to have been such a surplus. I would like to state here that it was not a sale. The property was bought by the holder of the second mortgage. There was another deed of trust against the property.

Q. There was a surplus over and above the amount due to the Freedman's Bank?—A. Yes.

Q. And everything else he owed in the shape of taxes, interest, actuary-fees, commission, and advertising?—A. Yes.

Q. Therefore the debt to the Freedman's Bank was amply secured?—A. Yes.

Q. And there was but one year's interest in arrears?—A. There was over two years' interest.

Q. When you served that notice?—A. We gave him lots of time after that. It was six or eight months after that before the property was sold, between the time when we served the first notice and the time that the property was sold. There was nine months between the serving of the first notice and the sale of the property.

Q. If you did not get the money from the purchaser, and if you sold the property to somebody else, what was the use of your selling it on Schureman.—A. That is a matter for the trustees.

Q. You sold the property of one man because he did not pay his debt, and you sold it to another man, who does not pay the debt, and you take security on the same piece of property?—A. We could not do otherwise. The deed of trust provides the terms on which the property is to be sold, and we could not set aside those terms.

Adjourned.

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, D. C., May 2, 1876.

The committee met at 10.30 a. m. Present, Messrs. Douglas, Bradford, and Riddle.

Examination of R. H. T. LEIPOLD resumed.

By the CHAIRMAN:

Question. In deposing heretofore in regard to the settlement had by the commissioners of the Freedman's Bank with G. W. Stickney, you mentioned a sum retained by him, and not accounted for or paid over to the commissioners until discovered and demanded by them, which sum appears to have been accrued interest on what was known as the Rost Home Colony fund. Please state whether there are any other instances in which there was similar default in rendering his accounts made by Mr. Stickney.—A. The money which you refer to was composed partly of interest on a \$15,000 note, which was the capital of the Rost Home Colony fund, and partly of the amount of a \$1,500 note which he had collected. In the course of our examination and efforts to collect the different notes

held by the Freedman's Bank, we found a note of one Dillard for \$1,117.53, purporting to be secured by some District securities, which seemed to have been disposed of by Mr. Stickney, and to have been applied in payment of the note. The note is still due. In questioning Mr. Stickney on that subject, he said (and it so appears) that he had been appointed as an attorney by Dillard to collect any sums that might be due him by the District government; that he was also attorney for Dillard to transact all his money business, and that he himself had personally advanced moneys to Dillard; to re-imburse himself for it, he claims to have disposed of these securities. We have also a note of William Williams, purporting to be secured by certain real estate; which, on investigation, we found to have been sold under a foreclosure, and a balance of \$1,106.58 remains due on it. Mr. Stickney, in answer to our interrogatories on the subject, informed us that he had used a portion of those moneys in the payment of taxes that had accrued on the Wilkes property, sold by him as trustee for the benefit of the bank, and which property was security for a \$10,000 note of Wilkes. We also find that there is on the books of the bank a record of a note of W. M. Pumphrey for \$1,000, I think. The note, however, is missing. I do not recollect ever having seen it. The books show that there is a balance due on it of \$650. On having the title examined to see whether that note had been released, we found that it had been released. On speaking to Mr. Stickney on the subject, he does not seem to recollect how it happened. He holds himself responsible for that sum of money, and says (as he does in all the other cases) that he fully intends to pay it. We also found a note of William Schooler for \$100, which, however, has very recently been paid by Mr. Stickney. We also found two notes of Isaiah Washington for \$75 each, the payment of which Mr. Washington refuses, on the ground that he paid the money to Mr. Stickney. Whether that is a fact or not we cannot tell. We also find an evidence of indebtedness on the part of one Otho Brownson for \$105, with a memorandum in Mr. Stickney's handwriting that he is responsible for it. We further find a note of one Nelson for \$700, payment of which Nelson disputes, on the ground that part of it had been paid to Mr. Stickney. Mr. Stickney, however, has (I think to my entire satisfaction) shown me that Nelson is mistaken; that the money was put to Nelson's credit in the bank, and was subsequently drawn out by Nelson on his book. We have, at various times, made efforts to collect from Mr. Stickney these different sums of money. Mr. Stickney has always said that he did not dispute his owing them, and that he fully intended to pay them, but that he had an account against the commissioners, and that he wanted the claim which he had against the commissioners allowed as a set-off against those claims. I have endeavored to get Mr. Stickney to make such a proposition to the commissioners in writing, but up to this time he has not done it. The claim which Mr. Stickney has against the commissioners is for trustee's fees arising from the several cases of foreclosure, in which Mr. Stickney has officiated since he left the employment of the bank, and I confess that, so far as we are concerned, we think that Mr. Stickney has a legal claim to those fees. We have, however, always resisted the allowance to him of the fees in full, as provided under deeds of trust, but have expressed our willingness to make him some compensation for the time and labor and responsibility incident to his making these sales. We have also a note of one Margaret Hetzel on which a balance of several hundred dollars appears due. The deed of trust securing it has been released by Mr. Stickney, and he states that that was done by mistake. I forget the exact account due on that note.

Q. Although Mr. Stickney does acknowledge an indebtedness to the Freedman's Bank on account of the several items enumerated in your last answer, had he any right, moral or legal, to divert the property of the bank from its legal purpose—in paying the debt for which it was secured?—A. I think he had no legal right to do so. I would rather not answer the moral part of it.

By Mr. BRADFORD :

Q. Did Stickney's claims for fees antedate his withdrawal from the employment of the Freedman's Bank?—A. He never has made any claim for fees preceding that time.

By the CHAIRMAN :

Q. Is it or is it not a fact, that during the period of time while Stickney was making such a free use of the securities of the bank he was an actuary not bonded?—A. I do not know whether he was bonded, but from some statements that I have overheard, I believe that he never was bonded as actuary. I have never seen any bond of his, and I do not believe he ever gave bond as actuary.

By Mr. RIDDLE :

Q. Has either of the other commissioners given you a compensation for attending to his business?—A. I have received some compensation from the other commissioners.

WASHINGTON, D. C., May 2, 1876.

WILLIAM J. MURTAGH sworn and examined.

By the CHAIRMAN:

Question. State your residence and occupation.—Answer. I reside in Washington City; I am publisher of the National Republican.

Q. It appears from the report of the commissioners of the Freedman's Savings and Trust Company that you are one of the debtors of that institution. State when that obligation was contracted, and when it became due.—A. I cannot give you the exact date when the loan was made, nor the date when it matured. I borrowed from the Freedman's Bank \$1,200, at 10 per cent. per annum, the money being secured on a piece of property valued at \$2,500. By reference to the report of the commissioners, I find that the note was dated October 5, 1870, and fell due January 3, 1871.

Q. State whether you have been required by the actuary of the bank, before it went into liquidation, or by the commissioners since, to pay that debt, and whether you have made any arrangement in relation thereto, and what.—A. My attention was called to the amount due. I called at the bank, paid the interest on the note, and asked an extension of time for payment, as no dividend was about to be declared, and as the money was bearing 10 per cent. interest, and was amply secured, and would bear no interest in the Treasury of the United States. That extension was granted, with the understanding that I was liable to be called upon for the money at any moment, or to have the property sold. On the examination of my books in my office, I find that the note is practically paid; a sufficient amount having accrued from advertising done by the National Republican for the bank to pay the note.

Q. Did the payment of interest and the request for extension referred to in the foregoing answer, occur before or since the dividend of 20 per cent. was declared by the commissioners?—A. I am not able to answer that question.

Q. Was such payment of interest made before or after the 20th of December, 1875?—A. The interest was paid in advance a considerable time before December 20, 1875.

Q. Have you made more than one payment of interest on that note to the commissioners?—A. I think I have.

Q. State how much you have paid on account of interest, and how you have paid it—whether in cash or in advertising bills.—A. Both in cash and in bills for advertising. The amount I cannot now state.

Q. When you settled with the commissioners, not only for the interest accrued but for that which might accrue subsequently to the date of your settlement, why was it that you omitted to present your own advertising bill?—A. I cannot recall the circumstances sufficiently to answer that question.

Q. When you last settled with the commissioners was there any agreement or understanding between yourself and them that your note would be held up and might be discharged from time to time by bills for advertising?—A. I have no recollection of any such agreement.

Q. State what amount now appears on your books against the Freedman's Bank for advertising, and whether bills for the same have ever been presented to the commissioners.—A. The amount on the books remaining unsettled is about \$1,000. The accounts are in the possession of the trustee or auctioneer to be applied to that purpose.

Q. Who is the trustee or auctioneer to whom you refer?—A. Mr. George W. Stickney.

Q. When and for what work was that indebtedness incurred?—A. For advertising. I cannot give the items out of my head. The time, I think, was between September or October, 1875, and the present date.

Q. Was your settlement with the commissioners, referred to in your former answer, prior to the 6th of October, 1875?—A. It was prior to October, 1875. I cannot give the exact date. I know that it was several months before December.

Q. Was it prior to October?—A. Yes. I think, on reflection, that it was somewhere about that time. It was some time before December.

Q. If it was about October, why were not the bills presented on that settlement?—A. Because I did not examine my books to see what was due by the bank to me, and the interest was paid in cash.

Q. You are the publisher of the National Republican. Are you not also the editor and proprietor?—A. I am.

Q. Are you not, as such, responsible for what appears in its editorial columns?—A. I am pecuniarily so.

Q. Are you not in the forum of conscience responsible for statements under editorial sanction that assail the integrity and honor of other persons?—A. I am.

Q. Be good enough to inform the committee when and how much money has been appropriated to pay experts employed by this committee to examine the books of the Freedman's Savings and Trust Company.—A. That I cannot answer without information.

Q. Do you know that any appropriation has been made for that purpose?—A. I have been so informed.

Q. State who was your informant. —A. I prefer not to mention conversations in my own office, but if it is demanded I will give the name.

The CHAIRMAN. It is demanded.

The WITNESS. Mr. E. P. Brooks.

Q. Look at the paper now handed to you and state whether it purports to show the whole amount of money that has been paid on the certificate of the chairman of this committee (as all the money paid out for the purpose of this investigation has necessarily to be paid on such certificate.)—A. (After reading the paper.) The amount stated in the paper before me is \$667.48.

Q. How much of that amount appears to have been paid for the employment of experts ? —A. Between \$500 and \$600.

Q. Do you know, or have you allowed it to go under your editorial sanction without knowing, that there has been a dollar paid, or that a dollar is now subject to be paid on the order of this committee for those services or for any other services connected with this investigation, which has not been applied to the object for which it was lawfully designed ? —A. The statement was printed in the Republican before I saw it, and I am having the matter investigated to determine its correctness.

The CHAIRMAN. Will you be good enough, since you are in favor of open investigation, to allow me to be present when that investigation takes place, or to notify me of the time and place ?

The WITNESS. You can be present at the investigation, and you will be so notified if you desire it.

The CHAIRMAN. I do desire it.

Q. In the paragraph from the Republican of the 28th April referred to, I am accused by innuendo of having employed moneys that were appropriated for the purpose of this investigation.

The WITNESS. I cannot determine that question until I make my examination.

Q. I ask if you know or knew when the paragraph appeared that it was true ?—A. I did not.

Q. This paragraph has this sentence : "If Mr. Double B. D. does not know, we will simply say that several of his political supporters, and among them journalists, were the men who salted the people's money appropriated for the expenses of examining the affairs of the bank." As I am from past association and habit not familiar with any of the slang phrases of roguery, please inform me what the word "salted" means.

The WITNESS. Before answering that question, I should like to ask you a question ; whether I am being investigated and the Republican, or the Freedman's Bank ?

The CHAIRMAN. The question is answered by saying that the examination into the conduct of the Republican becomes germane, to the extent that the Republican has made itself a party in opposition to the proceedings of this committee ; and I now desire to know, without imputing to this witness any roguery, what the term "salted" means in the paragraph before referred to.

The WITNESS. The witness is as ignorant of such term as the chairman, and therefore he cannot answer that question.

The CHAIRMAN. The chairman of this committee is accused in the same paragraph of having bestowed the people's money on his constituents and political supporters. Who are they ?

The WITNESS. That will appear when my examination shall have been made.

The CHAIRMAN. Do you mean to say or to have it understood that you have published a slander against the chairman of this committee, such as that recited in the paragraph aforesaid, without knowing that it had any fact to support it ?

The WITNESS. I have already stated that I did not see that paragraph until after it was printed. I have made some examination about the matters contained in it, and I shall continue that examination. If it shall prove to be without foundation a statement to that effect will be made.

The chairman called Mr. Bradford to take the chair and administer an oath to himself.

BEVERLY B. DOUGLAS, chairman of the committee, was thereupon sworn and examined as follows :

By Mr. BRADFORD :

Question. Have you seen an article in the National Republican reflecting on your conduct as chairman of this committee in the administration or disposition of any funds of the Government ?—A. I have. In the editorials of that paper of Friday, April 28, 1876, I saw this paragraph :

"Will Mr. Double B. Douglas inform us how much of the money appropriated to pay the experts who attempted to examine the affairs of the Freedman's Bank went into the pockets of his constituency ? If Mr. Double B. D. does not know, we will simply say that several of his political supporters, and among them journalists, were the men who salted the people's money appropriated for the expenses of examining the affairs of the bank."



Q. What have you got to say in reply to that?—A. I state in reply to that paragraph, that there is not one word of truth in the intimation it contains, charging me with a misapplication of the funds appropriated for the expense of investigating the affairs of the Freedman's Bank. I will state further, that not one of my constituents has received one dollar out of any such moneys. As to journalists who are referred to in it, I am wholly unable to say who they are. But before I proceed, I will state (if it is not known by the author of the paragraph in question) that no money has been appropriated for the expense of this committee; that one of the experts employed was James Watkins, of New York, who was recommended to me by Col. James R. O'Beirne, one of the correspondents of the New York Herald, and who was only employed after an ineffectual effort previously made to secure the services of Mr. Edward Warren, of New York, whose skill and thorough acquaintance of books and accounts have obtained for him a national reputation. Whether Mr. Watkins had any connection with any journal or newspaper, I did not know then, and do not know now. As to his politics, I have never inquired, and do not, at this moment, know to which of the great political parties in the country he belongs. The other expert was Mr. J. F. Dyer, a gentleman of this city, who may or may not, so far as I know, be connected with some paper or other; and he was appointed on the recommendation of Mr. Lewis McKenzie, a prominent republican of the city of Alexandria, and of a large number of other leading business-men of that city, without regard to party; and his political opinions were entirely unknown to me when I first became acquainted with him, which was on his handing me the letter of introduction and recommendation referred to. All the other money that has been paid by this committee, and which is certified to by the Clerk of the House of Representatives, whose certificate is now before me, has been paid for the attendance of witnesses; and these witnesses have been summoned without regard to party, race, color, or previous condition of servitude. Every dollar of it has been paid out of the contingent fund of the House until it was exhausted, and the remainder of the witnesses who hold certificates from the chairman, (myself,) including the special messenger and watchman of the committee, remain unpaid. No money has as yet been appropriated for the use of this committee. The experts referred to were discharged after 36 days' work, on my motion, and on their reporting their inability to make any satisfactory progress in the work to which they had been assigned. The amount paid them, \$8 a day, was fixed by the committee, on the motion of Mr. Farwell, a republican member of the same, as the minutes and proceedings of the committee will show, and to which the author of this paragraph may have access if he desires it. As to any political friends of mine having been rewarded in any way, directly or indirectly, it is wholly untrue, except to the extent that the clerk of this committee, who was appointed under an order of the House, allowing the committee to have a clerk, and who was appointed on my recommendation, is of the same political party with myself, and is a personal friend of many years' standing; but is not and never was a constituent of mine. I should add that the author of this paragraph, if he has not willfully falsified in the statement which it contains, has been misled by some one who has, and I will say to him, quoting a distinguished Senator, (as was done once on the floor of the House this year,) that he is authorized by me to say to his informant, that "That informant's informant is a liar."

The following is the letter from the Clerk of the House referred to in the testimony of William J. Murtagh and of B. B. Douglas:

"CLERK'S OFFICE, HOUSE OF REPRESENTATIVES U. S.,  
"Washington, D. C., April 29, 1876.

"SIR: In reply to your letter of the 28th instant, calling for a schedule of payments made by this office on account of expenses of the investigation of the Freedman's Savings and Trust Company, under a resolution of the House of Representatives of January 5, 1876, I have the honor to transmit herewith a complete statement of such payments to this date, viz:

John Watkins, witness.....	\$4 00
J. B. Ford, expenses in summoning witnesses.....	20 40
J. F. Dyer, expert.....	288 00
B. W. Brice, witness.....	4 00
J. W. Alvord, witness.....	20 00
L. Whitney, telegraphing.....	3 08
J. J. Stewart, witness.....	16 00
Samuel Watkins, expert.....	288 00
S. Howells, witness.....	4 00
A. M. Sperry, witness.....	20 00

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"Very respectfully,

"GEO. M. ADAMS,  
"Clerk House Representatives U. S.

"Hon. B. B. DOUGLASS,  
"Chairman Committee on Freedman's Savings and Trust Company."

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, D. C., May 6, 1876.

Committee met at 10½ o'clock. Present, Messrs. Douglas, Stenger, Riddle, Frost, and Rainey.

FREDERICK W. JONES sworn and examined.

By the CHAIRMAN :

Question. State your residence and occupation.—Answer. I reside in Georgetown, and am an attorney at law.

Q. Have you at any time had any business connection with the company commonly known as the Seneca Stone Company?—A. I was elected secretary of the company in the spring of 1874, and I continue to hold that office.

Q. Have you the stub-book of the company, showing to whom and at what times stock was issued to the several persons appearing as stockholders in said company?—A. I have what we call the stock-book, which is the only stock-book of the company that I know of. I produce it here in obedience to the subpoena *duces tecum*.

Q. Look at that book, and say whether the stock issued to General U. S. Grant is receipted for in his own name or by some other person.—A. I have looked through the stock-book, and I find but two certificates issued to General U. S. Grant. The first, No. 12, dated November 22, 1867, for 200 shares, is receipted for by William S. Huntington. The other, No. 91, January 21, 1870, for 120 shares, (being the dividend stock,) is receipted for by U. S. Grant. I cannot say that this is his signature, but it is just like one to a proxy of his which I have. I never saw him write, and do not know his signature.

Q. Have you in your possession any paper or instrument in writing relating to the stock issued to General Grant which you know to bear his signature? If so, state what is the character of the instrument.—A. I have in my possession the usual proxy to vote stock at a meeting of the company, but I am equally ignorant whether that is his signature or not. It was used as his proxy, and the record of the meeting shows that the 320 shares owned by General Grant were represented by the person named in and holding that proxy.

Q. It has been recognized as General Grant's proxy, and the person holding it has voted on his stock?—A. Yes, sir. It is necessary, of course, that a quorum of the stock shall be represented, and it was only with extreme difficulty that we could get a quorum. There has been some drumming necessary to get proxies, so as to have a quorum, within the last two years. This proxy is dated in 1873.

Q. Have you any knowledge, derived either from Henry D. Cooke or from General Grant, as to the manner and consideration of that issue of stock to General Grant, different from what appears in the record to which you have referred?—A. I do not think that I ever discussed the subject with Governor Cooke or General Grant. There is nothing different in these two certificates to General Grant from any others. I am familiar with the history of the company. I know that a stock dividend of 60 per cent. was made, but as to what consideration was paid for any of the stock, I never heard it discussed by anybody.

Q. Were you a member of the company at the time of that stock-dividend?—A. No, sir; my connection with the company has been quite recent, although I have been its attorney for some years. There were ten shares of stock given to me, to qualify me to act. I paid nothing for it, and I did not want it, as it involved too great an individual liability.

Q. Who is the attorney mentioned in the proxy of General Grant?—A. Henry D. Cooke.

Q. State by whom the stock which was issued to General Barnes, General Townsend, General Brice, Mr. Seward, and Mr. Cushing was receipted for, and who was the transfer-agent to dispose of the stock of the company at that time.—A. Certificate No. 14, issued to William H. Seward, for 200 shares, was receipted for by William S. Huntington. Certificate No. 15, issued to General Barnes, was also receipted for by Mr. Huntington. Certificate No. 17, to Caleb Cushing; for 200 shares, was also receipted for by Mr. Huntington. Certificate No. 45, issued to General Dent, for 100 shares, is receipted for by himself, and certificate No. 46, issued to Mrs. Dent, for 100 shares, is receipted for by General Dent. General Brice's certificate seems to have been receipted for by no one; it is numbered 51. The original certificate has been returned, it having been transferred to Thomas B. Bryan, on December 19, 1870, when a new certificate was issued in lieu of it (No. 145) to Thomas B. Bryan.

Q. Who, at that time, was the transfer-agent of the company?—A. I think that William M. Tenney was the transfer-agent, but I am not certain. He was a clerk at Jay Cooke & Co.'s. I find that certificate No. 145, which was issued to Thomas B. Bryan, in lieu of General Brice's stock, (320 shares,) is receipted for by General Brice.

Q. I want to know whether the business of placing, transferring and receipting for the stock of that company was not actually done in the banking-house of Jay Cooke & Co., under the immediate supervision of Henry D. Cooke himself, Mr. William S. Huntington, his cashier, and Mr. Tenney, his clerk, aiding and assisting therein?—A. I presume that that is the case, but my presumption is based solely on the records of the company, in which I find that Jay Cooke & Co. were the transfer-agents, and that William M. Tenney was transfer-agent. I have no actual knowledge on the subject.

Q. Do the records of the company show that Jay Cooke & Co., immediately after or at

the time of the organization of the company, were appointed its transfer-agents?—A. Yes, sir.

Q. Was not Henry D. Cooke a prominent member of that firm, and was not William S. Huntington the cashier of the First National Bank, of which Henry D. Cooke was president, and was not Mr. Tenney, of whom you have spoken, an employé in the bank of Jay Cooke & Co.?—A. Yes, sir.

Q. Were the officers of the First National Bank, and of Jay Cooke & Co., in the same building?—A. Yes; Jay Cooke & Co. occupied one floor, and the First National Bank the floor above.

Q. Look at the certificate of stock issued to E. B. Washburne, and state by whom that is receipted for.—A. Certificate No. 36, for one hundred shares, to E. B. Washburne, dated May 5, 1868, is receipted for by Henry D. Cooke, and certificate No. 30, for one hundred shares, also to Mr. Washburne, dated January 17, 1868, is also receipted for by Henry D. Cooke. The dividend-stock of E. B. Washburne, certificate No. 100, for one hundred and twenty shares, is not receipted for.

Q. Is the certificate out?—A. The certificate is out.

Q. Do you or not know that that stock of Mr. Washburne's was subscribed for without his authority, and that his funds were issued to pay for it by Mr. Cooke?—A. I have no knowledge on the subject.

Q. Does that stock still stand in the name of E. B. Washburne?—A. It does, so far as these books show.

Q. Is there any book or record that shows that for any consideration or any inducement whatever, Henry D. Cooke has caused the transfer of these shares from E. B. Washburne to himself?—A. The others have not been transferred, so far as the stock-book shows.

Q. They never have been transferred?—A. No, sir; or if they have been, there is some irregularity about it. The rule requires that, on a transfer of a certificate of stock, the old certificate shall be surrendered and put in the place from which it was taken, and a reference on it made to the certificate issued in its place.

By Mr. STENGER :

Q. With reference to what election was that proxy given to Mr. Cooke?—A. It was given for the annual meeting of the stockholders in 1873, to elect officers.

By Mr. RAINEY :

Q. Was there any other business transacted at that meeting, with the exception of the election of officers?—A. I cannot tell without consulting the minutes. I do not know that there was anything except the ordinary routine business. The meeting was before the failure of Jay Cooke & Co.

Q. You do not know of any proposition being made there to obtain a loan?—A. No, sir.

By Mr. STENGER :

Q. Have you any knowledge of any other stock than that issued to yourself having been issued without payment of money therefor?—A. There were ten shares issued to Mr. Alvord at the time he was elected president, on the same consideration. I do not know of any other. I had been repeatedly importuned to embark in the enterprise; but always declined doing so.

By Mr. FROST :

Q. You do not mean to say by that that you believe that all the stockholders received stock without paying for it?—A. No, sir; I am firmly of the belief that every stockholder did pay fifty cents on the dollar for the stock which he received. I have heard that from many of them.

By Mr. STENGER :

Q. Have all the books of the company been produced that were called for?—A. I presume so. This is the first time that I have been called upon by the committee.

Q. Are all the books of the company in existence that have ever been in use by the company?—A. To the best of my knowledge, they are.

By Mr. RIDDLE :

Q. You do not know of the destruction of any?—A. I do not; and I think I would know it, if any were destroyed. The books are in my custody, and none of them have disappeared, so far as I know.

SELECT COMMITTEE ON THE FREEDMAN'S BANK,  
Washington, D. C., May 15, 1876.

Committee met at 10½ o'clock. Present: Messrs. Douglas, Riddle, and Frost.

ANSON M. SPERRY recalled at his own request.

By the CHAIRMAN:

Question. In your former examination, on the 29th of January, 1876, you were asked this question:

"Q. Are there any other matters resting in your knowledge which, as a good citizen and a friend to the freedmen who have lost money by this bank, you, testifying under oath, think it your duty to communicate to this committee?—A. I cannot at this instant recall any other matters; but, as a good citizen, and as a matter of conscience, I would ask that I may be recalled if at any time matters occur to me of importance for the committee to know, and of which I will duly apprise the committee."

Please state if, since that time, any such matters have occurred to you, and what they are.—Answer. I was not anxious to incumber the evidence with statements of my own at that time, hoping that some matters might come out through the testimony of other parties. But I have thought that the committee should know, and that it should go upon the record, that there were some intelligent efforts made, both by the friends of the bank and by the last Congress, to remedy the evils which we all recognized were afflicting the institution. My attention was first drawn to them after the defalcation at Beaufort, early in 1873. I there discovered that not only had the bank been robbed, but that, under its existing charter, it could be robbed almost with impunity. I was advised that the institution had no status in the State courts. It had no criminal status in the United States court under its charter, and when we were about to undertake the criminal prosecution of Mr. Scovel, who had defaulted to us, it was quite evident that we would be thrown out of court. Thereupon, as the affairs of the bank were being investigated at the time under the direction of the Comptroller of the Currency, I addressed a letter to the Comptroller as the only means in my power of attracting attention to this thing, in which letter I recited the difficulties under which the bank labored, and asked that something might be done. My hope was not only to get special legislation covering this point, but also to attract the attention of the Comptroller and of Congress to the bank, and to get a thorough investigation. It was to that that I alluded when I said that I could prove to you that I had been trying to get an investigation. Nothing, however, came of it. After the panic in 1873, I had been through the South, and had come back to Washington and had found the affairs of the bank in the greatest confusion, and the officers here feeling that the bank could not go on. That was somewhere along in November or early in December, 1873. The bank would be called upon early in January, 1874, to make heavy payments, for which the funds did not appear. The question came up whether or not we should close the institution. I opposed it, for the reason that we were bound, in all conscience, to save it if possible, and I did not think that the emergency had arisen. It was in December, I think, that I became further satisfied that nothing but the most radical measures would save the concern. As a subordinate officer, it was a very delicate business for me to meddle with. The management by the trustees was wholly inefficient. There were but few persons to advise with, and gradually the whole burden of the thing was falling on Mr. Stickney, the late actuary, and myself, while we had very little power. More than that, I was satisfied that the truth was not being told to the parties most in interest—some of our good friends. It was at that time that Ex-Governor Claflin, of Boston, one of the corporate trustees, a gentleman of very high character, came into the Washington office and had a conversation with the president of the bank, to which I was, perforce, a listener, my desk being near. I was extremely dissatisfied with the impression which the president made on the governor, because the latter was led to believe that we were going through all right, and that there were no special difficulties in the way; and he went away hoping for the best; while the fact was that we did not know whether we could keep open until the 1st of January or not. About the same time Mr. Samuel M. Arnell, of Columbia, Tennessee, also a gentleman of high character and a member of a former Congress, came to Washington for the purpose of getting permission to enlarge the business of the Columbia branch, for the organization of which he was mainly responsible. He had a long talk with the president of the bank, to which I was again a listener. The substance of his proposition was that if the trustees of the bank in Columbia—leading citizens there—would organize their own committee, and would raise the line of deposits to \$50,000 or more, they should be allowed to make investments there, under the charter, in real estate, for the management of which they would be themselves responsible; in other words, to put the Columbia branch on its feet as a permanent, solvent branch of the company. He was again led to believe that the institution was all right, and that there was no reason at the Washington office why this should not be done. He was told to go back home and to do what he could, and that the bank would back him up in it. I then made up my mind that the thing must stop. We were sailing under false colors by compulsion, but we need not deceive

our friends. The next time that Mr. Arnell came in (he was personally a stranger to me) I happened to be alone in the office, and called him to me, and, in as few words as I could, I told him our situation. I told him that the reason why I interfered in the matter was that I felt that he was being led into difficulties which would involve his personal reputation, and that the thing had better stop; that unless there could be a radical change, both in the organization and in the management of the concern, I would not turn my hand over to keep it open twenty-four hours. I had done what I could, not only in the case that I mentioned with the Comptroller, but in other ways, to get Congress to interfere and to get rid of the old trustees. I said to him in substance, "Now, Mr. Arnell, you know a good many members of the present Congress. I have confidence in you. I want you to go to them and state exactly what I have stated to you, and ask them if they will get such legislation as will save the institution. I want to know this before the first of January." He staid here ten days and made a thorough canvass of the House, visiting gentlemen without regard to their politics, and came back to me and said, "I have seen nearly every man in the House, of influence, and I have told them the story as you have told it to me, and I am surprised at the unanimity of feeling of everybody toward the bank. They will do anything that is necessary, or that they reasonably can, to save the institution. They simply want to know what you want." After consultation, it was decided that we would draught a bill embodying our views with reference to the reforms necessary, and submit it to our friends. Such a bill was draughted. It provided as the first thing, as a *sine qua non*, a thorough reconstruction of the board of trustees, and for the selection of those trustees to the number of two-thirds of the whole at those points where the branches of the company were located, they being named by the local committee, and made it the duty of the board to keep those committees fully informed of all that was done. It provided, among other things, a penal clause, which was finally incorporated in the act of June 20, 1874, for the punishment of offenses against the institution. Mr. Arnell, I think, lodged the bill with either Mr. Whitthorne or Mr. Dunham. At any rate, it was lodged with some good friends who promised to see it through with as much promptitude as possible. It was about that time that I told the actuary what we were doing, and secured his hearty co-operation. He had been disgusted, and wanted to resign and let the thing go. We then made up our mind to stick by the institution to the last. I provided, as much as possible, that on the 1st of January as little money should be drawn as possible, and Mr. Stickney provided as well as he could that there should be as much money ready to make payments as it was possible to have. At that stage, the proceedings had necessarily come to the knowledge of the president of the bank. They had before that had a committee on legislation, and the thing which I most dreaded transpired. The matter fell into the hands of the trustees, who, through their committee on legislation, had a hearing before the Committee on Banking and Currency. The whole business became public, got into the newspapers, delay was the consequence, and the golden opportunity of doing anything was passed. The ultimate purpose of that legislation was to provide for the disintegration of the institution without loss. The trustees were to be changed so as to get the branches under local control; these Washington investments were to be called in and re-invested at the branches. The institution was gradually to be hedged in and drawn down to a paying basis, in the hope that at some future time we might be able to turn the whole concern over to local organizations under State charters, and so dissolve the Freedman's Savings and Trust Company without loss, still keeping the good results which we had already attained. On the 1st of January, 1874, when we had to meet our difficulties, we got through very nicely, and I was still in the hope that this prompt legislation would be had; that by the re-organization of the board of trustees, public confidence would be given to us, and so we might go on, tide the thing over the immediate emergency, and provide, as I have stated, for the gradual change of the character of the institution. After the thing became public, our friends in Congress did the best they could, but it dragged along during the session, and we were thus in honor bound to fight the thing through until Congress did something. It was not, finally, until the 20th of June that the bill passed, and only after so much discussion and such changes of opinion, and such alterations in the circumstances of the bank, as that the final legislation which we got was probably as good as anything that could be done. The institution had to go. This explains in part, and probably in whole, the long struggle which the bank made to keep its head above water. After the 1st of January, after the time that we really entered on this struggle to reform the institution, we were bound to keep it, if possible, until we could get appropriate legislation, for if we had abandoned it, proceedings in bankruptcy would have been commenced against us in every State where we had a branch, and no man could see the end of confusion and of the loss that would be entailed on the institution. I took into my confidence also, Mr. Meigs, the national-bank examiner, told him just how we were situated, told him I was perfectly aware that we must fail, but hoped that we might succeed, and asked him what he thought it was my duty as a man, and Mr. Stickney's duty, (he asked him the same question,) toward the depositors. It was true that if we took money on deposit we might not be able to pay it back again, wholly. We came to the conclu-

sion, under his advice, that we were doing the best we could, that we were bound to make the best fight possible; which fight we did make. One other circumstance, which I suppose discouraged me more than anything else, was, that while we were in the midst of the run, (I cannot give the date, but it was when we applied what we call our 60-day rule, at the Washington office,) the bank being very low in funds, the only two members of the board of trustees who had any money on deposit there, came in one night and took out their last cent.

Mr. FROST. What were their names?

The WITNESS. Mr. Wormley was one. I am not certain of the name of the other. I recollect it distinctly, because the sum drawn by them amounted to about \$10,000, and left us with about \$600 cash on hand in the face of a pretty severe run. The only trustee who came near us that night was Dr. Purvis. Stickney and I had gone to the bank fully determined to go next morning before business hours to the Comptroller of the Currency, tell him how we were placed, and ask him to appoint a receiver. Dr. Purvis came in and we sat down and talked the matter over, and came to the conclusion that it was a bad time to show the white feather until we had exhausted every possible resource, and it was decided unanimously that we would apply the sixty days rule; that is, require each depositor to give sixty days' notice before he could draw any of his money. The doctor wrote the notices for the papers, and I wrote little local notices for the papers. We had our advertisements in every city-paper the next morning, and to our surprise everybody simply said, "Why didn't you do that before?" We gained what we wanted, our sixty days' time, but the fact that the trustees, in that great emergency, did not give us any support, was thoroughly disheartening. I will mention one other fact.

Before the first of January, 1874, while the existence of the concern was under discussion, it was evident that the expense-account had got to be cut down. The actuary and myself figured out a reduction of \$25,000 in the salary-account and pledged ourselves to a \$10,000 reduction in the general expense-account. Of course it was going to take great economy to do this, but it was to be an annual reduction and we agreed to do it. We did put it in force, and we could have done better. A part of the plan I could not carry out without the co-operation of some of the trustees. Of course I could control the men below me, but not the men above me. I had always regarded the office of president as a sinecure, and the first thing was to get rid of the presidency. Then we could appeal to our men, to their *esprit de corps*, for a further reduction of salaries and expenses. The matter was mentioned to Mr. John M. Langston, one of the trustees, and he said to Mr. Stickney and myself, "Come out to my house on Sunday and we will talk the matter over." We went out. I said to him, "Now, Mr. Langston, I suppose we are talking business." He said, "Yes." I then said, "The first thing to be done is to abolish the presidency; either that or make it a nominal place with a nominal salary." Dr. Purvis had said to me that he would take the presidency for nothing, if necessary, and that we could get presidents enough. Mr. Langston agreed to see that the office of the president would be either abolished or that the pay would be cut down to \$1,000 a year. It was then \$3,000, with some contingent expenses. If we could not get the former we would take the latter. I then said that I would recommend the discharge of Mr. Wilson, who had \$2,500 a year and \$1,200 for contingent expenses as general agent and canvasser, and that I would see that Mr. Boston was removed; and I said, let such and such be done, making up a list that would cover a reduction of \$25,000. We went home feeling that we had done a good Sunday's work. The meeting of the board of trustees came off. I went on record with my recommendations and they went through. Much to my surprise and disgust the office of the president was retained, and I was informed that Mr. Langston made a speech in the board in favor of retaining the presidency at \$3,000 a year. Mr. Alvord was president at that time. This incident occurred before my conversation with Mr. Arnell, which led me to the conclusion that if we saved the concern we had got the biggest kind of a fight on hand. That was the only thing which decided me in going back of my official supporters, and in working, as I did, behind them and without their knowledge.

Mr. FROST. After you gave the notice that depositors would not be paid unless they gave 60 days' notice, did you receive any deposits?

The WITNESS. O, yes. We had to do that business. We were bound to receive deposits right straight up to the last day of closing, otherwise it would have been a confession of weakness, and would have sounded the alarm, and we might as well have shut our doors instantly. That was one of the things which we had to do, and take the consequences as business men. It is what every bank would have to do under similar circumstances. I make this statement, because there is a general impression among many of our men that the institution was swamped by its expense-account and by its interest-account; and the further impression is a broad in the country that no intelligent effort was ever made to save it. It is due to gentlemen of the last Congress, who made such a good fight for us, that I put this statement on record.

Mr. FROST. I think you testified before as to the amount of money received, and the

amount of money paid back; how much was it—the total amount of deposits from first to last?

The WITNESS. Between fifty-six and fifty-seven million dollars was received, and of course between fifty-three and fifty-four millions paid back, leaving a balance due to depositors, at the time the concern closed, of about three million dollars.

We have since made one dividend of 20 per cent. on that three millions. It is due to some of the cashiers that I say that a few of them I took into my confidence and told them how things were going, and I engaged their hearty co-operation in an effort to save the concern. These gentlemen were not dishonest men. They were able men. They were in a bad fix, of course, as business men, but they had their reputation in it, and the fight was worthy of being made, and was so made. I have had letters from several of the cashiers who felt aggrieved in being included in a sweeping assertion that the cashiers at the branches were all rascals. Better men never lived than some of these men. I do not care to give their names unless the committee desire it. It is due to Mr. Stickney that I say that he was exceedingly desirous of getting out of the concern immediately after the panic, and felt that we ought to let it go and get out.

By the CHAIRMAN:

Q. It was stated by a witness, a few days ago, that the amount of collections made since the dividend was declared in November last was about \$63,000; state whether any collections have been made since then?—A. I am not able to say. The matter has not come directly to my attention.

Q. Do you, or not, know whether the debt due by the Young Men's Christian Association has been paid?—A. I think it has not been paid. It may have been, but, if so, it is very singular that I have not heard of it. I will send you the information to-day.

Q. State whether the auctioneers employed to sell property for the benefit of the bank are allowed to advertise in whatever papers they please, and in as many, and on their own terms?—A. I do not know that any restriction has been put on auctioneers in that matter. I suppose they would be governed by their own judgment of what was best.

Q. Do you know whether there is any arrangement between the auctioneer and the papers in which the advertisements appear, that he is to receive a drawback or percentage on the amount of the advertising-bills?—A. Of my own knowledge I know nothing about it; but it is generally understood that the auctioneers do get a drawback of some 25 per cent. or thereabouts.

Q. Have you ever had your attention called to the itemized account furnished by the commissioners, on the call of this committee, of expenses incurred by them in the management of the bank, and especially for the items of advertising?—A. I have remarked them.

Q. Were you present when Mr. W. J. Murtagh of the National Republican gave his testimony before this committee?—A. I was not.

Q. Look at this account for advertising, [handing paper to witness] which, it will be seen, extends from August, 1874, to April 12, 1876, and which amounts to \$4,714.73, and state whether or not it is exorbitant, in view of the amount of business transacted within that time?—A. It undoubtedly is, in my opinion.

Q. If that account, as it stands, is exorbitant, what would you say of it if there was \$1,000 or more to be added to it?—A. I would say that it was still more exorbitant. I have always regarded this local advertising of trustees' sales as altogether wrong—as a job, in short. There is no use in mincing words about it.

WAR DEPARTMENT,  
Washington City, February 12, 1876.

Pursuant to section 882 of the Revised Statutes, I hereby certify that the annexed papers are true copies of the originals on file in this Department.

In witness whereof I have hereunto set my hand, and caused the seal of the War Department to be affixed, on the day and year first above written.

[SEAL.]

WM. W. BELKNAP,  
*Secretary of War.*

WAR DEPARTMENT,  
*Adjutant-General's Office, Washington, D. C., June 26, 1875.*

GENERAL: I have the honor to inclose herewith a copy of memorandum prepared in this office covering certain financial transactions of the late Bureau of Refugees, Freedmen and Abandoned Lands, developed by the report of the commissioners of the Freedman's Savings and Trust Company to the Speaker of the House of Representatives, Forty-third Congress, second session; also copies of certain correspondence between the War and Treasury Departments in relation to the matters therein referred to, and a printed copy of Mis. Doc. 16, H. R., second session Forty-third Congress.

These papers fully explain themselves, and will exhibit to you all the facts, so far as are known to this office.

With the view that the funds now in the possession of the commissioners of the Freedman's Savings and Trust Company are public, I am directed by the Secretary of War to request that you will furnish this office with all information in your possession, or that you can obtain, relative to this transaction, thus to aid in securing to the Government the amount involved.

The records of this office are open to any one you may designate to examine them, and the office will aid you in any way you may indicate.

Very respectfully, your obedient servant,

THOMAS M. VINCENT,  
*Assistant Adjutant-General.*

Brig. Gen. O. O. HOWARD, U. S. A.,  
*Late Commissioner Bureau Refugees, Freedmen and Abandoned Lands.*

MEMORANDUM.—The following in connection with the financial transactions of the late Bureau of R., F. and A. Lands, has been developed by the report of the commissioners of the Freedman's Savings and Trust Company to the Speaker of the House of Representatives, Forty-third Congress, second session, Mis. Doc. No. 16:

On the first day of February, 1867, the F. S. and T. Co. received from the said Bureau R., F. and A. L., \$15,000 in currency, and again on the 18th day of July, 1867, the further sum of \$870.07, to be held by said bank in the nature of a trust-fund under the 7th section of the act approved March 3, 1865. Shortly after the receipt of said sums they were invested in 5-20 United States bonds. A copy of the order of General O. O. Howard, late Commissioner of the Bureau of R., F. and A. Lands, with reference to said fund is attached to the report mentioned, and directs the deposit of the balance of the proceeds of the crop made on Destrehan plantation (Rost Home Colony) with the Freedman's Bank, in the city of New Orleans, "which has agreed to invest it in United States bonds, and pay full interest on the same," the said interest to be expended in the support of the educational establishment for freedmen in the State of Louisiana, under the direction of the assistant commissioner for the time being.

Up to July 1, 1873, interest was credited on the books of said bank on account of this trust, amounting to \$7,077.36, against which checks amounting to \$2,328.47 were drawn and paid, leaving a balance of \$4,748.89 due.

The United States bonds originally purchased have been sold by the bank, and a real-estate note for \$15,000, secured by deed of trust on property in this city, substituted in lieu of said bonds. In addition to the balance above mentioned and the \$15,000 note, the commissioners of the bank hold \$1,856.94 cash, which amount is presumed to be interest collected on said note, or so much thereof as, under the agreement, should be credited to said trust.

In view of these facts, an examination of the records of the late Bureau of Refugees Freedmen and Abandoned Lands has been made to determine, if possible, the exact history of this transaction, but nothing intelligent can be obtained from the financial records, cash-books, ledgers, journals, accounts-current, &c., that should contain the information. Accounts were rendered in 1868 and subsequently, by the assistant commissioner for Louisiana, but the only thing to connect the same with this matter is a note in red ink as follows, "R. H. C. fund." Judging from the amounts of receipts



and disbursements, as shown by said accounts, nothing entered into the same save such interest as was received and expended.

From the report of the assistant commissioner of the State of Louisiana, for the year ending October 31, 1866, it appears that—

“In the latter part of 1865 numbers of infirm and helpless freed-people were, for purposes of economy, collected upon the Distrehan plantation, owned by P. A. Rost, esq. The restoration of the property of Judge Rost was soon after ordered, and, with the exception of this plantation, all was restored as soon as possible. This was retained under the provisions of Circular No. 20, of 1865, from War Department Bureau, &c.

“The necessity for retaining the plantation this year seeming so great, on account of the large number of old and helpless which were there under our charge, arrangements were finally made to cultivate the place, raise a crop of sugar and cotton, pay Judge Rost a reasonable rent, and at the same time provide for the dependents without expense to the Government. The prospect thus far is very flattering, and there is every reason to believe that, after all expenses are paid, there will be a considerable balance in favor of the Bureau.

“Rations and clothing have been furnished this colony; also medical attendance, the estimated value of which is shown in the approximate tabular statement herewith.

“The average number of freed-people upon the plantation has been about seven hundred and eleven, (711.) Of this number about five hundred and fifty, (550,) old and young, are dependent on the Bureau for support. Some, however, have rendered more or less assistance, as they were able, in gathering the crop; and at the same time have physically benefited themselves.

“At the close of the year the place will be given up, and the helpless now there otherwise provided for.”

The following is a copy of exhibit, &c.:

*Exhibit showing the approximate cost, probable productions, and balance in favor of Rost Home Colony, Saint Charles Parish, La., from January 1 to October 31, 1866.*

Expenses.		Estimated receipts from plantation.	
Subsistence—176,513 rations, at 15 cents.	\$26,476 95	31,500 pounds of cotton ginned, at 35 cents	\$11,025 00
Forage.....	7,302 10	10,500 pounds of cotton, unpicked, at 35 cents.....	
Wages of laborers.....	9,000 00	350 acres of sugar-cane, estimated to produce—	
Clothing for laborers.....	1,000 00	420,000 pounds of sugar, at 15 cents per pound.....	63,000 00
Medical attendance and medicines.....	1,400 00	6,000 gallons of molasses, at 40 cents per gallon.....	2,400 00
School-teacher's salary.....	750 00		
Rent of plantation.....	13,350 00		
Repairs of machinery.....	500 00		
Coal for blacksmiths, \$50; iron, \$31.....	81 00		
Leather, \$25; wagon-grease and tallow, \$25.....	50 00		
Hoop-poles, \$300; rope, \$250; bagging, \$150.....	700 00		
Grain-sacks, \$150; belting, white and red lead, \$50.....	200 00		
Time, for sanitary purposes, and repairs.....	120 00		
Incidental expenses.....	50 00		
Balance in favor of the plantation.....	19,120 00		
	80,100 05		80,100 05

In his report for the year ending September 30, 1867, the assistant commissioner for Louisiana, says:

“At the close of last year the Rost Home Colony was discontinued, (meaning close of the year 1866.)

“The crop raised \* \* was disposed of, and there was a balance in favor of the Bureau amounting to the sum of \$14,150, which was invested in 5.20 United States bonds and deposited in the Freedman's Savings-Bank.”

From the foregoing it will be seen that in connection with the Rost Home Colony large sums of money were received and expended. No record showing in detail the transaction can be found.

The act of June 15, 1866, (General Orders 63, 1866,) provides that all moneys raised in the United States for the support of refugees or freedmen and received by any officer of the United States Army, shall be charged against such officer on the books of the Treasury Department, and accounted for by him in like manner as if such moneys were drawn from the Treasury of the United States.

There can be no question but the moneys received from the sales of the crop made on this plantation should have been accounted for under the provision of the act above cited, and if its requirements have been complied with by the officers of the late Bureau

of Refugees, Freedmen and Abandoned Lands, a reference to the accounts of said officers will throw additional light on these matters, and to this end it is recommended that the whole subject be placed before the Secretary of the Treasury in order that the necessary steps be taken to secure to the Government the money now in the Freedman's Savings and Trust Company, and such additional moneys as may be found to have been received by the officers of the late Bureau on this account and not properly accounted for to the Treasury. If the funds in question have been accounted for to the Treasury, it is suggested that copies of the accounts be called for to complete the records of this Office.

It may be added that the \$15,000 with accrued interest has most certainly not been accounted for to the Treasury, else it would not now be in the late Freedman's Savings and Trust Company. As it is a part of the whole, it is fair to infer that no part of the amount, some \$80,000, realized for the crop has been accounted for, otherwise the Treasury accounting-officers would have been advised of the amounts in the Freedman's Savings and Trust Company.

Respectfully submitted to the Adjutant-General.

THOMAS M. VINCENT,  
*Assistant Adjutant-General.*

ADJUTANT-GENERAL'S OFFICE, *January 2, 1875.*

[General Orders No. 55.]

WAR DEPARTMENT, ADJUTANT-GENERAL'S OFFICE,  
*Washington, June 25, 1872.*

I. Pursuant to provisions of the "Act [General Nature--No. 133] making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1873, and for other purposes," approved June 10, 1872, the Bureau of Refugees, Freedmen and Abandoned Lands will be discontinued from and after June 30, 1872, and, after that date, all business relating in any way to the said bureau—exclusive of the Freedmen's hospital and asylum at Washington—with all the accounts and claims connected therewith, of whatever character or date, or whensoever incurred, will be conducted through the Adjutant-General of the Army, to whom all the records, checks, and Treasury certificates, (received under section 1 of the act of March 29, 1867,) or the amounts received therefrom, and all other funds, papers, and property, will be delivered by the first of July proximo, at such place as the Adjutant-General may designate.

II. After June 30, 1872, all business relating in any way to the "Freedmen's hospital and asylum at Washington, D. C.," with all the accounts connected therewith, of whatever character or date, will be conducted through the Surgeon-General of the Army, to whom all the records, papers, funds, and property will be turned over by the first of July proximo.

III. The Adjutant-General and Surgeon-General will arrange, promptly, for the execution of this order, and, after the transfer, submit for the action of the Secretary of War such regulations as may be necessary for the future transaction of the business.

Agents, clerks, and other employes, whose services may not be required by the Adjutant-General and Surgeon-General in effecting the transfer, will be discharged June 30; all others as soon as the transfer shall have been completed.

IV. The following are the portions of the act of Congress under which the foregoing is ordered:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums be, and the same are hereby, appropriated, for the objects hereinafter expressed, for the fiscal year ending June thirtieth, eighteen hundred and seventy-three, viz:

\* \* \* \* \*  
For collection and payment of bounty, prize-money, and other legitimate claims of colored soldiers and sailors, viz: For salaries of agents and clerks; rent of offices, fuel, and lights; stationery and printing; office furniture and repairs; mileage and transportation of officers and agents; telegraphing and postage, one hundred thousand dollars: *Provided,* That the Bureau of Refugees, Freedmen and Abandoned Lands shall be discontinued from and after June thirtieth, eighteen hundred and seventy-two, and that all agents, clerks, and other employes then on duty shall be discharged, except such as may be retained by the Secretary of War for the purposes of this proviso; and all acts and part of acts pertaining to the collection and payment of bounties, or other moneys due to colored soldiers, sailors, and marines, or their heirs, shall remain in force until otherwise ordered by Congress, the same to be carried into effect by the Secretary of War, who may employ such clerical force as may be necessary for the purpose.

For the support of Freedmen's hospital and asylum at Washington, District of Columbia, viz: Pay of medical officers and attendants, medicines, medical supplies,

and rations; clothing, rent of hospital buildings, fuel, and lights; repairs and transportation, seventy-four thousand dollars: *Provided*, That no part of said appropriation shall be used in the support of, or to pay any of, the aforesaid expenses on account of any persons hereafter to be admitted to said hospital and asylum, unless persons removed thither from some other Government hospital: *Provided*, That after June thirtieth, eighteen hundred and seventy-two, the Freedmen's hospital in the District of Columbia shall, until otherwise ordered by Congress, be continued under the supervision and control of the Secretary of War, who shall make all estimates and pass all accounts, and be accountable to the Treasury of the United States for all expenditures.

By order of the Secretary of War.

E. D. TOWNSEND,  
*Adjutant-General.*

Official:

*Assistant Adjutant-General.*

HEADQUARTERS DEPARTMENT OF THE COLUMBIA,  
*Portland, Oregon, August 4, 1875.*

To the ADJUTANT-GENERAL OF THE ARMY,  
*Washington:*

SIR: On my return from Fort Klamath, I found your letter of June 26, 1875, with inclosures.

By direction of the Secretary of War, you request me to furnish, concerning the Rost Home Colony, Louisiana, "all information in your (my) possession, or that I can obtain, \* \* \* thus to aid in securing to the Government the amount involved."

I answer, first, that I have no information whatever, except what you send me with your letter.

Second, no possible way occurs to me of obtaining information except through the officers who are accountable for the fund in question.

General Mower, to whom I gave the order, (copy marked inclosure "C," appended to the report of the commissioners of the Freedman's Savings and Trust Company,) is dead. His disbursing-officer, Capt. W. B. Armstrong, assistant quartermaster, was soon after mustered out of service. I have no information concerning his present residence. W. H. Wood, then lieutenant-colonel First United States Infantry, was assistant commissioner succeeding General Mower. Col. Robert C. Buchanan succeeded Colonel Wood.

It will be noticed in the accounts you inclose, that the disbursements were made in 1865 and 1866, when General A. Baird was assistant commissioner, and prior to any order directing the disposition of the net proceeds. If the successors to the record of the Freedmen's Bureau will write a note of inquiry to each of the officers named who are now in the Army, the replies may furnish all required information, or give some reason why this Rost Home Colony was treated differently from other asylums and hospitals under charge of the Bureau.

It appears to me that as the deposit was made holding "the balance of proceeds" subject to the order of the commissioner, the withdrawal from deposit should be by the same authority. The honorable Secretary of War being to all intents and purposes the successor in law to the commissioner, his order should be sufficient.

Capt. W. B. Armstrong, assistant quartermaster, accounted directly to the Treasury of the United States, being a bonded disbursing-officer of the Army. The assistant commissioner supervised his accounts in detail, but they did not come under my eye.

Believing that I have done all in my power to throw light upon the subject at issue, and being unwilling to shoulder greater responsibility than my plain duty seems to require, I respectfully request that the Assistant Adjutant-General, now in charge of the freedmen's branch of the War Department, conduct the correspondence with the Army officers or others who may be, directly or indirectly, connected with the case.

I am, very respectfully, your obedient servant,

O. O. HOWARD,  
*Brigadier-General, United States Army.*

P. S.—I will name Geo. W. Dyer, esq., of Washington, D. C., as my attorney, in case any legal proceedings be had.

O. O. HOWARD,  
*Brigadier-General, United States Army.*

WAR DEPARTMENT,  
Washington City, September 21, 1875.

SIR: Referring to your communication of the 27th of January, 1875, transmitting for further action or suggestion copy of letter from R. H. T. Leipold, one of the commissioners of the Freedman's Savings and Trust Company, and copy of another from the Third Auditor of the Treasury, both bearing upon the matter of the "Rost Home Colony," a full statement of which, so far as shown by the records of the late Bureau Refugees, Freedmen and Abandoned Lands, was submitted to you by War Department letter of the 11th of January, 1875, I have the honor to inform you that, subsequent to the correspondence referred to above, the subject was placed before the late Commissioner of the Freedmen's Bureau by letter dated June 26, 1875, (copy herewith,) to which he has replied by letter of August 4, 1875, (copy herewith,) and wherein he declines to assume any responsibility.

I now view it as the duty of the Treasury Department to take the necessary steps to secure to the Government the money now with the Freedman's Savings and Trust Company arising from the Rost Home Colony transaction, and also the large amount which has not been accounted for, that is, the value of the crops (see estimate \$ 0,000 and upward) less the amount actually deposited with said Freedman's Savings and Trust Company; and to that end I now place the matter before you.

I may particularly refer to the fact that the late Commissioner, in violation of law, placed the amount, \$15,000 and \$870.07, total, \$15,870.07, in the Freedman's Savings and Trust Company, and did not, at the date of the transfer of the late bureau to the Adjutant-General of the Army, under General Order No. 55, of 1872, (copy herewith,) or subsequently, refer to the money being there, although the general order referred to directed that all "funds, papers, and property will be delivered by the first of July proximo."

There is no doubt as to the funds being public, and the accountability for them falls clearly under the act of June 15, 1866, entitled "An act to provide for the settlement of accounts of certain public officers."

I deem it proper to further invite your attention to the memorandum transmitted to you January 11, 1875, from which it appears that rations were furnished to this colony to an amount exceeding \$26,000 in value.

The Commissary-General of Subsistence, United States Army, reports that said rations were supplied through Captain I. T. Haskell, commissary-subsistence, volunteers, at New Orleans, La., but can find no evidence that payment therefor was ever made by the late Bureau Refugees, Freedmen and Abandoned Lands.

Very respectfully, your obedient servant,

W. W. BELKNAP,  
*Secretary of War.*

The Hon. SECRETARY OF THE TREASURY,  
Washington, D. C.

TREASURY DEPARTMENT,  
Washington, D. C., October 9, 1875.

SIR: Acknowledging the receipt of your letter of the 21st ultimo, relative to money accruing from the "Rost Home Colony," and alleged to be yet due the Government, I have the honor to inform you that all the papers in the case in possession of this Office have been transmitted to the honorable Second Comptroller of this Department with request that he cause a thorough examination of the whole matter in question to be made, and that he take such further steps as may be deemed necessary to secure to the Government any interest it may have therein, and to cause a proper adjustment of all accounts pertaining thereto.

Very respectfully,

B. H. BRISTOW, *Secretary.*

Hon. W. W. BELKNAP,  
*Secretary of War.*

WAR DEPARTMENT, ADJUTANT-GENERAL'S OFFICE,  
Washington, D. C., October 9, 1875.

SIR: \* \* \* Relative to certain matters pertaining to the affairs of the late Bureau of Refugees, Freedmen and Abandoned Lands, the following will indicate as to their condition at this time :

\* \* \* \* \*  
7th. "Rost Home Colony," involving some \$80,000.

This has, in part, been before the Treasury Department, and was first developed by the commissioners of the Freedman's Savings and Trust Company, through their

report in Miscellaneous Document 16, House of Representatives, Forty-third Congress, second session. No accounts covering, as required by act of June 15, 1866, (14 Stat., page 65,) have been filed in the Treasury Department, nor can any detailed statement, in explanation, be found. The War Department holds that accounts in detail with vouchers should be rendered; all funds not legally and duly accounted for should be recovered, and action had looking to securing, immediately, the amount, some \$21,605.83, in the hands of the Freedman's Savings and Trust Company.

The subject was, on June 26, 1875, duly placed before the late commissioner, who, in reply, has stated that he has no information whatever, except what was sent him by the communication of June 26, from this Office. No explanation has been made as to why the amount found in the Freedman's Savings and Trust Company, and placed there by the orders of the late Commissioner, was permitted to remain there instead of transferring it under War Department Orders No. 55, series of 1872, for the transfer of the late bureau to the charge of this Office.

By letter of September 21, 1875, the Secretary of War placed the subject finally before the Secretary of the Treasury, concluding as follows:

"I now view it as the duty of the Treasury Department to take the necessary steps to secure to the Government the money now with the Freedman's Savings and Trust Company, arising from the Rost Home Colony transaction, and also the large amount which has not been accounted for, that is, the value of the crops (see estimate \$80,000 and upward) less the amount actually deposited with said Freedman's Savings and Trust Company; and to that end I now place the matter before you."

\* \* \* \* \*

"There is no doubt as to the funds being public, and the accountability for them falls clearly under the act of June 15, 1866, entitled 'An act to provide for the settlement of accounts of certain public officers.'"

October 9, the Secretary of the Treasury informed the Secretary of War that the Second Comptroller had been requested "to cause a thorough examination of the whole matter in question to be made, and that he take such further steps as may be deemed necessary to secure to the Government any interest it may have therein, and to cause a proper adjustment of all accounts pertaining thereto."

\* \* \* \* \*

Very respectfully, general, your obedient servant,

THOMAS M. VINCENT,  
*Assistant Adjutant-General.*

To the ADJUTANT-GENERAL OF THE ARMY.

SELECT COMMITTEE ON FREEDMAN'S BANK,  
Washington, D. C., February 1, 1876.

DEAR SIR: Your communication, with stated inclosures, of this date to the chairman has been received. In reply, I have to inform you that the paper designated as "pay-roll" does not embody the information asked, and the committee desire to be informed by a tabular or itemized statement of the entire expenses on all accounts incurred by the commissioners in the settlement of the affairs of the Freedman's Savings and Trust Company, in which they wish particularly all accounts for fees and commissions to attorneys, and the names of said attorneys; in short, the whole amount of disbursements by the commissioners up to the date of the returns heroby asked for, and the daily expense on which the business is now being conducted, with any suggestions as to how and to what extent said expenses may be reduced.

Also, that you will please send to the committee all the drafts embraced under the designation of "overdrafts," in the report this day received.

By order of the committee.

Yours, respectfully,

GEO. C. WEDDERBURN,

*Clerk Committee Investigation Freedman's Savings and Trust Company.*

R. H. T. LEIPOLD, Esq.,

*Of the Commissioners Freedman's Savings and Trust Company, present.*

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OFFICE OF THE COMMISSIONERS OF THE  
FREEDMAN'S SAVINGS AND TRUST COMPANY,  
Washington, D. C., February 12, 1876.

SIR: In reply to your communication of the 1st instant, we have the honor to transmit herewith the following tabular or itemized statements of the entire expenses on all accounts incurred by the commissioners of the Freedman's Savings and Trust Company in the settlement of the affairs of said company, and those previously incurred, but paid by them, from the 13th day of July, 1874, the day when they entered upon the performance of their duties, to and including the 31st day of January, 1876, viz:

- No. 1. Statement of ordinary expenses;
- No. 2. Statement of salaries;
- No. 3. Statement of attorneys' fees and costs;
- No. 4. Statement of miscellaneous expenses;
- No. 5. Statement of expenses incurred in connection with loans; and
- No. 6. Statement of expenses incident to the preservation, &c., of properties belonging to the company.

The expenses incurred in connection with loans consist mainly of the expenses of sales, and the overdue and unpaid taxes on property upon which the company held deeds of trust, the property having been bid in by us at trustees' sale to prevent its being sacrificed.

We also inclose an itemized statement of the overdrafts at the several branches, and such of the drafts themselves by which the overdrafts at the Washington branch were incurred as we have been able to find.

The paid and canceled drafts of the other branches, that were sent to us at the time the branches were closed, are contained in 35 large cases of unassorted miscellaneous papers and canceled pass-books. To examine these thoroughly with a view to discover whether any of the drafts asked for are among them will require weeks—perhaps months. Hence, we forward the desired statements without awaiting the result of so long a search.

Having made every effort to limit the expenses of the commission to the lowest possible figure, and to reduce them as fast as practicable, we are not able, at this time, to suggest any further reduction other than that contemplated in Senate bill No. 141, now in possession of your committee. By transferring the payment of the future dividend to the Government depositaries, the expense of expressage and postage on pass-books—a considerable sum—will be saved.

We are expending now such sums only as in our opinion are absolutely necessary for the prompt execution of our trust, and the protection of the assets committed to our care.

We have the honor to be, very respectfully, your obedient servants,

JNO. A. J. CRESWELL,

R. H. T. LEIPOLD,

*Of the Commissioners.*

One hundred checks inclosed, which please return.

Hon. B. B. DOUGLAS,

*Chairman Committee of Investigation Freedman's Savings and Trust Company.*

Statement of overdrafts of the Freedman's Savings and Trust Company.

Date of overdrafts.	Name.	Amount.	Payments.
WASHINGTON BRANCH.			
Aug. 1, 1873	John Miller	\$10 35	
Dec. 2, 1873	H. C. Bliss	1 11	\$1 11
July 20, 1873	Abbott Pavement Company	480 00	
Nov. 8, 1872	Frank T. Howe, business manager	30 32	
Sept. 3, 1873	J. G. Meyers	19 74	
June 4, 1874	William McGuire	641 65	641 65
Jan. 3, 1873	Harry Donehue	20 34	
Sept. 7, 1872	J. M. Brown	1,026 66	205 40
April 30, 1874	J. V. W. Vandenburg	1,201 20	
Nov. 5, 1872	Benjamin Swallow	8 40	
Mar. 2, 1874	Marcellus Bailey	35 46	
Dec. 14, 1873	E. L. Schmidt	8 09	8 09
Nov. 16, 1872	H. N. Howard	143 00	
Oct. 2, 1872	Charles H. Bliss	188 15	
June 3, 1874	Edward S. Jones	25 40	
Aug. 2, 1873	Robert E. Williams	13 80	
Mar. 12, 1873	Henry Johnson	03	
July 22, 1872	Zalmon Richards	115 51	
Mar. 18, 1874	John W. Starr	4 08	4 08
May 5, 1874	Ira A. Hopkins	74 54	
May 19, 1874	Leonidas Scott	206 40	206 46
May 18, 1874	Dr. Joseph T. Johnson	8 67	8 67
Jan. 7, 1874	Israel Dill, (dead)	9 10	
Jan. 25, 1873	John H. McCheaney	100 00	100 00
Nov. 27, 1872	Charles R. Douglass	22 14	
Nov. 30, 1872	Douglass Brothers	561 52	
Jan. 6, 1873	Robert A. Phillips	15 89	
July 1, 1874	J. W. Wright	814 64	814 64
Mar. 11, 1873	C. W. Seaton	45 24	45 24
June 20, 1873	R. M. Hall	838 98	
Mar. 25, 1873	Horace Boughton	2 00	
May 6, 1873	Roswell Waldo	18 02	18 02
June 5, 1873	J. W. Chickering	100 00	100 00
Mar. 3, 1874	B. H. Warner	3 28	3 28
Mar. 14, 1874	F. C. Harris	5 00	5 00
Sept. 19, 1873	R. J. Nicholson	6 00	
Sept. 4, 1873	Sarah M. Choffer	1 92	1 92
Sept. 8, 1873	Joseph E. Snodgrass	192 72	50 00
May 6, 1874	Ballard Pavement Company	13 46	
Jan. 5, 1874	J. Daniels	140 22	
Aug. 9, 1873	F. S. Lamson	528 92	
Nov. 17, 1873	Smolinski & Lyle	40 06	
April 30, 1874	J. J. Georges	01	
Feb. 16, 1874	W. J. Cooke	756 40	756 40
Feb. 9, 1874	James H. McGill	46	46
June 10, 1874	A. Cuemings	5 33	
April 18, 1874	J. R. Cooke	1 50	1 50
June 2, 1874	J. T. Wormley	3 42	3 42
June 26, 1874	George W. Stickney	57 22	57 22
June 30, 1874	George D. Johnson, agent	19 00	
July 3, 1874	George D. Johnson	28 11	
Feb. 12, 1874	Holden & Spence	49	
Feb. 18, 1873	E. L. Sizer	29 20	26 50
May 2, 1874	Wormley & Johnson	7 22	7 22
May 29, 1874	William E. Matthews	30	
Oct. 25, 1866	Ellock La Rue	10 00	
Feb. 25, 1866	James Vincent	10 00	
Mar. 15, 1866	John Lane	5 00	
Sept. 14, 1869	James Dent	1 38	
Mar. 10, 1867	Patience Hardy	4 00	
Sept. 1, 1871	Enoch Magruder	5 00	
Sept. 17, 1872	Joseph R. Parker	50	
Nov. 11, 1872	John Smiley	03	
Mar. 30, 1872	Joseph Brown	2 00	
June 7, 1869	Aleinda Letcher	1 02	
Dec. 31, 1871	D. L. Eaton & Co.	95 13	
Mar. 2, 1869	John Kimball	38 29	
Nov. 6, 1869	G. P. Hopkins	1 55	
May 18, 1868	Daniel Shaw	5 00	
Nov. 13, 1869	Sandy Plator	10 51	
Aug. 21, 1869	Mrs. S. T. Goodall	50	
June 20, 1867	George Grice	50	
Mar. 31, 1868	Robert Delaney	25 50	
Dec. 19, 1867	Mary E. Williams	20 00	
Aug. 31, 1869	William Dodson	33	
Nov. 13, 1868	James G. Madison	5 02	
July 23, 1869	Caroline Jackson	3 75	
June 30, 1869	Susan Walker	50	50
Jan. 24, 1868	Augustus Jones	13 00	

## Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
WASHINGTON BRANCH—Continued.			
June 10, 1868	George Washington.....	\$1 00	
Feb. 6, 1873	Elizabeth Herbert.....	1 08	
Nov. 27, 1869	William H. Brown.....	39	
June 20, 1873	Elizabeth I. Brown.....	70	
April 22, 1869	William Warner.....	6 00	
Jan. 22, 1868	John J. Gray.....	14 04	
June 25, 1868	Mary Washington.....	6 50	
Jan. 24, 1868	William H. Doolittle.....	5 00	
Nov. 21, 1868	Alexander Ashley.....	1 19	
Nov. 10, 1870	Fanny Johnson.....	20 00	
July 21, 1868	Louis Byrne.....	1 00	
Oct. 12, 1872	Samuel Lee.....	4 98	
Aug. 8, 1868	Charles H. Churn.....	6 50	
Sept. 3, 1870	Edward Gibson.....	59 04	
Dec. 5, 1870	James Wm. Hawkins.....	11 00	
Jan. 30, 1869	George Ingraham.....	92	
Nov. 9, 1869	Heater A. Garnett.....	1 07	
April 20, 1869	William H. Gray.....	8 75	
Nov. 13, 1871	George Wm. Barnes.....	3 84	
Feb. 23, 1871	George Johnson.....	18	
Dec. 10, 1871	Judson Hard.....	8 31	
Jan. 5, 1869	Edward S. Fowler, treas. 1st Cong. S. S.....	5 00	
July 6, 1870	Margaret Dugan.....	60	
Sept. 10, 1869	Mary Grayson.....	7 00	
April 11, 1871	Charlotte Watts.....	37	
Aug. 30, 1869	John H. Woodward.....	10 00	
July 27, 1870	Abraham Johnson.....	15	
Sept. 10, 1869	Amelia Colbert.....	1 75	
July 9, 1871	Charles Meyer.....	80 00	
Mar. 20, 1870	George Smith.....	25 00	
Mar. 14, 1870	John Bolden.....	20	
Aug. 4, 1869	Cleland Claxton.....	21 98	
Aug. 8, 1868	C. A. Stewart.....	2 55	\$2 55
July 10, 1870	Stafford Payne.....	02	
Jan. 13, 1874	Winnie Randall.....	40	40
Sept. 21, 1870	William Skippeth.....	01	
Oct. 19, 1871	Marla Hicks.....	40	
June 17, 1870	Mary R. Golnes.....	37 58	
July 1, 1871	Richard Hill.....	100 00	
Nov. 19, 1870	Rebecca Lancaster.....	02	
Jan. 2, 1873	Braxton Harrison.....	02	
Mar. 3, 1870	Edmund Tyler.....	1 25	
Mar. 17, 1870	Emily Tyler.....	1 76	
May 13, 1871	James Schooler.....	14 95	
June 12, 1871	Patrick Cosgrove.....	10 00	
Dec. 4, 1870	Amelia F. Brown.....	30 00	
Mar. 10, 1871	Cornelia Hamilton.....	25 00	
April 30, 1870	John A. Cole, special fund.....	45 54	45 54
Dec. 8, 1870	O. S. B. Wall.....	25 00	
Oct. 30, 1868	C. W. Meding.....	48	
Dec. 7, 1869	George Grant.....	38	
April 1, 1870	C. F. Grimes.....	70 00	
Sept. 4, 1869	Charles Mullaley.....	25 00	
April 1, 1871	James Schouler, trustee.....	90 20	
July 19, 1871	Catherine Lancaster.....	5 04	
June 20, 1874	Matilda A. Wheeler.....	1 97	
Nov. 19, 1870	Dr. Robert Phillips.....	10 00	
Feb. 1, 1871	Octavia Herndon.....	3 12	
Sept. 30, 1869	Samuel I. Davis.....	02	
June 13, 1871	Lawrence G. Fletcher.....	2 00	
Feb. 9, 1870	Charles Weiss.....	15 00	
Oct. 21, 1872	Lucius W. Sydnor.....	5 00	
Nov. 8, 1869	Mrs. A. G. Gaston, agent.....	27 59	
Feb. 6, 1872	Eliza Bolden.....	4 00	
Oct. 5, 1871	Rachel Mason.....	5 10	
June 25, 1870	James W. Somers.....	02	
Dec. 20, 1869	Joseph E. Venning.....	02	
Dec. 20, 1869	William Alexander.....	11	
June 9, 1870	Thomas Sorrell.....	5 00	
Aug. 9, 1870	A. O. Spaulding.....	15 00	
Jan. 27, 1870	W. F. Bronaugh.....	0 40	
May 28, 1870	W. G. Meldrum.....	50	
June 16, 1870	John C. Winn.....	50	
May 27, 1871	Sons and dau. of Mayberry.....	00	
Mar. 17, 1871	Louisa Coates.....	10	
Dec. 3, 1873	Peter Roberts.....	1 35	
Oct. 26, 1872	Thomas Perry.....	9 40	
July 25, 1870	Thomas Little.....	10	



Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
WASHINGTON BRANCH—Continued.			
Sept. 2, 1871	E. J. Knowles.....	\$0 65	.....
Mar. 27, 1871	James Grant.....	10 27	.....
Dec. 7, 1869	William H. Goodacre.....	28 25	.....
Dec. 9, 1870	George T. Cook.....	653 96	.....
Mar. 4, 1872	John J. Knox.....	20	.....
May 31, 1870	John Bell.....	5 00	.....
Sept. 11, 1873	Francis Henry.....	10	.....
Oct. 7, 1870	Alexander Williamson.....	0 00	.....
Sept. 19, 1873	Alexander Davis.....	40 50	.....
Jan. 2, 1872	J. O. Lewis.....	331 00	\$255 07
July 16, 1870	H. B. Philbrook.....	90 85	.....
Oct. 20, 1871	Daniel L. Welch & Co.....	171 54	.....
June 18, 1870	A. Pannell.....	221 51	.....
July 9, 1870	McNair & Wheeler.....	30	.....
July 26, 1870	Colly Jenifer.....	18 00	.....
Feb. 6, 1871	Joshua Whitney & Co.....	150 41	.....
June 14, 1873	Nancy Lomax.....	25 00	.....
Mar. 30, 1871	New Church Book and Tract Society.....	35 71	.....
Apr. 15, 1873	H. P. Saunders.....	144 84	144 84
Feb. 4, 1871	F. H. Young.....	22 08	.....
Mar. 28, 1872	John S. Polar.....	18 01	.....
May 2, 1871	Chris. C. Collan.....	0 00	.....
Mar. 19, 1872	Prindle & Dyer.....	1 82	1 82
Feb. 24, 1872	Sophia Holmes, guardian.....	5 51	5 51
Oct. 15, 1870	J. E. Ayres.....	35 00	.....
Jan. 19, 1871	John R. Arrison.....	24 78	.....
Dec. 12, 1870	John L. Duffee.....	70 00	.....
Mar. 22, 1871	John Battle.....	50	.....
Mar. 6, 1871	Henry Bayley.....	70 36	.....
May 25, 1874	Henry Moore.....	19 05	19 05
Jan. 20, 1871	H. C. Addison.....	64 72	.....
Jan. 11, 1871	James H. Howls.....	28 91	.....
May 9, 1871	M. Duffy.....	12 00	.....
Dec. 28, 1870	A. B. Rogerson.....	5 00	.....
Dec. 14, 1871	N. H. Miller.....	17 84	.....
Feb. 17, 1872	William Rowe.....	3 90	.....
Dec. 27, 1870	Charles E. Caphart.....	10 87	.....
April 8, 1871	Edward Lloyd.....	16 00	.....
April 25, 1871	Julia A. Holmes.....	15 85	.....
Mar. 13, 1872	Fannie E. Ruffin.....	4 44	.....
April 29, 1871	T. J. Brickeler.....	25 20	.....
Oct. 24, 1873	Mary Ellings.....	20	.....
May 10, 1871	Thomas Thompson.....	1 67	.....
June 7, 1873	Mount Olive Lodge, No. 1333.....	4 67	.....
Mar. 5, 1872	J. McC. Perkins.....	25 00	.....
Sept. 9, 1873	Lucey Roy.....	12 85	12 00
Feb. 3, 1872	Thomas Smith.....	2 00	.....
Jan. 31, 1873	Francis A. Pannell.....	2 77	.....
Dec. 27, 1873	John W. Smith.....	15	.....
Dec. 13, 1871	Elizabeth Baldwin.....	5 00	.....
April 7, 1874	William Pope.....	50 00	50 00
Oct. 23, 1871	Thomas C. Connolly.....	06	06
May 13, 1872	William R. Woodward.....	3 91	.....
Mar. 9, 1872	George Schermorhorn.....	288 90	.....
Sept. 10, 1873	Jane Stevenson.....	9 92	.....
Feb. 14, 1873	Thomas Bond.....	2 65	.....
April 4, 1874	Francis Johnson.....	02	.....
Oct. 25, 1873	Smith Kelley.....	3 00	.....
Dec. 11, 1871	Joseph H. Shaffield.....	53	.....
Oct. 11, 1872	Daniel and Terrence Duffy.....	03	.....
April 11, 1873	William B. Logan.....	15 00	.....
Jan. 22, 1874	H. S. Stotter.....	10 00	.....
April 27, 1874	Allen Rutherford.....	1 94	85
Mar. 23, 1874	William H. Gunnison.....	626 87	25 00
Jan. 12, 1874	Samuel Barrow.....	3 72	.....
Jan. 12, 1872	Charles Weirman.....	34 32	.....
Mar. 11, 1873	Sophonra Wade.....	200 00	.....
Dec. 11, 1872	Joseph Walsh.....	07	.....
June 25, 1873	Bennett R. Bates.....	02	.....
Jan. 25, 1873	A. Erdman.....	25 75	.....
Feb. 16, 1874	Eveline Hutchinson.....	75	.....
Sept. 26, 1873	Thomas W. Chaso.....	26 75	.....
Nov. 20, 1872	John Bradford.....	1 00	.....
Jan. 3, 1874	Charles N. Thomas.....	14 42	14 42
Oct. 2, 1873	J. W. Alford, jr.....	60	60
April 2, 1872	William C. McIntire.....	45 01	.....
Aug. 15, 1872	J. M. McAvoy.....	6 00	.....
Aug. 3, 1872	H. D. Cooke, jr.....	6 75	6 75

## Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
WASHINGTON BRANCH—Continued.			
June 18, 1874	C. C. Casey .....	\$13 53	\$13 53
June 30, 1874	A. Pollok .....	73	
April 30, 1874	S. I. Fleetwood .....	4 50	4 50
Oct. 15, 1872	Thomas G. Allen .....	50 00	
July 2, 1873	Edward Burchardts .....	1 00	
May 28, 1874	Alfred Day .....	42	
Oct. 23, 1872	S. Deane .....	1,038 40	170 00
July 1, 1874	W. R. Hooper .....	57 09	57 09
June 17, 1873	J. M. Orners .....	4 54	
Mar. 31, 1872	A. L. Lowell .....	25 00	
May 24, 1873	S. H. Iredeell .....	80 34	89 34
Jan. 3, 1873	Wilson Church fund .....	18 40	
July 20, 1873	Conrad Beuker .....	88	88
Aug. 15, 1872	Kate V. Jennings .....	- 4 52	4 52
Oct. 5, 1872	Mary Bell .....	23 42	
Oct. 18, 1872	William and Luoy Monroe .....	20 00	
Mar. 12, 1873	Calvin T. A. Holland .....	1 00	
Feb. 25, 1873	T. C. Holland .....	10 00	
Mar. 12, 1873	Mrs. A. A. Whitney .....	30	
Oct. 14, 1873	Charles E. Greono .....	01	
May 3, 1872	C. A. Boynton .....	6 00	
Jan. 2, 1872	Jero Long .....	09	09
Sept. 10, 1872	W. B. Gonzalvis .....	20 56	29 56
Feb. 1, 1874	James L. Davis .....	12 04	
Mar. 1, 1873	A. H. M. Taylor .....	48 70	
Oct. 12, 1872	Kate Wood .....	10 00	
Feb. 28, 1873	E. Freyhold .....	1 00	
Apr. 15, 1872	W. J. Murray .....	7 00	
Sept. 24, 1873	John W. Hunter .....	10 86	
Dec. 4, 1873	H. S. Boynton .....	14 25	14 25
Sept. 10, 1873	David Johnson .....	10	
Mar. 30, 1874	George W. Phillips .....	142 71	
June 10, 1872	G. T. Langley .....	30	
May 19, 1874	J. C. Napier .....	30 00	
Mar. 21, 1874	Lynds F. Jones .....	133 33	
Nov. 20, 1873	James A. Handy .....	9 86	
Aug. 13, 1873	Thomas Lewis .....	2 77	
Mar. 12, 1873	George Wheeler .....	50 00	
Nov. 1, 1873	Lawrence L. Butler .....	03	03
July 8, 1872	J. W. Nichols .....	4 00	
Oct. 20, 1872	William E. Harloy .....	4 00	
Jan. 22, 1873	M. Porter Snoll .....	7 92	7 92
Apr. 27, 1874	William H. and Mary Ann Lee .....	12 99	
July 13, 1872	Margaret Hetzell .....	4 84	
Jan. 20, 1873	Peter Hayes .....	50	
Aug. 13, 1873	Clara E. Collins .....	3 94	
Mar. 10, 1873	Peter Lewis .....	3 50	
Jan. 4, 1873	Horace F. White .....	42 10	
May 17, 1872	R. B. Lloyd, agent .....	108 57	
Apr. 3, 1873	Mrs. S. B. A. Robinson .....	39 01	
Oct. 26, 1872	Jerome B. Ten Eyck .....	02	
Aug. 24, 1872	John C. Hogan .....	307 87	307 87
Sept. 9, 1873	Rev. W. B. Evans .....	8 18	
Sept. 2, 1872	Arthur Simmons .....	39 47	
Sept. 4, 1872	W. T. Johnson .....	54 27	
Nov. 20, 1873	James Barry .....	10	
June 4, 1874	E. A. Wheeler .....	4 75	4 75
July 20, 1873	Juan Boyle & Co .....	1 98	
Oct. 3, 1873	Thomas M. Healey .....	31 00	
Dec. 3, 1872	C. A. Nowton .....	3 30	
July 7, 1873	John H. Cook .....	20 00	
Dec. 18, 1872	Joseph G. Hill .....	1 00	
Dec. 26, 1873	Mildred A. Bolden .....	4 10	
Feb. 19, 1874	A. D. Robinson .....	12 30	12 30
Jan. 11, 1873	Lewis Thomas .....	2 00	
Oct. 4, 1872	Elizabeth Davis .....	2 50	
Jan. 20, 1873	R. H. Marsh .....	66 05	
Mar. 11, 1873	Thomas A. Cushing .....	20	
Nov. 25, 1873	Mary A. Cook .....	50	
Sept. 27, 1872	John H. Bond .....	161 17	161 17
Aug. 9, 1873	Bishop J. M. Brown .....	86 53	86 53
Jan. 27, 1873	Samuel Jackson .....	1 00	
Feb. 0, 1874	Jennie L. Wall .....	6 75	
Dec. 8, 1873	Jerry Lomax .....	4 00	
July 1, 1873	R. Farnham .....	129 94	129 94
Aug. 6, 1872	T. J. Lazenby .....	5 15	
Mar. 25, 1873	Mary A. Sherwood .....	20 00	20 00
July 8, 1873	Walter Bowdin .....	10	
Mar. 12, 1873	Jennie Hughes .....	10 00	

Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
WASHINGTON BRANCH—Continued.			
Dec. 24, 1872	John Ernest.....	\$0 25	
Mar. 16, 1874	Sarah Jackson.....	7 23	
Sept. 17, 1873	Cynthia Gaskins.....	6 00	
Nov. 1, 1872	John W. Sanderson.....	1 00	
Feb. 12, 1873	Oliver C. Black.....	32	
May 3, 1873	Marin Turner.....	01	
Apr. 4, 1874	Stephen Smallwood.....	04	
Oct. 8, 1874	Lorenzo Wescott.....	47	
Dec. 30, 1873	Annie Campbell.....	06	
Dec. 29, 1873	Charles T. Parker.....	7 75	
Sept. 4, 1873	Wolfgang Ruchdasohel.....	10 00	
May 3, 1873	Robert Gilmore.....	07	
Sept. 20, 1873	John Crawford.....	01	
May 4, 1874	Daniel Breed.....	83 57	\$83 57
May 10, 1873	Sarah Ann Lewis.....	2 60	
Apr. 2, 1874	Everett J. Willard.....	1 48	
Oct. 13, 1873	Joseph Hanson.....	1 78	
Feb. 28, 1873	N. S. Wright.....	80	
Mar. 29, 1873	William E. Augusta, trustee.....	40 25	40 25
Mar. 11, 1873	A. Michuells.....	5 53	
June 22, 1874	Mrs. George W. Stokney, treas.....	29 00	29 00
May 31, 1873	Robert Jones.....	10	
Dec. 3, 1873	Juvenile Union Friendship, No. 4.....	15 68	
Jan. 1, 1874	G. R. Thompson.....	01	
Sept. 26, 1873	W. T. Mookbeo.....	3 44	
June 7, 1873	Nora Robinson.....	13 00	13 00
June 23, 1874	A. S. Taylor.....	9 09	
Mar. 29, 1873	A. R. Fowler.....	129 25	
July 2, 1874	Frank Wilson.....	81	
Sept. 13, 1873	Eugene Johnson.....	3 00	
July 7, 1873	William H. and Julia Griffin.....	6 50	
Jan. 10, 1874	Sandy Bryant.....	4 00	
Aug. 7, 1873	Lamp Stewart.....	13 00	
Nov. 29, 1873	Thomas Coan.....	3 83	
Sept. 30, 1873	Catherine Shinne.....	25 00	
Feb. 17, 1874	Richard T. Budd.....	3 08	
Apr. 10, 1874	Lewis Bolden.....	10 00	
Jan. 6, 1874	John Fallon.....	25	
Sept. 15, 1873	William H. Lewis.....	7 00	
Mar. 25, 1873	Martha Jones.....	3 87	
Apr. 20, 1874	Stephen King.....	01	
Oct. 29, 1873	Fred. Wallace.....	3 00	
Feb. 28, 1874	Andrew Jackson.....	8 35	
Mar. 24, 1874	John W. Cromwell.....	10 81	
Apr. 10, 1874	Moses Madrid.....	28	
Apr. 18, 1874	Vincent West.....	2 39	
July 29, 1873	John Pinokney.....	13 64	
Apr. 29, 1874	James H. Toy.....	3 07	
May 21, 1874	Charles Johnson.....	13 07	
July 2, 1874	Colored Union Benevolent Association.....	10 00	
July 1, 1874	John H. Brown.....	10 85	
June 18, 1873	J. N. Whitney.....	99 59	99 59
June 18, 1873	Fifth Baptist Church.....	221 90	
June 2, 1874	William Schooler.....	11 86	11 86
May 20, 1874	Dr. A. T. Augusta.....	3 80	3 80
Oct. 7, 1874	J. W. Wright.....	6 50	
Sept. 3, 1872	Jacklin Strange.....	1 26	1 26
Nov. 10, 1873	Eliza C. Tulloch.....	2 70	2 70
Sept. 20, 1873	Marion Clark.....	2 00	2 00
	Harriet A. Saunders.....	60	60
Oct. 12, 1872	Aaron N. Skinner.....	50 00	50 00
June 10, 1872	Jerome F. Johnson, treas.....	8 20	
Sept. 28, 1870	Jerome A. Johnson.....	13 37	
		17,768 22	5,113 95
ALEXANDRIA BRANCH.			
Feb. 17, 1874	Odd-Fellows' Joint Stock Company.....	24 74	
Aug. 15, 1873	George L. Seaton.....	101 68	
Mar. 10, 1874	Sarah T. Fisher.....	10	
Mar. 7, 1874	Edward Garrett.....	84	
Oct. 16, 1873	Turner.....	22 00	
		149 36	

## Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
ATLANTA BRANCH.			
Dec. 9, 1870	Louis Turner.....	\$2 00	.....
	Turner Squier .....	95 94	\$30 00
Nov. 8, 1872	David Hayne.....	16 77	.....
Sept. 17, 1873	Edmund Robinson.....	40	.....
Dec. 18, 1873	James Mitchell.....	1 10	.....
May 16, 1874	John Harris.....	15 85	.....
Oct. 20, 1870	William Ross.....	4 00	.....
May 20, 1873	Thomas Holland.....	41 83	.....
Jan. 23, 1874	Squire Simmons.....	44 05	32 60
Dec. 13, 1872	Burrill Parks.....	1 51	.....
April 4, 1874	Johnnie Russell.....	30	.....
Mar. 16, 1874	Moscow Jackson.....	1 04	.....
Feb. 2, 1874	James Loundes.....	02	.....
July 8, 1873	George McKinney.....	02	.....
July 28, 1873	T. N. Chase.....	10 30	.....
Feb. 5, 1874	P. D. Corey.....	4 75	.....
April 16, 1874	Willie G. Craig.....	14 45	.....
Mar. 2, 1873	Charles Jones.....	65	.....
Jan. 20, 1874	Eddie Butler.....	4 00	.....
June 29, 1874	James Tate.....	60 73	60 73
May 4, 1871	Simcon W. Beard.....	40	.....
		329 11	123 33
DEAUFORT BRANCH.			
Feb. 21, 1871	Morris Howard.....	24 50	.....
Jan. 8, 1872	Dooway Middleton.....	10 00	.....
Jan. 24, 1872	Winchell M. French.....	268 93	.....
Jan. 18, 1873	Clara Days.....	5 00	.....
July 22, 1872	R. G. Holmes.....	304 75	.....
July 9, 1872	R. H. Gleaves.....	100 00	.....
Jan. 23, 1873	Joseph Robinson.....	1 44	.....
Nov. 5, 1872	Joseph W. Collins.....	380 61	.....
Jan. 26, 1874	Bailey Stuart.....	13 03	.....
Nov. 9, 1872	M. M. Kingman & Co.....	212 09	.....
Jan. 26, 1873	Charles G. Kendall.....	80 53	.....
	Bennett & Co., (raised balance).....	2,000 00	.....
	Profit and loss, (balance of account).....	11,768 33	537 54
April 2, 1870	H. G. Judd.....	80 10	80 10
		15,255 31	617 64
COLUMBUS BRANCH.			
Jan. 2, 1873	Blewitt Diek.....	98	.....
April 23, 1872	Eliza Cummings.....	88	.....
Sept. 29, 1873	Guy McCloud.....	16 11	.....
July 3, 1874	Wm. N. Munroe & Co.....	04	.....
Sept. 27, 1872	Henry Penrose.....	4 25	.....
May 31, 1873	Tom Pollard.....	7 00	.....
June 4, 1874	William Reeves.....	11	.....
Feb. 24, 1873	Eliza Richards.....	90	.....
	Profit and loss, (balance of account).....	162 00	.....
		192 27	.....
COLUMBIA BRANCH.			
Jan. 12, 1872	Dr. T. A. Davidson.....	40 50	.....
July 15, 1874	Albert Smith.....	25	.....
June 30, 1874	Cesar Hardison.....	25	.....
		50 00	.....
HUNTSVILLE BRANCH.			
Aug. 5, 1871	John Bynum.....	23	.....
Jan. 8, 1872	J. H. Bono.....	4 17	.....
Jan. 9, 1871	Darby Bondle.....	10	.....
June 8, 1872	John W. Cooper.....	10	.....
Dec. 22, 1870	Charley Dall.....	1 00	.....
Sept. 24, 1870	John and Duleha Davis.....	2 80	.....
Dec. 23, 1870	Elcey Donald.....	56	.....
Feb. 8, 1873	Hannah N. Doyle.....	35	.....
June 12, 1871	John Evans.....	10	.....
July 8, 1870	William Glass.....	10 00	.....
Feb. 8, 1875	Ned Harris.....	65 98	.....
Dec. 6, 1871	Mrs. Maria Lacy.....	7 03	.....

Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
<b>HUNTSVILLE BRANCH—Continued.</b>			
Mar. 29, 1870	Peter Lowery, jr.....	\$1 00	.....
April 25, 1870	Alfred Patton.....	8 50	.....
Mar. 2, 1871	Luke Turner.....	10 00	.....
Nov. 22, 1870	Simons Wortham.....	10	.....
Dec. 17, 1870	George Womack.....	37	.....
June 6, 1870	Silas Wheat.....	4 00	.....
April 15, 1871	Lue Williams.....	1 70	.....
		118 00	
<b>JACKSONVILLE BRANCH.</b>			
	Profit and loss, (balance of account).....	051 02	.....
April 2, 1874	C. D. Brigham.....	52 68	.....
Jan. 31, 1874	Simon Jones.....	1 30	.....
Nov. 5, 1870	Bettiford and Togni.....	200 25	.....
May 27, 1872	Mahala I. Scott.....	1 34	.....
		1,305 59	
<b>LEXINGTON BRANCH.</b>			
June 7, 1873	D. N. Brown.....	8 23	.....
April 11, 1874	Ambrose Smith.....	4 50	.....
		12 73	
<b>LYNCHBURGH BRANCH.</b>			
Nov. 16, 1872	Madison Merchant Company.....	63	.....
	William George & Co.....	11 13	.....
Dec. 10, 1873	Charles George & Co.....	200 32	.....
Feb. 3, 1873	William Streets & Co.....	54 36	.....
Jan. 20, 1874	Dandridge Morris.....	1 61	.....
	Pleasant P. White.....	10 00	.....
July 3, 1874	L. Higginbotham.....	15	.....
July 1, 1874	Alex. Smith and wife.....	2 69	\$2 69
	Stephen Miller, (agent).....	7 00	.....
Nov. 12, 1872	Nicholas Butler.....	36	.....
Jan. 13, 1874	W. F. Bronaugh, (guardian).....	77	.....
		379 02	2 69
<b>LOUISVILLE BRANCH.</b>			
Mar. 18, 1873	General B. P. Runkle.....	184 12	.....
Dec. 15, 1868	Wesley Tipton.....	26 00	.....
Dec. 9, 1872	Sarah Hogans.....	1 00	.....
June 21, 1869	R. M. Johnson.....	2 00	.....
Nov. 25, 1870	Alexander Criddle, (dead).....	5 00	.....
Jan. 31, 1871	Sarah Green.....	3 84	.....
Oct. 4, 1870	John H. Keen, (in trust).....	50	.....
Dec. 6, 1870	L. Irving.....	2 00	.....
	Lydia Ann Hankley.....	24 73	.....
Dec. 15, 1870	Alfred Mays.....	1 00	.....
	Elizabeth Hunter.....	1 75	.....
	Harvey Gibson, treasurer, (balance of account).....	38 15	20 24
Oct. 1, 1872	Vincent Helm, (dead).....	4 00	.....
June 15, 1870	George W. Reynolds.....	29 04	.....
Nov. 24, 1873	Martin Rogers.....	85	.....
May 18, 1874	Lucy Ann Spradling.....	0 00	.....
Jan. 6, 1870	Mary Ann Mays.....	1 00	.....
Nov. 30, 1869	Louisa Cochran.....	27	.....
		334 25	20 24
<b>LITTLE ROCK BRANCH.</b>			
July 3, 1874	J. G. Hoback.....	23 41	23 41
April 23, 1874	Mrs. H. K. Plucknoy.....	15 00	.....
		38 41	23 41
<b>MACON BRANCH.</b>			
April 29, 1871	Abram Redd.....	1 00	.....
Mar. 2, 1871	Tempa Nixon.....	15	.....
Nov. 14, 1871	Lulu Massey.....	10	.....
Aug. 26, 1870	Julia Erby.....	15	.....

## Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
MACON BRANCH—Continued.			
Nov. 3, 1870	Isaac Williams.....	\$0 40	.....
Oct. 10, 1870	E. A. Lightfoot.....	3 00	.....
	Plez Harvey.....	10	.....
April 17, 1871	Richard Bassett.....	1 00	.....
April 20, 1874	Oscar Savage.....	05	.....
Aug. 12, 1870	David Johnson.....	15	.....
Sept. 15, 1870	George H. Pope.....	10	.....
	Mary L. Carter.....	39 10	.....
Aug. 7, 1871	Hartwell Epps.....	10	.....
	Florence Johnson.....	15	.....
May 8, 1871	George Edwards.....	10	.....
	David Neal.....	0 84	.....
Dec. 3, 1872	Richard Flarlyn.....	2 25	.....
April 17, 1873	Moore & Alexander.....	07	.....
Sept. 1, 1873	Joseph L. Day.....	4 80	.....
May 8, 1874	Clarence Gibson.....	3 47	.....
May 2, 1874	Joseph Walker.....	70	.....
Feb. 2, 1874	Gaston & Clark.....	9 61	.....
May 11, 1874	Mahala Woodliff.....	14 14	.....
July -1, 1874	Presbyterian Sunday School.....	1 51	.....
June 2, 1874	W. A. P. Church.....	20 60	.....
		114 44	.....
MEMPHIS BRANCH.			
Sept. 6, 1869	A. A. Barnard.....	38 10	.....
Jan. 20, 1873	David Hogan.....	50	.....
June 14, 1873	H. Pendleton.....	77	.....
April 21, 1873	Alfred Washington.....	1 07	.....
Aug. 8, 1870	Charles Williams.....	45	.....
	Robert Jones.....	2 09	.....
Dec. 7, 1872	Laborcas Treasmer.....	37 01	.....
Sept. 22, 1873	Mumford Horton.....	20 00	.....
Aug. 22, 1873	Albert Williams.....	3 40	.....
Aug. 25, 1873	Dr. A. Matson.....	2 00	.....
July 13, 1872	G. W. Mathews.....	4 00	.....
June 1, 1872	Rebecca Harris.....	1 50	.....
June 6, 1872	M. A. Hanson.....	85	.....
Aug. 7, 1872	Moses Brown.....	48 49	.....
July 15, 1873	L. M. Taylor.....	1 60	.....
	Elias Clayton.....	90	.....
Nov. 15, 1873	G. W. King.....	16 75	.....
Sept. 20, 1873	Nancy De Moses.....	9 89	.....
Sept. 20, 1873	Enoch Holliday.....	40	.....
June 10, 1873	A. C. Brewer.....	75	.....
June 13, 1874	Jesse Pigeo.....	17 38	.....
Mar. 17, 1874	Rachael Holman.....	8 01	.....
Jan. 24, 1874	R. J. Walker.....	37 55	.....
April 27, 1874	Frank Tally.....	115 00	\$28 23
Mar. 5, 1874	J. K. Hunter.....	210 00	.....
	E. R. Knight.....	8, 392 42	.....
	Profit and loss, (balance of account).....	539 20	.....
	P. C. Thayer, (balance of account).....	306 03	25 00
	Marsh & Warnor, (balance of account).....	517 89	.....
June 15, 1874	E. P. Pierce, agent.....	51 08	51 68
	E. Adams & Co., (balance of account).....	35 50	25 00
	L. Heyman, (balance of account).....	114 23	.....
	B. D. Rainey & Co., (balance of account).....	5, 164 84	.....
	W. L. Marsh, (balance of account).....	291 71	291 71
	H. E. Andrews, (balance of account).....	772 53	.....
	C. J. Smith, (balance of account).....	7 45	7 45
June 10, 1874	Letta Lowe.....	2 00	2 00
		10, 706 50	431 07
NATCHEZ BRANCH.			
Feb. 15, 1872	C. H. Kirkendall.....	326 54	.....
Oct. 11, 1870	P. E. Willman.....	147 06	.....
Dec. 26, 1872	Henry Singleton.....	142 00	.....
July 27, 1872	Adams Jackson.....	50 00	.....
June 11, 1873	Benjamin Thornton, treasurer.....	40 80	.....
Feb. 1, 1873	W. F. Franklin.....	14 00	.....
Feb. 9, 1871	Henderson Smallwood.....	5 00	.....
Jan. 4, 1873	T. Maroney.....	3 00	.....
June 2, 1873	J. R. Chappotin.....	2 00	.....
		730 40	.....

Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
NASHVILLE BRANCH.			
April 17, 1874	Barbara Shook .....	\$8 50	.....
May 20, 1872	Smith & Harding, agents .....	24 18	.....
Dec. 3, 1873	Molly Napier .....	77	.....
Sept. 18, 1870	Thomas J. Harris .....	25	.....
		33 70	.....
NEW BERNE BRANCH.			
Aug. 25, 1868	William Slade .....	\$5 00	.....
Dec. 21, 1870	Sylvia Conner .....	18 02	.....
July 6, 1870	Sophia Abbott .....	50	.....
May 12, 1870	Southey Dawson .....	1 00	.....
Aug. 12, 1868	Cæsar Taylor .....	5 00	\$5 00
Jan. 15, 1869	Simeon Lee .....	10 00	.....
Dec. 26, 1868	Richard Lane .....	5 00	.....
Mar. 20, 1869	George Scott .....	2 00	.....
Aug. 6, 1870	Alexander Dudley .....	1 62	.....
May 27, 1869	David Simmons .....	50	.....
Dec. 16, 1868	William Smedick .....	45 00	.....
Jan. 6, 1873	Robert Norfleet .....	19	.....
Aug. 18, 1869	Charles Hibbard .....	20 00	.....
Dec. 29, 1869	Nelson Spencer .....	5 00	.....
June 28, 1870	Joseph Grace .....	50	.....
Oct. 7, 1870	J. W. Hilton .....	11 00	.....
Mar. 3, 1871	R. S. Civils .....	02	.....
May 9, 1871	Moses Bryan & Co .....	81	81
Aug. 1, 1871	Alexander Conner .....	50	.....
	Annie M. Coats .....	60	.....
April 3, 1871	Shadlac Fenns .....	41	.....
Nov. 26, 1872	Whitmilk Cotton .....	25	.....
Mar. 18, 1872	Charles Hibbard .....	17 05	.....
Dec. 14, 1872	Benjamin Frater .....	4 00	.....
Nov. 8, 1872	Tobias Moore .....	1 60	.....
Mar. 15, 1872	Mary J. Smith .....	3 00	.....
Jan. 23, 1873	John S. Palmer .....	3 33	.....
June 10, 1873	John Dixon .....	52	52
Aug. 25, 1873	Moses Moore .....	50	.....
June 4, 1873	James Maxwell .....	1 37	.....
Aug. 22, 1873	James W. Smith .....	22	22
Feb. 24, 1872	Thomas A. Dillahant .....	10	.....
Aug. 2, 1870	Alice O. Kane .....	89	.....
Mar. 23, 1870	New Berne Self-Supporting Association .....	40 00	40 00
Nov. 22, 1873	Rosanna Fisher .....	22	.....
Dec. 1, 1873	John W. Hill, jr. ....	1 00	1 00
June 12, 1874	Aug. S. Seymour .....	40 00	40 00
		244 12	87 55
NEW ORLEANS BRANCH.			
Jan. 7, 1874	Mary Lockwood .....	2 17	.....
Apr. 25, 1874	Margarot Fischer .....	18	.....
Jan. 7, 1874	Marie Blaullen .....	22	.....
Apr. 1, 1874	E. J. Kellent .....	1 87	.....
Jan. 31, 1874	W. R. Wicker .....	1 00	.....
June 5, 1874	Jane Marshall .....	2 14	.....
June 10, 1874	Milvarya Armstead .....	2 00	.....
June 26, 1874	Mrs. E. Lewis .....	75	.....
		10 33	.....
NEW YORK BRANCH.			
May 4, 1871	Priscilla Gray .....	2 60	.....
Aug. 19, 1873	Emery M. Johnson .....	45	.....
July 8, 1874	Emily A. Zulle .....	99 97	.....
Oct. 10, 1873	Emily F. Johnson .....	09	.....
Mar. 17, 1871	Ann E. Henderson .....	82	.....
Nov. 1, 1870	African Union Church .....	18 26	.....
July 24, 1871	Cora Butler .....	1 00	.....
Jan. 23, 1872	Henry and Winifred Harrison .....	30	.....
Dec. 27, 1870	Eugene Johnson .....	10 00	.....
Apr. 8, 1871	Levin Pully .....	30 00	.....
Nov. 1, 1870	J. W. Mars .....	09	.....
Mar. 5, 1872	Mary McKenzie .....	50	.....
Jan. 18, 1871	Maria Tasheln .....	25	.....
Nov. 1, 1870	J. W. Bowers .....	266 61	.....

## Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
NEW YORK BRANCH—Continued.			
Aug. 9, 1872	Michael Clarko .....	\$0 40	.....
Dec. 9, 1873	Oscar Purdy.....	01	.....
Apr. 5, 1872	Nettle Healy.....	09	.....
July 26, 1873	Louis Debreaux, trustee .....	02	.....
Feb. 6, 1874	Charles Weaver.....	60	.....
Oct. 21, 1871	George H. Thomas.....	1,563 50	.....
May 12, 1874	Profit and loss .....	64 35	.....
July 23, 1873	Allice Green.....	10	.....
June 1, 1874	Andrew Coats .....	10	.....
Oct. 24, 1872	Marla Lamast .....	24	.....
May 21, 1874	John Rich & Co .....	02	.....
Nov. 18, 1873	Caroline M. Clute.....	50 45	.....
Apr. 25, 1874	Charles T. Menzel.....	90	.....
		2,109 72	.....
NORFOLK BRANCH.			
Apr. 12, 1873	Alfred Selden .....	13 00	.....
Feb. 24, 1871	Albert Portlock.....	3 92	.....
June 30, 1874	A. D. Blake.....	13 85	.....
May 2, 1874	T. F. Paige, Jr.....	11 35	.....
June 4, 1874	Rev. William Lewis.....	5 02	.....
Mar. 16, 1873	Charles Gatewood.....	32	.....
Apr. 16, 1870	Jane Grinnell .....	1 00	.....
Nov. 10, 1873	} John D. Epps .....	110 75	.....
Mar. 12, 1874			
Feb. 20, 1874	John W. Barbour .....	2 40	.....
June 17, 1874	Castle C. Williams .....	89	.....
Mar. 11, 1874	Millie Smith .....	2 67	.....
Dec. 31, 1872	Andrew Williams .....	7 49	.....
June 30, 1874	Charles T. Barry.....	1 85	.....
May 20, 1874	Henry Martin.....	2 78	.....
June 24, 1873	John J. Hodges .....	5 82	.....
Jan. 13, 1873	Sarah Holland .....	1 85	.....
Jan. 17, 1874	Jordan Smith .....	3 00	.....
Oct. 3, 1872	C. L. Wyatt & Co.....	17 15	\$10 95
	Error account, (balance of account) .....	371 53	.....
	Suspense account, (balance of account) .....	203 62	.....
Jan. 3, 1874	J. Lee Hopper, agent.....	25 70	.....
June 2, 1874	James E. Fuller, for "Daughters of Zion" .....	50	.....
		866 55	10 95
PHILADELPHIA BRANCH.			
Feb. 14, 1872	William W. Thomas .....	4 77	.....
Feb. 17, 1872	John Rollins .....	4 00	.....
Oct. 30, 1873	James W. Lavatt .....	75	.....
July 12, 1873	Daniel George .....	3 95	.....
		13 47	.....
RALEIGH BRANCH.			
Oct. 16, 1872	Edward Alexander.....	1 75	.....
Oct. 15, 1872	A. H. A. Brodie.....	124 37	.....
June 9, 1874	George W. Brodie.....	135 83	.....
May 16, 1874	Rufus Bryant .....	3 40	.....
	E. H. Blene .....	2 12	.....
Nov. 23, 1872	Lemuel Bryant.....	25	.....
May 7, 1873	Daniel Bryant.....	30	.....
Dec. 27, 1872	Dennis Brewer .....	35	.....
	James Burnett.....	15	.....
	J. D. Buncombe, (dead) .....	60	.....
May 13, 1873	J. R. Caswell.....	312 72	.....
	Mayant Curtis .....	4 68	.....
Feb. 17, 1872	Margaret A. Curtis .....	5 08	.....
	J. R. Caswell, agent.....	4 10	.....
Jan. 12, 1874	Betsy Clawson.....	1 00	.....
May 23, 1873	R. S. Cotton.....	1 10	.....
Oct. 2, 1872	P. D. Cotton .....	60	.....
May 4, 1874	Nelson Dunston.....	10 10	.....
May 2, 1874	Gilbert Dielsens .....	15	.....
Apr. 28, 1874	John Dickerson .....	2 85	.....
	Stewart Ellison .....	85	.....
Apr. 6, 1872	William Elliott .....	75	.....



Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
<b>RALEIGH BRANCH—Continued.</b>			
July 11 and 25, 1872.	Anthony Farrar.....	\$3 00	.....
June 27, 1872	Henry F. Farrar.....	75	.....
	Benjamin G. Green.....	05	.....
Apr. 23, 1872	Minerva Gaston.....	05	.....
	Rev. J. W. Hood.....	04 59	\$94 59
Jan. 6, 1874	Lemuel Hinton.....	11 00	.....
June 2, 1873	Samuel Hays.....	2 00	.....
Dec. 19, 1873	Mary J. Hardie.....	1 05	.....
Sept. 12, 1871	Elizabeth Harrison.....	12 04	.....
Apr. 20, 1873	Jacob C. Hinton.....	05	.....
Oct. 7, 1872	Jordan Hall.....	1 30	.....
May 2, 1874	J. C. L. Harris, treasurer.....	17 98	.....
	John Ivey.....	2 00	.....
Dec. 2, 1873	Carey Irvin.....	12 00	.....
Oct. 7, 1872	David Lano.....	5 30	.....
	Francis Lansford.....	30	.....
Sept. 18, 1872	Lizzie Lindsey.....	50	.....
Oct. 22, 1872	Moses Lookhart.....	20	.....
Nov. 9, 1872	Charles Liggins.....	45	.....
Apr. 23, 1872	Mal. W. H. Martin.....	32 07	.....
May 7, 1874	William Mitchell.....	3 20	.....
July 21, 1873	Richard Merritt.....	6 07	.....
	Daniel Morgan.....	1 55	.....
Sept. 23, 1871	Rev. W. W. Morgan.....	4 59	.....
	Rev. Joseph Nicholas.....	04 09	.....
Dec. 20, 1873	A. J. McKinzie.....	8 35	.....
Sept. 27, 1872	W. D. Newsom.....	05	.....
May 7, 1873	John O'Kelly.....	0 87	.....
May 6, 1872	Annie O'Kelly.....	44 65	.....
July 14 and 18, 1873.	Hubbard O'Kelly.....	1 05	.....
	Henry Patterson.....	0 75	.....
Feb. 6, 1872	George W. Price, jr.....	1 40	.....
Nov. 11, 1872	Mary A. Parker.....	1 52	.....
Sept. 23, 1871	Jerrie Petty.....	1 10	.....
June 4, 1873	Rosetta Pleasant.....	6 00	.....
May 13, 1872 and 21, 1872	Mary Page.....	20 36	.....
	Green Perry.....	2 57	.....
Dec. 8, 1873	Henry Pleasant.....	40	.....
Apr. 17, 1874	Charles Powell.....	40	.....
Mar. 12, 1874	R. L. Pettiford and John Manuel.....	9 70	.....
Apr. 10, 1873	W. H. Quirk.....	1 00	.....
Feb. 10 and 25, 1874.	Samuel Rayner.....	4 10	.....
Dec. 30, 1871	Oliver Roan.....	5 00	.....
May 6, 1873	Berry Richardson.....	60	.....
	John Steward.....	45	.....
	James Taylor.....	20	.....
Jan. 21, 1874	Jacinda Terrill.....	50	.....
Feb. 5, 1872	H. Upperman.....	3 82	.....
Nov. 1, 1873	Peter Upperman.....	26	.....
Feb. 18, 1873	W. T. Wright.....	46 48	.....
Feb. 5, May 30, 1874.	Mary A. E. Wright.....	3 25	.....
Dec. 27, 1871	Norval Williams.....	4 22	.....
	Robert Williams.....	5 63	.....
July 31, 1873	Caroline Whitaker.....	25	.....
	G. W. Williams.....	87	.....
	Frederick Yergin.....	75	.....
		1,006 13	94 59
<b>RICHMOND BRANCH.</b>			
June 18, 1874	Priscilla Banks.....	05	05
July 7, 1873	Elizabeth Goodhall.....	3 08	.....
Dec. 23, 1873	Cornelius Tyler.....	58	.....
May 29, 1874	Charles Jones.....	25	.....
Apr. 14, 1873	L. N. Petersen.....	11 25	.....
Sept. 1 and 27, 1873.	William Troy.....	32 12	.....
Apr. 28, 1873	L. A. Fields & Co.....	1 00	.....
Dec. 24, 1873	Griffin Randolph.....	3 00	.....
June 27, 1874	John Oliver.....	5 70	.....
		57 03	05

## Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
SAINT LOUIS BRANCH.			
Jan. 20, 1871	Saint Louis Benevolent Society.....	\$0 05	.....
Nov. 20, 1870	Washington Simonds.....	25 00	.....
Sept. 20, 1873	Milton Peters.....	1 00	.....
Apr. 22, 1872	Mary Grant.....	5 00	.....
Nov. 30, 1870	Emanuel Gordon.....	75	.....
May 20, 1872	Eliza Scott.....	10 00	.....
July 15, 1871	A. H. Hodge.....	3 13	.....
July 8, 1871	Mark Smith.....	1 40	.....
Dec. 22, 1871	Louis Wilson Payno.....	50	.....
June 21, 1873	B. Franklin.....	7 03	.....
May 25, 1871	John F. Camplon.....	145 00	.....
Nov. 9, 1872	Ellen Kennedy.....	1 85	.....
Dec. 20, 1872	Henry Johnson.....	3 70	.....
Sept. 26, 1871	Mary L. Craffoy.....	75	.....
Feb. 14, 1874	Lucy Cooper.....	3 03	.....
May 7, 1872	Ben Lankford.....	1 00	.....
Dec. 21, 1871	Mason Walker.....	10 00	.....
Apr. 13, 1874	Cecelia Poston.....	5 78	.....
Nov. 10, 1873	Anna M. Smith.....	10 31	.....
Jan. 16, 1874	Sarah Wyatte.....	1 04	.....
Dec. 17, 1872	Lucy Ann Delaney.....	3 70	.....
July 11, 1872	Prince Burk.....	9 80	.....
Feb. 14, 1874	H. Washington.....	3 14	.....
Dec. 16, 1873	Frank C. Berry.....	12 52	.....
Apr. 22, 1874	J. M. M. Stokes.....	10 00	\$10 00
Mar. 7, 1874	Jennie Carter.....	15	.....
Apr. 8, 1873	Samuel Roberson.....	0 03	.....
May 12, 1873	John Reeder.....	1 75	.....
Oct. 17, 1873	Z. C. Brent.....	0 07	0 07
Nov. 10, 1873	Josie A. Brent, guardian.....	14 13	14 13
Aug. 22, 1873	James Scott.....	1 03	.....
July 1, 1874	William Dunning.....	5 70	.....
Oct. 20, 1873	Solomon Lane.....	4 70	.....
Aug. 16, 1873	Simon P. Anderson.....	1 07	1 97
Nov. 5, 1873	Lawton & Chilton.....	101 07	.....
June 10, 1874	James A. Johnson.....	10 00	.....
	Brooks and Brent, (balance on account).....	74 45	74 45
June 13, 1874	L. P. Clamorgan.....	30 07	.....
		558 40	118 68
SHREVEPORT BRANCH.			
Jan. 30, 1873	Samuel Fells.....	53	.....
Nov. 11, 1873	Kimler Austin.....	3 80	.....
Jan. 11, 1873	Samuel Jordan.....	05	.....
June 2, 1873	M. A. Walsh.....	15 00	.....
Sept. 23, 1873	C. O. Antoine.....	29 30	.....
Aug. 18, 1873	Harriet Clark, treasurer.....	6 60	.....
Feb. 8, 1873	Ellen Butcher.....	2 00	.....
Jan. 1, 1873	Dozia Webster.....	24	.....
Sept. 10, 1872	Helen Davis.....	50	.....
	Francis Parsons, (premium on coin).....	25 38	.....
Jan. 14, 1874	Charity Williams.....	1 70	.....
April 9, 1874	Harrison A. Vincent.....	18 40	.....
	Profit and loss, (balance of account).....	10 45	.....
May 6, 1873, } et seq. }	Oscar L. Van Corolen.....	135 90	.....
		255 08	.....
TALLAHASSEE BRANCH.			
Sept. 30, 1871	Miles Matthews.....	61	.....
Feb. 3, 1872	Peter Birney.....	20	.....
Nov. 20, 1872	John W. Wyatt.....	22	.....
		1 03	.....
VICKSBURG, MISS.			
Mar. 28, 1873	Gilbert Middleton.....	10 78	.....
Mar. 6, 1873, } et seq. }	Henry L. Williams.....	213 56	.....
May 17, 1873, } et seq. }	V. Zollinger.....	65 02	.....
May 7, 1874	John D. Bealrd.....	2 60	.....
	Memoranda account, (balance).....	11 55	.....

Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

Date of overdrafts.	Name.	Amount.	Payments.
VICKSBURG, MISS.—Continued.			
Dec. 11, 1873	Sidney Brooks, J. P.	\$26 02	
May 6, 1874	Jas. W. Short	2 30	
	George M. Barber & Co., (balance of account)	813 52	
April 9, 1874	Sally Crosby	45 08	
June 17, 1872	Joseph McCloy	23 64	
Oct. 10, 1872	Weldon W. Edwards	40 00	
	J. I. Lake, jr., (balance of account)	802 55	
May 1, 1874	A. B. Richardson, agent	4 13	
Jan. 12, 1874	Isaac Gottholf	02	
Feb. 11, 1874	C. W. Bush	48 39	
Dec. 2, 1873	Milton Coates	5 70	
Mar. 25, 1874	Z. P. Dederlok & Co.	18 08	
	R. J. Temple, (balance of account)	15 45	
June 17, 1874	Peter Crosby, sheriff	8 59	
July 9, 1874	B. A. Lee, (dead)	47 60	
June 20, 1874	Augustus Newton, jr.	4 00	
June 2, 1874	Murtha Porter	25	
June 19, 1874	James L. West	05	
		2, 204 23	
BRANCH AT WILMINGTON, N. C.			
July 20, 1871	John Westor	42	
May 4, 1871	Elsie Cain	02	
Oct. 8, 1872	Collins Evans	1 75	
May 19, 1873	Osawell Ivy	40 00	
Dec. 13, 1872	Mary Hardy	19 08	
Jan. 4, 1873	Louisa Watkins	1 11	
July 1, 1872	Dick Chatam	20	
Jan. 8, 1873	Adam Brown	10 00	
Dec. 23, 1872	Charley Lowry	1 20	
April 28, 1874	Judy Payne	2 00	
Sept. 20, 1872	John B. Bulokin	178 93	
Sept. 7, 1872	James Harker	20	
Oct. 26, 1872	J. Bishop	5 00	
Sept. 14, 1872	W. H. Gerken	53 18	
Nov. 25, 1872	Henry C. McNeill	54	
Nov. 25, 1872	Francis Roney	2 00	
Sept. 25, 1872	Simon Richardson	11 50	
Dec. 2, 1872	L. E. Rice	14 89	
May 4, 1874	Laura Williams	7 02	
Sept. 18, 1873	J. M. Wise	3 80	
June 30, 1874	Eliza Holland	1 10	
Mar. 21, 1873	Charles Anderson	05	
Oct. 11, 1873	Nicholas Roane	04	
Nov. 25, 1872	J. O. Winants	37	
Dec. 12, 1872	George W. Price	1 10	
Oct. 24, 1873	Washington Hein	2 68	
Oct. 24, 1873	Emily Hall	2 62	
Aug. 2, 1873	H. H. Simmons	16 05	
Aug. 25, 1873	George Murray	15	
June 6, 1873	Wilmington Excelsior Club, No. 1	2 24	
June 26, 1873	D. M. Bine	13 04	
Aug. 14, 1873	John H. Smyth	260 86	\$260 86
April 20, 1874	George W. Price, sr.	30 23	30 23
Oct. 3, 1872	Y. D. Macumber	2, 016 69	50
July 14, 1873	Lewis Henry	2 50	
Jan. 7, 1874	W. H. Moore	57 35	
Feb. 13, 1874	J. Henry Butler	21 90	
	Error account	340 63	49 19
		3, 123 49	340 78

RECAPITULATION.

Branch.	Overdrafts.	Payments.
Washington	\$17, 758 22	\$5, 113 95
Alexandria	149 36	
Atlanta	329 11	123 33
Beaufort	15, 255 31	617 64
Columbus	192 27	

## Statement of overdrafts of the Freedman's Savings and Trust Company—Continued.

## RECAPITULATION—Continued.

Branch.	Overdrafts.	Payments.
Columbia	\$50 00	
Huntsville	118 09	
Jacksonville	1,305 50	
Lexington	12 73	
Lynchburgh	370 02	\$2 69
Louisville	334 25	20 24
Little Rock	38 41	23 41
Macon	114 44	
Memphis	10,706 50	431 07
Natchez	730 40	
Nashville	33 70	
New Berno	244 12	87 55
New Orleans	10 33	
New York	2,100 72	
Norfolk	800 55	10 95
Philadelphia	13 47	
Raleigh	1,000 13	94 59
Richmond	57 03	05
Saint Louis	558 40	118 08
Shreveport	253 08	
Tallahassee	1 03	
Vicksburgh	2,204 23	
Wilmington	3,123 40	340 78
	04,047 04	6,084 93

## 1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company.

Date.	Branch.	Object.	Amount.
1874.			
July 15	Washington	Printing call for pass-books	\$1 35
15	do	Car-fare for messenger	1 00
16	do	Car-fare for loan-clerk	50
16	do	Postage-stamps	4 01
16	do	Telegrams	2 04
17	do	Postage-stamps	3 00
20	do	Telegrams	2 70
20	do	Postage-stamps	1 05
20	do	N. Walker, repairs of locks and drawers	5 50
20	do	W. H. & O. H. Morrison, envelopes	1 00
20	do	Car-fare	70
20	do	Expressage	25
20	do	Postage	16
21	do	Telegrams	1 60
21	do	Expressage	20
22	do	Telegrams	1 98
22	do	L. H. Schneider, for book and rake	1 35
23	do	Post-office box-rent	5 23
23	do	Telegrams	1 65
23	do	Plumbing	1 75
24	do	Expressage	9 25
24	do	Telegrams	1 25
24	do	Insurance on bank property	26 25
24	Atlanta	Rent of bank-office	25 00
24	do	Gartrell & Stephens, attorneys, professional services	25 00
24	do	Printing call for pass-books	10 50
24	Washington	Postage-stamps and oil	1 35
25	do	Expressage	13 75
27	Charleston	Printing call for pass-books	2 00
27	Washington	Expressage	7 00
27	do	Car-fare for messenger	53
27	do	Soap, 72 cents; red tape, 75 cents	1 47
28	do	Expressage	13 50
29	do	Telegrams	93
29	do	Expressage	40
30	do	do	3 50
30	do	Weygant, employed by officers of the company in examining branch books from May to July 10, 1874.	233 33
30	do	Plumbing, \$4.17; expressage, \$2.60	6 77
30	do	Car-fare for messenger	50

1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1874.			
July 30	Richmond	Postage-stamps	\$3 00
30	do	Gas	2 28
31	do	Rent for quarter ending July 31, 1874	126 75
31	Washington	Advertising in National Republican	35 75
Aug. 1	do	Repairing wheel-barrow	1 00
1	do	Subscription Washington Chronicle, by officers of the company.	75
3	Richmond	Janitor	3 00
3	Washington	Gas	23 25
3	Mobile	E. Thornhill, agent, for July, 1874	40 00
3	do	Printing call for pass-books	11 05
4	Augusta	Post-office-box rent	2 00
4	do	Printing call for pass-books	7 50
4	Louisville	Gas	4 86
4	Savannah	Rent of bank-office	100 00
4	Baltimore	Janitor	6 00
4	do	Gas	4 50
5	Saint Louis	Printing call for pass-books	18 10
5	Wilmington	do	21 00
5	Alexandria	Rent of bank-office	10 00
7	Richmond	Printing call for pass-books	6 25
8	Washington	Expressage	56 40
8	do	Fitch & Fox, advertising, incurred prior to failure of company	6 25
8	do	The Real Estate Directory of Washington, subscribed for by officers of the company.	8 00
8	do	One quart Carter's ink	25
8	do	Car-fare and distributing handbills	35
8	do	Plns, \$2; ice, \$5.40; blank-book, \$1.30	8 70
8	do	Telegram to Memphis	68
10	Louisville	Sprinkling streets, \$3; ice, \$3	6 00
10	Saint Louis	Ice	2 70
10	Nashville	Printing call for pass-books	4 00
10	Macon	do	13 00
10	Mobile	do	20 00
10	New Orleans	Rent of bank-building for July, 1874	208 33
10	Atlanta	Judgment against Freedman's Savings and Trust Company	35 00
10	Washington	Repairing gate and railing, hauling, &c	15 50
10	New Orleans	Stationery, \$3.50; gas, \$3.60; postage, \$3; ice, \$2.70	12 50
10	New York	Gas	11 27
10	do	Printing call for pass-books	11 20
10	do	Pens, \$1; car-fare, \$1.30; expressage, \$1	3 30
10	do	Sprinkling streets	75
12	Washington	Expressage from Little Rock	5 05
12	New York	Rent of bank-building, July, 1874	166 67
13	Nashville	Plumbing	3 00
14	Wilmington	Coal-oil, newspaper subscription, and posting bills	6 70
15	Washington	Expressage, \$2.75; blank-books, \$18.50	21 25
15	do	Printing call for pass-books	13 00
15	Augusta	Rent of bank-office	60 00
15	Wilmington	Petty expenses	1 03
17	Lexington	Rent from June to September, 1874	175 00
17	do	Rent of vault-room from February 1 to August 3, 1874	43 75
17	Wilmington	Rent	50 00
17	Norfolk	Rent for July, 1874	41 67
17	Lynchburgh	do	37 50
17	Wilmington	Ice, \$3; posting bills, 75 cents	3 75
17	Norfolk	Printing call for pass-books	5 00
17	do	Plumbing, \$1.30; gas, \$3.60; stationery, \$2	6 90
17	do	Postage, \$3.25; ice, \$1; scavenger, \$2.15	6 40
17	Washington	Distributing notices to depositors, churches, &c	1 50
18	Beaufort	Printing call for pass-books	3 00
18	Lynchburgh	Gas	1 80
18	do	Ice, \$4.63; plumbing, \$4.62	9 25
18	Savannah	Repairs of office	53 25
18	Washington	Stamped envelopes	75 80
18	do	Car-fare, 70 cents; telegrams, \$5.72	6 42
18	do	Postage, \$3; expressage, 30 cents; stationery, \$7.65	10 95
18	do	Hoop-iron and lock	1 50
18	Natchez	Rent from July 21 to August 21, 1874	50 00
19	Lexington	Printing call for pass-books	2 50
22	Washington	Scott & Johnson, lumber	28 59
22	do	Stationery	55 93
22	Richmond	Gas	1 43
22	Vicksburgh	do	1 35
24	Shreveport	Rent from June to July, 1874	100 00
24	do	Rent of post-office box	1 60
24	do	Stationery	4 15
24	Memphis	Rent for August, 1874	75 00
24	New Berne	Rent post-office box	2 35

## 1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1874.			
Aug. 24	Tallahassee	Printing call for pass-books	\$2 75
24	Louisville	Subscription to newspapers	3 05
24	do	Printing call for pass-books	15 75
24	do	Stationery	2 15
25	New York	Sheriff's fees	45 00
27	Washington	Advertising notice to depositors	14 25
27	do	Printing blanks, envelopes, and tablets	118 15
27	Little Rock	Rent July and August, 1874	60 00
28	Washington	Gas, \$45; printing checks, \$12.80	57 80
28	Augusta	Postage and stationery	5 79
Sept. 1	Saint Louis	Janitor	5 00
1	Richmond	do	3 00
1	Wilmington	do	5 00
1	Beaufort	Stationery	18 75
2	Washington	W. J. Wilson, commissions on rents collected	3 75
2	do	Washing towels, \$1; stationery, 50 cents	1 50
2	do	Court-fees Freedman's Savings and Trust Company vs. National Savings Bank.	13 00
2	do	Telegrams, \$4.69; car-fares, \$2	6 69
2	do	Water-rent, \$6.25; notaries' fees, \$4.50	10 75
2	do	Twine, 30 cents; postage, \$1; stationery, \$3	4 30
2	do	Real-Estate Directory	12 00
2	do	H. Mason, engineer, labor putting in coal	4 25
2	do	Recording deeds	3 50
2	New York	Rent for August, 1874	166 67
2	do	Expressage, \$1.10; postage, 26 cents; car-fares, \$1.90	3 86
2	do	Printing call for pass-books	8 00
2	Raleigh	Rent for August, 1874	50 00
2	Atlanta	do	25 00
2	New Berne	do	25 00
2	Mobile	do	250 00
2	Huntsville	Rent for May, June, and July	75 00
2	Lynchburgh	Rent for August, 1874	37 50
2	Saint Louis	Rent for September, 1874	60 00
2	Memphis	Gas	2 70
2	Lexington	do	2 25
2	Washington	do	25 50
2	Wilmington	Postage-stamps	3 00
2	Saint Louis	Postage, \$1; cleaning bank, \$3.33	4 33
2	do	Ice, \$1; matches, 40 cents	1 40
2	Memphis	Postage-stamps	6 00
2	do	Moving furniture	3 00
3	Alexandria	Putting up posters	25
3	do	Printing call for pass-books	1 25
3	do	Rent for August, 1874	10 00
3	New York	Gas, \$2.47; janitor, \$10	12 47
3	Savannah	Printing call for pass-books	11 00
3	do	Ice, \$1; soap, 25 cents; portorage, 50 cents	1 75
3	do	Telegrams, 70 cents; sign-hooks, 40 cents	1 10
3	do	Spittoon, \$1.25; goblet, 25 cents	1 50
3	do	Key, 50 cents; cleaning bank, \$1.35	1 85
3	do	Furniture-polish	5 50
3	do	Distributing circulars	3 00
3	do	Wire window-guard	2 80
3	do	Matches, 30 cents; postage-stamps, \$1	1 30
3	do	Pens, 75 cents; pencils, 60 cents	1 35
3	Memphis	Moving safe, \$60; two signs, \$5	65 00
3	Wilmington	Rent for August, 1874	50 00
4	Norfolk	do	41 67
4	do	Gas, \$3.24; postage, \$6	9 24
4	Baltimore	Gas, \$3; matches, 25 cents; watering streets, \$1	4 23
9	Savannah	Gas	6 50
9	Lynchburgh	Printing call for pass-books	5 00
9	Saint Louis	Gas	1 65
9	New Orleans	Gas, \$2.40; ink, \$1	3 40
9	do	Ice, \$2.60; postage-stamps, \$3	5 60
12	Washington	Envelopes, \$3.63; rubber bands, \$2.50	6 13
16	Little Rock	Printing call for pass-books	14 40
16	Vicksburgh	Gas, \$1.35; ice, \$6.82	8 17
16	Raleigh	Stationery	6 65
16	Washington	A. M. Sperry, expenses to Alexandria, Baltimore, Philadelphia, New York, and return.	31 90
16	Alexandria	Charles Whittlesey, attorney, professional services	5 00
16	Raleigh	Gas	7 70
19	Vicksburgh	do	3 60
19	Lynchburgh	Ice	2 50
19	Washington	Envelopes	5 50
19	Norfolk	Printing call for pass-books	4 12
19	New Berne	Stamped envelopes	1 00

1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1874.			
Sept. 22	Richmond	Ice	\$3 23
22	Savannah	Printing call for pass-books	6 00
22	Little Rock	Expressage, \$16.60; 1 box, \$1	17 60
22	do	Rent to September 16, 1874	16 00
22	do	Railroad-fare to Memphis and return	17 00
22	do	Stamped envelopes	1 70
24	do	Drayage, &c., necessary in closing bank	1 41
24	Natchez	Rent from August 21 to September 21, 1874	50 00
24	Alexandria	Hauling books	3 25
24	Washington	Constable's fees in removing tenant	5 00
24	do	Daily Republican for branches	1 03
24	do	Ice, \$5.20; washing towels, \$3.93	9 13
24	do	Recording deeds	3 00
24	do	Feather-duster	2 00
24	do	Broom, 50 cents; postage and car-fare, \$4	4 50
24	do	Postage, \$3.30; telegrams, \$9.62	13 12
30	Memphis	Rent for September, 1874	20 00
30	New Berne	do	25 00
30	Washington	Stationery	8 75
30	Savannah	Rent for August, 1874	100 00
30	Saint Louis	Rent for October, 1874	60 00
30	do	Printing call for pass-books	1 10
30	do	Cleaning bank, \$7.50; postage, \$3.50	11 00
30	Baltimore	Gas	4 50
30	Washington	do	31 76
30	Augusta	Rent for quarter ending September 30, 1874	125 00
Oct. 2	Washington	Postage-stamps, \$37; washing towels, \$3.30	40 30
2	do	Moving furniture from Alexandria	1 00
2	do	Expressage, 90 cents; nails, 34 cents	1 24
2	do	Binding Real-Estate Directory	4 50
2	do	Candles for engineer	25
2	do	W. Dangerfield, labor	4 00
2	do	Recording deeds	3 00
2	do	Moving safe from Alexandria	8 00
5	Augusta	Gas	50
5	Shreveport	Rent for August and September, 1874	100 00
5	do	Printing call for pass-books	44 00
5	do	Stationery, \$3.90; ice, \$4.80	8 70
6	New Berne	Stamped envelopes	2 60
6	Alexandria	Rent for September, 1874	10 00
6	Washington	Printing schedules	25 75
6	New York	Rent for September, 1874	166 67
6	Louisville	Postage-stamps, \$2.35; watering streets, \$3	5 35
6	do	W. W. Gibson, clerical services	11 46
6	Richmond	Ice	1 95
6	Lynchburgh	Rent for September, 1874	37 50
6	Washington	Stationery	19 00
6	Norfolk	Rent for September, 1874	20 83
6	do	Gas, \$4.32; postage, \$3.50	7 82
6	New York	Petty expenses for September, 1874	18 87
6	do	Gas	1 37
6	Washington	Ice	5 20
6	Beaufort	B. S. Sams, watchman's services	22 50
6	do	W. H. Lockwood, expenses of traveling	18 55
6	Nashville	City Directory	3 00
6	Washington	John H. Cook, attorney, legal services	35 00
6	Huntsville	Stationery	80
6	Atlanta	Taxes	4 67
6	Savannah	Ice, \$1; postage, \$4.39	5 39
6	do	Distributing circulars	3 00
6	Beaufort	Postage	7 71
6	Wilmington	Oil	3 00
8	Washington	A. M. Sperry, to Baltimore and return	2 51
8	do	Real-Estate Directory	4 00
8	New Orleans	Rent for August and September, 1874	416 36
8	Savannah	Rent for September, 1874	100 00
8	Louisville	Postage, \$1; putting in glass, \$7	8 00
8	do	Watering streets	3 00
8	New Orleans	Watering streets, \$1; gas, \$4.50	5 50
12	Washington	A. B. Duvall, attorney, abstract of title to property of Maryland Mining and Manufacturing Company.	50 00
16	Louisville	Rent for July, August, and September, 1874	125 00
27	Washington	Stationery	4 75
23	Natchez	Rent, September 21 to October 31, 1874	66 65
28	Lexington	Rent for October, 1874	40 00
28	do	Rent of post-office box	8 85
28	do	Advertising sale of furniture	2 00
28	do	Printing call for pass-books	13 50
28	do	Commissions on sale of furniture	3 00

## 1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1874			
Oct. 28	Atlanta.....	Rent for October, 1874.....	\$50 00
28	Natchez.....	Advertising.....	2 85
28	New Berne.....	Rent for October, 1874.....	25 00
28	Columbus.....	Printing call for pass-books.....	13 00
28	Washington.....	do.....	48 75
28	Nashville.....	do.....	13 00
28	Wilmington.....	do.....	20 00
28	Augusta.....	do.....	24 00
28	Mobile.....	do.....	21 00
28	Baltimore.....	do.....	68 25
28	Philadelphia.....	do.....	29 70
28	New York.....	do.....	56 00
30	Natchez.....	do.....	7 50
30	Macon.....	Rent for quarter ending September 30, 1874.....	92 50
30	Richmond.....	Rent for quarter ending October 30, 1874.....	125 00
30	Huntsville.....	do.....	75 00
30	Washington.....	Stationery, \$8.75; expressage, \$37.95.....	46 70
30	do.....	Telegrams, \$7.20; post-office-box rent, \$5.28.....	12 48
30	do.....	Stamped envelopes.....	16 90
30	do.....	Mucilage, 75 cents; stationery, \$2.12.....	2 87
30	do.....	Screws for engineer.....	15
30	do.....	Telegrams and postage.....	5 00
30	do.....	Postage and car-fare.....	5 00
30	do.....	W. H. Gibson, collecting salary-vouchers.....	3 00
30	do.....	Repairs on boiler.....	1 50
30	do.....	Postage-stamps and car-fare.....	2 00
30	do.....	Repairing register.....	85
30	do.....	Taxes on property sold Horan.....	19
30	Little Rock.....	Printing call for pass-books.....	37 50
30	Saint Louis.....	Janitor's services, postage, &c.....	19 65
30	New Orleans.....	Telegrams and stationery.....	9 85
31	Lynchburgh.....	Taxes on personal property.....	20 00
31	do.....	Advertising sale of furniture.....	3 87
31	do.....	Commissions on sale of furniture.....	8 43
Nov. 2	Washington.....	Gas.....	39 75
2	Beaufort.....	W. H. Lockwood, agent, traveling expenses.....	17 70
2	do.....	Telegrams, \$1.40; protest fees, \$2.10.....	3 50
2	do.....	Expressage on books to Charleston and Beaufort.....	1 00
2	do.....	Recording deed.....	2 50
2	Wilmington.....	Janitor.....	5 00
2	Macon.....	Postage, ink, gas, water, and expressage.....	12 08
2	Lynchburgh.....	Gas, \$2.80; rent, \$37.50.....	40 30
2	do.....	Printing call for pass-books.....	18 00
2	New Orleans.....	Rent for October, 1874.....	208 33
3	New Berne.....	Postage and post-office-box rent.....	6 00
3	do.....	Cleaning office, shipping books, &c.....	2 70
5	Baltimore.....	Gas, \$2.70; coal, \$14.....	16 70
5	Richmond.....	Janitor.....	3 00
5	Mobile.....	Rent for quarter ending October 31, 1874.....	250 00
5	Tallahassee.....	Postage, \$9.83; box and drayage, \$1.50.....	11 33
5	Savannah.....	Rent for October, 1874.....	100 00
5	Raleigh.....	Rent for post-office box.....	2 05
5	do.....	Printing call for pass-books.....	25 50
5	New Berne.....	do.....	15 00
5	do.....	Advertising sale of safe.....	1 00
5	Saint Louis.....	Rent to November 15, 1874.....	30 00
5	Richmond.....	Packing-boxes.....	1 15
5	do.....	Rent in full under lease.....	141 00
5	Washington.....	Law Reporter.....	1 25
5	do.....	Expressage.....	151 25
5	do.....	Telegrams, \$3.65; exchange, 10 cents.....	3 75
5	do.....	Repairing clock.....	4 00
5	do.....	Washing towels.....	3 00
5	do.....	Oil for engineer.....	25
6	Raleigh.....	Rent for September and October, 1874.....	50 00
6	do.....	Gas.....	8 40
6	do.....	Printing handbills.....	1 25
6	Nashville.....	Postage.....	1 30
6	Huntsville.....	do.....	1 15
6	Savannah.....	Drayage on safe.....	25 00
6	do.....	11 yards bagging for covering safe.....	3 20
6	do.....	Insurance on safe.....	4 00
6	do.....	Wrapping-paper, coal, twine, nails, &c.....	6 15
7	Washington.....	Printing checks.....	18 40
7	Atlanta.....	Expense attending close of branch.....	3 00
9	New York.....	Gas.....	110 00
9	Richmond.....	Printing call for pass-books.....	18 00
9	Alexandria.....	Rent in full under lease.....	50 00
9	do.....	Fields Cook, agent, to secure release of lease.....	5 00



1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1874			
Nov. 10	Raleigh	Stationery	\$0 85
10	Beaufort	Repairs to office	22 43
10	do	Advertising notice to depositors	14 00
10	Vicksburgh	Gas	4 95
10	New York	do	5 40
10	Norfolk	Rent for October, 1874	20 00
10	do	Advertising notice to depositors	27 00
10	do	Postage	5 00
10	do	Packing-cases, drayage, &c	3 75
10	Washington	Expressage	162 70
10	do	Postage and telegrams	1 50
10	do	Ice, \$2.70; recording deed, \$2	4 70
11	Alexandria	Advertising notice to depositors	12 00
11	Louisville	do	67 05
11	do	Gas	2 16
13	Atlanta	Rent, 15 days	12 50
13	do	Expenses incident to closing branch	2 00
13	Lynchburgh	Pane of glass	3 00
13	Norfolk	Balance of rent for October, 1874	83
13	Wilmington	Post-office-box rent	1 54
13	do	Advertising notice to depositors	7 00
13	Atlanta	Postage	1 03
13	Nashville	Lawrence & Peabody, attorneys, retainer	100 00
16	Wilmington	Expense incident to closing branch	11 72
16	Washington	Freight on safes from Augusta, Raleigh, and Savannah	79 42
16	Baltimore	Postage, \$1.72; taxes on furniture, \$3.27	4 99
16	Columbus	Rent to January 1, 1875	50 00
17	Natchez	Packing-boxes	1 50
19	Macon	Final rent	92 50
19	Wilmington	Moving safe	35 00
19	do	Covering safe	75
19	Washington	Judgment against Freedman's Savings and Trust Company	30 00
19	do	Expressage	118 15
19	do	Telegrams, \$3.40; twine, 50 cents	3 00
19	do	Recording deeds	11 50
19	do	Acknowledgments	3 41
19	do	Freight, \$9.95; stamped envelopes, \$11.70	21 65
20	New Orleans	Expenses incident to closing branch	11 00
21	Columbia	do	45
23	Vicksburgh	Recording deed of trust	1 55
23	do	Repairing gutter	1 45
23	do	Packing-boxes and drayage	12 00
24	Mobile	Packing-boxes, drayage, and telegrams, registered letters, &c	10 60
24	do	Freight on 3 cases to Washington	38 25
24	do	C. W. Rapier, attorney's fees, case of P. Joseph vs. Freedman's Savings and Trust Company.	10 00
24	do	Judgment against Freedman's Savings and Trust Company.	110 86
25	New York	Plumbing, \$1; carpenter's bill, \$3.70	4 70
25	do	Moving furniture	15 00
25	do	E. C. Hyde, book-keeper, 1 day	4 00
25	do	H. Montgomery, assistant book-keeper, 13 days	26 00
25	do	Twine and chalk, 36 cents; packing-boxes, \$6.60	6 98
25	do	Labor sundry persons, incident to closing branch	8 50
25	do	Expenses incident to closing branch	12 29
25	New Berne	Badger & Devereaux, attorneys, check No. 1662, sent them in lieu of prosecution bond in case of Freedman's Savings and Trust Company vs. C. A. Nelson et al., (to be returned on termination of suit.)	300 00
25	Saint Louis	Janitor	3 75
25	do	Packing-boxes and other expenses incident to closing branch	14 10
25	Baltimore	Kindling-wood, \$3.75; gas, \$1.38	5 13
25	Charleston	Postage, 87 cents; gas, \$5.42	6 29
28	do	Advertising notice to depositors	3 50
28	do	Drawing lease of building	2 50
28	do	Packing-boxes and other expenses incident to closing branch	8 30
28	do	Protest fees	2 10
28	Washington	Stationery bill of J. L. Kervand against Freedman's Savings and Trust Company, taken in part payment of loan.	426 45
30	Macon	Advertising notice to depositors	27 00
30	Huntsville	do	1 00
30	Washington	J. H. Cook, attorney, professional services	48 50
Dec. 3	Macon	Costs in case Commissioners of Bibb County, Ga., vs. Commissioners Freedman's Savings and Trust Company.	7 50
3	Washington	Gas	34 50
3	Richmond	Postage	1 00
3	Savannah	Advertising notice to depositors	30 00
3	Huntsville	Traveling expenses of E. P. Pierce, agent	23 20
3	Vicksburgh	do	27 00

## 1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1874.			
Dec. 5	Shreveport	Rent for October, 1874.	\$50 00
5	do	Expenses incident to closing branch.	28 25
8	Nashville	Packing-box	1 00
8	Norfolk	Postage, \$1; material, &c., to move safe, \$5.50	6 50
8	Louisville	Rent for October and November, 1874	83 34
8	Jacksonville	Glazing, \$10; gas, \$6.48; janitor, \$8.10	24 58
8	do	Advertising sale Sea Island Hotel.	5 00
11	Vicksburgh	Stove-pipe.	6 50
11	New Berne	William Steward, agent, traveling expenses to Raleigh, in Nelson case.	23 40
18	Washington	Expressage, \$121.65; stationery, \$6.90	128 55
18	do	Washing towels, \$3; telegrams, \$12.33	15 33
18	do	Acknowledging and recording deeds	7 50
18	do	Congressional Globe.	4 25
18	do	Postage and car-fare, \$2; candles, 25 cents.	2 25
18	do	Postage, \$9; ice, \$2.40	11 40
18	do	Hatchet, 80 cents; stamped envelopes, \$11.70.	12 50
18	do	Labor handling boxes	20
18	do	Justice's fees, case Freedman's Savings and Trust Company vs. Bennett.	4 00
23	do	W. H. Lockwood, agent, traveling expenses to Jacksonville, Tallahassee, Charleston, Columbia, and Washington.	178 75
23	do	Expressage, \$1.75; soap, \$1	2 75
23	do	Sponge, 50 cents; stationery, 37 cents	87
23	do	Scrubbing-brush, soda, &c.	1 55
24	Shreveport.	J. W. Purnell, agent, traveling expenses	231 25
24	Savannah	Costs in attachment cases.	27 77
26	Charleston	Postage	2 28
26	Tallahassee	Advertising notices to depositors.	10 50
26	Washington	Expressage, \$11.00; stationery, \$4.40; oil, 50 cents	16 80
29	Baltimore.	Ice, \$9.42; coal, \$14; postage, &c., \$1	24 42
30	Washington	Postage, \$2; gas, \$33.75	35 75
31	Vicksburgh	E. P. Pierce, agent, traveling expenses, &c., incident to closing branch.	57 00
31	Washington	Justice's fees, Freedman's Savings and Trust Company vs. Bennett.	2 00
31	do	Justice's fees, Freedman's Savings and Trust Company vs. Gauroski.	2 00
31	do	Acknowledgments	2 00
31	do	Scrubbing and cleaning office.	4 17
31	do	Expressage	45
1875.			
Jan. 2	do	Twine, 60 cents; stationery, \$36.50	37 10
2	Huntsville	Postage-stamps, 50 cents; envelopes, 30 cents.	80
2	do	Stationery, 50 cents; ink, 20 cents	70
2	do	Rent of post-office box	25
2	Washington	Expressage	2 00
4	Macon	do	19 35
4	do	Commissions on sale of furniture.	34 10
4	Washington	Rent of post-office box	4 00
6	do	Telegram, \$1.77; stationery, 40 cents.	2 17
6	do	Cleaning carpets	30
6	Atlanta	Stationery, \$1; printing circulars, \$3.75.	4 75
6	Macon	Packing-boxes, \$1; drayage, \$2.	3 00
6	do	Attorney's fees in settling claims and removing fixtures	25 00
6	do	Postage	09
9	Washington	Ice, \$2.60; washing towels, \$3.	5 60
9	do	Petty expense.	1 50
13	do	Stationery, \$2; postage and car-fare, \$2.	4 00
13	Philadelphia	Packing-box, \$5; drayage, \$1.50	6 50
13	do	Labor attending the closing of branch.	5 00
13	do	Expressage on schedules.	1 11
13	Washington	Expressage on box from Philadelphia.	3 75
14	Louisville	Expenses incident to closing branch	5 00
15	Washington	Transcript of judgment.	90
16	do	Printing schedules, notices, &c.	119 50
16	Louisville.	Rent for December, 1874	41 67
18	Washington	A. M. Sperry, traveling expenses to Atlanta in case Freedman's Savings and Trust Company vs. Corey.	137 45
18	Tallahassee	Expenses attending sale of furniture	9 55
19	Washington	Expressage, 25 cents; stationery, \$3.50	3 75
19	do	City Directory	5 00
21	do	Stamped envelopes.	16 40
21	do	Water-tax	15 00
22	do	Expressage	75
23	do	Expressage, 75 cents; feather-duster, \$4.	4 75
25	Wilmington	Rent, release of lease, compromise.	500 00
25	Washington	Protest fees, \$10.11; expressage, 75 cents	10 86
25	do	Freight on safes from Wilmington, Norfolk, and Augusta.	76 70

1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1875.			
Jan. 25	Augusta	Painting safe	\$5 00
25	Norfolk	Repairing and moving safe	17 00
26	Philadelphia	Expense incident to closing branch	01
28	Washington	W. J. Wilson, justice of peace, legal services	6 20
Feb. 2	do	Pencils, 50 cents; expressage, 75 cents; ice, \$2.60	3 85
2	do	Blank-books, \$3.25; gas, \$19.25	52 50
2	Huntsville	Stationery, 80 cents; post-office-box rent, 25 cents	1 05
5	Beaufort	Clerk's fees in cases of Sharp, Collins, Holmes, Bollman Brothers, and Kingman.	6 50
5	do	Postage-stamps, \$4.41; post-office-box rent, \$1.50; stationery, \$1.	6 91
5	do	W. H. Lockwood, agent, traveling expenses to Columbia, S. C.	59 00
6	Washington	Washing towels, \$3; expressage, \$2.05	5 05
6	do	Recording deeds, \$6; postage, \$2	8 00
10	do	Recording deed	1 50
10	do	Advertising sale of property	3 38
11	do	Telegrams and car-fares, \$2.47; expressage, \$6.70	9 17
11	Baltimore	Cleaning furnace, \$2; sweeping, 50 cents	2 50
12	Washington	Expressage, \$1.65; matches, 30 cents	1 95
12	do	Postage and car-fares, \$2.10; screws, 20 cents	2 30
12	do	Recording deeds, \$1.50; stationery, \$1.05	5 55
15	do	R. J. Fleming, repairs, credit given on account of his indebtedness.	585 61
18	do	Expense attending collection St. Clair Davis's note	15
18	do	Ledger, \$20; stationery, \$1.75	21 75
19	Atlanta	Drayage	1 50
19	Saint Louis	Advertising notice to depositors	10 30
19	Philadelphia	do	20 00
20	Washington	Awning	70 50
20	do	Taking down, hauling, and storing awning	6 50
20	do	Expressage, \$4.35; telegrams, \$2.83	7 18
20	do	Acknowledgments, \$2.50; soap, 80 cents	3 30
20	do	Car-tickets, \$1; mouse-trap, 35 cents	1 35
26	do	Printing checks	18 40
26	do	Costs in case Freedman's Savings and Trust Company vs. Mather, recorder.	16 25
27	do	Postage-stamps	20 50
March 1	Beaufort	W. W. Lockwood, agent, traveling expenses, Columbia, S. C.	55 35
1	Charleston	Postage	2 63
5	Washington	Gas, \$40; ice, \$2.40; postage, \$27.70	70 10
5	do	Washing towels, \$3; exchange, 25 cents	3 25
11	do	Keys and repairs on property of company	10 30
11	Atlanta	Costs in suit on bond of P. D. Corey	25 00
11	Washington	Acknowledgments	1 00
11	do	Justice's fees Freedman's Savings and Trust Company vs. Thomas W. Chase.	2 00
11	do	Postage and car-fare	2 00
13	do	Printing and tablets	14 68
13	do	Court-costs suit Freedman's Savings and Trust Company vs. W. S. Huntington.	13 00
24	New Berne	Storage, &c., of safe	62 50
April 1	Washington	Telegrams, \$3.73; stationery, \$3.95	7 68
1	do	Car-fare, \$1; acknowledgments, \$1.50	2 50
1	do	Recording deeds, \$3; justice's fees, \$3	6 00
1	do	Law Reporter to January, 1875	1 25
1	do	Wire, oil, and candles, 75 cents; gas, \$43.25	44 00
7	do	Washing towels	3 00
7	do	Law Reporter to March 31, 1875	1 25
7	do	Rent post-office box, \$4.05; ice, \$2.70	6 75
8	do	Carriage-hire attending sale of real estate in county	5 00
8	do	Telegrams, \$1.25; pens, \$3	4 25
8	do	Recording deeds, \$7.50; notaries' fees, 50 cents	8 00
8	do	Purchase of Evening Star containing advertisement of Barker sale.	2
8	do	Stationery	4 25
16	Beaufort	Rent post-office box	4 12
16	do	W. H. Lockwood, agent, traveling expenses to Jacksonville and Charleston.	110 60
16	Washington	Expressage, \$6.50; car-fare, 30 cents	6 80
16	do	Recording deed, \$1.50; spittoon, 50 cents	2 00
16	do	Stationery	3 50
17	Charleston	Removing fixtures, \$1; postage, 85 cents	1 85
24	Washington	Expressage on books to Beaufort, S. C.	7 50
29	Jacksonville	Robert Purvis and A. M. Sperry, traveling expenses	120 55
May 6	Washington	Gas, \$42.25; printing briefs, \$5	47 25
6	do	Washing towels, \$3; ice, \$2.60; telegrams, \$2.90	8 50
6	do	Tablets and blank-books	16 25
7	do	Acknowledgments, 50 cents; stationery, \$1	1 50
7	do	Recording deed, \$1; car-fare and oil, 55 cents	1 55

## 1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1875.			
May 11	Beaufort	Robert Purvis and A. M. Sperry, traveling expenses	\$195 10
14	Washington	Acknowledgments to declarations in sundry cases	7 00
14	do	Stamped envelopes	27 70
19	do	Acknowledgments, \$1.50; expressage, 65 cents	2 15
19	do	Car-fare, 12 cents; candles, 25 cents	37
19	do	Stationery, \$5.95; soap, 80 cents	6 75
19	do	Removing stove from Attorney-General's office	1 00
22	do	Stationery	11 00
22	New York	Procuring copy of a bond	2 28
22	do	Moving safe to Herring & Co.'s warehouse	30 00
22	Washington	Judgment of B. Millburn vs. Freedman's Savings and Trust Company.	82 37
26	do	Stationery	8 25
June 2	do	Expressage, \$3.90; acknowledgments, \$2.50	6 40
2	do	Car-fare, 25 cents; telegrams, \$4.60	4 85
2	do	Washing towels, \$3; exchange, 75 cents	3 75
2	do	Packing-box, \$1; ice, \$2.60	3 60
4	do	Gas, \$26; stationery, \$3.50	29 50
4	do	Labor repairing coal-vault	19 50
12	do	Acknowledgments, \$1.75; recording deeds, \$3.25	5 00
12	do	Expressage, 50 cents; car-fare, 65 cents	1 15
12	do	Freight on radiator	25
12	do	Stationery, \$1; matches, 10 cents	1 10
12	do	Telegrams to Mobile and Jacksonville	3 25
12	do	Hardware for engine	72
14	do	Stationery, \$22; blank-books, \$5	27 00
14	do	A. M. Sperry, traveling expenses to Mobile and return as witness in case Freedman's Savings and Trust Company vs. Woodward.	157 75
23	Savannah	Costs attachment-suits	28 00
30	Washington	Washing towels	3 00
July 8	do	Acknowledgments, \$2; car-fare, 44 cents	2 44
8	do	Oil for boiler, 50 cents; list of tax-sales, 10 cents	60
8	do	Towels, \$2.68; stationery, \$2.45	5 13
8	do	Certificate clerk of court, Jacksonville, Fla.	1 00
8	do	Rent post-office box, 67 cents; expressage, \$2.50	3 17
8	do	Costs case Freedman's Savings and Trust Company vs. Perkins.	1 00
7	Jacksonville	W. H. Lockwood, agent, traveling expenses	68 10
7	Beaufort	Subscription to fund to defend tax-titles	37 50
9	Washington	Gas, \$13.52; printing, \$2.55; ice, \$2.60; postage, \$5	23 67
12	Memphis	E. P. Pierce, agent, traveling and other expenses	100 00
13	Washington	Taking down awning	17 00
20	do	Stationery	2 25
29	do	Rent post-office box	4 22
29	do	Justice's fees case Freedman's Savings and Trust Company vs. F. F. Lee.	1 70
31	do	Gas	10 75
Aug. 3	do	Washing towels	3 00
3	do	Broom and scrubbing-cloth	1 25
11	do	Postage-stamps, \$21.50; ice, \$2.60	24 10
24	Beaufort	Commissions on sale of Warrock lots	150 00
26	Washington	Removing ashes, \$2.25; car-fare, \$1.50	3 75
26	do	Acknowledgments, 80 cents; expressage, \$1	1 80
26	do	Rivets, 10 cents; file, \$1; telegrams, \$2.26	3 36
26	do	Oil and matches, 65 cents; stationery, \$5.35	6 00
26	do	Fare to Alexandria	25
Sept. 7	do	Gas, \$12; repairing wheelbarrow, 55 cents	12 55
7	do	A. M. Sperry, expenses to Baltimore and return	7 58
7	do	Expenses attending sale of Trooke property	70
7	do	Car-fare, 25 cents; washing towels, \$3	3 25
7	do	Expressage, 30 cents; telegrams, \$1.30	1 69
7	do	Expressage	2 70
7	do	Car-fare, 95 cents; stationery, \$2.50	3 45
11	do	Ice, 10 cents; nails, 10 cents; coal-chute, \$1.50	1 70
11	do	Acknowledgments, 50 cents; stationery, \$2.45	2 95
11	do	Inspecting coal	3 10
11	do	Recording mortgage at Jacksonville	2 00
11	Beaufort	W. H. Lockwood, agent, traveling expenses to Washington and Charleston.	46 20
16	Washington	Stationery, 60 cents; postage-stamps, \$15	15 60
16	do	Cour Purvis and A. M. Sperry, expenses in visiting property.	5 10
Oct. 2	do	Ice, \$2 60; washing towels, \$3; gas, \$15	20 60
2	do	Stationery, \$36; postage-stamps, \$27.70	63 70
2	do	Stationery, \$1.15; expressage, \$1.25	5 40
6	do	Telegrams, \$3.03; car-fare, \$1.15	5 08
6	do	Rat-trap, 55 cents; matches, 25 cents	80
6	do	Files and candles for engineer	35

1.—Statement of the ordinary expenses of the commissioners of the Freedman's Savings and Trust Company—Continued.

Date.	Branch.	Object.	Amount.
1875.			
Oct. 6	Washington	Soap, 25 cents; acknowledgments, \$5.	\$5 25
8	do	Blank-books, \$30; ice, \$3.10.	33 10
8	do	Acknowledgments.	2 50
8	do	Printing checks.	690 00
20	do	Stationery, \$10; post-office-box rent, \$4.39.	14 39
30	do	Transcript of judgment and pleadings.	4 10
30	do	Feather-duster, \$3; pencils, \$1.	4 00
30	do	Expressage, \$3.50; repairing door, \$2.	5 50
30	do	Rubber bands, \$7.50; washing towels, \$3.	10 50
30	New Berno	William Steward, expense attending Nelson trial.	50 00
Nov. 1	Beaufort	W. H. Lockwood, agent, traveling expenses to Charleston and Jacksonville and return.	116 21
9	Washington	Postage, \$58; gas, \$38.	96 00
9	do	Ice.	2 60
13	do	Expressage.	1 25
15	do	Expressage, \$8.40; car-fare, \$2.65.	11 05
15	do	Soap, 13 cents; telegrams, \$3.33; plus, 50 cents.	3 96
15	do	Stationery, \$1.45; pencils, 75 cents.	2 20
15	do	Rubber bands, \$4.10; lamp-chimneys, 90 cents.	5 00
15	do	Rvenue-stamps, 50 cents; envelopes, \$5.	5 50
15	do	Acknowledgment, 50 cents; mucilage, 20 cents.	70
20	do	Envelopes for pass-books.	19 18
20	do	Postal cards, \$10; expressage, \$7.35.	17 35
20	do	Postage, \$25; expressage, \$25.60.	50 60
27	do	Ink, 60 cents; wrapping-paper, \$1.50.	2 10
30	do	Expressage, \$1.95; car-fare, 95 cents.	2 90
30	do	Telegram, \$1.85; acknowledgment, \$1.	2 85
30	do	Soap, 80 cents; stationery, \$4.50; washing towels, \$3.	8 30
Dec. 8	Beaufort	W. H. Lockwood, agent, travelling expenses to Jacksonville and return.	37 25
9	Washington	Gas, \$50; postage, \$16.40; stationery, \$15.85.	82 25
9	do	Postage, \$27; wood, \$6; printing, \$48.	81 00
9	do	William Steward, expenses to Raleigh and return, trial C. A. Nelson.	63 97
9	do	Expressage, \$36.55; pens, \$1.	37 55
9	do	Congressional Record.	10 00
13	do	Expressage, \$8.55; telegrams, \$3.25.	11 80
13	do	Postage-stamps, \$1; car-fare, 75 cents.	1 75
13	do	Repairs to bank-building.	1 50
13	do	Candles, 25 cents; stationery, \$4.70; flue-rod, \$2.25.	7 20
13	do	Proving claim against Jay Cooke & Co.	1 50
17	do	Postage.	40 00
27	do	Ice, \$2.50; expressage, \$49.15; postage, \$30.	81 65
1876.			
Jan. 10	do	Expressage, \$6.80; car-fare, \$1.	7 8
10	do	Telegrams, \$1.73; stationery, \$2.75.	6 40
10	do	Copper wire, 55 cents; nails and oil for engineer, 40 cents.	98
10	do	Money-order, 50 cents; broom, 30 cents.	85
10	do	Washing towels, \$1.50; recording deeds, \$1.50.	3 00
10	do	Envelopes, 80 cents; gas, \$50.25; ice, \$2.60.	53 60
10	do	City Directory, \$5; grate, \$3.50.	8 55
10	do	Expressage.	36 80
26	New York	Storage of safe.	16 00
26	Washington	Stationery, \$8.59; postage stamps, \$26.	34 50
26	do	Expressage, \$9.15; pencils, \$2.	11 10
31	do	Commissioner Purvis, traveling expenses to Columbia, S. C., and return.	72 55
			17, 344 98

RECAPITULATION.

Rents, including sums due at the time of failure of company	\$5, 171 24
Traveling expenses	2, 032 12
Stationery	576 22
Expressage	1, 212 28
Postage and telegrams	800 32
Printing and advertising	2, 102 00
Gas	741 41
Attorneys' fees	293 50
Judgments, court-fees, &c.	1, 399 19
Miscellaneous	3, 016 70
	17, 344 98

## 2.—Statement of salaries paid by the commissioners of the Freedman's Savings and Trust Company.

Date.	Name.	Branch.	Position.	Amount.
July 21, 1874	F. Douglass	Washington	President	\$83 33
July 22, 1874	A. M. Sperry	do	Agent	118 05
	C. H. Jones	do	Messenger	34 00
	C. A. Fleetwood	do	Clerk	56 67
	H. S. Nyman	do	do	56 67
	Thomas S. Boston	do	do	56 67
	A. F. Hill	do	do	42 50
	William J. Wilson	do	do	56 67
July 23, 1874	William E. Bruce	do	Messenger	6 00
	E. A. Wheeler	do	Clerk	56 67
	G. W. Clapp	do	do	56 67
	G. H. Bruce	do	Watchman	31 17
	W. E. Augusta	do	Clerk	56 67
	G. W. Stickney	do	Agent	141 68
July 24, 1874	S. C. Johnson	Atlanta	do	42 50
	W. G. Craig	do	Book-keeper	35 00
July 27, 1874	John J. Price	Charleston	Agent	18 00
	R. W. Tompkins	do	do	60 00
July 28, 1874	J. W. Swaine	Jacksonville	do	72 50
	Cassat Bennett	do	Watchman	5 00
July 29, 1874	George D. Luce	Tallahassee	Agent	50 00
Aug. 1, 1874	A. M. Sperry	Washington	do	90 28
	James A. McGowan	do	Detective	25 00
	E. A. Wheeler	do	Clerk	43 33
	G. W. Clapp	do	do	43 33
	H. S. Nyman	do	do	27 00
	John A. J. Creswell	do	Commissioner	191 66
	R. H. T. Leibold	do	do	183 33
	G. H. Bruce	do	Watchman	23 83
	A. C. Patterson	do	Agent	10 00
	J. W. Purnell	Shreveport	do	200 00
	P. R. Lovejoy	Baltimore	Attorney-at-law	92 33
July 31, 1874	G. W. Stickney	Washington	do	108 34
	H. S. Nyman	do	do	16 33
	C. H. Jones	do	Messenger	26 00
	William J. Wilson	do	Agent	43 33
	C. A. Fleetwood	do	do	43 33
	Thomas S. Boston	do	do	43 33
	W. E. Augusta	do	do	43 33
Aug. 3, 1874	A. F. Hill	do	do	32 50
	Fields Cook	Alexandria	do	24 00
	D. A. Ritter	Augusta	do	116 66
	H. H. Webb	Baltimore	do	75 00
	W. H. Bishop	do	do	75 00
	B. S. Sams	Beaufort	do	75 00
	R. W. Tompkins	Charleston	do	40 00
	John J. Price	do	do	12 00
	H. A. Hunt	Huntsville	do	50 00
	Cassat Bennett	Jacksonville	Watchman	4 10
	J. G. Hamilton	Lexington	Agent	100 00
	Rhoda Ross	do	Portress	5 00
	Thomas N. M. Sellers	Macon	Agent	100 00
	John J. Cary	Nashville	do	100 00
	Benjamin Shark	do	do	50 00
	William Stewart	New Berne	do	8 10
	George H. Willis	do	Porter	6 00
	Henry Baccas	New Orleans	Agent	125 00
	C. D. Sturtevant	do	do	166 66
	Moses Townsend	do	do	30 00
	H. C. Percy	Norfolk	do	100 00
	Mark Turner	do	Porter	15 00
	Charles Spencer	Richmond	Agent	50 66
	J. W. Brinckerhoff	Savannah	do	150 00
	John A. Garey	do	Porter	20 00
	J. W. Purnell	Shreveport	Agent	83 33
	George D. Luce	Tallahassee	do	33 33
	Robert J. Broden	do	Porter	10 00
	J. W. Swaine	Jacksonville	Agent	41 58
	Harris Morris	Louisville	do	108 33
	William H. Gibson	do	do	50 00
	Sandford Grayson	do	Porter	8 00
	William H. Lockwood	Beaufort	Agent	125 00
	Joseph Fields	do	Porter	7 50
	O. G. Thibaut	New Orleans	Agent	50 00
	J. W. Brinckerhoff, jr	Savannah	do	14 00
	W. F. Bronaugh	Lynchburgh	do	45 00
	Eugene Thornhill	do	do	55 50
	James W. Dick	do	Porter	5 00
Aug. 4, 1874	do	do	do	10 00
	Eugene Thornhill	do	Agent	19 50
Aug. 7, 1874	D. G. Grosvenor	Vicksburgh	do	100 00

2.—Salaries paid by commissioners of the Freedman's Savings and Trust Company—Cont'd.

Date.	Name.	Branch.	Position.	Amount.
Aug. 7, 1874	Robert Purvis .....	Washington .....	Commissioner.....	\$183 33
	Benjamin A. Lee.....	Vickaburgh .....	Agent .....	166 66
	Pleasant Miller .....	do .....	Porter .....	25 00
Aug. 10, 1874	L. P. Clamorgan .....	Saint Louis .....	Agent .....	33 33
	Willis N. Brent .....	do .....	do .....	100 00
	Ambrose Jones .....	do .....	Porter .....	10 00
	N. D. Smith .....	Memphis .....	Agent .....	108 33
	Thomas Nolan .....	do .....	Porter .....	15 00
	F. R. Hunt .....	do .....	Agent .....	30 00
Aug. 11, 1874	C. M. Hunter .....	Raleigh .....	do .....	30 00
	Samuel L. Harris .....	New York .....	do .....	208 33
	John J. Zullo .....	do .....	do .....	100 00
	Frank Stanley .....	do .....	do .....	62 85
	H. Montgomery .....	do .....	do .....	60 00
	Caesar Bennett .....	Jacksonville .....	Watchman.....	20 00
Aug. 12, 1874	Charles Spencer .....	Richmond .....	Agent .....	68 00
	J. W. Hawkesworth.....	Natchez .....	do .....	30 00
	Nathan Butler .....	do .....	Messenger .....	15 00
	J. C. Jackson .....	Little Rock .....	Agent .....	150 00
	Charles A. Isabel .....	Lynchburgh .....	Porter .....	5 00
Aug. 13, 1874	J. W. Hawkesworth.....	Natchez .....	Agent .....	24 00
	William Whipper .....	Philadelphia .....	do .....	233 33
Aug. 14, 1874	J. N. Bishop .....	Columbus .....	do .....	93 33
Aug. 15, 1874	William J. Wilson .....	Washington .....	do .....	33 33
Aug. 17, 1874	W. F. Bronaugh .....	Lynchburgh .....	do .....	30 00
	C. S. Johnson .....	Atlanta .....	do .....	32 50
	G. W. Brodie .....	Raleigh .....	do .....	40 00
Aug. 18, 1874	J. W. Purnell .....	Shreveport .....	do .....	425 00
Aug. 24, 1874	William W. White .....	do .....	Porter .....	10 00
	G. W. Blackburn .....	Columbus .....	Agent .....	50 00
Aug. 27, 1874	Thomas Williamson .....	do .....	Porter .....	15 00
	J. H. Smyth .....	Wilmington .....	Agent .....	100 00
	A. Whitfield .....	do .....	Porter .....	30 00
	C. S. Johnson .....	Atlanta .....	Agent .....	75 00
	J. W. Dick .....	Mobile .....	Messenger .....	30 00
	William A. Mitchell .....	Richmond .....	Agent .....	12 83
Aug. 28, 1874	C. H. Jones .....	Washington .....	Messenger .....	60 00
	J. G. Hamilton .....	Lexington .....	Agent .....	100 00
Aug. 31, 1874	G. W. Stickney .....	Washington .....	do .....	100 57
	T. S. Boston .....	do .....	do .....	15 00
	John A. J. Creswell .....	do .....	Commissioner .....	250 00
	Robert Purvis .....	do .....	do .....	250 00
	R. H. T. Leopold .....	do .....	do .....	250 00
	G. W. Stickney .....	do .....	Agent .....	149 43
	A. M. Sperry .....	do .....	do .....	208 33
	E. A. Wheeler .....	do .....	Clerk .....	100 00
	G. W. Clapp .....	do .....	do .....	100 00
	H. S. Nyman .....	do .....	do .....	100 00
	A. C. Patterson .....	do .....	do .....	50 00
	G. H. Bruce .....	do .....	Watchman .....	55 00
	C. A. Fleetwood .....	do .....	Clerk .....	100 00
	A. F. Hill .....	do .....	do .....	75 00
	Thomas S. Boston .....	do .....	do .....	85 00
	Fields Cook .....	Alexandria .....	Agent .....	60 00
	C. S. Johnson .....	Atlanta .....	do .....	75 00
	D. A. Ritter .....	Augusta .....	do .....	118 66
	H. H. Webb .....	Baltimore .....	do .....	75 00
	W. H. Bishop .....	do .....	do .....	75 00
	Daniel Blake .....	do .....	Porter .....	6 00
	William H. Lockwood .....	Beaufort .....	Agent .....	125 00
	R. W. Tompkins .....	Charleston .....	do .....	100 00
	John J. Price .....	do .....	Porter .....	30 00
	G. W. Blackburn .....	Columbia .....	Agent .....	50 00
	A. J. Hunt .....	Huntsville .....	do .....	50 00
	J. W. Swaine .....	Jacksonville .....	do .....	100 00
	Caesar Bennett .....	do .....	Watchman .....	30 00
	J. C. Jackson .....	Little Rock .....	Agent .....	37 50
	Honore Morris .....	Louisville .....	do .....	108 33
	William H. Gibson .....	do .....	do .....	50 00
	W. F. Bronaugh .....	Lynchburgh .....	do .....	75 00
	N. D. Smith .....	Memphis .....	do .....	108 33
	J. M. Hawkesworth .....	Natchez .....	do .....	60 00
	John J. Cary .....	Nashville .....	do .....	100 00
	William Stewart .....	New Berno .....	do .....	100 00
	C. D. Sturtevant .....	New Orleans .....	do .....	166 66
	Henry Baceas .....	do .....	do .....	125 00
	Moses Townsend .....	do .....	Porter .....	25 00
	Frank Stanley .....	New York .....	Agent .....	75 00
	H. Montgomery .....	do .....	do .....	25 00
	Samuel L. Harris .....	do .....	do .....	208 33
	H. C. Percy .....	Norfolk .....	do .....	100 00
	W. Whipper .....	Philadelphia .....	do .....	150 00

## 2.—Salaries paid by commissioners of the Freedman's Savings and Trust Company—Cont'd.

Date.	Name.	Branch.	Position.	Amount.
Aug. 31, 1874	G. W. Bordie	Raleigh	Agent	\$40 00
	Charles Spencer	Richmond	do	116 66
	J. W. Brinckerhoff	Savannah	do	150 00
	John A. Garey	do	Porter	20 00
	J. W. Purnell	Shreveport	Agent	83 33
	Willis N. Brent	Saint Louis	do	100 00
	George D. Luco	Tallahassee	do	83 33
	D. G. Grosvenor	Vicksburgh	do	100 00
	Pleasant Miller	do	Porter	15 00
	John H. Smyth	Wilmington	Agent	30 00
	T. N. M. Sellers	Macon	do	100 00
	Eugene Thornhill	Mobile	do	75 00
	J. Hope	Memphis	Porter	15 00
Sept. 1, 1874	William E. Augusta	Washington	Agent	100 00
Sept. 2, 1874	Nathan Butler	Natchez	Porter	15 00
Sept. 7, 1874	Pleasant Miller	Vicksburgh	do	6 00
	E. P. Pierce	Little Rock	Agent	74 20
	Samuel Somers	do	Porter	7 50
Sept. 9, 1874	W. G. White	Shreveport	do	10 00
Sept. 22, 1874	Samuel Somers	Little Rock	do	2 50
Sept. 24, 1874	E. P. Pierce	do	Agent	56 00
Sept. 26, 1874	Fields Cook	Alexandria	do	36 00
Sept. 29, 1874	John H. Smyth	Augusta	do	20 00
Sept. 30, 1874	John A. J. Crosswell	Washington	Commissioner	250 00
	Robert Parvis	do	do	250 00
	R. H. T. Leopold	do	do	250 00
	G. W. Stieckney	do	Agent	250 00
	A. M. Sperry	do	do	208 33
	E. A. Wheeler	do	Clerk	100 00
	G. W. Clapp	do	do	100 00
	H. S. Nyman	do	do	100 00
	C. H. Jones	do	Messenger	60 00
	G. B. Bruce	do	Watchman	55 00
	G. H. E. Fletcher	do	Clerk	100 00
	T. S. Boston	do	Agent	100 00
	C. A. Fleetwood	do	do	100 00
	W. E. Augusta	do	do	100 00
	A. F. Hill	do	do	75 00
	F. Cook	Alexandria	do	60 00
	D. A. Ritter	Augusta	do	116 66
	H. H. Webb	Baltimore	do	75 00
	W. H. Bishop	do	do	75 00
	Daniel Blako	do	do	6 00
	W. H. Lockwood	Beaufort	do	125 00
	C. S. Johnson	Atlanta	do	75 00
	R. W. Tompkins	Charleston	do	100 00
	John J. Price	do	Porter	20 00
	T. W. Blackburn	Columbia	Agent	50 00
	A. J. Hunt	Huntsville	do	50 00
	J. W. Swaine	Jacksonville	do	100 00
	Cassar Bennett	do	Watchman	30 00
	J. C. Jackson	Lexington	Agent	75 00
	Horace Morris	Louisville	do	108 33
	T. N. M. Sellers	Macon	do	100 00
	N. D. Smith	Memphis	do	108 33
	Eugene Thornhill	Mobile	do	75 00
	J. M. Hawkesworth	Natchez	do	60 00
	John J. Cary	Nashville	do	100 00
	William Stewart	New Bern	do	100 00
	C. D. Sturtevant	New Orleans	do	166 66
	Henry Baecas	do	do	125 00
	Moses Townsend	do	Porter	25 00
	Samuel L. Harris	New York	Agent	208 33
	Frank Stanley	do	do	75 00
	H. Montgomery	do	Porter	25 00
	H. C. Percy	Norfolk	Agent	100 00
	William Whipper	Philadelphia	do	150 00
	G. W. Brodie	Raleigh	do	40 00
	Charles Spencer	Richmond	do	116 66
	J. W. Brinckerhoff	Savannah	do	150 00
	John A. Garey	do	Porter	20 00
	J. W. Purnell	Shreveport	Agent	83 33
	George D. Luco	Tallahassee	do	83 33
	W. D. White	Shreveport	Porter	10 00
	W. N. Brent	Saint Louis	Agent	100 00
	D. G. Grosvenor	Vicksburgh	do	100 00
	Pleasant Miller	do	Porter	15 00
	John H. Smyth	Wilmington	Agent	75 00
	Rhoda Ross	Lexington	Porteress	5 00
	Nathan Butler	Natchez	Porter	5 00
	Isaac Hope	Memphis	do	5 00



2.—Salaries paid by commissioners of the Freedman's Savings and Trust Company—Cont'd.

Date.	Name.	Branch.	Position.	Amount.
Sept. 30, 1874	Phillis Green .....	Wilmington .....	Porter .....	\$5 00
	S. E. Kemp .....	Richmond .....	do .....	3 00
	W. F. Bronaugh .....	Lynchburgh .....	Agent .....	75 00
Oct. 2, 1874	J. N. Bishop .....	Columbus .....	Agent, (Aug. & Sept.) .....	186 66
	William Stewart .....	New Berno. ....	do .....	91 90
Oct. 5, 1874	Charles N. Hunter .....	Raleigh .....	do .....	72 00
Oct. 13, 1874	J. N. Bishop .....	Columbus .....	do .....	20 00
Oct. 16, 1874	William H. Bishop .....	Baltimore .....	do .....	37 50
Oct. 20, 1874	William H. Webb .....	do .....	do .....	37 50
Oct. 30, 1874	John A. J. Creswell .....	Washington .....	Commissioner .....	250 00
	Robert Purvis .....	do .....	do .....	250 00
	R. H. T. Leibold .....	do .....	do .....	250 00
	A. M. Sperry .....	do .....	Agent .....	208 33
	E. A. Wheeler .....	do .....	Clerk .....	125 00
	C. A. Fleetwood .....	do .....	do .....	100 00
	H. S. Nyman .....	do .....	do .....	100 00
	G. W. Clapp .....	do .....	do .....	100 00
	William E. Augusta .....	do .....	do .....	100 00
	A. F. Hill .....	do .....	do .....	100 00
	C. H. Jones .....	do .....	Messenger .....	60 00
	G. H. Bruce .....	do .....	Watchman .....	55 00
	G. H. E. Fletcher .....	do .....	Agent .....	116 66
	C. S. Johnson .....	Atlanta .....	do .....	75 00
	D. A. Ritter .....	Augusta .....	do .....	116 66
	D. Blake .....	Baltimore .....	Porter .....	6 00
	W. H. Lockwood .....	Beaufort .....	Agent .....	125 00
	R. W. Tompkins .....	Charleston .....	do .....	100 00
	John J. Price .....	do .....	Porter .....	25 00
	G. W. Blackburn .....	Columbia .....	Agent .....	50 00
	A. J. Hunt .....	Huntsville .....	do .....	50 00
	J. W. Swaine .....	Jacksonville .....	do .....	100 00
	Cæsar Bennett .....	do .....	Watchman .....	30 00
	J. C. Jackson .....	Lexington .....	Agent .....	75 00
	Horace Morris .....	Louisville .....	do .....	108 33
	W. H. Gibson .....	do .....	do .....	50 00
	T. N. M. Sellers .....	Macon .....	do .....	100 00
	N. D. Smith .....	Memphis .....	do .....	108 33
	E. Thornhill .....	Mobile .....	do .....	75 00
	J. W. Hawkesworth .....	Natchez .....	do .....	60 00
	John J. Cary .....	Nashville .....	do .....	100 00
	William Stewart .....	New Berno. ....	do .....	100 00
	C. D. Sturtevant .....	New Orleans .....	do .....	166 66
	Henry Bacons .....	do .....	do .....	125 00
	Moses Townsend .....	do .....	Porter .....	25 00
	Samuel L. Harris .....	New York .....	Agent .....	104 16
	Frank Stanley .....	do .....	do .....	47 50
	H. Montgomery .....	do .....	Porter .....	12 50
	H. C. Percy .....	Norfolk .....	Agent .....	100 00
	William Whipper .....	Philadelphia .....	do .....	75 00
	G. W. Brodie .....	Raleigh .....	do .....	40 00
	Charles Spencer .....	Richmond .....	do .....	116 66
	J. W. Brinkkerhoff .....	Savannah .....	do .....	150 00
	John A. Gary .....	do .....	Porter .....	20 00
	J. W. Purnell .....	Shreveport .....	Agent .....	83 33
	W. D. White .....	do .....	Porter .....	10 00
	Willis N. Brent .....	Saint Louis .....	Agent .....	100 00
	Rhoda Ross .....	Lexington .....	Porteress .....	5 00
	Nathan Butler .....	Natchez .....	Porter .....	5 00
	G. W. Stickney .....	Washington .....	Agent .....	250 00
	George D. Luce .....	Tallahassee .....	do .....	83 33
	D. G. Grosvenor .....	Vicksburgh .....	do .....	100 00
	Pleasant Miller .....	do .....	Porter .....	15 00
	John H. Smytho .....	Wilmington .....	Agent .....	75 00
Oct. 31, 1874	W. F. Bronaugh .....	Lynchburgh .....	do .....	75 00
	J. N. Bishop .....	Columbus .....	do .....	100 00
Nov. 2, 1874	Isaac Hope .....	Memphis .....	Porter .....	5 00
Nov. 11, 1874	William Elliott .....	Beaufort .....	Solicitor .....	750 00
Nov. 17, 1874	Henry Bacons .....	New Orleans .....	Agent .....	62 50
	Moses Townsend .....	do .....	Porter .....	12 50
Nov. 24, 1874	E. Thornhill .....	Mobile .....	Agent .....	45 00
Nov. 25, 1874	Willis N. Brent .....	Saint Louis .....	do .....	50 00
	C. S. Johnson .....	Atlanta .....	do .....	37 50
Nov. 28, 1874	John A. J. Creswell .....	Washington .....	Commissioner .....	250 00
	Robert Purvis .....	do .....	do .....	250 00
	R. H. T. Leibold .....	do .....	do .....	250 00
	G. W. Stickney .....	do .....	Agent .....	250 00
	A. M. Sperry .....	do .....	do .....	208 33
	E. A. Wheeler .....	do .....	Clerk .....	125 00
	G. W. Clapp .....	do .....	do .....	100 00
	H. S. Nyman .....	do .....	do .....	100 00
	C. H. Jones .....	do .....	Messenger .....	60 00

## 2.—Salaries paid by commissioners of the Freedman's Savings and Trust Company—Cont'd.

Date.	Name.	Branch.	Position.	Amount.
Nov. 28, 1874	George H. Bruce	Washington	Watchman	\$55 00
	G. H. E. Fletcher	do	Agent	116 66
	W. E. Augusta	do	Clerk	100 00
	A. F. Hill	do	do	100 00
	C. A. Fleetwood	do	do	100 00
	W. J. White	Augusta	Agent	10 00
	H. H. Webb	Baltimore	do	37 50
	W. H. Lockwood	Beaufort	do	125 00
	Nathan Ritter	Charleston	do	15 00
	R. W. Tompkins	do	do	40 07
	John J. Price	do	Porter	25 00
	G. W. Blackburn	Columbia	Agent	10 00
	A. J. Hunt	Huntsville	do	10 00
	J. W. Swaino	Jacksonville	do	100 00
	J. C. Jackson	Lexington	do	10 00
	Horace Morris	Louisville	do	64 17
	W. H. Gibson	do	do	25 00
	T. N. M. Sellers	Macon	do	10 00
	N. D. Smith	Memphis	do	50 00
	James A. Somerville	Mobile	do	6 00
	John J. Cary	Nashville	do	25 00
	William Stewart	New Berne	do	15 00
	C. D. Sturtevant	New Orleans	do	95 83
	H. C. Percy	Norfolk	do	15 00
	E. W. Hollingsworth	Philadelphia	do	15 00
	G. W. Brodie	Raleigh	do	10 00
	Charles Spencer	Richmond	do	15 00
	Henry Sutton	Tallahassee	do	10 00
	D. G. Grosvenor	Vicksburgh	do	100 00
	John H. Smythe	Wilmington	do	10 00
	J. N. Bishop	Columbus	do	10 00
	Daniel Blake	Baltimore	Porter	6 00
	Dec. 3, 1874	Pleasant Miller	Vicksburgh	do
E. P. Pierce		do	Agent	60 00
Dec. 7, 1874	J. W. Purnell	Shreveport	do	83 33
Dec. 8, 1874	Nathan Ritter	Charleston	do	95 00
	Horace Morris	Louisville	do	44 16
Dec. 18, 1874	William Stewart	New Berne	do	7 50
Dec. 22, 1874	C. D. Sturtevant	New Orleans	do	70 83
Dec. 24, 1874	J. N. Bishop	Columbus	do	10 00
	G. W. Blackburn	Columbia	do	10 00
Dec. 26, 1874	G. W. Brodie	Raleigh	do	10 00
	John A. J. Creswell	Washington	Commissioner	250 00
	Robert Purvis	do	do	250 00
	R. H. T. Leibold	do	do	250 00
	A. M. Sperry	do	do	208 33
	G. W. Clapp	do	Clerk	100 00
	H. S. Newman	do	do	100 00
	C. A. Fleetwood	do	do	116 66
	C. H. Jones	do	Messenger	60 00
	G. H. Bruce	do	Watchman	55 00
	E. A. Wheeler	do	Clerk	125 00
	W. E. Augusta	do	do	100 00
	A. F. Hill	do	do	100 00
	G. H. E. Fletcher	do	do	19 44
	G. W. Stickney	do	Agent	250 00
	Frank Quarles	Atlanta	do	10 00
	W. J. White	Augusta	do	10 00
	H. H. Webb	Baltimore	do	25 00
	W. H. Lockwood	Beaufort	do	125 00
	Nathan Ritter	Charleston	do	15 00
	C. J. Hunt	Huntsville	do	10 00
	J. W. Swaino	Jacksonville	do	25 00
	J. C. Jackson	Lexington	do	10 00
	Horace Morris	Louisville	do	20 00
	A. J. Thompson	Little Rock	do	20 00
	T. N. M. Sellers	Macon	do	10 00
	do	Memphis	do	50 00
	James A. Somerville	Mobile	do	15 00
	John J. Cary	Nashville	do	25 00
	C. D. Sturtevant	New Orleans	do	72 22
	H. C. Percy	Norfolk	do	15 00
	Charles Spencer	Richmond	do	15 00
	Willis N. Brent	Saint Louis	do	15 00
John H. Smythe	Wilmington	do	10 00	
Daniel Blake	Baltimore	Porter	6 00	
James Dickson	Natchez	Agent	10 00	
Henry Sutton	Tallahassee	do	10 00	
Jan. 2, 1875	John A. J. Creswell	Washington	Commissioner	250 00
	Robert Purvis	do	do	250 00
	R. H. T. Leibold	do	do	250 00

2.—Salaries paid by commissioners of the Freedman's Savings and Trust Company—Cont'd.

Date.	Name.	Branch.	Position.	Amount.	
Jan. 30, 1875	G. W. Stokney	Washington	Agent	\$250 00	
	A. M. Sperry	do	do	208 33	
	G. W. Clapp	do	Clerk	116 66	
	C. A. Fleetwood	do	do	116 66	
	H. S. Nyman	do	do	100 00	
	G. H. Bruce	do	Watchman	55 00	
	C. H. Jones	do	Messenger	70 00	
	E. A. Wheeler	do	Clerk	125 00	
	A. F. Hill	do	do	100 00	
	D. A. Ritter	do	do	100 00	
	W. E. Augusta	do	do	100 00	
	Frank Charles	Atlanta	Agent	10 00	
	William J. White	Augusta	do	10 00	
	H. H. Webb	Baltimore	do	25 00	
	William H. Lockwood	Beaufort	do	125 00	
	Nathan Ritter	Charleston	do	15 00	
	A. J. Hunt	Huntsville	do	10 00	
	J. W. Swaine	Jacksonville	do	25 00	
	J. C. Jackson	Lexington	do	10 00	
	Horace Morris	Louisville	do	20 00	
	T. N. M. Sellers	Macon	do	10 00	
	N. D. Smith	Memphis	do	50 00	
	James A. Somerville	Mobile	do	15 00	
	John J. Cary	Nashville	do	25 00	
	Charles Spencer	Richmond	do	15 00	
	Willis N. Brent	Saint Louis	do	10 00	
	Henry Sutton	Tallahassee	do	10 00	
	Daniel Blake	Baltimore	Porter	6 00	
	G. W. Blackburn	Columbia	Agent	10 00	
	G. W. Brodie	Raleigh	do	10 00	
	J. N. Bishop	Columbus	do	10 00	
	D. A. Ritter	Washington	do	30 00	
	Feb. 11, 1875 Feb. 27, 1875	John A. J. Creswell	do	Commissioner	250 00
Robert Purvis		do	do	250 00	
R. H. T. Leibold		do	do	250 00	
G. W. Stokney		do	Agent	250 00	
A. M. Sperry		do	do	208 33	
G. W. Clapp		do	Clerk	116 66	
H. S. Nyman		do	do	100 00	
C. A. Fleetwood		do	do	116 66	
C. H. Jones		do	Messenger	70 00	
G. H. Bruce		do	Clerk	55 00	
W. E. Augusta		do	do	100 00	
A. F. Hill		do	do	100 00	
E. A. Wheeler		do	do	125 00	
H. H. Webb		Baltimore	Agent	25 00	
W. H. Lockwood		Beaufort	do	125 00	
Nathan Ritter		Charleston	do	15 00	
J. W. Swaine		Jacksonville	do	25 00	
Horace Morris		Louisville	do	20 00	
N. D. Smith		Memphis	do	50 00	
John J. Cary		Nashville	do	25 00	
Willis N. Brent		Saint Louis	do	10 00	
Daniel Blake		Baltimore	Porter	6 00	
Mar. 24, 1875 Mar. 30, 1875		Robert Purvis	Washington	Commissioner	250 00
		A. M. Sperry	do	Agent	208 33
		John A. J. Creswell	do	Commissioner	250 00
		R. H. T. Leibold	do	do	250 00
		G. W. Stokney	do	Agent	250 00
		G. W. Clapp	do	Clerk	116 66
		H. S. Nyman	do	do	100 00
		C. A. Fleetwood	do	do	116 66
		C. H. Jones	do	Messenger	70 00
		G. H. Bruce	do	Watchman	55 00
		E. A. Wheeler	do	Clerk	125 00
	W. E. Augusta	do	do	100 00	
	A. F. Hill	do	do	100 00	
	Horace Morris	do	do	100 00	
	W. H. Lockwood	Beaufort	Agent	125 00	
	Nathan Ritter	Charleston	do	15 00	
	J. W. Swaine	Jacksonville	do	25 00	
	N. D. Smith	Memphis	do	50 00	
	John J. Cary	Nashville	do	25 00	
	Willis N. Brent	Saint Louis	do	10 00	
	Daniel Blake	Baltimore	Porter	6 00	
	Apr. 17, 1875 Apr. 24, 1875 Apr. 29, 1875	George H. Bruce	Washington	Watchman	27 50
		William Elliott	Beaufort	Attorney-at-law	750 00
		John A. J. Creswell	Washington	Commissioner	250 00
		Robert Purvis	do	do	250 00
		R. H. T. Leibold	do	do	250 00
	G. W. Stokney	do	Agent	250 00	

## 2.—Salaries paid by commissioners of the Freedman's Savings and Trust Company—Cont'd.

Date.	Name.	Branch.	Position.	Amount.
April 29, 1875	A. M. Sperry .....	Washington .....	Agent .....	\$208 33
	G. W. Clapp .....	do .....	Clerk .....	116 66
	H. S. Nyman .....	do .....	do .....	100 00
	C. A. Fleetwood .....	do .....	do .....	116 66
	C. H. Jones .....	do .....	Messenger .....	70 00
	Jos. A. Simms .....	do .....	Watchman .....	25 00
	E. A. Wheeler .....	do .....	Clerk .....	125 00
	W. E. Augusta .....	do .....	do .....	100 00
	A. F. Hill .....	do .....	do .....	100 00
	Horace Morris .....	do .....	do .....	100 00
	W. H. Lockwood .....	Beaufort .....	Agent .....	125 00
	J. W. Swatno .....	Jacksonville .....	do .....	25 00
	N. D. Smith .....	Memphis .....	do .....	50 00
	John J. Cary .....	Nashville .....	do .....	25 00
	Willis N. Brent .....	Saint Louis .....	do .....	10 00
	Daniel Blake .....	Baltimore .....	Porter .....	6 00
	May 28, 1875	John A. J. Creswell .....	Washington .....	Commissioner .....
Robert Purvis .....		do .....	do .....	250 00
R. H. T. Leibold .....		do .....	do .....	250 00
G. W. Clapp .....		do .....	Clerk .....	116 66
H. S. Nyman .....		do .....	do .....	100 00
C. A. Fleetwood .....		do .....	do .....	116 66
E. A. Wheeler .....		do .....	do .....	125 00
W. E. Augusta .....		do .....	do .....	100 00
A. F. Hill .....		do .....	do .....	100 00
Horace Morris .....		do .....	do .....	100 00
A. M. Sperry .....		do .....	Agent .....	208 33
Jos. A. Simms .....		do .....	Watchman .....	50 00
John J. Cary .....		Nashville .....	Agent .....	25 00
W. H. Lockwood .....		Beaufort .....	do .....	125 00
N. D. Smith .....		Memphis .....	do .....	50 00
C. H. Jones .....		Washington .....	Messenger .....	70 00
June 30, 1875		John A. J. Creswell .....	do .....	Commissioner .....
	Robert Purvis .....	do .....	do .....	250 00
	R. H. T. Leibold .....	do .....	do .....	250 00
	A. M. Sperry .....	do .....	Agent .....	208 33
	G. W. Clapp .....	do .....	Clerk .....	116 66
	H. S. Nyman .....	do .....	do .....	100 00
	C. A. Fleetwood .....	do .....	do .....	116 66
	C. H. Jones .....	do .....	Messenger .....	75 00
	Joseph A. Simms .....	do .....	Watchman .....	50 00
	E. A. Wheeler .....	do .....	Clerk .....	125 00
	W. E. Augusta .....	do .....	do .....	100 00
	A. F. Hill .....	do .....	do .....	100 00
	Horace Morris .....	do .....	do .....	100 00
	William H. Lockwood .....	Beaufort .....	Agent .....	125 00
	John J. Cary .....	Nashville .....	do .....	25 00
	Horace Morris .....	Washington .....	Clerk .....	33 33
	July 10, 1875	W. E. Augusta .....	do .....	do .....
July 20, 1875	John A. J. Creswell .....	do .....	Commissioner .....	250 00
July 31, 1875	Robert Purvis .....	do .....	do .....	250 00
	R. H. Leibold .....	do .....	do .....	250 00
	A. M. Sperry .....	do .....	Agent .....	166 66
	G. W. Clapp .....	do .....	do .....	116 66
	H. S. Nyman .....	do .....	do .....	100 00
	C. A. Fleetwood .....	do .....	do .....	116 66
	C. H. Jones .....	do .....	Messenger .....	75 00
	Joseph A. Simms .....	do .....	Watchman .....	50 00
	E. A. Wheeler .....	do .....	Clerk .....	125 00
	A. F. Hill .....	do .....	do .....	100 00
	W. H. Lockwood .....	Beaufort .....	Agent .....	125 00
	John J. Cary .....	Nashville .....	do .....	25 00
Aug. 24, 1875	H. S. Nyman .....	Washington .....	Clerk .....	100 00
Aug. 30, 1875	John A. J. Creswell .....	do .....	Commissioner .....	250 00
	Robert Purvis .....	do .....	do .....	250 00
	R. H. T. Leibold .....	do .....	do .....	250 00
	A. M. Sperry .....	do .....	Agent .....	166 66
	G. W. Clapp .....	do .....	do .....	116 66
	C. A. Fleetwood .....	do .....	do .....	116 66
	C. H. Jones .....	do .....	Messenger .....	75 00
	Joseph A. Simms .....	do .....	Watchman .....	50 00
	E. A. Wheeler .....	do .....	Clerk .....	125 00
	A. F. Hill .....	do .....	do .....	100 00
	W. H. Lockwood .....	Beaufort .....	Agent .....	125 00
	John J. Cary .....	Nashville .....	do .....	25 00
Sept. 29, 1875	John A. J. Creswell .....	Washington .....	Commissioner .....	250 00
	Robert Purvis .....	do .....	do .....	250 00
	R. H. T. Leibold .....	do .....	do .....	250 00
	A. M. Sperry .....	do .....	Agent .....	166 66
	G. W. Clapp .....	do .....	Clerk .....	116 66
	H. S. Nyman .....	do .....	do .....	116 66

2.—Salaries paid by commissioners of the Freedman's Savings and Trust Company—Cont'd.

Date.	Name.	Branch.	Position.	Amount.	
Sept. 29, 1875	C. A. Fleetwood	Washington	Clerk	\$125 00	
	C. H. Jones	do	Messenger	75 00	
	Joseph A. Simms	do	Watchman	50 00	
	E. A. Wheeler	do	Clerk	133 33	
	A. F. Hill	do	do	100 00	
	W. H. Lockwood	Beaufort	Agent	125 00	
Oct. 30, 1875	John J. Cary	Nashville	do	25 00	
	John A. J. Creswell	Washington	Commissioner	250 00	
	Robert Purvis	do	do	250 00	
	R. H. T. Lelpold	do	do	250 00	
	A. M. Sperry	do	Agent	166 66	
	G. W. Clapp	do	Clerk	116 66	
	H. S. Nyman	do	do	116 66	
	C. A. Fleetwood	do	do	125 00	
	C. H. Jones	do	Messenger	75 00	
	Joseph A. Simms	do	Watchman	50 00	
	E. A. Wheeler	do	Clerk	133 33	
	A. F. Hill	do	do	100 00	
Nov. 22, 1875	W. H. Lockwood	Beaufort	Agent	125 00	
	John J. Cary	Nashville	do	25 00	
	A. C. Patterson	Washington	Clerk	100 00	
	William Steward	do	do	53 33	
	Nov. 29, 1875	John A. J. Creswell	do	Commissioner	250 00
		Robert Purvis	do	do	250 00
		R. H. T. Lelpold	do	do	250 00
		A. M. Sperry	do	Agent	166 66
		E. A. Wheeler	do	Clerk	133 33
		C. A. Fleetwood	do	do	125 00
		H. S. Nyman	do	do	116 66
		G. W. Clapp	do	do	116 66
A. F. Hill		do	do	116 66	
B. E. Cattin		do	do	73 33	
W. H. Bishop		do	do	98 67	
G. A. Griffin		do	do	70 00	
Dec. 4, 1875	A. C. Patterson	do	do	75 00	
	C. W. Handy	do	do	75 00	
	C. S. Chesney	do	do	48 33	
	C. H. Jones	do	Messenger	75 00	
	Joseph A. Simms	do	Watchman	65 00	
	Nathan Ritter	do	Clerk	100 00	
	W. H. Lockwood	Beaufort	Agent	125 00	
	John J. Cary	Nashville	do	25 00	
	Dec. 24, 1875	C. S. Chesney	Washington	Clerk	10 00
		John A. J. Creswell	do	Commissioner	250 00
		Robert Purvis	do	do	250 00
		R. H. T. Lelpold	do	do	250 00
A. M. Sperry		do	Agent	166 66	
E. A. Wheeler		do	Clerk	133 33	
C. A. Fleetwood		do	do	125 00	
H. S. Nyman		do	do	116 66	
G. W. Clapp		do	do	116 66	
A. F. Hill		do	do	116 66	
B. E. Cattin		do	do	100 00	
W. H. Bishop		do	do	100 00	
G. A. Griffin	do	do	100 00		
A. C. Patterson	do	do	100 00		
Nathan Ritter	do	do	100 00		
C. H. Jones	do	Messenger	75 00		
Joseph A. Simms	do	Watchman	50 00		
W. H. Lockwood	Beaufort	Agent	125 00		
John J. Cary	Nashville	do	25 00		
William Steward	Washington	Clerk	90 00		
E. A. Jacobs	do	do	60 00		
	To December 31, 1875			57,330 95	
Jan. 29, 1876	John A. J. Creswell	Washington	Commissioner	250 00	
	Robert Purvis	do	do	250 00	
	R. H. T. Lelpold	do	do	250 00	
	A. M. Sperry	do	Agent	133 33	
	E. A. Wheeler	do	Clerk	125 00	
	C. A. Fleetwood	do	do	116 66	
	H. S. Nyman	do	do	100 00	
	G. W. Clapp	do	do	100 00	
	B. E. Cattin	do	do	100 00	
	A. F. Hill	do	do	100 00	
	C. H. Jones	do	Messenger	75 00	
	Joseph A. Simms	do	Watchman	50 00	
W. H. Lockwood	Beaufort	Agent	125 00		
John J. Cary	Nashville	do	25 00		
	For month of January, 1876			1,799 99	
	Total amount paid to January 31, 1876			59,130 94	

## 3.—Statement of disbursements on account of attorneys' fees and costs of suits, &amp;c., by Commissioners Freedman's Savings and Trust Company.

Date.	Branch.	Name of attorney.	Purpose.	Amount.
1874.				
Dec. 4	Washington	Enoch Totten	On account professional services.	\$700 00
21	do	do	Costs of suit on note of C. W. Hayden.	25 00
29	do	John H. Cook	Costs, Fifteenth-street Presbyterian Church.	14 00
1875.				
Jan. 2	Atlanta	Gartrel & Stephens	Retainer, P. D. Corey's case	100 00
13	Washington	John H. Cook	Costs in suits	57 00
25	Atlanta	Gartrel & Stephens	Costs in P. D. Corey's case	250 00
25	New York	A. P. Ketchum	Fees	50 00
28	Mobile	Charles E. Mayor	Retainer, C. A. Woodward suit	100 00
Feb. 2	New York	A. P. Ketchum	Retainer	100 00
9	Washington	C. N. Thomas	Preparing deed of release	10 00
11	Jacksonville	H. Bisbee, jr	Retainer	90 00
10	Washington	John H. Cook	do	45 00
Mar. 5	do	Enoch Totten	Costs in sundry cases	34 00
11	do	do	Costs in Talty case	11 00
23	New Berne	R. N. Lehman	Costs in suit to recover safe	10 00
Apr. 7	Washington	Enoch Totten	Costs in B. M. Barker's case	12 00
13	do	do	Costs in Cluss's case	11 00
24	Shreveport.	David M. Callahan	Appeal-costs	25 00
29	Dedham, Mass.	John D. Cobb	Examining title to property	5 00
May 8	Washington	John H. Cook	Court-fees	63 00
14	do	Enoch Totten	Costs in suits	23 00
26	do	W. J. Wilson, J. P.	Acknowledgments	8 35
June 4	do	Enoch Totten	On account professional services.	500 00
4	do	do	Costs, B. Mackall's case	40 00
4	Baltimore.	Brown & Smith	Costs, Mohun's case	25 00
10	Atlanta	B. F. Abbotts	Costs collecting overdrafts	10 00
14	Jacksonville	H. Bisbee, jr	Fees and costs	150 00
25	Washington	Enoch Totten	Costs in sundry cases	58 00
30	do	John H. Cook	Fees and costs	131 62
July 9	Providence, R. I.	W. Hayes	Services in case P. H. Corey's bond.	100 00
12	Dedham, Mass.	John D. Cobb	Examining title to property	7 00
12	Washington	W. F. Mattingly	Fees and costs in Murth's case	100 00
31	Jacksonville	H. Bisbee, jr	Professional services	144 03
Aug. 9	Washington	S. Wolf, recorder	Copy of deed of trust, Howard University.	3 75
9	do	H. T. Taggart	Examination of title, &c	100 00
24	do	W. J. Wilson, J. P.	Acknowledgments	4 80
24	do	A. B. Duvall	Examination of title	10 00
24	Pensacola, Fla.	A. E. Maxwell	Examination of Osborne title	5 00
Sept. 7	Washington	A. B. Duvall	Abstract Pumfrey loan	15 00
Oct. 2	do	W. J. Wilson, J. P.	Fees	4 40
2	do	H. T. Taggart	Examining title to Middleton property.	25 00
5	do	John H. Cook	Costs and retainers	42 00
20	do	Enoch Totten	Costs in sundry cases	34 00
27	do	John H. Cook	Retainer	37 00
27	do	W. J. Wilson, J. P.	Acknowledgments	7 75
Nov. 5	do	Enoch Totten	On account professional services.	500 00
19	Charleston	Corbin & Stone	Fees in sundry cases	1, 152 61
19	New York	A. P. Ketchum	Fees, case Griso vs. Freedman's Savings and Trust Company.	50 00
20	Washington	W. J. Wilson, J. P.	Acknowledgments	50
26	Jacksonville	H. Bisbee, jr	Professional services in sundry cases.	345 25
29	New York	A. P. Ketchum	do	75 00
29	Washington	W. J. Wilson, J. P.	Acknowledgments	5 05
Dec. 2	do	C. N. Thomas	Fees for collecting overdrafts	35 70
3	Atlanta	Abbott & Kendrick	do	10 00
14	Washington	Bradley & Duvall	Professional services in case Seneca Stone Company loan.	200 00
22	do	N. J. Riddick	Copy of judgment, case of Nelson vs. Freedman's Savings and Trust Company.	3 00
22	do	Enoch Totten	On account professional services.	1, 000 00
	Total			6, 674 83

4.—Statement of miscellaneous expenditures.

Date.	Object.	Amount.
DISTRICT OF COLUMBIA HILLS.		
1874. Oct. 20.	To John H. Cook, collector, purchase of tax-sale certificates .....	\$174 97
Dec. 18	To John H. Cook, collector, advertising tax-sales .....	56 16
1875. Feb. 27	To secure \$11,000 3-65 bonds .....	1 40
		232 53
PERSONAL PROPERTY AT BRANCHES.		
1875. Feb. 26	Repairing safes .....	24 00
Mar. 23	Insurance on furniture at Charleston .....	7 50
May 8	Removing safes.....	193 00
June 14	Removing safes at Natchez .....	120 00
June 14	Advertising sale of safe in New York.....	4 00
July 9	Repairing desk, Washington, D. C.....	9 00
Aug. 13	Drayage and commissions.....	2 56
Aug. 13	Freight on safe from Natchez .....	27 50
Sept. 23	Commissions on sale of Charleston safe.....	93 37
Dec. 28	Commissions on collecting proceeds of safe.....	5 00
Nov. 1	Commissions on sale of property at Charleston .....	137 50
		623 43
REAL ESTATE AT BALTIMORE.		
1875. Sept. 29	Taxes on property .....	261 80
	Commissions on sale of property .....	327 50
		649 30
INTERNAL-REVENUE TAX ON DEPOSITS.		
1874. Nov. 30	To T. L. Tullock, collector .....	834 72
1875. Jan. 30	.....do .....	292 75
		1,127 47
EXCHANGE.		
1874. July 30	On ----- .....	93
Aug. 7	On Vicksburgh collections.....	50
8	On Natchez remittance .....	40
12	On Charleston remittance.....	25
22	On ----- .....	10
Nov. 10	On ----- .....	25
1875. Feb. 19	On ----- .....	25
April 19	On ----- .....	25
May 11	On Florida draft .....	1 59
Nov. 19	On Charleston draft.....	1 04
		5 56
PROFIT AND LOSS ACCOUNT.		
1874. Aug. 12	Protest-fees .....	1 31
Sept. 4	Exchange on remittance from Savannah .....	23
4	Post-office money-order .....	15
7	Post-office money-order from Vicksburgh .....	20
19	.....do .....	05
Oct. 3	.....do .....	05
5	.....do .....	20
15	.....do .....	10
19	.....do .....	10
24	.....do .....	10
Nov. 4	Post-office money-order from Baltimore .....	15
7	Protest-fees on Jacksonville branch draft.....	1 51
7	.....do .....	1 25
9	Protest-fees on Tallahassee branch draft.....	1 31
14	Internal-revenue stamp .....	02
17	Protest-fees on Simon Mayer note .....	3 00
23	Protest-fees on Tallahassee and Jacksonville checks .....	4 60
23	Post-office money-order, from Vicksburgh.....	05
28	.....do .....	05
30	Protest-fees .....	1 92
Dec. 4	Post-office money-order .....	10
4	Commissions on sale of Alexandria safe.....	2 50
11	Preparing answers to bill in equity .....	5 00
17	Post-office money-order.....	10

## 4.—Statement of miscellaneous expenditures—Continued.

Date.	Object.	Amount.
PROFIT AND LOSS ACCOUNT—Continued.		
Dec. 18	Commissions on sale of New Berne property .....	\$0 18
18	Protest-fees on branch drafts.....	3 20
24	Expense of sale of furniture at Columbia .....	20
1875.		
Jan. 21	Protest-fees .....	2 36
Apr. 17	Judgment against Freedman's Savings and Trust Company, Kate Glover case, at Charleston, S. C. ....	569 85
24	William H. Ward, certificate of title .....	5 00
May 4	Citizens' National Bank of Washington, register's fees, costs, and exchange.....	12 50
4	Recording trust .....	50
June 12	Recording deed .....	1 50
12	Acknowledgment .....	50
Nov. 3	Premium on gold bought.....	16 25
16	do.....	508 00
19	Repairing windows at Nashville.....	69 63
22	Expense in collecting note of T. Ewing .....	6 56
Dec. 7	Premium on gold .....	14 75
9	Premium on gold and silver .....	590 08
1876.		
Jan. 6	Recording deeds.....	9 25
		1, 834 36
COMPROMISE ACCOUNT.		
1874.		
Oct. 27	Thomas J. Durant, rent, New Orleans .....	3, 000 00
27	Thomas J. Durant, costs incurred by him .....	153 46
1875.		
Apr. 24	New York Joint Stock Company, rent.....	583 33
Sept. 18	C. E. Rittenhouse, attorney, rent at Augusta, Ga., (gold) .....	100 00
		3, 836 79
1875.		
May 26	John H. Cook, attorney, retainer and costs of suit, case of Scott & Johnson.....	22 00
1876.		
Aug. 16	William H. Lockwood, receiver, traveling expenses .....	36 30
Jan. 17	Special Committee of the House of Representatives in examining affairs of the Freedman's Savings and Trust Company, carriage-hire in conveying books to Capitol.....	1 50
Total miscellaneous expenditures .....		8, 369 24

## RECAPITULATION.

Taxes .....	\$1, 620 40
Commissions on sale of property.....	623 41
Moving safes .....	313 00
Freight .....	27 50
Premium on coin purchased .....	1, 198 71
Judgments against Freedman's Savings and Trust Company .....	569 85
Rents .....	3, 836 79
Exchange .....	5 56
Miscellaneous .....	146 62
Attorney's fees and costs.....	22 00
8, 369 24	



5.—Statement of expenses incurred in connection with loans and chargeable thereto.

Date.	Loan.	Nature of expense.	Amount.	Total.
WASHINGTON BRANCH.				
Jan. 22, 1875	Robert Williams.....	Enoch Totten, attorney, costs of suit.....		\$22 00
Mar. 13, 1875	James Cooper.....	J. T. Wormley, auctioneer, advertising.....	\$74 75	
		J. T. Wormley, fees.....	12 00	
		John F. Cook, collector, taxes.....	28 93	
				115 68
Nov. 28, 1874	Henry Wells.....	B. H. Warner, auctioneer, fees and advertising.....		78 25
Oct. 7, 1875	S. P. Brown & Son.....	R. M. Waters, printing 30 briefs.....		5 00
Sept. 12, 1874	W. R. Arnold.....	Insurance.....		0 00
Aug. 21, 1874	Levi Prince.....	Burns & Tyler, insurance.....		4 50
Oct. 24, 1874	B. M. Barker.....	A. S. Pratt & Son, insurance.....	19 50	
Apr. 6, 1875		G. W. Stickney, Ward's abstract.....	10 00	
				20 50
Aug. 21, 1874	Hilary Lancaster.....	Burns & Tyler, insurance.....		7 50
Sept. 3, 1874	Shanington Bacho.....	Insurance.....		7 50
Oct. 7, 1875	G. W. Duvall.....	J. C. Lewis, insurance.....		30 00
Jan. 2, 1875	W. J. Murtagh.....	J. W. Boteler, insurance.....		2 88
Feb. 13, 1875	Joseph Brooks et al.....	J. C. Lewis, insurance.....	42 50	
Aug. 23, 1875		B. H. Warner, auctioneer, fees and advertising.....	70 87	
Sept. 9, 1875		Recording and acknowledging deed.....	2 00	
Sept. 10, 1875		John F. Cook, collector, taxes.....	280 39	
				395 76
May 20, 1875	W. F. Crano.....	.....do.....	312 06	
May 20, 1875		8 per cent. coupons to pay taxes.....	8 99	
June 7, 1875		B. H. Warner, auctioneer, fees and advertising.....	150 00	
				469 05
Dec. 27, 1875	J. T. Holly.....	G. W. Stickney, advertising.....	66 94	
Jan. 22, 1876		B. H. Warner, auctioneer, fees.....	13 84	
				80 78
Nov. 3, 1874	J. H. A. Schurman.....	R. W. Tyler, insurance.....	10 80	
Oct. 30, 1875		.....do.....	10 80	
Sept. 27, 1875		Enoch Totten, filing bill in equity.....	15 00	
		Acknowledgment of deed.....	50	
				37 10
Nov. 24, 1874	A. H. Parry.....	A. S. Pratt & Son, insurance.....	9 75	
Dec. 3, 1875	(See page 13).....	.....do.....	9 75	
Dec. 22, 1875		John F. Cook, collector, taxes.....	30 79	
Jan. 12, 1876		G. W. Stickney, advertising.....	39 42	
Jan. 22, 1876		B. H. Warner, auctioneer, fees.....	13 19	
				102 90
Oct. 16, 1874	H. R. Searle.....	A. S. Pratt & Son, insurance.....	20 00	
Nov. 25, 1874		.....do.....	8 00	
				28 00
Oct. 26, 1874	E. K. Allen.....	R. W. Tyler, insurance.....	12 50	
Nov. 9, 1874		John F. Cook, collector, taxes.....	144 73	
Feb. 4, 1875		.....do.....	178 13	
Dec. 26, 1874		W. L. Bramhall, release tax-title.....	20 00	
		Recording release of tax-title.....	1 25	
				356 61
Oct. 24, 1874	M. L. Crawford.....	A. S. Pratt & Son, insurance.....	12 50	
Nov. 5, 1874		J. T. Wormley, auctioneer, fees and advertising.....	156 10	
Nov. 9, 1874		John F. Cook, collector.....	115 26	
				283 86
Nov. 25, 1874	L. Deane.....	A. S. Pratt & Son, insurance.....	13 50	
		.....do.....	13 50	
				27 00
Mar. 19, 1875	Marshall Brown.....	J. T. Wormley, advertising.....	90 12	
Mar. 19, 1875		J. T. Wormley, auctioneer's fees.....	26 25	
Apr. 6, 1875		John F. Cook, collector, taxes.....	22 56	
Apr. 9, 1875		.....do.....	91 56	
				236 49
Nov. 3, 1874	J. N. Troom.....	Burns & Tyler, insurance.....	27 00	
Feb. 10, 1875		John F. Cook, retainer.....	10 00	
Sept. 6, 1875		J. T. Wormley, auctioneer, fees and advertising.....	384 21	
Sept. 29, 1875		John F. Cook, collector, taxes.....	1,123 18	
Nov. 6, 1875		.....do.....	38 98	
				1,583 37
Oct. 24, 1874	John Waters.....	A. S. Pratt & Son, insurance.....	6 00	
Jan. 19, 1875		J. T. Wormley, auctioneer, fees and advertising.....	57 62	
Jan. 21, 1875		S. J. Fagur, measuring.....	5 00	
Aug. 13, 1875		Summons to vacate.....	6 00	
Aug. 13, 1875		Commissions.....	1 50	
Sept. 11, 1875		Collecting rent.....	30	
Nov. 13, 1875		A. S. Pratt & Son, insurance.....	6 00	
				82 42
Mar. 2, 1875	Joseph McIntosh.....	.....do.....		5 00

## 5.—Statement of expenses incurred in connection with loans, &amp;c.—Continued.

Date.	Loan.	Nature of expense.	Amount.	Total.
WASHINGTON BRANCH—Continued.				
Oct. 12, 1874	F. F. Leo .....	J. T. Wormley, auctioneer, fees and advertising.	\$71 75	
Mar. 8, 1875	.....	A. S. Pratt & Son, insurance.....	11 25	
Apr. 12, 1875	Richard L. Berry .....	.....do .....		\$83 00
Nov. 27, 1874	Dulaney heirs .....	J. T. Wormley, auctioneer, fees and advertising.		2 00
Apr. 12, 1875	Thomas Donoho .....	Burns & Tyler, insurance.....		33 00
Feb. 10, 1875	George M. Lanckton....	B. H. Warner, auctioneer, fees and advertising.	89 00	
Jan. 22, 1876	.....	do .....	374 00	
July 31, 1874	H. H. Nichols.....	Insurance.....		403 00
Oct. 24, 1874	John Jackson.....	A. S. Pratt & Son, insurance.....	3 00	18 00
Nov. 13, 1875	.....	do .....	3 00	
Sept. 27, 1875	Howard & Cook .....	Enoch Totten, filing bill in equity ....	14 00	
		Acknowledgment of same .....	50	
Apr. 12, 1875	Josephine Stewart .....	Samuel Cross, insurance.....	2 50	
Apr. 1, 1875	R. V. Harrison.....	J. T. Wormley, auctioneer's fees.....	22 50	
Apr. 1, 1875	.....	J. T. Wormley, advertising.....	108 50	
Apr. 6, 1875	.....	John F. Cook, collector, taxes.....	48 08	
May 17, 1875	George H. Phillips.....	J. T. Wormley, auctioneer's fees.....	11 85	
May 20, 1875	.....	J. T. Wormley, advertising.....	37 00	
May 20, 1875	.....	John F. Cook, collector, taxes.....	80 53	
		8 per cent. coupons to pay taxes .....	5 89	
Feb. 10, 1875	Dennis Burns.....	B. H. Warner, auctioneer, fees and advertising.		177 08
Oct. 24, 1874	W. J. Cooke .....	A. S. Pratt & Son, insurance.....	22 50	
Nov. 9, 1874	.....	John F. Cook, collector, taxes*.....	788 51	
Oct. 10, 1874	Henson Davis .....	A. S. Pratt & Son, insurance.....		811 01
Apr. 3, 1875	William Brown .....	do .....	45 00	10 00
Nov. 13, 1875	.....	do .....	45 00	
Dec. 27, 1875	.....	G. W. Stickney, advertising .....	30 93	
May 19, 1875	J. B. Keith .....	A. S. Pratt & Son, insurance.....	4 50	
June 4, 1875	.....	J. T. Wormley, advertising.....	18 37	
Sept. 18, 1874	Taggart & Vnshon.....	A. S. Pratt & Son, insurance.....		22 87
Oct. 26, 1874	J. W. Van Hook .....	Burns & Tyler, insurance .....	31 50	36 00
		Carriage-hire attending sale .....	5 00	
July 30, 1874	Samuel Strong.....	Insurance.....		36 50
Feb. 10, 1875	Joseph Daniels .....	B. H. Warner, advertising.....		18 00
June 10, 1875	Maria Alice Lawlor....	F. T. Rawlings, insurance.....		335 82
Nov. 2, 1874	Lewis Sewall .....	J. T. Wormley, advertising.....	93 50	
		John F. Cook, collector, taxes.....	71 52	
June 26, 1875	William Johnson .....	A. S. Pratt & Son, insurance.....		165 02
July 13, 1874	John C. Ricks .....	Insurance.....		7 50
Nov. 19, 1874	Frederick Stromberger..	W. J. Miller, trustee's fees.....	177 00	
		W. J. Miller, taxes and expense of sale	423 00	
Feb. 6, 1875	.....	G. W. Stickney, trustee's fees .....	15 08	
Nov. 3, 1874	Samuel Ford.....	Burns & Tyler, insurance.....		615 03
May 8, 1875	Juan Boyle .....	John H. Cook, retainer .....	21 00	11 25
Oct. 14, 1875	.....	John F. Cook, collector, taxes .....	812 09	
Oct. 14, 1875	.....	B. H. Warner, auctioneer, fees and advertising.	73 12	
Sept. 20, 1874	L. A. Tuell .....	do .....		906 21
Nov. 3, 1874	S. Bruce, jr .....	Burns & Tyler, insurance.....		114 40
Nov. 3, 1874	Thomas L. Berry .....	do .....		4 37
Aug. 27, 1874	W. H. Hunter .....	Insurance.....		5 00
Oct. 19, 1874	M. A. Grady, guardian .	A. S. Pratt & Son, insurance.....	6 25	
Jan. 21, 1875	.....	J. T. Wormley, advertising.....	45 00	
Oct. 24, 1874	Daniel Sheehan .....	A. S. Pratt & Son, insurance .....	5 00	
Nov. 10, 1874	.....	J. H. Cook, appointing trustee.....	26 00	
Apr. 8, 1873	.....	J. T. Wormley, auctioneer's fees .....	25 10	
		J. T. Wormley, advertising.....	71 87	
		John F. Cook, collector, taxes.....	170 33	
Oct. 24, 1874	Leonidas Scott.....	A. S. Pratt & Son, insurance.....		298 30
July 18, 1874	H. M. B. Upson.....	do .....		5 10
		do .....		11 60

\* Included in item of \$812.09 paid to John F. Cook, collector, October 14, and charged to Juan Boyle loan, on page 4.

5.—Statement of expenses incurred in connection with loans, &c.—Continued.

Date.	Loan.	Nature of expense.	Amount.	Total.	
WASHINGTON BRANCH—Continued.					
Sept. 29, 1874	William Williams .....	B. H. Warner, auctioneer, fees and advertising. Burns & Tyler, insurance .....	\$103 24 20 25	\$123 49	
Dec. 1, 1874	Fifteenth-street Presbyterian Church.	A. S. Pratt & Son, insurance .....	60 00		
Feb. 10, 1875	.....	John H. Cook, retainer. (Gray's note).	10 00	100 00	
Dec. 11, 1875	.....	A. S. Pratt & Son, insurance .....	30 00		
Nov. 2, 1874	Peter Wilkinson .....	do .....	.....	4 00	
Aug. 28, 1874	R. Lobsiger .....	Burns & Tyler, insurance .....	14 00		
May 8, 1870	.....	S. Wolf, recording trust .....	1 50	434 57	
June 25, 1875	.....	T. Luboy, water-tax .....	5 84		
Aug. 21, 1875	.....	R. W. Tyler, insurance .....	14 00		
Sept. 23, 1875	.....	John F. Cook, collector .....	196 86		
Sept. 24, 1875	.....	Special improvement board .....	59 02		
Sept. 25, 1875	.....	B. H. Warner, auctioneer, fees and advertising.	136 35		
Oct. 27, 1875	.....	J. H. Cook, part costs and retainer .....	7 00		
Apr. 2, 1875	Hagar Randall .....	A. S. Pratt & Son, insurance .....	.....		7 50
Nov. 18, 1874	Tucker & Sherman .....	John F. Cook, collector, taxes .....	127 48		
Nov. 19, 1874	.....	A. B. Duvall, trustees' fees .....	67 50		146 07
Nov. 28, 1874	.....	A. B. Duvall, auctioneer's fees and advertising.	146 07		
Nov. 28, 1874	.....	D. C. Patterson, trustees' fees .....	67 50	408 55	
Jan. 30, 1875	J. H. Payne .....	F. T. Rawlings, insurance .....	.....		
July 2, 1875	T. W. Osborn .....	Geo. E. Wentworth, examining records .....	2 00	10 00	
Nov. 1, 1875	(See page 13) .....	John F. Cook, collector, taxes .....	42 00		
Nov. 15, 1875	.....	Acknowledgment to affidavit .....	50	169 50	
Dec. 23, 1875	.....	E. A. Perry, retainer and costs .....	125 00		
Apr. 26, 1875	Noah Robinson .....	Insurance .....	10 75	57 00	
June 8, 1875	.....	B. H. Warner, auctioneer, fees and advertising.	57 00		
Sept. 9, 1875	.....	Recording and acknowledging deed .....	2 00	184 10	
Sept. 10, 1875	.....	John F. Cook, collector, taxes .....	184 10		
Sept. 5, 1874	Elizabeth Meade .....	Burns & Tyler, insurance .....	11 50	91 22	
Jan. 15, 1875	.....	B. F. Tracy, tax-lien certificate .....	91 22		
Apr. 9, 1875	.....	John F. Cook, collector, taxes .....	787 19	11 50	
Apr. 26, 1875	.....	Burns & Tyler, insurance .....	11 50		
May 7, 1875	.....	Purchase of 8 per cent. bonds to pay taxes.	506 00	208 71	
May 21, 1875	.....	John F. Cook, collector, taxes .....	208 71		
June 7, 1875	.....	B. H. Warner, auctioneer, fees and advertising.	210 00	1,826 12	
Sept. 12, 1874	W. B. Todd, jr., trustee.	A. S. Pratt & Son, insurance .....	8 95		
Sept. 18, 1875	.....	do .....	18 75		
Nov. 28, 1874	James L. Kervand .....	B. H. Warner, auctioneer, fees and advertising.	.....	76 00	
Nov. 27, 1874	J. H. A. Schureman .....	J. T. Wormley, advertising .....	58 15		
Jan. 7, 1875	.....	G. W. Stickney, Wormley's commissions.	47 50	105 65	
July 29, 1874	Justin Granby .....	J. T. Wormley, advertising .....	.....		
July 29, 1874	J. L. Thomas .....	A. S. Pratt & Son, insurance .....	6 00	66 77	
Aug. 2, 1875	.....	do .....	6 00		
Mar. 22, 1875	J. G. Waters .....	Burns & Tyler, insurance .....	.....	15 00	
Dec. 14, 1874	C. W. Havenner .....	A. S. Pratt & Son, insurance .....	22 50		
Aug. 11, 1875	.....	John H. Cook, retainer and costs .....	25 00	70 00	
Dec. 14, 1875	.....	A. S. Pratt & Son, insurance .....	22 50		
June 19, 1875	T. B. Caldwell .....	F. T. Rawlings, insurance .....	.....	18 50	
Nov. 24, 1875	Samuel T. Suit .....	R. S. Boswell, stenographer's charges .....	10 00		
Nov. 26, 1875	.....	N. F. Cleary, commissions in chancery .....	17 50	27 50	
July 21, 1874	Thomas Barry .....	R. W. Tyler, insurance .....	8 40		
July 21, 1875	.....	do .....	8 40		
Sept. 29, 1874	John Wilkes .....	B. H. Warner, auctioneer, fees and advertising.	168 99	16 80	
Sept. 10, 1875	.....	John F. Cook, collector, taxes .....	797 42		
Oct. 6, 1875	.....	Enoch Totten, filing bill in equity .....	17 00	50	
Oct. 6, 1875	.....	Acknowledgment to bill in equity .....	50		
Dec. 4, 1875	.....	J. L. Ginck, advertising in Law Rep .....	4 25	988 16	
.....	.....	.....	.....		

## 5.—Statement of expenses incurred in connection with loans, &amp;c.—Continued.

Date.	Loan.	Nature of expense.	Amount.	Total.
WASHINGTON BRANCH—Continued.				
July 18, 1874	Mary C. Young	A. S. Pratt & Son, insurance	\$30 00	
Sept. 29, 1874		B. H. Warner, auctioneer, fees and advertising.	106 50	\$136 50
Sept. 29, 1874	Evan Lyons	do	170 63	
Nov. 23, 1874		do	160 00	
Mar. 22, 1875		do	585 56	
Mar. 15, 1875		John F. Cook, collector, taxes.	1,679 97	
Apr. 1, 1875		J. D. McGill, advertising.	10 69	
Aug. 21, 1874	G. F. Adams	Insurance		2,006 85
Sept. 1, 1874	B. Mackall	Burns & Tyler, insurance	90 00	5 00
Jan. 15, 1875		G. W. Stickney, legal summons	22 00	
Feb. 10, 1875		B. H. Warner, auctioneer, fees and advertising.	177 00	
Mar. 22, 1875		do	137 25	
Mar. 17, 1875		John F. Cook, collector, taxes.	276 40	
Aug. 7, 1875	Nathaniel L. Wright	Clerk of court, Alexandria, Va., record fees.		702 05
Nov. 20, 1875	R. H. Darby	Acknowledgment to answer in equity		9 25
Aug. 11, 1874	Geo. Mattingly	R. W. Tyler, insurance	20 00	
Aug. 6, 1875	(See page 13)	do	20 00	
Nov. 30, 1875		R. S. Boswell, stenographer charges	5 00	
Jan. 22, 1876		B. H. Warner, auctioneer, fees and advertising.	183 50	223 50
July 31, 1875	Elizabeth Barrott	R. W. Tyler, insurance		7 50
Aug. 23, 1875	G. H. Stowell	B. H. Warner, auctioneer, fees and advertising.	173 87	
Sept. 9, 1875		Acknowledging and recording deed	2 00	
Sept. 10, 1875		John F. Cook, collector, taxes.	157 73	
Aug. 11, 1874	George B. Coburn	Insurance		333 60
Feb. 10, 1875	J. L. Kervand	B. H. Warner, auctioneer, fees and advertising.		15 00
Oct. 9, 1874	Mary C. Young	A. S. Pratt & Son, insurance	45 00	9 75
Feb. 17, 1875		Burns & Tyler, insurance	45 00	
Nov. 3, 1874	Eliza Merdith	do		90 00
Nov. 2, 1874	Joseph M. Dant	A. S. Pratt & Son, insurance		7 50
July 29, 1874	William Nelson	J. T. Wormley, advertising		3 75
Nov. 24, 1874	Thomas Payne	A. S. Pratt & Son, insurance		81 00
Oct. 24, 1874	F. and S. Brooks	do		4 50
July 17, 1874	Annette Jordan	do	30 00	4 50
July 17, 1874		Burns and Tyler, insurance	30 00	
Nov. 12, 1874		J. T. Wormley, auctioneer, fees and advertising.	165 31	
Nov. 17, 1874		John F. Cook, collector, taxes.	328 45	
Apr. 6, 1875	W. A. Ballard	do	231 55	553 76
June 7, 1875		B. H. Warner, auctioneer, fees and advertising.	90 00	
Dec. 26, 1874	} T. W. Cordoza and } } Virginia Williams. }	W. M. Chamberlain, insurance	54 00	321 55
Dec. 3, 1875		A. S. Pratt & Son, insurance	52 50	
Jan. 23, 1875	C. H. Holden	Burns & Tyler, insurance	15 00	106 50
Jan. 24, 1876		R. W. Tyler, insurance	15 00	
May 8, 1875		Substituting trustee	24 00	
May 19, 1875	Ben. Lannum	A. S. Pratt & Son, insurance		54 00
Dec. 29, 1874	Fifth Baptist Church	F. T. Rawlings, insurance		5 00
Sept. 23, 1874	Lucy A. Reed	Protest-fees	1 27	42 00
Mar. 24, 1875		Protest-fees, E. F. M. Fahty	1 99	
Apr. 14, 1875	G. P. Hopkins	John H. Cook, court-fees		3 80
Jan. 30, 1875	B. Nixon	T. M. Hanson, insurance		15 00
Aug. 27, 1875	A. C. Bradley	James E. Griffith, charges for taking deposition.	10 60	10 00
Sept. 14, 1875		F. P. B. Sands, examiners' fees	30 00	
Dec. 24, 1875	Alex. Sutherland	J. C. Lewis, insurance		40 60
July 15, 1875	A. Langdon	B. H. Warner, auctioneer, fees and advertising.	38 50	74
Oct. 7, 1875		R. M. Waters, printing 30 briefs	5 00	
Nov. 6, 1874	C. P. Bailey, treasurer	John H. Cook, protest-fees	2 00	43 50
Jan. 7, 1875		do	2 00	
Jan. 13, 1875		do	1 98	
Feb. 10, 1875		E. F. M. Fahty, protest-fees	2 00	
Oct. 6, 1875		do	1 99	
				9.97

5.—Statement of expenses incurred in connection with loans, &c.—Continued.

Date.	Loan.	Nature of expense.	Amount.	Total.
WASHINGTON BRANCH—Continued.				
June 18, 1875	Albert Gaines .....	E. F. M. Faehly, protest-fees .....		\$2 21
July 14, 1875	Lewis Bryant.....	Insurance .....	\$6 00	
July 31, 1875		F. T. Rawlings, insurance.....	6 00	12 00
July 3, 1875	C. H. Holden .....	..... do .....		20 00
Aug. 11, 1874	Elizabeth Neil.....	Protest-fees.....		2 00
Feb. 9, 1875	R. H. Hall.....	C. N. Thomas, trustees' fees .....	193 75	
Feb. 10, 1875		B. H. Warner, auctioneer, fees and advertising.....	321 00	
Mar. 1, 1875		Burns & Tyler, insurance.....	65 00	
Mar. 2, 1875		Taxes .....	870 83	1,450 58
July 30, 1874	Thomas M. Healy.....	A. S. Pratt & Son, insurance .....	22 50	
Aug. 2, 1875		..... do .....	22 50	45 00
Feb. 10, 1875	Eugene S. Calvert .....	B. H. Warner, auctioneer, fees and advertising.....		247 24
Dec. 29, 1874	Samuel Strong.....	E. F. M. Faehly, protest-fees .....		2 11
Nov. 2, 1874	G. R. Price.....	John H. Cook, attorney, appointing trustee.....	23 00	
Jan. 16, 1875		W. H. Pope, advertising.....	6 00	
Jan. 29, 1875		J. C. Lewis, insurance.....	15 33	44 33
Sept. 29, 1874	W. M. Pumphrey .....	B. H. Warner, auctioneer, fees and advertising.....	274 51	
Oct. 1, 1874		W. L. Bramhall, insurance.....	11 25	
Oct. 9, 1874		..... do .....	11 25	297 01
Aug. 8, 1874	James T. Plko .....	Roofing house.....	150 00	
Sept. 21, 1875		H. Brooke, copy deed of trust.....	2 00	
Nov. 3, 1875		Carrriage-hire to attend sale.....	6 00	
Dec. 11, 1875		..... do .....	8 00	
Jan. 20, 1876		W. R. Woodward, expenses of sale.....	202 50	368 50
Aug. 8, 1874	Saint James Parish.....	W. W. Burdette, prior incumbrance .....	483 40	
Aug. 8, 1874		Interest on same.....	17 32	
Nov. 5, 1874		John H. Cook, attorney, protest-fees.....	1 85	502 57
Aug. 11, 1875	James B. Carter.....	John H. Cook, attorney, retainer and costs.....		21 00
Oct. 27, 1875	Rudolph Lobsiger.....	John H. Cook, attorney, part retainer and costs.....		7 00
July 16, 1874	R. I. Fleming.....	Recording.....	5 00	
Jan. 5, 1876		J. T. Wormley, auctioneer, fees and advertising.....	243 42	
Sept. 18, 1874		A. S. Pratt, insurance.....	7 00	
Nov. 3, 1875		Enoch Totten, costs in suit.....	11 00	266 42
Aug. 17, 1875	D. A. Connolly.....	E. F. M. Faehly, protest-fees .....		1 99
Sept. 3, 1874	Caroline Kaiser.....	Burns & Tyler, insurance .....	15 00	
Aug. 23, 1875		R. H. Warner, auctioneer, fees and advertising.....	116 00	
Aug. 30, 1875		Acknowledgment to answer.....	1 00	
Nov. 9, 1875		R. W. Tyler, insurance.....	55 00	187 00
Mar. 12, 1875	James T. Plko .....	J. C. Lewis, insurance.....	18 00	
Oct. 20, 1875		G. W. Stickney, auctioneer, fees and advertising.....	145 50	
Oct. 22, 1875		John F. Cook, collector, taxes.....	200 47	363 97
Oct. 27, 1875	Charles R. Douglass.....	John H. Cook, attorney, costs and retainer.....		21 00
June 14, 1875	Robert T. Arlow.....	E. F. M. Faehly, protest-fees .....		2 23
Oct. 20, 1875	R. Lobsiger.....	John H. Cook, attorney, part costs and retainer.....		7 00
Apr. 12, 1875	W. Reynolds.....	Burns & Tyler, insurance.....		12 50
Nov. 17, 1874	Essex Roberts .....	Samuel Cross, insurance.....		6 25
Nov. 11, 1874	Clifford Arriek.....	E. F. M. Faehly, protest-fees.....		2 11
Dec. 23, 1874	John B. Stevenson .....	Burns & Tyler, insurance.....	22 50	
Dec. 23, 1875		..... do .....	22 50	45 00
Feb. 10, 1870	R. M. Hall .....	B. H. Warner, auctioneer, fees and advertising.....		39 00
Nov. 3, 1875	S. C. Pomeroy.....	Enoch Totten, attorney, costs in suit.....		11 00
Jan. 13, 1875	James B. Carter.....	J. T. Wormley, auctioneer, fees and advertising.....	142 49	
Feb. 1, 1875		Nicholas Hopp, trustees' fees.....	122 00	264 49
Dec. 14, 1874	C. W. Havenner & Co....	A. S. Pratt & Son, insurance.....	18 75	
Dec. 18, 1875		..... do .....	18 75	

## 5.—Statement of expenses incurred in connection with loans, &amp;c.—Continued.

Date.	Loan.	Nature of expense.	Amount.	Total.
WASHINGTON BRANCH—Continued.				
Jan. 22, 1876		B. H. Warner, auctioneer, fees and advertising.	\$73 06	
Jan. 24, 1876		B. H. Warner, taxes.	73 06	
Jan. 24, 1876		W. F. Mattingly, trustees' commissions	54 19	
Jan. 24, 1876		W. F. Mattingly, acknowledging release	50 25	
			50	\$221 50
Sept. 29, 1874	Boughton & Moore	B. H. Warner, auctioneer, fees and advertising.		126 48
Nov. 28, 1874	Thomas A. Talbot	do		141 75
May 25, 1875	A. T. C. Dodge	J. J. Johnson, examiner in chancery	10 00	
Oct. 7, 1875		R. M. Waters, printing 30 briefs.	9 00	
Dec. 11, 1875		R. W. Tyler, insurance.	10 00	29 00
June 12, 1875	L. M. Stewart	C. W. Howard, insurance.	12 00	
Aug. 5, 1875		J. T. Wormley, auctioneer, fees and advertising.	148 55	
Sept. 9, 1875		Recording and acknowledging release	2 00	
Sept. 10, 1875		John F. Cook, collector, taxes.	52 62	915 17
June 9, 1875	Francis Wright	John H. Cook, attorney, protest.		1 97
Dec. 5, 1874	Juan Boyle & Co.	G. W. Stickney, insurance.	315 00	
Dec. 10, 1874		Recording-fees	2 50	
Jan. 2, 1875		D. F. Hamlink & Co., insurance.	87 50	
Oct. 16, 1875		John L. Gluck, advertising.	4 25	
Dec. 11, 1875		F. T. Browning, taking testimony.	15 00	
Dec. 14, 1875		R. S. Boswell, stenographers' charges.	28 42	452 67
Sept. 12, 1874	James G. Naylor	Recording fees		50
Jan. 24, 1876	Leonard C. Bailey	J. T. Wormley, advertising		67 30
Dec. 1, 1874	R. M. Lane	Recording		2 00
Dec. 21, 1874	J. B. Wright	Recording-fees	2 75	
Feb. 10, 1875		John H. Cook, attorney, retainer, (Ingersoll note.)	10 00	12 75
Apr. 2, 1875	Ortway Nichols	A. S. Pratt & Son, insurance		6 75
Sept. 10, 1875	James Cushenbury	do		15 00
Jan. 8, 1875	George H. Dyer	Recording-fees		1 75
July 19, 1875	George F. Muth	do		2 50
July 19, 1875	Leonidas Scott	do		1 75
Aug. 14, 1875	T. N. Gill	do		2 50
Sept. 23, 1875	W. H. Gunnison	Taxes on Douglas property	65 26	
Sept. 25, 1875		B. H. Warner, auctioneer, fees and advertising.	83 65	148 91
Feb. 6, 1875		A. S. Pratt & Son, insurance		8 00
				24,522 11
AVAILABLE FUND.				
Nov. 2, 1874	S. P. Brown & Son	E. Totten, attorney, court-fees		13 00
Feb. 10, 1875	F. H. Gassaway	John H. Cook, attorney, retainer		10 00
Feb. 10, 1875	F. T. Howe	do		10 00
Feb. 10, 1875	T. H. Williams	do	10 00	
		John H. Cook, attorney, protest fees.	1 87	11 87
Feb. 10, 1875	R. M. Hall	John H. Cook, attorney, retainer		10 00
Feb. 10, 1875	James T. Benedict	do	10 00	
		E. F. M. Faehly, protest-fees	2 00	13 00
Feb. 10, 1875	R. I. Fleming	John H. Cook, attorney, retainer		10 00
Feb. 10, 1875	R. W. Waters	do		10 00
Feb. 10, 1875	C. R. Douglass	do		10 00
May 8, 1875	H. Lacy	John H. Cook, attorney, substitute trustee.		23 00
May 8, 1875	Arthur Flynn	John H. Cook, attorney, retainer.	10 00	
		John H. Cook, attorney, court-costs.	11 00	21 00
May 2, 1875	Joseph Brooks	do	11 00	
		John H. Cook, attorney, retainer.	10 00	21 00
May 8, 1875	John E. Clark	do	10 00	
		John H. Cook, attorney, court-costs.	11 00	21 00
May 8, 1875	F. S. Lamson	John H. Cook, attorney, retainer	10 00	
		John H. Cook, attorney, court-costs.	12 00	22 00
May 8, 1875	Arthur Simmons	do	11 00	
		John H. Cook, attorney, retainer	10 00	21 00

5.—Statement of expenses incurred in connection with loans, &c—Continued.

Date.	Loan.	Nature of expense.	Amount.	Total.
AVAILABLE FUND—Continued.				
May 8, 1875	C. R. Douglass .....	John H. Cook, attorney, retainer .....	\$10 00	
		John H. Cook, attorney, court-costs .....	12 00	\$22 00
May 8, 1875	Moses Orr .....	do .....	13 00	
		John H. Cook, attorney, retainer .....	10 00	23 00
May 8, 1875	George Simms .....	do .....	10 00	
		John H. Cook, attorney, court-costs .....	11 00	21 00
May 26, 1875	D. Fisher & Son .....	do .....	12 00	
		John H. Cook, attorney, retainer .....	10 00	22 00
Aug. 11, 1875	George H. Newman .....	do .....	10 00	
		John H. Cook, attorney, court-costs .....	11 00	21 00
Aug. 11, 1875	Newman & Middleton .....	do .....	12 00	
		John H. Cook, attorney, retainer .....	10 00	22 00
Aug. 11, 1875	Williams & Becket .....	do .....	10 00	
		John H. Cook, attorney, court-costs .....	12 00	22 00
Oct. 5, 1875	James A. Nelson .....	do .....	11 00	
		John H. Cook, attorney, retainer .....	10 00	21 00
Oct. 16, 1875	J. V. W. Vandenberg .....	John L. Gnek, advertising .....		4 25
Oct. 27, 1875	P. O. Jenkins .....	John H. Cook, attorney, retainer .....	10 00	
		John H. Cook, attorney, court-costs .....	11 00	21 00
Nov. 9, 1875	R. Gleed .....	Citizens' National Bank, protest-fees .....		3 09
Jan. 24, 1876	C. W. Hayden .....	J. T. Wormley, advertising and auctioneer-fees .....		36 37
Jan. 31, 1876	A. Mackintosh .....	John H. Cook, attorney, retainer .....	10 00	
		John H. Cook, attorney, court-costs .....	13 00	23 00
Jan. 31, 1876	J. C. Lay .....	do .....	11 00	
		John H. Cook, attorney, retainer .....	10 00	21 00
Jan. 31, 1876	E. R. Haight .....	do .....	10 00	
		John H. Cook, attorney, court-fees .....	11 00	21 00
Jan. 31, 1876	F. H. Gassaway .....	John H. Cook, attorney, retainer .....	10 00	
		John H. Cook, attorney, court-fees .....	11 00	21 00
Jan. 31, 1876	I. S. Washington .....	do .....	11 00	
		John H. Cook, attorney, retainer .....	10 00	21 00
Aug. 24, 1874	T. W. Miller .....	Protest-fees .....		1 99
		Total .....		573 57
ADDITIONAL REAL ESTATE.				
Dec. 22, 1875	A. H. Parry .....	Taxes .....		13
Dec. 24, 1875	George Mattingly .....	Stenographer's charges .....		17 50
Dec. 30, 1875	T. W. Osborne .....	Taxes .....		26 30
		Total .....		43 93
BEAUFORT BRANCH.				
Sept. 9, 1874	Sea-Island Hotel .....	First mortgage .....	4,270 28	
April 16, 1874		Court-fees .....	15 00	4,285 28
May 24, 1875	Holmes's Mills .....	Repairs .....		4 90
May 24, 1875	Pollitzer .....	Pollitzer mortgage, recording .....		4 50
May 24, 1875	McCrac .....	Taxes .....		221 08
May 24, 1875	Kingman .....	Amount allowed by United States court to assignee .....		1,640 08
		Total .....		6,215 84
JACKSONVILLE BRANCH.				
July 7, 1875	Reed lot-case .....	W. A. McLean, attorney-fees .....	95 50	
		recording deeds .....	9 50	
		Commissions on the sale .....	35 00	140 00

## 5.—Statement of expenses incurred in connection with loans, &amp;c.—Continued.

Date.	Loan.	Nature of expense.	Amount.	Total.
JACKSONVILLE BRANCH—Continued.				
Oct. 11, 1875	R. B. Little.....	Taxes .....	\$71 50	
		Recording deed.....	3 00	
				\$74 50
				214 50
Total expenses incident to loans .....				31,569 05
Deduct error, (see page 3).....				788 51
Balance total loan expenses .....				30,781 44

## RECAPITULATION.

Auctioneers' fees and advertising .....	\$8,195 28
Taxes.....	11,308 57
Attorneys' fees and costs .....	1,114 25
Insurance.....	2,344 02
Miscellaneous.....	709 16
Trustees' commissions .....	699 08
Prior incumbrances.....	4,771 00
Allowed by United States court to assignees of Kingman .....	1,640 08
	30,781 44

## 6. Statement of expenses incident to protection of property owned by the Freedman's Savings and Trust Company, and of property transferred in payment of loans and bought in at trustee's sale to protect interests of depositors.

Date.	Object.	Amount.
<i>Fifteenth-and-a-half street and Pennsylvania avenue, Washington.</i>		
1874, Dec. 4	Repairs.....	\$71 32
1875, Mar. 25	Insurance .....	17 00
May 6	Painting.....	35 00
July 31	Insurance .....	26 25
Sept. 7	Repairs.....	10 00
7	do .....	20 00
14	do .....	21 00
		200 57
<i>Bank building, Washington.</i>		
1874, Oct. 6	Coal .....	793 28
Oct. 6	Putting in coal .....	68 00
Oct. 6	Coal .....	87 00
Oct. 6	Laying sewer.....	62 07
Oct. 6	Henry Mason, services as engineer, 3 months, at \$60 per month.....	180 00
Oct. 30	Repairs to roof.....	131 50
Oct. 30	Henry Mason, services as engineer .....	60 00
Oct. 30	George Green, services as fireman .....	18 00
Nov. 2	Wood.....	6 50
Nov. 7	Taxes on square No. 221 for 1874.....	4,602 07
Nov. 9	Taxes on square No. 221 for 1875.....	6,601 21
Nov. 28	H. Mason, services as engineer.....	60 00
Nov. 28	George Green, services as fireman .....	45 00
Dec. 11	Insurance .....	50 00
Dec. 26	H. Mason, services as engineer .....	60 00
Dec. 26	George Green, services as fireman .....	45 00
1875, Jan. 6	Grate.....	5 00
Jan. 16	Plumbing.....	2 95
Jan. 30	H. Mason, services as engineer .....	60 00
Jan. 30	George Green, services as fireman .....	45 00
Feb. 2	Plumbing.....	12 07
Feb. 2	Wood.....	7 00
Feb. 27	H. Mason, as engineer.....	60 00
Feb. 27	George Green, as fireman .....	45 00
Mar. 11	Plumbing.....	36 65
Mar. 30	H. Mason, as engineer.....	60 00



6.—Statement of expenses incident to protection of property, &c.—Continued.

Date.	Object.	Amount.
<i>Bank building, Washington—Continued.</i>		
1875.		
Mar. 30	George Green, as fireman.....	\$45 00
April 29	.....do.....	45 00
April 29	H. Mason, as engineer.....	60 00
April 29	Repairs on roof.....	11 00
May 22	George Green, as fireman.....	18 00
May 26	Fire-brick and clay.....	3 05
May 28	H. Mason, as engineer.....	60 00
June 19	Repairs to engine.....	2 75
June 19	Labor.....	3 00
June 25	.....do.....	4 50
June 25	Plumbing.....	12 15
June 30	H. Mason, as engineer.....	60 00
July 9	Repairing boiler.....	32 00
July 31	H. Mason, as engineer.....	60 00
Aug. 24	Shovels.....	3 00
Aug. 30	H. Mason, as engineer.....	60 00
Sept. 7	Coal.....	318 50
Sept. 7	Inspection of coal.....	3 05
Sept. 7	Labor, putting in coal.....	27 00
Sept. 11	Coal.....	450 86
Sept. 11	Labor, putting in coal.....	29 00
Sept. 29	H. Mason, as engineer.....	60 00
Oct. 16	One-half taxes on square No. 221 for 1876.....	1,473 93
Oct. 20	Plumbing.....	13 22
Oct. 30	H. Mason, as engineer.....	60 00
Oct. 30	George Green, as fireman.....	45 00
Nov. 1	Plumbing.....	30 25
Nov. 20	Insurance.....	50 00
Nov. 29	H. Mason, as engineer.....	60 00
Nov. 29	George Green, as fireman.....	45 00
Dec. 17	Plumbing.....	24 25
Dec. 24	H. Mason, as engineer.....	60 00
Dec. 24	George Green, as fireman.....	45 00
1876.		
Jan. 6	Rubber for regulator.....	1 00
Jan. 22	Steam-pump.....	518 75
Jan. 28	H. Mason, as engineer.....	60 00
Jan. 28	George Green, as fireman.....	45 00
		17,103 44
<i>Property at Nashville, Tenn.</i>		
1874.		
Oct. 6	Taxes.....	300 00
Oct. 7	Water-tax.....	6 00
Oct. 8	Gas.....	26 50
Oct. 8	Insurance.....	130 00
Dec. 3	.....do.....	100 00
1875.		
Nov. 24	.....do.....	100 00
Dec. 6	Coal.....	16 90
1876.		
Jan. 10	Janitor's pay.....	13 00
Jan. 10	Broom.....	50
		692 90
<i>Property at Charleston, S. O.</i>		
1874.		
Nov. 13	Insurance.....	31 25
Dec. 30	Taxes.....	136 68
1875.		
April 16	.....do.....	206 70
April 17	Repairs.....	2 50
May 24	Commissions on collecting rents.....	1 50
May 24	Repairs.....	14 45
		393 08
<i>Property at Vicksburgh, Miss.</i>		
1874.		
Oct. 8	Gas.....	4 50
Dec. 29	.....do.....	4 65
1875.		
Jan. 16	.....do.....	2 25
Feb. 11	.....do.....	90
Feb. 11	Insurance.....	100 00
Mar. 11	.....do.....	100 00
Mar. 11	Gas.....	1 35
Mar. 30	.....do.....	45

## 6.—Statement of expenses incident to protection of property, &amp;c.—Continued.

Date.	Object.	Amount.
<i>Property at Vicksburgh, Miss.—Continued.</i>		
1875.		
April 6	Gas .....	\$1 80
May 8	do .....	90
Aug. 11	do .....	45
Aug. 6	do .....	1 35
Nov. 8	do .....	5 40
Dec. 6	Tin roof to bank building .....	360 85
Dec. 17	Gas .....	90
		585 15
<i>Property at Beaufort, S. C.</i>		
1875.		
Feb. 5	Taxes .....	209 77
April 16	Repairs .....	6 00
April 16	Watchman, February and March, 1875, at \$30 per month .....	60 00
May 24	Repairs .....	5 00
May 24	W. H. Lockwood, expenses traveling, \$81.35; stationery, \$2.10 .....	83 45
July 7	Repairs .....	4 86
July 16	W. H. Lockwood, expenses, \$16.10; affidavits, \$5 .....	21 10
July 16	Rent post-office box .....	7 96
1876.		
Jan. 22	Taxes, in part .....	270 76
		668 90
<i>Sea Island Hotel property, Beaufort.</i>		
1875.		
May 24	Joseph Fields, as watchman .....	25 00
May 25	Insurance .....	250 00
July 7	Joseph Fields, as watchman .....	46 66
July 7	Repairs .....	10 00
Dec. 4	Taxes .....	249 70
		581 36
<i>Property at Jacksonville, Fla.</i>		
1874.		
Sept. 30	Insurance .....	62 50
Oct. 6	do .....	37 50
Oct. 26	do .....	87 50
Dec. 1	Taxes .....	707 67
Dec. 15	Insurance .....	41 25
Dec. 26	do .....	43 75
1875.		
Feb. 11	Gas .....	29 40
Feb. 11	Advertising property .....	6 00
May 11	Abstract of title .....	15 00
May 11	Cleaning building, and repairs on bank building .....	86 83
Jan. 5	Janitor, \$6; wire, 25 cents; gas for May, \$12.24; commissions, \$9.25 .....	27 74
July 7	Glass, \$2.15; work, 35 cents; gas, \$4.32 .....	6 82
July 7	Commissions collecting rents .....	7 15
Aug. 11	Gas, \$5.04; janitor, \$12; repairs, \$20.20; numbering stores, \$1 .....	38 24
Aug. 11	Commissions collecting rents .....	11 59
Sept. 11	Janitor, \$6; commissions, \$7.49 .....	13 49
Sept. 27	Insurance .....	100 00
Oct. 11	Janitor, \$6; gas, \$5.76; cleaning yard, 25 cents .....	12 01
Oct. 11	Commissions collecting rents .....	7 45
Nov. 11	Gas, \$5.76; janitor, \$6; use of broom and rake, \$1.50; commissions, \$10.30 .....	23 56
Nov. 20	Insurance .....	87 50
Dec. 11	do .....	41 25
Dec. 24	do .....	37 50
Dec. 30	Taxes .....	407 00
		1,938 70
<i>Property at Memphis, Tenn.</i>		
1874.		
Oct. 6	Taxes .....	60 16
Dec. 31	do .....	88 20
		148 36
<i>Property at Baltimore, Md.</i>		
1874.		
Oct. 6	Taxes .....	258 78
1875.		
Jan. 16	Coal .....	14 00
Jan. 16	Water-tax .....	13 00
Jan. 28	Gas .....	1 65
Feb. 11	Coal .....	7 00

6.—Statement of expenses incident to protection of property, &c.—Continued.

Date.	Object.	Amount.
<i>Property at Baltimore, Md.—Continued.</i>		
1875.		
Feb. 26	Gas .....	\$1 38
Feb. 27	Coal .....	7 25
May 8	Coal, \$11.12; commissions collecting rents, \$1.50 .....	12 02
Aug. 13	Commissions collecting rents .....	4 43
		320 11
<i>Property at Chattanooga, Tenn.</i>		
1874.		
Dec. 8	Taxes .....	125 00
<i>Property at Tallahassee, Fla.</i>		
1874.		
Dec. 22	Taxes .....	107 20
1875.		
Oct. 11	Commissions collecting rents .....	1 00
Oct. 23	Taxes .....	24 00
Dec. 11	Commissions collecting rents .....	1 00
1876.		
Jan. 10	State and county taxes .....	98 00
Jan. 11	Commissions collecting rents .....	1 00
		232 20

*Properties transferred to Freedman's Savings and Trust Company in payment of loans and bought in at trustee's sale to protect the interests of depositors.*

*Property on S street, Washington, D. C.*

1874.			
Oct. 6.	Plumbing .....	\$3 00	
8.	Repairs .....	1 25	
29.	Repairs .....	10 15	
Nov. 13.	Repairs .....	13 05	
20.	Interest on mortgage .....	250 38	
28.	Taxes .....	586 07	
Dec. 10.	Repairs .....	4 75	
1875.			
Jan. 7.	Commissions on collecting rents .....	1 25	
Feb. 6.	Repairs .....	12 25	
11.	Interest on mortgage .....	250 38	
Mar. 11.	Commissions on collecting rents .....	1 25	
April 9.	Painting roofs .....	20 00	
13.	Commissions on collecting rents .....	3 75	
May 14.	Commissions on collecting rents .....	3 75	
June 12.	Commissions on collecting rents .....	3 75	
July 9.	Interest on mortgage .....	250 38	
14.	Plumbing .....	11 35	
14.	Commissions on collecting rents .....	3 75	
14.	Repairing lock .....	1 10	
Aug. 11.	Commissions on collecting rents .....	3 75	
11.	Commissions on collecting rents .....	1 00	
Oct. 12.	Commissions on collecting rents .....	2 50	
16.	Taxes .....	64 15	
Nov. 12.	Commissions on collecting rents .....	3 50	
	Cleaning houses .....	2 50	
	Keys .....	2 00	
Dec. 11.	Commissions on collecting rents .....	3 75	
1876.			
Jan. 12.	Commissions on collecting rents, \$3.50; interest on mortgage, \$250.38 .....	253 88	
			1,769 24

*Property corner of Vermont avenue and I street.*

1874.			
Nov. 9.	Taxes .....	\$1,008 84	
10.	Taxes .....	145 00	
18.	Taxes .....	28 39	
			1,182 32
28.	Preparing deed, B. H. Warner .....	\$5 00	
1875.			
June 25.	Water-tax .....	32 43	
29.	Acknowledgment .....	50	
July 8.	Acknowledgment .....	50	
10.	Recording deeds .....	3 00	
Sept. 11.	Taxes .....	91 57	
Oct. 16.	One-half taxes for 1876 .....	30 23	
			163 23
			1,345 55

*Property No. 908 8th street.*

1874.			
Oct.	12.	Repairs.....	\$13 22
	13.	Repairs.....	295 00
Nov.	2.	Taxes.....	74 99
	9.	Taxes.....	100 98
	28.	Deed by B. H. Warner.....	5 00
1875.			
June	4.	Insurance.....	25 00
	25.	Taxes.....	91 00
	30.	Taxes.....	49 10

\$654 29

*Property of Mary O. Young, Potomac City.*

1874.			
Nov.	2.	Taxes.....	74 25
	9.	Taxes.....	105 57
	28.	Deed by B. H. Warner.....	5 00
1875.			
July	14.	Justice Webster issuing notice against Young.....	10 00
	31.	Insurance.....	17 50
Aug.	2.	Insurance.....	10 00
	11.	Ejectment costs.....	3 00
Oct.	12.	Carriage-hire to visit property.....	7 00
	12.	George F. Anderson, watchman.....	5 00
	16.	One-half taxes for 1876.....	28 13
Nov.	20.	Insurance.....	15 00
Dec.	11.	Dispossessing Young and wife.....	50 00
	11.	George F. Anderson, watchman.....	20 00
	11.	George F. Anderson, watchman.....	20 00
	11.	Coal.....	1 00
	11.	Wood.....	1 75
1876.			
Jan.	12.	George F. Anderson, watchman.....	44 00
	12.	Stove.....	5 00
	12.	Wood.....	2 25

424 45

*Property of F. F. Lee, corner Bridge and Green streets, Georgetown.*

1874.			
Nov.	2.	Taxes.....	118 95
Dec.	8.	Insurance.....	11 25
1875.			
June	12.	Recording deed.....	1 50
	14.	Acknowledgment.....	50
	25.	Taxes.....	94 25
July	29.	W. J. Wilson, justice of the peace, fees.....	4 05
Oct.	16.	One-half taxes for 1876.....	24 60
	30.	John H. Cook, attorney, retainer.....	10 00
Nov.	9.	Insurance.....	13 00

278 10

*Property corner Third street and New York avenue.*

1874.			
Nov.	7.	Advertising.....	71 75

*Property No. 733 Seventh street, southeast.*

1874.			
Oct.	20.	Insurance.....	15 00
Nov.	2.	Taxes.....	32 97
	9.	Taxes.....	22 06
	28.	Deed by B. H. Warner.....	5 00
1875.			
April	24.	Repairs.....	25 00
June	29.	Acknowledgment.....	50
July	3.	Recording deed.....	1 50
	14.	Commissions on collecting rent.....	60
Aug.	11.	Commissions on collecting rent.....	60
Sept.	11.	Commissions on collecting rent.....	60
Oct.	2.	Repairs.....	20 00
	12.	Commissions on collecting rent.....	1 25
	20.	Insurance.....	15 00
	16.	One-half taxes 1876.....	6 08
Nov.	12.	Commissions on collecting rent.....	60
	12.	Excavating.....	1 00
1876.			
Jan.	12.	Commissions on collecting rent.....	60

149 26

*Lot No. 14, property on Vermont avenue, near S street.*

1874.			
Oct.	12.	Insurance.....	11 25
Nov.	2.	Taxes.....	27 57
	10.	Commissions on collecting rents.....	75
	28.	Deed by B. H. Warner.....	5 00
Dec.	11.	Taxes.....	4 25
1875.			
Jan.	8.	Commissions on collecting rents.....	75
Feb.	11.	Commissions on collecting rents.....	60
	11.	Water tax.....	16 02
	18.	Laying sewer.....	33 00
May	6.	Taxes.....	31 86

*Lot No. 14, property on Vermont avenue, near S street—Continued.*

1875.			
June	12.	Commissions collecting rents .....	\$0 60
	25.	Taxes .....	3 56
July	8.	Acknowledgment .....	50
	10.	Recording deed .....	1 50
	14.	Commissions collecting rents .....	60
Aug.	11.	Commissions collecting rents .....	60
Sept.	11.	Commissions collecting rents .....	60
	11.	Scavenger .....	3 00
	29.	Insurance .....	11 25
Oct.	12.	Summons to vacate .....	3 00
	16.	One-half taxes 1876 .....	6 21
Nov.	12.	Commissions collecting rents .....	1 20
Dec.	11.	Commissions collecting rents .....	60
1876.			
Jan.	12.	Commissions collecting rents .....	94

\$165 21

*Lot No. 15, property Vermont avenue, near S street.*

1874.			
Oct.	12.	Insurance .....	11 25
Nov.	10.	Commissions collecting rents .....	75
	20.	Taxes .....	26 93
	28.	Preparing deed, by B. H. Warner .....	5 00
Dec.	11.	Taxes .....	7 73
1875.			
Feb.	11.	Commissions collecting rents .....	75
	11.	Water-tax .....	16 02
	18.	Laying sewer .....	33
Mar.	1.	Summons to vacate .....	3 00
May	6.	Taxes .....	2 45
June	12.	Commissions collecting rents .....	60
	26.	Taxes .....	3 56
July	8.	Acknowledgment .....	50
	10.	Recording deed .....	1 50
	14.	Commissions collecting rents .....	60
Aug.	11.	Commissions collecting rents .....	60
Sept.	11.	Commissions collecting rents .....	60
	29.	Insurance .....	11 25
Oct.	12.	Commissions collecting rents .....	1 20
	12.	Summons to vacate .....	3 00
	12.	Removing out-building .....	50
	16.	One-half taxes for 1876 .....	6 06
Dec.	11.	Commissions collecting rents .....	60
1876.			
Jan.	12.	Commissions collecting rents .....	60

138 05

*Property Twenty-first street, between N and O streets.*

1874.			
Oct.	26.	Insurance .....	3 00
Nov.	2.	Taxes .....	8 59
	10.	Taxes .....	134 96
1875.			
Jan.	21.	Measuring damages .....	5 00
June	29.	Acknowledgment .....	50
July	10.	Recording deed .....	1 50
Sept.	22.	Measuring damages .....	37
	22.	Measuring damages .....	4 03
Oct.	16.	One-half taxes for 1876 .....	2 17

160 12

*Property No. 1318 Twenty-first street, between N and O streets.*

1874.			
Nov.	10.	Taxes .....	271 38
	28.	Preparing deed, by B. H. Warner .....	5 00
1875.			
Jan.	21.	Measuring damages .....	5 00
Mar.	23.	Tax advertising .....	8 00
June	29.	Acknowledgment .....	50
July	10.	Recording deed .....	1 50
Sept.	22.	Measuring damages .....	4 95
Oct.	16.	One-half taxes for 1876 .....	3 85

300 18

*Property Barry farm.*

1874.			
Nov.	28.	Taxes .....	7 32
1875.			
June	12.	Recording deed .....	1 50
	14.	Acknowledging .....	50
July	16.	One-half taxes for 1876 .....	3 00

12 32

*Property West street, Georgetown.*

1874.			
Dec.	29.	Insurance .....	9 00
1875.			
Jan.	16.	Tax-certificates .....	64 90
	21.	Measuring damages .....	3 47

*Property, West street, Georgetown—Continued.*

1875.			
Feb.	13.	Commissions for collecting rents	\$1 50
Apr.	24.	Taxes	108 20
May	12.	Examination of title	5 00
June	4.	Recording-fees	3 25
	5.	Commissions on sale of property	46 82

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 \$242 11
*Property, Howard University Hill.*

1874.			
Dec.	15.	Insurance	30 00
1875.			
Mar.	6.	Keys and cedar plug	2 00
	15.	Coal	1 40
	15.	Wood	10
	15.	J. W. Alvord, watching house	4 50
June	12.	Recording deed	1 50
	14.	Thomas Carter, repairs	74 50
	14.	Acknowledgment	50
	19.	Thomas Carter, repairs	22 00
	19.	Grading	112 00
	21.	Grading	197 50
	25.	Grading	107 75
	25.	Plumbing	300 00
	25.	John H. Cook, attorney, costs	12 75
	25.	Dixon & James, painting	200 00
	30.	Repairs to stoves	15 00
	30.	Dixon & James, painting	92 00
	30.	John Steward, watchman	14 00
July	9.	Ralph Wernley, plastering and cleaning	20 00
	29.	Insurance	22 50
	29.	Insurance	22 50
	29.	John Steward, watchman	15 00
Sept.	1.	John Steward, watchman	10 00
Oct.	1.	John Steward, watchman	10 00
	20.	Measuring damages	5 00
	20.	James Talty, plumbing	9 00
	16.	One-half taxes for 1876	67 87
Nov.	3.	John Steward, watchman	5 00
Dec.	9.	John Steward, watchman	5 00
1876.			
Jan.	3.	John Steward, watchman	5 00

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 1,384 37
*Property, No. 456 New Jersey avenue southeast.*

1874.			
Nov.	28.	Preparing deed	5 00
1875.			
Jan.	14.	Insurance	13 50
	8.	Repairs	30 12
	8.	Commissions for collecting rents	2 12
Feb.	11.	Commissions for collecting rents	1 25
	11.	Taxes	150 67
Mar.	11.	Commissions for collecting rents	1 25
Apr.	13.	Commissions for collecting rents	1 25
May	14.	Commissions for collecting rents	1 25
June	12.	Commissions for collecting rents	4 50
	25.	Taxes	10 21
	25.	Water-taxes	3 49
	30.	Acknowledgment	50
July	10.	Recording deed	1 50
	14.	Whitewashing	10 00
	14.	Plumbing	3 00
	14.	Commissions collecting rents	1 25
Aug.	11.	Bell-trap	5 00
	11.	Commissions collecting rents	1 25
Sept.	11.	Commissions collecting rents	1 25
Oct.	12.	Commissions collecting rents	1 25
	12.	Plumbing	3 00
	12.	Gas	83
	20.	Plumbing	16 30
	16.	½ taxes for 1876	17 77
Dec.	11.	Commissions for collecting rents	1 25
1876.			
Jan.	6.	Insurance	7 50
	10.	Insurance	6 00
	14.	Commissions collecting rents	1 88

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 310 14
*Property No. 812 Tenth street.*

1875.			
Feb.	6.	Taxes	204 38
	6.	Advertising taxes	13 32
	6.	Taxes	404 41
	13.	Insurance	16 00
Mar.	11.	Commissions collecting rents	1 00
Apr.	13.	Commissions collecting rents	1 00
May	14.	Commissions collecting rents	1 00

*Property No. 812 Tenth street—Continued.*

1875.			
June	12.	Commissions collecting rents .....	81 00
	19.	Acknowledging and recording deed .....	2 00
July	14.	Repairs .....	1 50
	14.	Commissions for collecting rents .....	1 00
Aug.	11.	Commissions for collecting rents .....	1 00
Sept.	11.	Commissions for collecting rents .....	1 00
Oct.	12.	Commissions for collecting rents .....	1 00
	16.	½ taxes for 1876 .....	19 91
1876.			
Jan.	12.	Commissions for collecting rents .....	1 00
	12.	Repairs .....	10 00

3680 52

*Property No. 205 A street.*

1875.			
Mar.	11.	Commissions collecting rents .....	7 01
	11.	Stove .....	50 00
	11.	Plumbing .....	0 75
Apr.	13.	Commissions collecting rents .....	2 50
May	14.	Repairs .....	7 00
	14.	Commissions collecting rents .....	2 50
June	12.	Commissions collecting rents .....	2 50
	12.	Recording deed .....	1 50
	14.	Acknowledgment .....	50
July	14.	Commissions collecting rents .....	2 50
Sept.	11.	Commissions collecting rents .....	2 50
Oct.	12.	Commissions collecting rents .....	2 50
	16.	½ taxes for 1876 .....	41 80
Nov.	12.	Commissions collecting rents .....	2 50
	20.	Insurance .....	20 00
Dec.	11.	Commissions collecting rents .....	2 50
1876.			
Jan.	12.	Commissions collecting rents .....	2 50
	12.	Summons to vacate .....	3 00

164 06

*Property No. 533 Eighth street, southeast.*

1875.			
Feb.	10.	Taxes .....	178 90
	11.	Commissions collecting rents .....	2 00
	14.	Taxes .....	120 30
Mar.	5.	Insurance .....	15 00
	11.	Commissions collecting rents .....	1 00
Apr.	13.	Commissions collecting rents .....	1 00
May	14.	Advertising .....	1 25
	14.	Commissions for collecting rents .....	1 00
June	10.	Recording deed .....	1 50
	10.	Acknowledgment .....	1 00
	12.	Commissions for collecting rents .....	1 00
July	14.	Commissions for collecting rents .....	1 00
Sept.	11.	Commissions for collecting rents .....	2 00
Oct.	12.	Commissions for collecting rents .....	1 00
	16.	One-half taxes for 1876 .....	31 60
Nov.	12.	Commissions for collecting rents .....	1 00
Dec.	11.	Commissions for collecting rents .....	1 00
1876.			
Jan.	12.	Commissions for collecting rents .....	1 00

422 55

*Property No. 1932 12th street.*

1875.			
Apr.	13.	Scrubbing floors .....	2 50
	13.	Advertising .....	2 50
May	14.	Removing and putting up gas-fixtures .....	2 00
	14.	Repairs .....	4 00
	14.	Commissions for collecting rents .....	1 00
	14.	Advertising .....	2 00
	14.	Gas .....	2 20
	14.	Plumbing .....	2 00
	14.	Water-tax .....	4 50
	26.	A. B. Duvall, attorney fees .....	50 00
June	12.	Commissions for collecting rents .....	1 00
	30.	Painting .....	7 00
July	30.	Acknowledgment .....	50
	10.	Recording deed .....	1 50
	14.	Commissions for collecting rents .....	1 00
	29.	Taxes .....	16 46
	29.	Water-tax .....	3 48
Aug.	11.	Commissions collecting rents .....	1 00
Sept.	11.	Commissions for collecting rents .....	1 00
Oct.	16.	One-half taxes for 1876 .....	21 75
	30.	Insurance .....	12 50
Nov.	12.	Commissions for collecting rents .....	1 00
Dec.	11.	Commissions for collecting rents .....	1 00
1876.			
Jan.	12.	Commissions for collecting rents .....	1 00
	12.	Glazing .....	3 75

146 61

*Property R. M. Hall.*

1875.		
June	12.	Recording deed..... \$1 75
June	12.	Acknowledgment..... 50
Oct.	23.	One-half taxes for 1876..... 76 50

\$78 75

*Property Foundry Place, (five houses.)*

1875.		
Mar.	11.	Commissions for collecting rents..... 2 25
	11.	Summons to vacate..... 21 00
Apr.	13.	Constables' fees, case of Mackall..... 7 00
	11.	Summons to vacate..... 10 00
	11.	Key..... 25
	11.	Commissions for collecting rents..... 75
May	14.	Water-tax..... 23 00
	14.	Plumbing..... 15 00
	14.	Summons to vacate..... 3 00
	14.	Bolt to front door..... 1 75
	14.	Commissions for collecting rents..... 75
June	12.	Summons to vacate..... 6 00
	12.	Commissions for collecting rents..... 1 85
	12.	Recording deed..... 1 75
	14.	Acknowledgment..... 50
July	14.	Commissions for collecting rents..... 3 00
Aug.	11.	Commissions for collecting rents..... 3 00
	24.	Insurance..... 90 00
Sept.	11.	Summons to vacate..... 3 00
	11.	Commissions for collecting rents..... 75
Oct.	12.	Commissions for collecting rents..... 1 35
	12.	Summons to vacate..... 6 00
	14.	Acknowledgment..... 50
	16.	One-half taxes for 1876..... 36 22
	16.	Recording deed..... 1 75
	16.	James Talty, plumbing..... 296 85
Nov.	12.	Summons to vacate..... 3 00
	12.	Key..... 75
	12.	Commissions for collecting rents..... 1 35
Dec.	11.	Summons to vacate..... 3 00
	11.	Commissions for collecting rents..... 1 35
1876.		
Jan.	12.	Commissions for collecting rents..... 1 35

548 07

*Marshall Brown property.*

1875.		
June	12.	Recording deed..... 1 50
	14.	Acknowledgment..... 50
	16.	One-half taxes for 1876..... 7 08

9 08

*Property No. 1416 Third street.*

1875.		
May	14.	Summons to vacate..... 3 00
	14.	Abstract of title..... 10 00

13 00

*Property No. 92 Water street, Georgetown.*

1875.		
May	14.	Summons to vacate..... 3 00
June	12.	Commissions for collecting rents..... 25
	12.	Recording deed..... 1 50
	14.	Acknowledgment..... 50
July	14.	Commissions for collecting rents..... 25
Aug.	11.	Commissions for collecting rents..... 25
Sept.	11.	Summons to vacate..... 3 00
Oct.	12.	Commissions for collecting rents..... 25
	12.	Measuring damages..... 5 00
	20.	One-half taxes for 1876..... 4 35
Nov.	12.	Commissions for collecting rents..... 25
Dec.	11.	Commissions for collecting rents..... 25
1876.		
Jan.	12.	Commissions for collecting rents..... 25

19 10

*Evan Lyons property.*

1875.		
Apr.	29.	Insurance..... 225 00
June	12.	Recording deed..... 1 75
	14.	Acknowledgment..... 50
Aug.	2.	Repairs to dam..... 96 75
Oct.	16.	One-half taxes for 1876..... 258 75
Nov.	6.	Repairs to bridge..... 50 00
Dec.	30.	Insurance..... 37 50
1876.		
Jan.	4.	Insurance..... 225 00

895 25



FREEDMAN'S SAVINGS AND TRUST COMPANY.

239

*Property No. 452 New Jersey avenue.*

1875.			
May	4.	Repairs .....	\$1 00
	7.	Insurance .....	9 00
June	12.	Recording deed .....	1 50
	14.	Acknowledgment .....	50
Sept.	16.	Repairs .....	7 55
Oct.	11.	One-half taxes for 1876 .....	17 87
Nov.	1.	Repairs .....	3 75
			<hr/>
			\$41 17

*Property Sixth street southwest, between G and H streets.*

1875.			
June	12.	Summons to vacate .....	3 00
	12.	Recording deed .....	1 50
	14.	Acknowledgment .....	50
July	14.	Justice Webster certifying papers to supreme court .....	1 00
Aug.	11.	Ejectment costs .....	3 00
Sept.	16.	Insurance .....	15 75
	16.	S. C. Mills, fees, <i>Wagaman vs. Freedman's Savings and Trust Company</i> ..	12 50
Oct.	12.	Carriage to visit property .....	3 00
	16.	One-half taxes for 1876 .....	32 48
			<hr/>
			72 73

*Property, Crane, Ninth street, near O.*

1875.			
June	26.	Recording deed .....	2 00
July	9.	Repairs .....	1 00
Oct.	1.	Removing dirt .....	2 50
	1.	Repairs to roof .....	3 00
	20.	Plumbing .....	2 00
	16.	One-half taxes for 1876 .....	23 49
Nov.	29.	Repairs .....	6 00
			<hr/>
			39 09

*Sheehan property.*

1875.			
June	9.	Recording deed .....	1 50
	25.	Taxes .....	20 12
	25.	Water-taxes .....	2 19
	26.	Recording deed .....	1 50
Oct.	16.	One-half taxes for 1876 .....	3 78
			<hr/>
			29 09

*Lobsiger property.*

1875.			
June	12.	Summons to vacate .....	3 00
Aug.	12.	Commissions for collecting rents .....	50
Sept.	22.	Notary fees .....	50
	23.	Recording deed .....	1 50
Oct.	12.	Commissions for collecting rents .....	1 50
	12.	Plumbing .....	6 65
	12.	Looks .....	5 00
	16.	One-half taxes for 1876 .....	26 07
Nov.	12.	Commissions for collecting rents .....	1 50
1876.			
Jan.	12.	Commissions for collecting rents .....	3 00
			<hr/>
			49 22

*Liberty Hall property.*

1875.			
July	27.	Janitor .....	2 00
Aug.	2.	Gas .....	75
Oct.	16.	One-half taxes for 1876 .....	18 36
			<hr/>
			21 11

*Laura M. Stewart property.*

1875.			
Oct.	12.	Key .....	50
	12.	Commissions for collecting rents .....	80
	16.	One-half taxes for 1876 .....	9 58
Nov.	12.	Commissions for collecting rents .....	80
	12.	Advertising .....	1 25
Dec.	11.	Commissions for collecting rents .....	80
1876.			
Jan.	12.	Commissions for collecting rents .....	80
	12.	Summons to vacate .....	3 00
			<hr/>
			17 53

*George H. Stowell property.*

1875.			
Sept.	21.	Insurance .....	9 00
	21.	Insurance .....	8 00
Oct.	12.	Commissions on collecting rents .....	1 25
	16.	One-half taxes for 1876 .....	33 38
Nov.	12.	Commissions on collecting rents .....	1 25
Dec.	11.	Commissions on collecting rents .....	1 25
1876.			
Jan.	12.	Commissions on collecting rents .....	1 25
			<hr/>
			55 38

<i>Noah Robinson property.</i>			
1875.			
Oct. 16.	One-half taxes for 1876 .....	\$5 35	
Nov. 12.	Commissions on collecting rents .....	45	
1876.			
Jan. 12.	Summons to vacate .....	3 00	
			\$8 80
<i>O. R. Douglass property.</i>			
1875.			
Sept. 22.	Notary fees .....	50	
23.	Recording deeds .....	1 50	
Oct. 16.	One-half taxes for 1876 .....	11 20	
Dec. 11.	Expenses on sale of property .....	45 00	
			58 20
<i>J. N. Trooke property.</i>			
1875.			
Sept. 27.	Recording deed .....	1 50	
Oct. 16.	One-half taxes for 1876 .....	68 04	
30.	Insurance .....	18 00	
Nov. 9.	Recording deed .....	2 75	
			90 29
<i>Pike property.</i>			
1875.			
Oct. 23.	Recording deed .....	1 50	
1876.			
Jan. 25.	Repairs .....	141 75	
25.	Gas .....	75	
25.	Commissions on collecting rents .....	7 50	
23.	Repairs .....	58 25	
			209 75
<i>Van Hook property.</i>			
1875.			
Oct. 30.	Insurance .....	15 00	
Nov. 20.	Acknowledgment .....	50	
			15 50
<i>Property Nos. 1003 and 1009 South Carolina avenue.</i>			
1875.			
Nov. 12.	Locks .....	3 50	
12.	Bolts .....	1 00	
12.	Commissions on collecting rents .....	1 00	
12.	Commissions on collecting rents .....	1 50	
Dec. 11.	Recording deed .....	1 75	
1876.			
Jan. 12.	Commissions on collecting rents .....	50	
			9 25
<i>G. W. Duvall property.</i>			
1875.			
Nov. 17.	Carriage, attending sale of property .....	6 50	
1876.			
Jan. 25.	Commissions on collecting rents .....	80	
			7 30
<i>Collins property, Beaufort, S. C.</i>			
1875.			
Dec. 4.	Taxes .....	25 00	
8.	Repairs .....	8 00	
			33 00
<i>Sharp property, Beaufort, S. C.</i>			
1875.			
Dec. 4.	Taxes .....	70 70	
4.	Recording deed .....	3 00	
4.	Sheriff's costs, F. S. and T. Co. vs. Sharp .....	38 30	
			112 00
<i>Kendrick property, Jacksonville, Fla.</i>			
1875.			
Dec. 7.	Insurance .....	31 00	
7.	Taxes .....	130 29	
30.	Taxes (La Villa) for 1875 .....	17 50	
			184 79
<i>Havener property, Lawrence street.</i>			
1876.			
Jan. 24.	Recording deed .....		5
<i>Fleming property, square No. 193.</i>			
1876.			
Jan. 25.	Recording deed .....		1 50
<i>Pike property, Maryland.</i>			
1876.			
Jan. 28.	Recording deed .....		2 50
			<hr/>
Expenses on property bought in at trustee's sale .....		9,673 55	
Expenses on S-street property .....		1,769 24	
Expenses incident to protection of property owned by company .....		23,989 77	
			<hr/>
Total expenditures on real estate .....			34,432 56

RECAPITULATION.

Advertising.....	\$108 07
Attorneys' fees .....	72 75
Taxes.....	21,738 92
Insurance.....	2,520 75
Repairs.....	4,109 41
Gas.....	120 88
Fuel.....	1,725 89
Miscellaneous.....	4,044 89
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	\$34,432 56



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