

position of Treasurer of this State are as follows: "The Farmers and Merchants National Bank of Baltimore," "The Farmers National Bank of Annapolis," and "The Citizens Bank of Annapolis." The selection of these banks was not made so much with reference to the amount of their "paid up capital" as to the character for financial capacity, and the well known integrity of the gentlemen in charge as managing officers of the same, viz: J. Hanson Thomas and James Sloan, Jr., of the first named, George Wells and Louis G. Gassaway, of the second, and the Hon. Wm. H. Tuck and J. Harris Forbes, of the third. Each bank first gave "security satisfactory to the Governor for the safe-keeping and forthcoming, when required of said deposits." Knowing, as I did, that, in the case of a State Bank, if not of a National Bank, the State, in the event of any trouble with said bank would be a *preferred creditor* over all others, and would be entitled not only to the paid up capital but to any other matter or property in the form of assets belonging to said bank, I have not sought to ascertain the amount of "paid up capital" of each bank, and cannot, therefore, furnish the House this information.

2nd. The amount of money in each bank, standing to the credit of the State on the 31st of January, 1876, (as published in three of the Baltimore daily papers on the second or third of this month,) was as follows: In the Farmers and Merchants National Bank of Baltimore, \$77,434.82; in the Farmers National Bank of Annapolis, \$90,953.19; in the Citizens Bank of Annapolis, \$34,001.15.

Accompanying this communication are true copies of the bonds of the several banks received and held by me for the safe-keeping and forthcoming of the money of the State deposited therein, being the only agreements of any kind, character, or description, entered into by me as an individual, or as Treasurer of the State, with either or any of said banks in reference to said deposits, save and except, having learned from two of my predecessors in this office, that a contingency would likely arrive when the State would require an advance from the banks, I had a verbal agreement with the officers of the Baltimore Bank that they would advance to the State at any time when such advance would be necessary to meet urgent demands upon the Treasury such sums as might be required, free of charge.

This occurred twice during my first term, the State obtaining in 1874, upwards of \$70,000, and again in April 1875, over \$80,000.

All of which is respectfully submitted.

BARNES COMPTON,
Treasurer.

The communication was read.