

tually paid upon such shares, which now leaves the actual capital of the Bank at \$1,843.125.

There being no shares unsubscribed with the exception of those reserved for the state, it does not appear that the capital can be augmented in any other than one of the following ways. 1st. By calls made upon the few remaining stockholders, who have paid but fifty dollars on their shares in instalments not exceeding one-fifth of the sum still due on such shares, in any one year. 2d. By the state subscribing and paying the shares reserved to it. 3d. By authorising the stockholders who lost so heavily by the commercial distress of 1819 and 1820, as to cause a reduction on the shares of 25 per cent. to repair their losses as far as possible by paying up the deficiency, and restoring the shares to the original amount, which they had paid into the capital stock—a privilege which the President and Directors had already determined to solicit for them at the hands of the present General Assembly.

To the second order passed by the House of Delegates, I have the honor to reply, that it is very probable some loans may have been made by this Bank to citizens or Banks of other states, at times when the funds could not be fully, safely, and profitably employed in Baltimore, for short or limited times, but there are few if any such loans outstanding at the present time—this Bank always giving the preference to the citizens of Maryland in its loans when the security is equally good. Where citizens of Maryland have had claims by bills, bonds or notes, against citizens or Banks in other states, this bank has always been in the habit of purchasing or discounting such evidences of debt from them, by which the debt became the right of this Bank, and when due and paid became its property. This bank has had at various times large amounts in the capital stock of the Bank of the United States for limited periods of time, and for temporary purposes, and it now holds bonds of the state of Tennessee, payable in the city of Philadelphia for \$500,000, which it obtained from citizens of this state “in satisfaction of debts contracted in the course of its dealing,” and not with a view to a permanent investment, but with the object of promoting the interest of the Bank and the public, and which it is intended to convert into money as soon as it can properly be done.

I am with great respect,

THOMAS ELLICOTT, President.