

Annapolis Dec<sup>r</sup> 11<sup>th</sup> 1839

Sir

My absence from this place has prevented me, till now, from answering your communication of the 29<sup>th</sup> of November.

In asking the opinion of the Attorney General respecting the right of the Frederick County Bank to issue small notes, I was under the impression, that it had accepted the modification of its charter as proposed by the act of 1836. In examining the laws in relation to the Banks, I overlooked the act of 1827, which extended the charter of the Frederick County Bank to the year 1845; and as the bank was still in operation, the inference was drawn, that it has accepted the act of 1836.

The written acceptance was not found in the Council Chamber, but as other papers of the same kind had been mislaid, the failure to find it was not considered a proof that the law had not been accepted. But supposing that some act upon the subject might escape my notice, I enquired of the Attorney General, whether the Frederick County Bank had the right to issue small notes under the original charter, as renewed by the act of 1836, or under any other act of Assembly. From his answer it appears, that he also overlooked the act of 1827; and in failing to find it and omitting to notice it in our correspondence, we have both unintentionally done injustice to the Bank.

While I readily make this admission, I do not assent to the opinion, that the Bank has a right to issue notes of a less denomination than five dollars. The section of the charter, under which it claims this right, provides that "the notes or bills obligatory which it shall be lawful for the said corporation to issue shall not be for a less denomination than one dollar".

At the time the charter was granted, other banks were issuing notes under five dollars, and the section referred to was intended to place the Frederick County Bank upon an equality with the rest, and to restrict it from issuing smaller notes, than were issued by other banks. Under this restriction, the right is claimed, of continuing to issue one dollar notes, after other Banks had returned within their proper limits, and after the Legislature had declared by a general law, that no notes of a less denomination than five dollars should be issued or circulated within the state. The act of 1820 chap 150, makes it unlawful for any Bank to issue, or for any individual to receive, notes under five dollars; yet the Frederick County Bank insists upon its vested right to issue a currency which