

MECHANICS' BANK OF BALTIMORE,
January 8th, 1842.

Hon'ble B. C. PRESSTMAN,

Chairman of the Currency Committee:

Sir,—I have received yours of the 5th, covering an order of the House of Delegates, instructing the committee on the currency to address a letter to the President of each Bank in this State, to inquire if they are ready for the resumption of specie payments, and if not, to assign their reasons therefor by the 15th inst.

It was not until this morning that your communication was laid before the directors of this Bank, and I hasten to report their action on the subject—which was, an instruction to reply to the enquiry embraced in the order of the Honorable the House of Delegates—and respectfully state: That this Bank is ready for the resumption of specie payments at the earliest day that the Legislature may in its judgment think proper to designate.

With sentiments of high respect,

I have the honor to remain,

Your obe't serv't,

JOHN B. MORRIS, Pres't.

FRANKLIN BANK,

Baltimore, January 7th, 1842.

Sir,—I have to acknowledge the receipt this day of your letter of the 3d instant, inclosing the order of the committee on the currency relative to the resumption of specie payments by the Banks.

It is now one year since this institution, weakened by the extensive frauds committed on it, had its credit overthrown by the hostile course adopted by another institution, and was constrained to go into the liquidation of its debts. From that period it has ceased to perform banking functions any further than was necessary to progress with the settlement of its accounts. To that object its entire attention has been devoted, and the result thus far has been the payment of about two thirds of the liabilities of the Bank existing twelve months since. It is the design of the directors to continue this course until every farthing of just debt shall have been paid, principal and interest. Among the securities which the Bank has regarded as the safest in its possession, is stock of the State of Maryland, in amount sufficient to pay far the larger portion of its now outstanding liabilities. The uncertainty when this will become available renders it impossible categorically to designate the period when the Bank will be prepared for specie payments. It is not however intended to resume general banking business until the settlement of all its obligations will enable it to do so on the most solid and permanent basis.

With great respect,

I have the honor to be,

Your obedient servant,

JAS. HOWVRD, Pres'.

Hon. B. C. PRESSTMAN, Chairman.