

gave the necessary certificate, and the bank went into operation. An examination of the testimony will show beyond all question, that the Treasurer was deceived as to the true condition of the bank, by this unfounded report of the commissioners; but no blame is attached to the Treasurer, however, for he did but his duty; and your committee are assured that had he had knowledge of the true state of the case, that he never would have recognized the legal existence of the bank. Gen. O. H. Williams, one of the commissioners, in his testimony, before the committee acknowledges that at the time he signed the certificate, that there was not seventy-five thousand dollars in *gold* and *silver* coin in the possession of the president and directors. He says "there were placed in the hands of the commissioners, two specie certificates of deposit, amounting to about sixty thousand dollars—the balance of the seventy-five thousand dollars, necessary for the bank to hold before going into operation, was counted in specie, *in the bank*. He hesitated about the certificates as representing specie, but upon advisement and consultation with legal gentlemen we agreed to count the certificates as such, and so certified the amount to the Treasurer." "I presume," continues General Williams, "the bank did not realize the specie for the certificates; as I understand they were cancelled by Weed, who gave a draft on some institution in New York."

From this statement of Gen. Williams, it is apparent that the bank was never legally organised, as contemplated by the charter, and that he, although a public officer of the State, connected intimately with the due execution of the laws, as clerk of Washington county court, aided in the fraud, which was practised to get the bank into operation. The committee think that his, as also the conduct of his associates, G. R. Beall and G. Kealhofer, in this particular transaction, demands the severest condemnation.

To the mind of your committee they have no excuse or palliation for their participation in the fraud, and they are equally clear, that the due execution of the laws, as well as public morals require that they should not go unpunished. The honorable post which one of these commissioners holds in an office of the State, presupposes him to have been sufficiently intelligent to have faithfully performed his duty in the execution of this commission, and the security of the public demands, that an example should be made of him and his associates. If the agents of the Treasurer of the State, the object of whose appointment is, to ensure that the will of the Legislature shall be faithfully carried out, be allowed with impunity, fraudulently to impose upon the Treasurer, and as a consequence, upon the State, there will be no safety for the public treasure, or certainty of the honest execution of the laws. The committee submit the matter to the determination of the House, who will doubtless take such action as the public interest may require.

It appears that in pursuance of this report of the commissioners, the bank went into operation on the 10th day of September, 1840,