

and was asserted by the Cashier to be good money,) for \$15,000. A draft from S. Waggoner & Co., to a certain party in New York for the amount of \$45,000, another from the same parties for \$10,000, also a certificate of deposit from Clark & Co., of New York, endorsed by Samuel Waggoner for \$3,207 50, deposits at Messrs. Harris & Sons, in Baltimore \$3,653 89, Easton Bank \$130 00, Messrs. Drexel & Co., in Philadelphia \$844 40, Circulation \$50,000.

At said meeting a Committee of three Directors were appointed to proceed to the city of New York, to present those drafts for collection and exchange the notes of the Mechanics Bank of Memphis, Tennessee, for the best available means.

The report of the committee on their return was that the drafts and certificates of deposite had been presented for collection, but payment refused, with the exception of the draft for \$10,000; which amount was paid in notes on the Farmers' and Merchants' Bank of Greensborough, Md. The notes on the Mechanics Bank of Memphis, Tenn., were returned, stating that the brokers of New York would not buy the notes on any terms, as they were worthless.

The President and directors met at their banking house on the 18th of September, to ascertain the amount of issue of the said bank, of which they found \$37,190.00 signed by the President and Cashier of the bank, and at the request of the President, the coin was counted, which proved to be only \$3,908.29.

The engravers had delivered to Samuel Waggoner by the order of P. D. Burgher, cashier, two hundred thousand dollars of impressions, or \$8,000 sheets of the full plate, say 5, 5, 5, \$10, and subsequently S. Waggoner has exchanged \$70,000 of \$5 impressions with the engraver for the amount in \$10 impressions, so that he had \$50,000 of \$5 and \$150,000 in \$10; this exchange was also done without the knowledge of the directors. From that amount the President had signed sixty-five thousand dollars; that is, \$50,000 of \$5 and \$15,000 of \$10. Of this there was in bank \$37,190.00, leaving a balance of \$27,810.00 in circulation.

The balance of impressions being \$135,000, consisting of \$10 impressions, have all been signed by the cashier, P. D. Burgher, and J. H. Bradley as Vice-President, all dated February 15th, 1855, without the knowledge or sanction of the directors, except \$40,000 which was signed by both parties, but not numbered or dated; all those \$95,000 were put in circulation in the West—principally in the State of Ohio, by the Seneca county Bank and Bartlett & Smith of Columbus, Ohio. It is clear that the bank issued more paper at that time than they had any right to do, as they only had paid in \$40,000 at the dating of these notes, independent of what the President signed himself.