

FREEDMAN'S SAVINGS AND TRUST COMPANY.

JANUARY 15, 1875.—Recommitted to the Committee on Banking and Currency and ordered to be printed

Mr. DURHAM, from the Committee on Banking and Currency, submitted the following

REPORT:

[To accompany bill H. R. 4322.]

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 14, 1875.

The undersigned subcommittee, to whom were referred the memorials of depositors in the Freedman's Savings and Trust Company at Nashville, Tenn., and Lexington, Ky., the petition of W. B. Derrick, and three thousand other colored citizens of Richmond, Va., urging the settlement of the Freedman's Bank; the resolutions of the North Carolina legislature, requesting her Senators and Representatives in Congress to urge a speedy, honest, and faithful administration of the affairs of said Freedman's Bank; the joint resolutions of the legislature of South Carolina, and petitions of sundry depositors in that State; the petitions of sundry depositors in Tennessee and Kentucky; the petition of the advisory board on behalf of three thousand six hundred depositors in Maryland; the bill of Mr. Whitthorne, of Tennessee, directing the commissioners in charge of the Freedman's Bank to make immediate dividends, &c., and the report of the commissioners of the Freedman's Savings and Trust Company, would report:

That we have given these memorials, petitions, &c., such consideration as we think their importance demands. That said company is unable to pay its liabilities in full is certainly true. What percentage can ultimately be paid we cannot now determine, because it is impossible, in the present financial condition of the country, to even approximate the value of real estate owned by the company, or how much can be realized out of the securities held by the company to secure loans. The commissioners report the nominal assets of the company at \$2,693,095.20, and the liabilities at \$2,879,031.78, July 11, 1874, but they report that in their judgment a large loss will occur in the assets, many of them being almost worthless, because of the insolvency of the debtors and the worthlessness of the securities. Mr. Meigs, the national-bank examiner, in March last, gave the condition of the company on the 24th day of January, 1874, as follows:

Assets, \$3,121,010; liabilities, \$3,338,896.15, making a deficiency of \$217,886.15. (See commissioners' report, pages 59 and 60.) The company at that time was insolvent, but its trustees and managers asked for further legislation, stating that, with proper safeguards thrown around them, they could still proceed with the business and meet their liabilities. The act of June 20, 1874, was passed, giving such amend-

ments as they desired, yet they were forced to go into liquidation on the 11th of July thereafter. It is not our purpose or duty to fully investigate the causes of this failure, but to suggest such measures as will enable the commissioners to wind up this institution as speedily as possible, and to yield these unfortunate depositors the largest possible *pro rata*.

The memorial of the depositors at Nashville and the resolutions of the legislature of South Carolina, ask that the Government assume and pay the amount due depositors, and take the assets of the bank as its indemnity, while the memorial of the depositors at Lexington and others, ask the Government to take the assets of the bank at their present value and advance to the depositors so much as that value will secure. The argument of both memorials is that these depositors were ignorant, as a general thing, and supposing and believing that it was a Government institution, that Congress would protect them, so they made the deposits. We cannot see that the Government should assume such a debt, or even advance any portion and take the property as suggested by the Lexington memorial. The Freedman's Bank never was a Government institution. The Government was not responsible for its management. It granted the trustees charters, as it granted bank-charters to the various national banks, and it was the duty of the depositors to look to the honesty and fidelity of the managers of the institution, as much as depositors in national banks. The Government is no more responsible for the management of the one than the other. If certain persons, desirous of getting deposits into this bank, have made false statements and induced the deposits to be made, certainly the Government cannot be held responsible therefor. We, therefore, without entering into any lengthy argument as to the prayer of these memorials, cannot recommend either. There are about 72,000 depositors, and scattered over thirteen States, and the sums due them vary from \$1 to \$11,000. It will be seen how utterly impracticable it would be to order a *pro rata* of only 5 per cent. Those to whom \$10 is owing would get but 50 cents; those to whom \$20 is owing would get \$1; really costing them more time and trouble than they would get. And there are many to whom there is due less than \$10. We learn from the commissioners that there are over five thousand depositors to whom less than one dollar each is due, and in one branch there are eight hundred and ninety to whom the average indebtedness is 92 cents.

We are of opinion that there should be but one commissioner, and require of him his whole time, paying him an adequate salary. The present commissioners receive \$9,000 per year. We recommend one, with a salary of \$5,000 per year, thus saving \$4,000 per year. We do not intend to connect the Treasury Department with this matter any more than can be helped, because that Department was not responsible for its failure. Yet the commissioner must be responsible and subordinate to some person, and hence we give the Secretary of the Treasury the power to appoint the commissioner, and to supervise his acts generally. In most insolvent estates much depends upon the dispatch with which they are wound up. A creditor would prefer getting 50 per cent. of his claim in a reasonable time, rather than take it in small sums and get much more at the end of three, four, or five years; hence a large discretion must be given those intrusted with such estates to compound debts, &c., and to sell property publicly or privately; and we recommend that this power be given the commissioner. The manner of distributing the dividends is a difficult one, but we have recommended that each depositor be paid through the United States depository banks.

Some depositors will desire to sell and transfer their claims. Many, we fear, will take little or nothing for them; yet we think it prudent to have a specified form prescribed by the commissioner, and that there shall be stated in it the amount of his claim, and the amount he gets for it.

All the memorials, petitions, and Mr. Whitthorne's bill ask that proceedings be instituted against the managers of this institution with a view of holding them personally responsible for the losses sustained by said depositors. We have not examined the management of this institution sufficiently to say positively who is responsible for its mismanagement, but we recommend that a thorough examination be made by the commissioner, assisted by a competent attorney, and, if thought advisable, to institute civil and criminal proceedings against all who are believed to be guilty. The utmost penalty of the law should be dealt out to all such. There is now a large amount of money on hand, about \$174,000, and lying idle in the Treasury, and, unless a dividend can be made in a reasonable time, the same should be made productive. We therefore recommend that, unless a dividend can be made soon, these funds be invested in United States bonds until a dividend can be made.

We have prepared a bill in which is incorporated these ideas, and which we believe is all that is necessary now to enable the commissioner to wind up the affairs of said institution in a reasonable time. We would further report that, while we do not think the Government should assume to pay the debts due the depositors, or to take their assets at their present value, yet we recommend that the Government buy the property now owned by said company, which is situated on Pennsylvania avenue opposite the Treasury building. We think, after consulting some of those who seem to be well informed on the subject, that the Government should own that ground and the buildings thereon. We are now paying \$14,000 rent for the use of the upper stories of the principal building, and the rent thus paid is about as much as the interest would be upon the purchase of the whole property. The rent of the whole is worth about \$20,000 per annum. We can now purchase it on very reasonable terms, and besides, at no very distant day, we will need a larger building on that ground. This is one of the most desirable building-sites in Washington. With the proceeds of this sale, with what the commissioner can collect in a very short time, and with what they now have in the Treasury, a dividend of 20 per cent. can be made in a very short time, which would greatly relieve these needy depositors. To carry out this suggestion, we have prepared a bill authorizing the Secretary of the Treasury to purchase for the Government said property.

We make, as part hereof, the memorials, petitions, and resolutions above referred to, and marked A, B, C, D, E, F, G, H, I, J; and this is submitted as our report.

We have the honor to be, very respectfully,

C. B. FARWELL,
C. L. MERRIAM,
M. J. DURHAM,

Subcommittee on the Freedman's Savings and Trust Company.

To Hon. HORACE MAYNARD,

Chairman of Committee on Banking and Currency.

A.

MEMORIAL.

To the Senate and House of Representatives of the Congress of the United States :

Your memorialists, citizens of Tennessee, are depositors in and creditors of the institution chartered by Congress known as the "*Freedman's Savings and Trust Company*" a branch office of which was established at the city of Nashville, in the State of Tennessee, and in which branch they, with a large number of other colored people, deposited their earnings.

When Congress, on the 3d March, 1865, chartered this institution, it enacted, by the 5th section, that the general business and object of the corporation then created should be to receive on deposit such sums of money as should, from time to time, be offered therefor, by or on behalf of persons heretofore held in slavery in the United States, or their descendants, and investing the same "*in the stocks, bonds, Treasury notes, or other securities of the United States.*"

With this provision in the charter of the institution authorized and accredited by Congress, it commenced business, appealing to a class of people who had been prevented by their previous condition of servitude from accumulating wealth or even a competency; and the principal, and in fact *the effective*, argument used by the managers and agents of the institution to induce that poor, unlettered, and trusting class to deposit their small earnings--the fruit of their toil--in the institution was, that it was an institution chartered by the Government, with its principal office at the seat of Government, and that its funds, by express direction of Congress, (which the class appealed to *believed as a guarantee by Congress,*) were to be invested in Government securities. It is easy to see that the colored people, for whose benefit Congress chartered this institution, would readily conclude that the Government was bound or under some pledge which secured their deposits. This may not be the law of the case, but it is certain that such representations were made by the agents of the institution, and that the people who placed their deposits in the bank believed that the Government was bound for the deposits, or at least bound to see that the deposits were securely invested in United States securities, and that this was a contract between the United States and the depositor.

And this impression of that trusting and unlettered people who invested their little all in the institution, was strengthened by the fact that Congress, by the 16th section of the charter, had made provision for an inspection and examination of the books of the corporation by persons to be designated and appointed by Congress.

The charter was not amended until 1870, when it was changed so that the corporation was authorized to invest a portion of the funds in mortgages on real estate, and to improve certain property owned by it in the city of Washington, but providing that Congress should have the right to alter or repeal this amendment at any time.

The effect of this amendment was not generally understood by the depositors, but we feel justified in stating that depositors, notwithstanding this amendment, had unabated confidence in what they had been induced to regard as the pledges of the Government contained in the original charter.

But so it is; the affairs of the institution have been mismanaged; a portion of its assets squandered; and seventy thousand depositors are deprived of their means and left in a condition of destitution which we will not even attempt in this memorial to describe. In June, 1874, after the affairs of the Freedman's Savings and Trust Company had been investigated by a committee of Congress, the charter was again amended, authorizing loans to the extent of one-half the deposits, upon notes and bonds secured by mortgages on unencumbered real estate *situate in the vicinity of the branch or agency from which the deposits are received*; directing the officers and trustees to collect in the sums loaned upon real estate outside of the States in which they were received, and loan the same on notes and bonds secured by mortgages on real estate in the vicinity of the branch where the deposits were received; authorizing the trustees, with the advice of the Comptroller of the Currency, to close any of the branches or agencies of the bank, and divide the principal and interest among depositors; and appointing three commissioners to wind up the business of any branch and distribute the funds among depositors. These commissioners were, by the provisions of this amendment, to give a bond in the small sum of \$10,000, and are to be paid not exceeding \$3,000 per annum.

The branches or agencies, under the provisions of this act of June, 1870, have been closed; the commissioners, given by Congress full control over the institution, are in charge, as receivers of the assets and affairs of the bank, with good salaries, and no time provided by law within which these commissioners, receiving annual salaries, shall finally close up the affairs of the institution; and in the mean time, your memorialists and other depositors are left in the unfortunate condition of having every dollar most of them have in the world locked up, with, as we believe, very little prospect of realizing anything therefrom; or, if anything, at a remote and uncertain period. And, besides, they are completely at the mercy of what is practically a foreign corporation, which they are unable to litigate with, and they will remain in this unfortunate

condition unless Congress grants them some relief. There may be no legal obligation resting upon the Government to guarantee them in the payment of the amounts they have deposited on the faith of their confidence in what they regarded as the solemn pledges of the Government to have the funds of the institution invested in the securities of the Government, but we respectfully urge that there was and is a moral obligation resting on the Government to grant your memorialists, and the other depositors in the institution, speedy relief by assuming and paying the amounts due them; taking the assets of the bank, and holding every officer or agent of the institution who is liable, civilly or criminally, to a strict responsibility for their acts.

† There is no class of citizens in the United States who are more devoted friends of the Government than the colored people, and their confidence in the Government since their emancipation from slavery is proverbial. Their devotion to the country, and their full confidence in its pledges, is the result of a mingled feeling of gratitude, admiration, and, it may be, of a blind and unquestioning trust in a power they have regarded somewhat in the light of a guardian and protector.

In addition to the relief we have asked in this memorial, we beg that a full investigation of the affairs and present management of the institution may be ordered, to the end that any and all persons connected with the management thereof who are liable, civilly or criminally, for any mismanagement of its business, may be proceeded against.

NASHVILLE, November 28, 1874.

Nelson Walker.	Wallace Gaff.	Julen G. Thomas.
J. W. Early, pastor Saint John's Chapel.	S. W. Keeble.	Nellie Blackwell.
H. Harding.	U. Overton.	Kitty Gaston.
John Lawrence.	C. M. Johnson.	Daniel L. Lapsley.
William Sumner.	A. McKay.	Nannie Cary.
Henry Rodgers.	J. I. Thomas.	William Butler, J. P.
Henry Lacey.	S. A. Walker, treasurer of F.	Alfred Menefee.
	L. No. 4, I. O. I.	Andrew Williams.

B.

To the honorable the Senate and House of Representatives in Congress assembled :

Your petitioners would respectfully represent that an institution incorporated by your honorable bodies, called the Freedman's Bank, has established branches at a great number of places in the Southern States, and among others in Lexington, Ky., where your petitioners reside. That there has been deposited by the freedmen of Lexington, from the savings from their labor, about \$25,000, which remained unpaid when the principal bank went into liquidation, and which amount remains wholly unpaid.

That the freedmen were induced to deposit their savings in said bank principally by their abiding faith in Congress, that by its vigilance and control over its management their interests would be made secure. Most of the depositors, from their ignorance caused by their previous condition of slavery, were wholly unable to form any correct judgment as to the safety of their deposits. But regarding Congress as their special friends, they reposed an unquestioning faith in the beneficence of all matters provided for their benefit and commended by the action of Congress for their adoption.

Without claiming that Congress should guarantee the safety and payment of their deposits, yet they claim that it would be equitable and just that the National Government should take the assets of the bank at their present value, and advance to the depositors such part of their deposit as that value will secure. This advance would be of great benefit to the depositors, who are now suffering from actual want from their inability to realize any part of their savings so deposited.

But if Congress should be unwilling to make any advance to the depositors, your petitioners pray for a modification of the act under which the affairs of the bank are being wound up. By one of the provisions of that act the commissioners are not required to make any distribution or payment to the depositors until they shall have collected enough to pay 20 per cent. of all the deposits. Under this provision it will be necessary to collect about six hundred thousand dollars before any part can be paid. In the state of destitution of many of the depositors a much smaller part of their deposits would be of great value, and relieve much want and suffering.

The petitioners therefore pray your honorable body to take into consideration the matters presented in this petition, and grant such relief as to your wisdom and justice shall seem equitable and proper, &c.

John Warlick.	Washington Bell.	Robert Dunmore.
Marshal Sykes.	Willes Amele.	Martha Chanels.
Hermon Trost.	Ann MacLure.	James Turner.
Allen Nailor.	Betsy Colwell.	Lenard Fish.
Joseph Ming.	Easter Wilson.	

The undersigned, who are not depositors, would respectfully recommend to the favorable consideration of Congress the foregoing petition of colored depositors in the Freedman's Bank at Lexington, most of whom we know to be good citizens, anxious to improve the condition of themselves and their families.

A. H. Adams.
H. H. Gratz.
J. A. Peall.
S. W. Price.

M. C. Johnson.
Wm. C. P. Breckinridge.
Jno. T. Stevenson.

C.

THE FREEDMAN'S SAVINGS BANK.

"A well-attended meeting of colored persons was held in this city Tuesday night at the Third Baptist church, the object being to petition Congress to take some immediate steps for the relief of the depositors in the branch of the Freedman's Savings Bank formerly located in this city. Rev. W. B. Derrick called the meeting to order and explained the nature of the object sought to be accomplished. Mr. John Oliver was then elected president, and Mr. William H. Trent secretary.

"A series of resolutions was offered by Mr. Derrick, which were adopted, and a committee of five was appointed to present them to Congress, consisting of Messrs. W. B. Derrick, James H. Holmes, William Troy, Gustavus Taylor, and William H. Trent.

"Addresses in advocacy of the resolutions were made by Capt. Robert L. Hobson, Ben. Scott, and others."

RICHMOND, VA., December 20, 1874.

GENTLEMEN: We, the undersigned named committee, duly authorized by three thousand and upward depositors in the Richmond branch of the Freedman's Savings Bank, would call your attention to the following preamble and resolution adopted by the depositors in regards to said bank, its conditions, &c.

WM. TROY;
J. H. THOMAS.
WM. TRENT.
J. A. LEVIS.
W. B. DERRICK,
Chairman.

The SPEAKER and MEMBERS OF THE FORTY-THIRD CONGRESS.

Whereas some months ago the trustees of the Freedman's Savings Bank saw fit to close said bank, believing it to be wise and judicious; and whereas, since, a board of commissioners having been appointed to examine the affairs of said bank; and whereas, after careful search for months, matters seem to set forth gloomy aspects, such is the complicated state of the finances of said bank, as to cause grave doubts in the minds of depositors as to the ability of said institution in paying the depositors their hard earnings, which was deposited with the understanding that no investment would be made with the money, only United States bonds, which would be as secure as the Government; and whereas we have learned since that it was used in a different way in such investment, since proved worthless; and whereas the failure of said bank has caused and will continue to cause distress and suffering among the needy depositors, who are among the poorer classes, depending mainly upon their daily labor for bread, at times hardly can succeed in accumulating even that; and whereas we were encouraged to deposit in the bank, with the understanding the General Government was responsible for all money or moneys:

Resolved, That we, the depositors, numbering upward of 3,000, of the Richmond branch, in the State of Virginia, pray and ask Congress to inquire into the affairs of said bank at the earliest day, and to adopt such measures that will insure the depositors a part, if not all, of their hard earnings.

Be it further resolved, That we would ask the Government to purchase all such real estate that is claimed by the bank, all bonds, &c., and furnish the commissioners with funds, so as to enable them to pay a dividend at an early day, which will assist, and prevent sufferings among, depositors this winter.

Be it further resolved, That we look to the General Government to aid us in this hour of distress, as our condition is of such as to demand the sympathy of the entire country.

WM. TROY.
J. H. HOLMES.
WM. TRENT.
J. A. LEVIS.
W. B. DERRICK,

Chairman Committee on Resolutions for Depositors.

D.

Resolution of instruction to our Senators and Representatives in Congress concerning Freedman's Savings and Trust Company.

Whereas, under the provisions of an act of Congress approved March 3, 1865, entitled "An act to incorporate the Freedman's Savings and Trust Company," branches of the Freedman's Savings Bank were established in Wilmington, New Berne, and Raleigh, in this State, and large amounts of money were deposited in said savings banks by the persons for whose benefit the said institutions were established; and whereas the affairs of said company were so managed that great loss has come to the depositors, and it has been necessary, under the provisions of the act of Congress approved June 20, 1874, to close up the business of said company: Therefore,

Be it resolved, That our Senators and Representatives be requested to use their utmost endeavors to secure an immediate, faithful, and honest administration of the affairs of said company; and the return to the said depositors of all, or as large a portion as can now be saved of their said deposits, and further to require of the persons responsible for the mismanagement of said company and the loss of its funds, a strict account according to law.

That a copy of this preamble and resolution be sent to our Senators and Representatives.

In general assembly read and ratified, the 16th day of December, 1874.

STATE OF NORTH CAROLINA,
OFFICE OF SECRETARY OF STATE,
Raleigh, December 26, 1874.

I hereby certify that the foregoing is a true copy of the original act on file in this office.

[SEAL.]

WM. H. HOWERTON,
Secretary of State.

E.

STATE OF SOUTH CAROLINA:

CONCURRENT RESOLUTION relative to the Freedman's Bank.

Whereas the Freedman's Savings Bank and Trust Company was an institution created and chartered by the Congress of the United States for the purpose of encouraging the people whose freedom from chattle slavery was proclaimed as one of the results of the late war for the maintenance of the Union in saving up their scanty earnings; and whereas from the assurances given the said people by officers of the United States Government as well as by prominent men and by the press of the country that the moneys deposited by them in the said institution were guaranteed and would be protected against loss by the United States; and whereas from such assurance the small earnings of a people who can ill afford to lose the same were deposited in said Freedman's Savings Bank and Trust Company, and have been unwisely and recklessly invested in securities that are either altogether or almost worthless, thereby entailing misery and destruction upon a poor and unfortunate race: Therefore be it—

Resolved by the house of representatives, (the senate concurring,) That the honorable the Senate and House of Representatives of the United States be, and they are hereby, petitioned and requested to make such an appropriation from the public moneys as will be sufficient to restore to the depositors in said institution the amount of which they have been deprived by the failure of said bank, thereby making good the national guarantee and saving numberless families from starvation and penury.

Resolved further, That our Senators be instructed and our Representatives in Congress be requested to use their influence and their votes in behalf of such a measure as will tend to advance the object herein contemplated.

Adopted by the house of representatives December 15, 1874.

Concurred in by the senate December 16, 1874.

A true copy of original.

A. O. JONES,
Clerk of House of Representatives.
J. WOODRUFF,
Clerk of the Senate.

F.

To the honorable the Senate and House of Representatives of the United States, in Congress assembled :

We, the undersigned advisory board on behalf of thirty-six hundred depositors of the Baltimore branch of the Freedman's Savings and Trust Company, would respectfully present to your honorable bodies that the president and trustees of the principal bank, located in Washington, D. C., represented to us that the Freedman's Savings and Trust Company was chartered by the Congress of the United States in such a way that its failure was impossible. From these representations the colored people from various parts of the State of Maryland, and in the city of Baltimore, were induced to deposit in the Baltimore branch large sums of money, of which upward of two hundred and seventy thousand dollars is still due them. The soldiers who were wounded and disabled in the late war deposited their bounties and pensions there, and many of the churches and benevolent associations also deposited every dollar they had in this bank, and since its failure they have not been able to care properly for their sick nor decently to inter their dead.

We therefore pray your honorable body to give us such relief as may appear to you that our necessities demand, and we will ever pray.

A. W. Wayman.
H. H. Webb.
E. C. Baldwin.
J. H. Brice.
Adam Wardfield.

H. W. Bishop.
George Myers.
J. P. Jordan.
J. W. Locks.
Patrick Tiernan.

John Myers.
George N. Cressy.
Simon Smith.
John H. Smith.
Isaac Myers.

G.

To the Senate and House of Representatives of the United States in Congress assembled :

The undersigned, depositors in the Freedman's Savings and Trust Company, chartered by act of Congress approved March 3, 1864, respectfully represent to your honorable body that, by the failure of the said bank and trust company, and the consequent loss of our deposits therein, we are plunged into sore distress, with our agricultural interests paralyzed and all our industrial resources crippled.

The undersigned, as we believe may be said of the depositors in the said bank and trust company throughout the country, are principally made up of the poor and laboring people, who, under Providence, obtained their freedom through the late war.

When it was announced to us, upon the chartering of the said bank and trust company, that the institution had been projected and established for the special benefit of the very class of persons to which we belong, through the instrumentality of high officers of the Government of the United States, and other loyal people of the Union, in the service of which so many of us had then recently been engaged, our confidence knew no bounds therein.

We could not hesitate a moment to trust the place of deposit founded and recommended, as this depository was, by those whom we regarded so eminently as our friends.

Wherefore we pray that the representatives of the great people of the country, whom your honorable bodies are, will, even if it has to be done as an act of grace, take measures for our indemnification and relief in the premises.

F. Brown,
H. L. Bentford,
Henry Foster,
M. Spencer,
W. H. Jenkins,
J. P. Jones,
C. Tolbert,
P. D. Frazer,
S. Weston,
Benj. L. Roberts,
Emanuel Lawrence,
William Holman,
J. D. Price,
Samuel Porcher,
Joseph De Reef,
H. P. De Reef,
M. E. Anderson,

C. J. De Reef,
E. M. Anderson,
A. D. Barnett,
J. E. Bulkley,
M. B. De Reef,
G. C. Lucas,
J. W. McLish,
P. B. Morgan,
A. Thos. Carr,
Andrew Evans,
James T. Baker,
Felix Torrance,
Samuel D. Carr,
W. S. Lewis,
Augustus Ryan,
A. G. O'Neil,
S. Holmes,
J. A. Logan,

John Scanlan,
M. G. Camplin,
Wm. Frazer,
Jas. H. McLish, jr.,
E. Wyross,
S. Manigault,
H. Drayton,
W. S. Lowes,
H. B. Pickenspack,
C. E. Roberts,
A. T. Williams,
Amos Bell,
A. J. Boyden,
J. L. Fenick,
S. Broughton,
W. M. Gadsden,
J. J. Campbell,
For themselves and others.

CHARLESTON, S. C., January 5, 1874.

H.

To the House of Representatives and Senate of the United States in Congress assembled :

Your petitioners, citizens of the State of Tennessee, and who are depositors in the Freedman's Savings and Trust Company, show that under the legislation of your body said company was organized ; that they, with the great mass of those who made deposits with said company, were induced to do so under the belief that it was the policy and purpose of the National Government to take care of their hard earnings, and to protect them from any loss that might occur from any other use of their money ; that they were led to believe, from the high moral character of the trustees of said company and its officers and agents, that this would be done by investing the same in United States bonds, for the payment of which the whole faith and credit of the Government was pledged.

They show that they, with their associate depositors, did deposit millions of dollars with the officers and agents of said trustees. Recently said company has gone into liquidation, and they are informed, and believe, that gross fraud and mismanagement and misapplication of their money is developed and shown in the use made by said trustees, officers, and agents of their deposits.

They show that, if these allegations be true, then said officers, agents, and trustees who have so mismanaged their trust are criminally and civilly liable.

They are too poor and too far removed from these parties to become their prosecutors before the appropriate tribunals, but as your body gave sanction to the laws under which they have been robbed and plundered, and claimed the right to examine into the affairs of said company, and failed hitherto to exercise this right for their protection, your petitioners now pray your honorable body to pass such laws as will fully protect those who are without funds, and punish those who have so wrongly abused our faith and trust.

And your petitioners will ever pray.

GEORGE HOOPER.

J. W. EARLY,

Pastor of St. John's Chapel.

MRS. NELLIE BLACKWELL.

C. M. JOHNSON.

MRS. N. CAREY.

N. GILLEM, Y,

Pastor of the First Colored Baptist Church, Nashville:

J. STANTON.

I.

LOUISVILLE, KY., *December 16, 1874.*

Subsequent to due notice through the daily papers of Louisville, authorized by a mass meeting called for the special purpose, a mass convention of the depositors of this State, and more especially of Louisville and Jefferson County, through the herein-named committee, draughted the following memorial to Congress, which was adopted and is herewith presented.

To the honorable the House of Representatives and Senate of the United States in Congress assembled :

This memorial respectfully sheweth that—

First. We, depositors of the Freedman's Savings and Trust Company and citizens of the State of Kentucky, in convention assembled, pray Congress to take such action in the matter of said Freedman's Savings and Trust Company as will result in winding up the business at the earliest day practicable, and paying to the depositors their dues resulting from deposits.

Second. That the depositors in this State are creditors to the institution in the sum of nearly \$165,000, which sum they can ill afford to leave on deposit for an indefinite time.

Third. That the institution was chartered by act of Congress ; that body reserving to itself the right to inspect the books and general condition of its affairs at any time during business hours ; and whereas the charter has been flagrantly violated from time to time without the knowledge of the depositors, who continued to make deposits in good

faith; therefore, we hold that Congress is at least morally, if not directly, bound to relieve the present condition of your memorialists, by seizing the assets and effects of the company, and causing the depositors to be paid according to the original design of Congress.

Fourth. And that your memorialists will patiently await the action of Congress, and, as in duty bound, will ever pray.

The memorial of the depositors of the Freedman's Savings and Trust Company at Louisville, Ky. The depositors of this vicinity are nearly three thousand in number.

ALFRED FROMAD,
President.

VINCENT HELM,
Vice-President.

WM. H. STEWARD,
Secretary.

N. R. HARPER,
Assistant Secretary.

HORACE MORRIS,

N. R. HARPER,

A. G. DRAKE,

SPENCER C. CURTIS,

HENRY FITZBULLIE,
Committee.

J.

MEMORIAL TO CONGRESS.

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Your memorialists, citizens of the State of Kentucky, and depositors and creditors of the institution known as the Freedman's Savings and Trust Company, a branch office of which was established in the city of Louisville, State of Kentucky, and in which branch they and a large number of other colored persons deposited their earnings, to meet immediate demands and for safe-keeping, on the promise of said Freedman's Savings and Trust Company to your memorialists that all moneys would be paid on demand to them during business hours.

The institution known as the Freedman's Savings and Trust Company was chartered by act of Congress, March, 1865. The branch office in the city of Louisville was organized September, 1865, and immediately went into successful operation. It has been from the start a profitable branch of the company, never entailing any loss, as the profits arising from the money of your memorialists more than paid the running expenses of the branch office and the dividends paid to them from time to time.

As Congress chartered the institution, and prescribed how and in what securities the money of your memorialists, depositors with it, should be invested, and as Congress from time to time amended the charter without the knowledge or consent of your memorialists, depositors with it, reserving the right at all times to inspect the books and affairs by such persons as they should designate or appoint, and your memorialists having faith in the Government—believing that they would not establish and foster an institution that would wrong them—deposited from time to time over one million of dollars in the branch office in the city of Louisville, Ky., and have now on deposit and due them in said branch office \$130,000, more or less.

On the 20th day of June, 1874, the last amendment to the charter passed by Congress became a law, and on the 30th day of June, 1874, the institution suspended, since which time your memorialists have been unable to get their money, or any part of it, deposited in the branch office in the city of Louisville, Ky. Under the last amendment, passed in June, 1874, the trustees have elected commissioners to close up the principal office and the branches, which is being done, and your memorialists and other depositors are left in the embarrassed predicament of having every dollar many of them have in the world locked up, with no time set when a dividend will be paid by the commissioners, or how much they will receive on their claims.

Therefore your memorialists urge the Congress to grant them relief, by assuming and paying the amounts due them, taking the assets of the institution, and holding every officer or agent of the same, who is liable, to a strict responsibility for their acts.

In addition to the relief we have asked in this memorial, we beg that a full investigation of the affairs and management of the institution may be ordered, to the end that any and all persons connected with the management thereof, who are liable, civilly or

criminally, for any mismanagement of its business, may be proceeded against. And as in duty bound, you memorialists will ever pray.

George King.	Lucretia M. Gibson.	Harry Bradley.
Yarmouth Carr.	Jeshna Hutchison.	Matilda Pollard.
Isaac Wilson.	Thomas West.	Nannie Patterson.
William Spalding.	B. Wilson.	Louisa Moore.
Kate Douglass.	Kate Rawlings.	Alexander McWilliams.
Saml. O. Fox.	Susan Clay.	Lucien Sanders.
William Taylor.	Louisa Smith.	Mary Allan.
Nancy Adams.	Nancy Patterson.	Emily Webber.
Dr. W. H. Shadown (white)	Keziah Harris.	Rufus Stokes.
for Perry Jenkins, deceased.	Anne K. Davis.	Stephen Boots.
Abigail H. Davis.	John Hill.	West Porter.
Jane Ashby.	Sidney Taylor.	B. Troutman.
Emily Davis.	Emma Lewis.	Wm. B. Green.
Royal Moody.	Aslerry Boston.	Charlotte Brown.
J. H. Moody.	Lavinia Lewis.	Chas. W. Anderson.
Violet White.	Alice Curkendolph.	Wallace Robinson.
Henderson Jackson, (guard-	Charles Sanders.	Julia Raley.
ian.)	Mrs. Somerville Petty.	Amanda Hardin.
Sallie Carter.	Harriet McLair.	Joseph Bowman.
Rev. Geo. T. Robinson.	Milley Lewis.	Washington W. Lewis.
Wm. Butcher.	Lyttleton Haynes.	James Malone.
N. Brown Tras.	George Clarkson.	James R. Harris.
Wm. H. Gibson, sr.	John Quincey.	Job Bowman.
Louis B. L. Gibson.	John Griffln.	Josephine Adams.
Asabella E. Gibson.	Henry Smith.	Susan Brown.
Wm. H. Gibson, jr.	Margarette Ritter.	
Mary J. Gibson.	John Ritter.	