44TH CONGRESS, 1st Session. } HOUSE OF REPRESENTATIVES. { REPORT No. 789.

DEPOSITS OF MONEY BY THE SECRETARY OF THE NAVY.

AUGUST 1, 1876.—Referred to the Committee on the Judiciary and ordered to be printed.

Mr. GLOVER, from the Select Committee on Real Estate Pool and Jay Cooke Indebtedness, by unanimous consent submitted the following

REPORT:

The Select Committee on Real Estate Pool and Jay Cooke Indebtedness would respectfully report:

That the House of Representatives, on the 24th day of January, 1876, adopted the following resolution:

Whereas the Government of the United States is a creditor of the firm of Jay Cooke & Co., now in bankruptcy by order and decree of the district court of the United States in and for the eastern district of Pennsylvania, resulting from the improvident deposits made by the Secretary of the Navy of the United States with the London branch of said house of Jay Cooke & Co. of the public moneys; and whereas the matter known as the real-estate pool was only partially inquired into by the late joint select committee to inquire into the affairs of the District of Columbia in which Jay Cooke & Co. had a large and valuable interest; and whereas Edwin M. Lewis, trustee of the estate and effects of said firm of Jay Cooke & Co., has recently made a settlement of the interest of the estate of Jay Cooke & Co. with the associates of said firm of Jay Cooke & Co., to the disadvantage and loss, as it is alleged of the numerous creditors of said estate, including the Government of the United States; and whereas the courts are now powerless by reason of said settlement to afford adequate redress to said creditors:

Resolved, That a special committee of five members of this House, to be selected by the Speaker, be appointed to inquire into the nature and history of said real-estate pool, and the character of said settlement, with the amount of property involved in which Jay Cooke & Co. are interested, and the amount paid or to be paid in said settlement, with power to send for persons and papers, and report to this House.

And on the 3d day of April, 1876, the House of Representatives adopted the following resolution:

Be it resolved, That said committee be further authorized and directed to likewise investigate any and all matters touching the official misconduct of any officer of the Government of the United States, or any member of the present House of Representatives of the United States, which may come to the knowledge of said committee, *Provided,* That this resolution shall not affect any such matter now being investigated by any other committee under authority of either House of Congress. And for this purpose said committee shall have the same powers conferred by said original resolution.

While the investigations of this committee, under and by virtue of the foregoing resolutions, have necessarily assumed a wide range, yet the committee deem the following acts and doings of the Secretary of the Navy of so grave a character as to call for a special report to the House:

March 2, 1876, interrogatories were personally served on the Secretary of the Navy by Brooke Mackall, jr., Assistant Sergeant-at-Arms of the House, which related to the deposits of public moneys made by him with the London house of Jay Cooke, McCulloch & Co.

March 25 a reply to these interrogatories was received. In this letter,

(bearing date March 23,) the Secretary informed the committee that after the failure of the American firm of Jay Cooke & Co., September 18, 1873, "further deposits" were made [with Jay Cooke, McCulloch & Co.] in continuation of said foreign navy account during the said month of October and the following month of November, amounting to £219,199 11*s.* 11*d.*, or $1,066,734.83.

Said deposits were made through John O. Bradford, Paymaster-General of the Navy, who was then in London, and supplied with money for the purpose of protecting the credit of the Government.

The said firm of Jay Cooke, McCulloch & Co. continued to pay the Navy drafts in regular course, but finally were obliged, under the operation of the English laws, to go into liquidation, when their partners in this country were formally adjudicated bankrupts," (pp. 8, 9,) and that "since the said bankruptcy no further remittances have been made to them, nor any further funds intrusted to their custody; but the drafts drawn upon them have been accepted by them as they came and were presented, and have been paid and taken up at maturity by Paymaster-General Bradford out of moneys furnished to him by the Navy Department for that purpose, in order that the said drafts might be paid in due course without interruption or discredit, but at the same time without advancing any additional money to the said firm of Jay Cooke, McCulloch & Co.," (p. 10*a.*)

It is not pretended, either in these passages or elsewhere in the Secretary's letter, that any part of these "further deposits" after Jay Cooke & Co.'s failure were used by Jay Cooke, McCulloch & Co. to meet paymasters' drafts or for other public purposes. On the contrary, the Secretary proceeded to inform the committee (p. 10 b) that "the indebtedness of the said firm to the Government has since been gradually reduced by payments made by them and by payments of the notes and credits and sales of some of the property held by the Government as collateral, until the amount now due is the sum of $699,154.15."

Paymaster-General Bradford, having recently returned from London, was before the committee on the 12th and 14th of the present month, and was examined at length concerning the duties performed by him at London. July 12 he testified as follows, (pp. 13, 14:)

By the CHAIRMAN:

Q. What was this £180,000 advanced and the £120,000 balance in their hands used for?—A. For the paying of——

Q. The general liabilities of the house?—A. I presume so.

Q. Then, the Navy Department of this country was carrying Jay Cooke, McCulloch & Co.'s indebtedness to all their creditors?—A. Well, to a certain extent they were—that is so; but, as I say, the redeeming feature of it to my mind was that, by assisting those people in that way, the debt would be ultimately saved, because I believed that had the house been closed up at that time the English creditors would have seized everything. I doubt whether the Government of the United States would have got anything at all, and as a business operation I thought it was wise. Whether it was technically legal or proper I do not know.

Q. Do you know whether there was any authority of law for such use of the public money?—A. That I do not know. My rule for many years has been simply to obey orders, and I have never had any occasion to acquaint myself with the laws in that particular.

And again, (page 18:)

By Mr. LEWIS:

Q. State how much money in all you got from the Navy Department to help the house of Jay Cooke, McCulloch & Co. to tide over their difficulties in the fall of 1873.—A. The first advance was £180,000, I think. The accounts are all in the Treasury Department, and I wish they could be referred to, because I cannot well fix the dates or names. Then after that amount there was a sum which I omitted to mention in my former examination, £40,000 more, making altogether about £220,000.

And again, (page 20:)

Q. Now, all that money that you received up to December 6, 1873, was not placed in the hands of Jay Cooke, McCulloch & Co.?—A. No, sir; there was £220,000 given to Jay Cooke, McCulloch & Co., and the balance was used for the payment of drafts drawn upon them as they came along. I paid all the drafts.

And again, (p. 21:)

By the CHAIRMAN:

Q. Do I understand you to mean now that this £220,000 turned over to Jay Cooke, McCulloch & Co. was used exclusively by them to carry their general indebtedness, and that you paid the naval drafts out of other funds at the same time?—A. Yes, sir; I do not know that I should say "yes, sir." The second payment to them, £40,000, was considered, I think, to be of a temporary character, and I believe it was repaid here in the United States.

July 14 he testified as follows, (p. 117, b. ii:)

Q. During the first quarter of the fiscal year 1874, why did Jay Cooke, McCulloch & Co. pay into your hands over £40,000, while in the same time you transferred to them over £150,000?—A. I stated to you the other day, I think, in my testimony, that the first payment I made to Jay Cooke, McCulloch & Co. was £180,000, and the second, £40,000, making in all £220,000, only I understood it was to be repaid.

Q. What was the necessity of that temporary purpose?—A. I do not know.

Q. You did that under orders?—A. Yes; I did everything under orders. I did nothing on my own account or responsibility.

Q. By order of the Secretary of the Navy?—A. Yes.

And again, (p. 117, b. ii:)

Q. Has any part of the money given to you to be disbursed been placed by you at any time with the firm of Jay Cooke, McCulloch & Co. as a deposit?—A. Not a cent.

Q. How did it get into their hands if not as a deposit?—A. Only when I paid drafts that were drawn upon them.

Again, (same page:)

Q. How much did you pay into their hands by direction of the Secretary?

The WITNESS. You mean besides the drafts?

The CHAIRMAN. Yes.

A. I find about £220,000; that is £180,000 and £40,000.

Again, (p. 117, b. 14:)

Q. How much did you pay?—A. I paid out £220,000 to Jay Cooke, McCulloch & Co.

Q. By way of taking up drafts?—A. No, sir; that was independent, besides taking up drafts when they became due.

Q. About what date was that?—A. The drafts were becoming due all the time.

Q. What did they do with that money?

The WITNESS. The £220,000?

The CHAIRMAN. Yes.

A. That I do not know. I suppose they used it in their business.

Again, (p. 117, b. 17:)

Q. Have Jay Cooke, McCulloch & Co. made any repayments to you of sums paid over by you to them, or have they simply allowed the amount in their hands to diminish by meeting drafts?—A. No, sir; they never allowed the amount to diminish by meeting drafts, and the only sum paid back is as I have stated or told you £40,000, though that was all paid in America—not to me at all.

By Mr. PRATT:

Q. They did not allow the sum of money in their hands to diminish by paying drafts?—A. Not after the £180,000 was paid to them.

By the CHAIRMAN:

Q. No amount of that was used in paying drafts?—A. No. The original indebtedness, as I have stated, was £180,000; then they paid drafts enough to reduce that down to £120,000, and after that the £180,000 was given to them, after which they paid no drafts except upon money received by me.

Again, (p. e. 1:)

Q. What were your instructions about that? What did the Secretary of the Navy tell you to do with that money?—A. The Secretary of the Navy told me to advance

or pay to Jay Cooke, McCulloch & Co., taking their vouchers for it, the sum of £180,000, and then subsequently £40,000.

Q. What was that for—it was not to pay Navy drafts?—A. No, sir.

Q. What was it for?—A. I believe—the leading idea in my mind was—that it was to ultimately secure the entire debt of the house.

Again, (p. e. 2:)

Q. Jay Cooke, McCulloch & Co. stopped paying Navy drafts when they went into liquidation?—A. Well, after this £180,000 was given to them; then always after that the drafts were paid by me.

On May 8 last, the committee addressed a letter to the Secretary of the Navy inquiring what amounts he had realized on the collateral securities pledged by Jay Cooke, McCulloch & Co., June 20. The Secretary replied, stating that he had since the 23d of March received $350,000 from the trustee of the estate of Jay Cooke & Co., leaving $449,154.15 still due.

The Secretary of the Navy does not pretend or claim in any of his communications to the committee that the £220,000 advanced at his direction by Bradford to Jay Cooke, McCulloch & Co., have been used or disbursed for the Government while in their hands. On the contrary, the Paymaster-General testifies positively and repeatedly that they did not use any of this money for the sole purpose to which it was lawfully applicable in their hands. The Secretary allowed them to receive it, hold it, and return it substantially at their own convenience. Nor is it claimed that this money was given to re-imburse the house for money paid out by them.

And in connection with the foregoing testimony, the committee desire to call the special attention of the House to the following sections of the Revised Statutes of the United States:

To section 3678, which provides that—

All sums appropriated for the various branches of expenditure in the public service shall be applied solely to the objects for which they are respectively made, and for no others.

To section 5488, which provides that—

Every disbursing officer of the United States who deposits any public money intrusted to him in any place or in any manner except as authorized by law, or converts to his own use in any way whatever, or loans, with or without interest, or for any purpose not prescribed by law withdraws from the Treasurer, or any assistant treasurer, or any authorized depository, or for any purpose not prescribed by law transfers or applies, any portion of the public money intrusted to him, is in every such act deemed guilty of an embezzlement of the money so deposited, converted, loaned, withdrawn, transferred, or applied, and shall be punished by imprisonment with hard labor for a term not less than one year nor more than ten years, or by a fine of not more than the amount embezzled or less than one thousand dollars, or by both such fine and imprisonment.

The Secretary's course is also within the scope of section 5439, which provides that—

Every person who steals or embezzles, or knowingly applies to his own use, or who unlawfully sells, conveys, or disposes of any ordnance, arms, ammunition, clothing, subsistence stores, money, or other property of the United States, furnished or to be used for the military or naval service, shall be punished as prescribed in the preceding section.

That is, imprisonment at hard labor for not less than one nor more than five years, or fined not less than one thousand or more than five thousand dollars.

Also in this connection the committee refer to section 3676, which expressly provides that—

All appropriations for specific, general, and contingent expenses of the Navy Department shall be under the control and expended by the direction of the Secretary of the Navy, and the appropriation for each bureau shall be kept separate in the Treasury.

The committee also find that the records of the Senate show that Messrs. Baring Brothers were nominated June 17, 1844, in accordance with law, to receive and pay money for the use of the naval service on foreign stations.

March 23, last, Secretary Robeson transmitted to this committee a copy of a letter addressed by him May 1, 1871, to Jay Cooke, McCulloch & Co., designating them to perform this service, together with copies of their letters of acceptance, under date of May 4, 1871, and of his letter to Baring Brothers, dated May 15, 1871, notifying them that this agency was taken from them and turned over to Jay Cooke, McCulloch & Co.

It appears by the records of the Senate, as certified by Mr. Secretary Gorham in a letter to this committee July 17, 1876, that Jay Cooke, McCulloch & Co. never were nominated to, or confirmed by, that body to perform this service.

The action of the Secretary of the Navy in this matter is considered in violation of section 1550 of the Revised Statutes, which provides that—

> No person shall be employed or continued abroad to receive and pay money for the use of the naval service on foreign stations, whether under contract or otherwise, who has not been, or shall not be, appointed by and with the advice and consent of the Senate.

In view of the facts, the committee recommend the adoption of the following resolution:

Resolved, That this report and accompanying testimony, together with the letters of George M. Robeson, Secretary of the Navy, addressed to the committee, be printed, and referred to the Judiciary Committee, and that said committee be instructed to inquire into said alleged violations of law, and to ascertain the liability of George M. Robeson, Secretary of the Navy, for such alleged acts, and make such report to the House as the facts and law may justify; and in compliance with these instructions, said committee shall have authority to take and hear additional testimony.

J. M. GLOVER.
B. B. LEWIS.
D. B. CULBERSON.

Mr. A. HERR SMITH, from the Committee on the Real-Estate Pool and the Jay Cooke Indebtedness, submitted the following as

THE VIEWS OF THE MINORITY.

The minority of the Select Committee on the Real-Estate Pool and Jay Cooke Indebtedness, being unable to agree to the report of the majority touching the official conduct of the Hon. George M. Robeson, Secretary of the Navy, beg leave to submit their views, as follows:

On the 3d day of April, 1876, the House adopted a resolution in which this committee was "directed to investigate any and all matters touching the official misconduct of any officer of the Government of the United States, * * * * Provided, That this resolution shall not affect any such matter now being investigated by any other committee under authority of either House of Congress."

This resolution, in its evident meaning and spirit, restricts this committee to the investigation of such cases of official misconduct as are not within the jurisdiction of the standing committees of the House, and such as have not been committed by the House to other select committees.

Among the standing committees of the House are the Committee on Naval Affairs, and the Committee on Expenditures in the Navy Department. By the rules of the House, the Committee on Expenditures in the Navy Department is required to examine into the state of the accounts and expenditures of that Department; to report whether its expenditures are justified by law; whether all moneys have been disbursed in conformity with appropriation bills, and whether any and what abuses at any time exist in the failure to enforce the payment of moneys which may be due the United States from public defaulters and others.

It appears, therefore, that all the subjects with which the report of the majority of this committee deals—questions of alleged misconduct of the Secretary of the Navy in connection with the naval funds—are wholly within the jurisdiction of the Committee on Expenditures in the Navy Department, one of the standing committees of the House.

In this connection, the minority desire to remind the House that long prior to the adoption of the resolution of April 3, above referred to, namely, on the 14th day of January, 1876, the House specifically referred to the Committee on Naval Affairs and to the Committee on Expenditures in the Navy Department all the subjects treated of in the report of the majority of this committee, and gave special direction to those committees to investigate and report what errors, frauds, abuses, or misconduct existed, or has existed, in the administration of the affairs of that Department, by the passage of the following resolution:

Mr. MOTSON. The Committee on Ways and Means, to whom was referred sundry resolutions in relation to inquiry into abuses which may exist in the several Departments of the public service, have instructed me to report a substitute for those resolutions and ask its adoption.

The Clerk read as follows:

"*Resolved*, That the several committees of this House having in charge matters pertaining to appropriations, foreign affairs, Indian affairs, military affairs, naval affairs, post-office and post-roads, public lands, public buildings and grounds, claims and war-claims, be, and they are hereby, instructed to inquire, so far as the same may properly be before their respective committees, into any errors, abuses, or frauds that may exist in the administration and execution of existing laws affecting said branches of the public service, with a view to ascertain what change and reformation can be made so as to promote integrity, economy, and efficiency therein; that the Committees on Expenditures in the State Department, in the Treasury Department, in the War Department, in the Navy Department, in the Post-Office Department, in the Interior Department, in the Department of Justice, and on Public Buildings, be, and they are hereby, instructed, to proceed at once, as required by the rules of the House, to examine into the state of the accounts and expenditures of the respective Departments submitted to them, and to examine and report particularly whether the expenditures of the respective Departments are justified by law; whether the claims from time to time satisfied and discharged by the respective Departments are supported by sufficient vouchers, establishing their justness both as to their character and amount; whether such claims have been discharged out of funds appropriated therefor, and whether all moneys have been disbursed in conformity with appropriation laws; whether any, and what, provisions are necessary to be adopted to provide more perfectly for the proper application of the public moneys and to secure the Government from demands unjust in their character or extravagant in their amount; whether any, and what, retrenchment can be made in the expenditures of the several Departments, without detriment to the public service; whether any, and what, abuses at any time exist in the failure to enforce the payment of moneys which may be due to the United States from public defaulters or others, and to report from time to time such provisions and arrangements as may be necessary to add to the economy of the several Departments and the accountability of their officers; whether any offices belonging to the branches or Departments, respectively, concerning whose expenditures it is their duty to inquire, have become useless or unnecessary; and to report from time to time on the expediency of modifying or abolishing the same; also to examine into the pay and emoluments of all offices under the laws of the United States, and to report from time to time such reduction or increase thereof as a just economy and the public service may require. And for the purpose of enabling the several committees to fully comprehend the workings of the various branches or Departments of Government, respectively, the investigations of said committees may cover such period in the past as each of said committees may deem necessary for its own guidance or information or for the protection of the public interests, in the exposing of frauds or abuses of any kind that may exist in said Departments; and said committees are authorized to send for persons and papers, and may report by bill or otherwise.

"*Resolved further*, That the Committee on Public Expenditures be instructed to investigate and inquire into all matters set forth in the foregoing resolutions in the legislative departments of the Government, except in so far as the Senate is exclusively concerned, particularly in reference to the public printing and buildings, and shall have the same authority that is conferred upon the other committees aforesaid."

Under the authority and direction of this resolution, the Committee on Naval Affairs, as early as January last, commenced a comprehensive investigation into the affairs of the Navy Department, and began to take testimony, in the progress of their investigation, as early as the 2d day of February last. The report of that committee, which has been made to the House, shows that that investigation covered all the subjects which are in any manner alluded to or treated of in the investigation made by this committee upon which the report of the majority is based.

Attention is called to these facts to show the manifest spirit and animus of the majority of the committee in presenting to the House a report filled with suggestions and insinuations of evil-doing and official misconduct against the Secretary of the Navy, based upon an investigation made not only without the authority of the House but in direct violation of the order of the House.

Before proceeding to consider the subjects treated of in the report of the minority, we wish to state that at no time since the appointment of this committee has the question of investigating the official

conduct of the Secretary of the Navy been brought before the committee or submitted to the committee for its decision. No proposition or suggestion to make such an investigation has ever been made in committee. Nor has the minority ever been consulted about the propriety or advisability of such an investigation, or informed that any such investigation was intended; but in this, as in all other investigations made by the committee, the minority has been left to ascertain the designs and purposes of the majority by the course which they pursued.

The committee, as such, has never controlled its own action, or even considered the course it would pursue. It seems to have been the servant of some power, the source of which has been carefully concealed from the minority.

While the minority concede that it is the right of the majority to determine what subjects within the jurisdiction of the committee shall be investigated, and what shall be the general course of the investigation, yet we insist that these matters should be determined in committee at its sessions in order that the minority may know what subjects are to be investigated and what is to be the general character of the investigation. This course is not likely to be denied to the minority except in cases where the majority entertain intentions, inconsistent with the spirit of a full, fair, and non-partisan investigation, and are controlled by purposes which may be best accomplished by secrecy and concealment.

It is pertinent to state here that without any notice to the minority that the testimony was closed, a meeting of the committee was called to consider a report which had been prepared without notice to or consultation with the minority.

This meeting was held, the report considered, and the report now presented to the House was agreed upon by the majority before Secretary Robeson was called before the committee to testify, or allowed to be heard upon the charges brought against him in said report. It was only after the report of the majority had been agreed to by them, and after the most strenuous effort of the minority, that the committee consented to give the Secretary a hearing.

The question naturally arises, how much reliance is to be given to the judgment of a committee which determines the guilt of a public officer before hearing the evidence of the most important witness in the case?

Proceeding to the merits of the investigation, the minority will first consider the charge brought against Secretary Robeson by the report of the majority, in relation to his appointment of Jay Cooke, McCulloch & Co. to be the fiscal agents of the Navy Department in London.

It appears from the evidence that on the 1st day of May, 1871, George M. Robeson, Secretary of the Navy, appointed "Messrs. Jay Cooke, McCulloch & Co., of London, temporary special agents to accept and pay drafts drawn abroad upon them by the Department, or on account of the Department by its officers, and other persons properly authorized for that purpose."

After reciting the terms and conditions upon which such appointment was made, the letter of appointment contains the following requirement:

"In addition to the aforesaid conditions, the Department will, before making any advances to the said firm, in accordance with the provisions of law in that behalf made, require them to enter into a bond in the sum of $100,000, with good, sufficient sureties that they will faithfully carry out and execute all the terms of this agreement and understanding, and will promptly account for and pay to the said Department, when required so to do, all moneys and balances at any time remaining in their hands."

This appointment was accepted by Jay Cooke, McCulloch & Co., upon the terms and conditions on which it was made, on the 4th day of May, 1871, and a bond, as required, was executed by them on the 5th day of May, 1871.

The first remittance of naval funds to Jay Cooke, McCulloch & Co., under this appointment, was made May 20, 1871, and remittances were made from time to time thereafter to said firm in regular course.

This appointment was never sent to or confirmed by the Senate.

The majority claim that the employment of said firm by Secretary Robeson as the temporary special agents of the Navy Department in London, without the advice and consent of the Senate, was in direct violation of section 1550 of the Revised Statutes, which was passed in 1844, and is as follows:

> No person shall be employed or continued abroad, to receive or pay money for the use of the naval service on foreign stations, whether under contract or otherwise, who has not been or shall not be appointed by and with the advice and consent of the Senate.

This claim might be allowed if the section just quoted had been in force at the time this appointment was made. The Secretary states, however, that he understood and believed that this section, passed in 1844, had been repealed and superseded by section 3614 of the Revised Statutes, which was passed in 1854, and which provides as follows:

> Whenever it becomes necessary for the head of any Department or office to employ special agents, other than the officers of the Army or Navy, who may be charged with the disbursement of public moneys, such agents shall, before entering upon duty, give bond in such form and with such security as the head of the Department or Office employing them may approve.

It will be observed that this section gives the head of a Department the authority to appoint special agents, who may be charged with the disbursement of public moneys, and imposes but one condition upon such appointment, namely, that the agent shall give bond. It was in full force in the time of the appointment of Jay Cooke, McCulloch & Co., in 1871, and Secretary Robeson states that he made the appointment under the authority of this section and exacted security in accordance with its provisions, believing it to be the only law in force at that time authorizing such appointments.

(This opinion of the Secretary is very much strengthened by the fact to which he calls attention, that the act of 1844 does not appear in Brightly's Digest of the Laws of the United States, or in any other collection of United States statutes, until it appeared in the Revised Statutes, which, however, were not passed or published until long after this appointment had been made. This shows that the section in the act of 1844 was generally regarded as repealed.)

In support of the opinion entertained by the Secretary on this subject, attention is called to the last clause of section 3639 of the Revised Statutes, wherein it is provided that the President is authorized, if in his opinion the public interest require it, to regulate and increase the sums for which bonds are or may be required by law of all officers employed in the disbursement of public moneys under direction of the War and Navy Departments, including naval agents. This provision was passed in 1869, and evidently refers to naval agents appointed under the act of 1854, and gives the President power to supervise to a certain extent the action of the heads of the Departments under that act.

Attention is also called to a provision in an act passed in 1862, to reorganize the Navy Department, which is as follows:

> All appropriations for the specific, general, and contingent expenses of the Navy Department shall be under the control and expended by the direction of the Secretary the Navy.

This section is doubtless intended to confer upon the Secretary a large discretion in the manner of disbursing the funds appropriated for the use of the Navy Department, on account of the fact that the naval service requires the expenditure of large sums of money abroad, and seems to confirm and supplement the authority given in section 3614.

Whatever the opinion of the majority may be as to what the law actually was in 1871 on this subject, it would seem that common fairness and justice would require them to call the attention of the House to the provision in the act of 1854 under which the Secretary acted, in order that the House might judge intelligently of the legality of his action in this matter. What shall be said of the fairness of the report of the majority, which demands that the House shall find Secretary Robeson guilty of a violation of law, without stating the authority under which he acted, or even alluding to the defense he has made against the charge?

The minority take leave of this question by giving their confident assurance to the House that, in appointing Jay Cooke, McCulloch & Co. to be the temporary special agents of the Navy Department in 1871, Secretary Robeson acted in good faith, with pure motives, and, as he believed, in entire conformity to the law as it existed at that time.

The other charge made by the report of the majority against Secretary Robeson is this, in substance: That in October and November, 1873, while the house of Jay Cooke, McCulloch & Co., of London, were embarrassed by the failure of Jay Cooke & Co., of this country, Secretary Robeson supplied them—the London house—with funds belonging to the Navy Department, not for the purpose of paying Navy drafts, but to use in their general business as bankers.

The facts are these: On the 18th of September, 1873, the failure of Jay Cooke & Co. occurred, and was announced. At that time Jay Cooke, McCulloch & Co. had in their possession of naval funds about the sum of $900,000.

After the failure of Jay Cooke & Co., the Secretary of the Navy refused to agree to continue the foreign account of the Navy with this house of Jay Cooke, McCulloch & Co., unless that firm would furnish additional security for the payment of the balance of funds in their hands.

About the 22d day of September, 1873, the Secretary met Hugh McCulloch, of the firm of Jay Cooke, McCulloch & Co., in New York, and obtained of the firm through him all the security he could at that time to protect said account. He was not then able to obtain security to a very large amount, and what he got consisted of about 8,045 tons of railroad-iron stored in the bonded warehouses of the Government, and bonds of various railroad companies, amounting, on their face, to about $600,000.

In the mean time, John O. Bradford, Paymaster-General of the Navy, who was in London at the time of the failure of Jay Cooke & Co., was ordered by Secretary Robeson to remain there, and was clothed with full power to take such action in relation to the foreign Navy account with Jay Cooke, McCulloch & Co. as in his judgment the interests of the Department and of the Government might require.

On September 29, 1873, the Secretary sent him instructions to—

Exercise, as Paymaster-General of the Navy, and in its behalf and interest, and for the interest of the Government, the fullest supervision and care over our accounts with our fiscal agents aforesaid, (Jay Cooke, McCulloch & Co.;) and you are hereby authorized to draw the whole or any part of the amount standing with them to the credit of the Navy Department, or to take or receive security for the same, or any part thereof, as you may think at any time may be for the best interest of the Government, and deposit the same with the Bank of England, or such other place of safe-deposit as you may think most advantageous.

This letter of instructions also contains the following direction, namely:

In the carrying out of these duties our agents aforesaid are directed to keep you at all times fully acquainted with the condition and state of said account, and to consult with you and take such action in relation thereto as you may from time to time, or at any time, think necessary or proper; and to this end they are required to keep open to you all business in relation to said account, its use and situation, and, so far as may be proper, the general situation and course of business of the House.

Paymaster-General Bradford was also directed to keep the Secretary fully advised at all times of the condition of the firm, of the account, and of his action in relation thereto, and of all matters relating to the interests of the Government.

Notwithstanding the failure of Jay Cooke & Co., the London firm continued its business and continued to pay Navy drafts until the balance in their hands was drawn down to about the sum of $650,000.

The usual time for a new remittance came about the 1st of October, 1873, and the firm at that time applied for a further deposit. Before acting upon this application the Secretary of the Navy held a consultation with the President and the Secretary of the Treasury in regard to the advisability of continuing the Navy account with that firm. At this consultation it was determined to be wise public policy, in view of all the circumstances of the case, to continue the account and to make further deposits thereto, provided sufficient security could be first obtained to protect the Government against loss.

This second demand for security was complied with by the firm in consideration of a continuance of the account and further deposits thereto, and security to a large amount was given, consisting of ten thousand tons of new rails, four thousand eight hundred tons of old rails, notes and commercial credits amounting to two hundred thousand dollars, all of which have since been paid; also, an assignment of the private estate of Hugh McCulloch in this country, valued then at the sum of $150,000, and also an assigument of claims held by Jay Cooke, McCulloch & Co. against Jay Cooke & Co., amounting to the sum of $1,799,505.41.

After this security was given, further deposits were made to the foreign account of the Navy with Jay Cooke, McCulloch & Co., in October and November, 1873, to the amount of $1,066,734.83. This deposit was made through John O. Bradford, Paymaster of the Navy, and was the last deposit made with that firm. Jay Cooke, McCulloch & Co. continued to pay drafts in regular course until about the 25th day of November, 1873, at which time Jay Cooke & Co., of this country, were formally declared bankrupts by the court, when, under the operation of the English law, they—the London firm—were obliged to suspend business and go into liquidation on account of the failure of some of their partners; some members of the firm of Jay Cooke & Co. being also members of the firm of Jay Cooke, McCulloch & Co.

The undersigned believe that in continuing the foreign account of the Navy with Jay Cooke, McCulloch & Co. after the failure of Jay Cooke & Co., and in making further deposits with them to that account in October and November, 1873, Secretary Robeson was governed solely by what he believed was best for the interest of the Navy Department and for the safety of its funds. Those deposits were made by direction of the Secretary, after full consultation with the President and the Secretary of the Treasury. He was advised by Paymaster-General Bradford, who was in London under orders to protect the interests of the Government, and who had examined into the condition of the house, that it was solvent, and commanded public confidence. He was made aware that a withdrawal of the Navy account would break the firm and force

it into bankruptcy, in which case the English creditors would take possession of all its assets, and the Government would be unable to recover any considerable portion of its claim. By continuing the account and making deposits in October and November, 1873, the Secretary was able to obtain security for the account to a much larger amount than the October and November deposits; securities he could not have obtained had he declined to make those advances.

The object of the Secretary seems to have been to preserve the solvency and to increase the paying power of his London agents, and to obtain from them all the security in his power, as the best means to protect the Government against loss.

At the time it was determined to continue the account with Jay Cooke, McCulloch & Co., and to make further deposits with them, the Secretary was not aware of that peculiar provision of the English law which requires a firm, however solvent, to go into liquidation and settle up its affairs upon the bankruptcy of one or more of its members. He did not, therefore, anticipate the difficulty that subsequently overtook the firm of Jay Cooke, McCulloch & Co. when their American partners were adjudged bankrupts in the United States circuit court for the eastern district of Pennsylvania.

At the time that the firm went into liquidation, in November, 1873, their indebtedness to the United States, on account of the deposit of naval funds with them, amounted to about the sum of $1,400,000.

Since that time this indebtedness has been reduced by payments made by said firm, and by sums realized by the Government from the securities pledged by said firm to protect said account, so that on the 23d day of March, 1876, it amounted to the sum of $699,154.15—as near as could then be ascertained without a final adjustment of the account in the Treasury Department.

For the return and payment of that balance the Government at that time—March 23, 1876—held the following securities:

First. Decree in the circuit court of the United States for the eastern district of Pennsylvania, amounting, on the 1st day of March, with interest, to the sum of $789,208.53, which said decree has been affirmed by the judgment and decision of the Supreme Court of the United States, and is entitled to priority over all other claims of all other creditors of the bankrupt partners of the firm of Jay Cooke, McCulloch & Co. Upon this there has been paid the sum of $328,201.28, leaving a balance of $461,007.25.

Second. Claims against the estate of Jay Cooke & Co., proved by the firm of Jay Cooke, McCulloch & Co., of London, of amounts and descriptions as follows: 1. A claim amounting in currency to $45,252.75; 2. A claim amounting in currency to $30,225; 3. A claim amounting in currency to $1,452,531.11; 4. A claim amounting in currency to $125,220.40; and also a claim, known as the syndicate claim, amounting in currency to $146,276.15, so that all these claims amount in currency to the sum of $1,799,505.45. It is claimed that this amount is subject to certain offsets which will, when ascertained, reduce the amount, but not below the sum of $1,200,000. The actual value is not accurately ascertained, but it is understood that adjudicated claims can be sold in the market at 25 per cent.

Third. Four hundred and sixteen $1,000 first-mortgage bonds of the Indiana and Illinois Central Railroad Company; also one hundred and forty-five $1,000 first-mortgage bonds of Saint Joseph and Denver Railroad Company.

Fourth. Six thousand seven hundred and twenty-one tons of Eng-

lish railway iron in Government warehouses at New York, New Orleans, Duluth, and Buffalo, estimated to be worth at least $200,000.

Fifth. Private estate of Hugh McCulloch in this country, valued at $150,000.

These securities are in addition to the original bond of Jay Cooke, McCulloch & Co., with approved sureties, for $100,000.

Since March 23, additional payments on account of said indebtedness have been made by the trustee of Jay Cooke & Co. to the amount of $350,000, which makes the amount of said indebtedness at this time about the sum of $450,000, which is only half the amount of the original indebtedness, and is at least $150,000 less than the lowest sum to which that indebtedness was reduced prior to the deposits of Octobor and November, 1873.

The Secretary states that for the payment of this balance of $450,000 the Government holds securities fairly worth double that amount.

The undersigned are of the opinion that the foregoing statement of facts clearly vindicates the judgment and action of Secretary Robeson in continuing the Navy account with Jay Cooke, McCulloch & Co., and in making further deposits with them after the failure of Jay Cooke & Co. in September, 1873. It is clearly shown in the evidence that a withdrawal of the account upon the failure of Jay Cooke & Co. would have so embarrassed and discredited the house in its then disturbed condition as to force it into bankruptcy, in which case its assets would have been absorbed by the English courts and creditors.

A refusal to continue the account would also have defeated the efforts of the Secretary to obtain security. Indeed, the only way in which the Secretary was able to obtain any considerable amount of security was by continuing and increasing said account. The only hope of the Government to secure its debt was by keeping the firm out of bankruptcy and obtaining security. Secretary Robeson wisely determined to follow the only course by which that hope could be realized.

The Secretary continued the deposits, the firm continued its business, and the Government received ample security for its entire account. The comparatively low figure to which the indebtedness of the firm to the Government has now been reduced, by payments by the firm and by collections from the securities, and the ample character of the securities now held by the Government for the unpaid balance, clearly demonstrate the wisdom of the course the Secretary has pursued in relation to this matter.

This most desirable result has been accomplished by Secretary Robeson without any improper, or even questionable, use of the naval funds. All the naval funds which the firm of Jay Cooke, McCulloch & Co. have had possession of are funds that have been deposited with them in continuance and maintenance of the foreign account of the Navy, which was kept with that firm under and by virtue of the agreement entered into between them and the Navy Department in May, 1871. At no time has there been any variance of, or departure from, the terms and purposes of that agreement. All moneys deposited with that firm by Secretary Robeson were for the purpose of enabling them to take up and pay, as its fiscal agents in London, drafts drawn on them by, or on account of, the Navy Department.

The undersigned, therefore, find that the evidence taken before this committee utterly fails to show that George M. Robeson, Secretary of the Navy, has been guilty of any wrong, fraud, or official misconduct in his transactions as Secretary of the Navy with Jay Cooke, McCulloch & Co., of London, and equally fails to show that, in any of his official relations or transactions with said firm, he has given cause for blame or censure.

The undersigned regret exceedingly that the majority of the committee have considered it their duty to present to the House a report touching the official conduct of Secretary Robeson, made up largely of detached and unconnected extracts from the testimony, which does not give a comprehensive and connected statement of facts as shown by the evidence before the committee. That report quotes but a very small fraction of the evidence in the possession of the committee, and furnishes no statement or information of what is shown by the evidence not quoted.

The extracts from the evidence which appear in that report are so selected and arranged as to tend to deceive and mislead the House, to create an impression which is shown by the whole testimony to be utterly false, and to justify inferences and conclusions which are utterly overthrown and rendered impossible when all the evidence is taken together and considered.

It hardly need be said that a report made up as the report of the majority is could scarcely be otherwise than unreliable, and in its effect misleading.

In view of the conclusion to which the undersigned have arrived in this case, they recommend to the House the adoption of the following resolution:

Resolved, That the House finds no cause of complaint or censure attaching to George M. Robeson, Secretary of the Navy, growing out of his official relations and transactions with the firm of Jay Cooke, McCulloch & Co., of London, as the temporary special agents of the Navy Department.

H. O. PRATT.
A. HERR SMITH.

O

TESTIMONY AND LETTERS

CONCERNING

THE MANAGEMENT OF THE NAVY DEPARTMENT.

AUGUST 1, 1876.—Referred to the Committee on the Judiciary and ordered to be printed.

HOUSE OF REPRESENTATIVES,
Washington, D. C., February 28, 1876.

To the honorable the SECRETARY OF THE NAVY OF THE UNITED STATES:

You will please answer the following interrogatories for the information of the select committee recently appointed by the House of Representatives of the United States, of which the undersigned is chairman:

1. Whether, as Secretary of the Navy of the United States, you have not received from the firm of Jay Cooke, McCulloch & Co., of London, England, the following claims proven by said firm of Jay Cooke, McCulloch & Co., adjudicated bankrupts by the district court of the United States for the eastern district of Pennsylvania, to wit:

First, a claim amounting to, (currency)	$45,252 75
Second, a claim amounting to, (currency)	30,225 00
Third, a claim amounting to, (currency)	1,452,531 11
Fourth, a claim amounting to, (currency)	125,220 40

If you answer in the affirmative, please state whether you received these claims absolutely or as collateral security merely.

If you answer that you received these claims as collateral security, please state the amount of the original claim you held against Jay Cooke, McCulloch & Co., how it originated, and whether you now hold, or have at any time hitherto held, any other collateral to secure said original claims.

If you answer that you have hitherto held other collateral securities, describe them; and if you have been divested of all or any of them, please state for what causes, and by what persons or judicial tribunals, as the case may be.

2. Please state whether the foregoing claims were not assigned to you as collateral security for a large claim still due the United States by reason of deposits of the public moneys of the United States made by you as Secretary of the Navy of the United States with said firm of Jay Cooke, McCulloch & Co., and not repaid by said firm.

If you answer in the affirmative, please state what diligence you have used in endeavoring to collect said original claim of said firm of Jay Cooke, McCulloch & Co., and what suits you have brought, if any, against said firm last mentioned.

You will please further state whether said firm of Jay Cooke, McCulloch & Co. are solvent or insolvent. If you answer that said firm is insolvent, please state when you first learned of its insolvency, and what deposits of the public moneys you made, if any, after ascertaining that fact. Also, what inquiries you made, if any, to ascertain the pecuniary responsibility of the firm of Jay Cooke, McCulloch & Co. before you began to deposit the public moneys of the United States with said firm. Whether or not at such time you were in possession of any fact or facts which induced you to believe or apprehend that said firm, or any member thereof, was in failing circumstances. If yea, state such fact or facts.

3. Please state whether you still continued to deposit the public moneys of the United States intrusted to your care with any banking-house in London, or banking-firm of which Jay Cooke and Hugh McCulloch, or either of them, are members, or with which they are connected. And, if you please, state the name or style of said banking-house or firm.

4. Were you aware, at the time you began the deposit of the public moneys with said firm of Jay Cooke, McCulloch & Co., that said firm had no capital stock whatever, or did you ascertain this fact at any time afterward; and, if so, when?

Very respectfully,

J. M. GLOVER,
Chairman of the Select Committee of Investigation on Real-Estate Pool and Jay Cooke Indebtedness.

WASHINGTON, D. C., *March* 2, 1876.

I hereby certify that I served a true copy of the within paper (being the original) on the Secretary of the Navy by leaving the same at his office in the said city of Washington, to wit, in the building used by the Navy Department, with the officer in charge, the chief clerk of said office, said Secretary not being found.

B. MACKALL,
Deputy Assistant Sergeant-at-Arms, House of Representatives.

NAVY DEPARTMENT,
Washington, D. C., March 10, 1876.

SIR: Acknowledging your letter of inquiry, dated February 28, 1876, and received at the Department on the 3d instant, I have the honor to say that, as I shall not be able to answer specifically all the interrogatories therein made without some little delay, occasioned by the necessity of obtaining, partly from abroad, and collating some of the precise facts, I have thought it might be proper, with the view of facilitating your investigation, to send at once an answer to your first interrogatory, so far as the means of answering it are at hand.

In response to the first interrogatory, I say:

First. I have received, as Secretary of the Navy of the United States, claims of the amounts and descriptions mentioned in said interrogatory, namely:

First, a claim amounting to, (currency)	$45,252 75
Second, a claim amounting to, (currency)	30,225 00
Third, a claim amounting to, (currency)	1,452,531 11
Fourth, a claim amounting to, (currency)	125,220 40
And also, a claim known as the syndicate claim, not mentioned in said interrogatory, but amounting in currency to	144,276 15
So that all these claims amount in currency to the sum of	1,799,505 41

These are claims proved by the firm of Jay Cooke, McCulloch & Co., of London, England, (which said firm has not, to my knowledge, been adjudicated bankrupts in any court,) against the firm of Jay Cooke & Co., which said last-named firm *has* been adjudicated bankrupts by the United States district court for the eastern district of Pennsylvania.

Second. I hold these claims, *inter alia*, as collateral security to secure the balance of what is called the foreign account of the Navy Department, kept with the said firm of Jay Cooke, McCulloch & Co., of London, as the bankers or fiscal agents of the Navy Department abroad, to meet the drafts drawn by Navy paymasters in all parts of the world, to pay the expenses of our fleets on foreign stations. I cannot fix absolutely, without the further information above alluded to, but not yet received, the original balance or indebtedness to secure which this collateral was taken, but I think I am safe in saying that it exceeded £180,000, or $900,000. It has varied in amount since, and was at one time considerably larger than the sum above mentioned, and though it has been largely reduced by payments and sale of collaterals other than those mentioned, it is safe to say that it now amounts, after deducting the sums to be received from the sale of collaterals in actual progress, to more than £120,000, or $600,000.

Third. I hold, also, the following additional collateral securities for the indebtedness of the said firm of Jay Cooke, McCulloch & Co.:

1st. Decree in the circuit court of the United States for the eastern district of Pennsylvania, amounting, on the first day of March, with interest, to the sum of	$789,208 53
which said decree has been affirmed by the judgment and decision of the Supreme Court of the United States, and is entitled to priority over all other claims of all other creditors of the bankrupt partners of the firm of Jay Cooke, McCulloch & Co.	
Upon this there has been paid the sum of	273,201 28
Leaving a balance of	516,007 25

2d. The negotiable warehouse-receipts for about eleven thousand tons of English railroad-iron, the iron being in bonded warehouses in New York, New Orleans, Buffalo, and Du Luth, with one lot of about forty-five hundred tons in Canada.

3d. Original bond of firm for $100,000, with securities approved according to law.

4th. Four hundred $1,000 bonds of the Indiana and Illinois Central Railroad Companies.

5th. One hundred and forty-five $1,000 bonds of Saint Joe and Denver Railroad Company.

6th. Assignment of the private estate of Hugh McCulloch in this country, valued at $150,000.

Fourth. I have never been divested of any collateral held by me as security for said original indebtedness by any person or judicial tribunal; but some of the collaterals, other than those above mentioned, being notes and credits, have been paid off, and the money received by the Government and credited on the account; and some railroad-iron, other than that above mentioned, has been sold by the agents of the said firm, with the assent of the Government, the proceeds being received by the Government and credited on the account as aforesaid.

The said firm of Jay Cooke, McCulloch & Co. are no longer the fiscal agents of the Navy Department; but they have gone into liquidation under the English laws on account of the bankruptcy of some of their partners in this country, and their indebtedness is in progress of settlement, and has been delayed only by the complication of their accounts with those of the bankrupt firm of Jay Cooke & Co.

I expect to be able to answer more specifically upon some of the points above mentioned in a few days, and also, at the same time, to answer the remainder of the interrogatories; but I send this much now, without waiting for the precise information necessary to enable me to answer these and other questions upon the same subject propounded by the Naval Committee, with the idea that I may thus avoid delaying, in any way, the progress of your investigation.

I am, very respectfully, yours,

GEO. M. ROBESON,
Secretary of the Navy.

Hon. J. M. GLOVER,
Chairman of the Select Committee of Investigation on Real-Estate Pool and Jay Cooke Indebtedness.

HOUSE OF REPRESENTATIVES,
Washington, D. C., March 17, 1876.

SIR: I have the honor to state that this committee would like to receive from you, as early as practicable, replies to the interrogatories submitted to you on the 3d instant.

Very respectfully,

JOHN M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. GEORGE M. ROBESON,
Secretary of the Navy.

NAVY DEPARTMENT,
Washington, D. C., March 23, 1876.

SIR: Referring to my letter of the 10th instant, and in further and more particular response to the interrogatories of yours of the 28th ultimo, I beg to say that the claims against the firm of Jay Cooke & Co., in your said letter mentioned, were assigned to me by Jay Cooke, McCulloch & Co., as collateral security to secure the Government from loss on what is called the "foreign account" of the Navy, which has been kept in London since the year 1815, and which was, at the time of such assignment, kept with the firm of Jay Cooke, McCulloch & Co., under the following circumstances:

Previous to May, 1871, the said foreign account of the Navy was kept with the house of Baring Brothers & Co., who were, before that time, the bankers or fiscal agents of said account, under an appointment as "temporary special agents, to accept and pay drafts drawn abroad upon them by the Navy Department, or on account of the Department by its officers or other persons properly authorized for that purpose." In the said month of May, 1871, the said firm of Jay Cooke, McCulloch & Co. were appointed as such temporary special agents as aforesaid for the reasons and purposes, and on the terms and conditions set forth in the letter of the Department dated May 15, 1871, to Messrs. Baring Brothers & Co., and the letter of appointment and agreement to and with the said firm of Jay Cooke, McCulloch & Co., dated May 1, 1871; a copy of which said letters, and a copy of the reply to and acceptance of said appointment by Messrs. Jay Cooke, McCulloch & Co., dated May 4, 1871, are herewith inclosed, marked respectively "A," "B," and "C," (the said appointment and agreement being the same in all respects as had been previously made and existed with Messrs. Baring Brothers & Co., the previous temporary special agents of the Department, except that Messrs. Jay Cooke, McCulloch & Co. were required to give bond, with approved security in the sum of $100,000, which they did, instead of $30,000, which was the sum previously required of and given by Messrs. Baring Brothers & Co.) Under and in pursuance of said appointment and agreement, deposits were made in the usual course from time to time in maintenance and continuance of the said for-

eign account of the Navy, kept as before said, since 1815, in London, as the money-center of the world, for the purpose of meeting and paying the drafts of Navy paymasters in all parts of the world, for the maintenance of our fleets abroad, for the reason that the expenses of our ships on foreign stations can be much more safely, conveniently, and economically met by drafts drawn upon bankers established at the money-center, with correspondents in every commercial city of the world, than by carrying the coin of different nations in large and uncertain amounts on our ships, or by any other means at the command of the Department. The amounts and dates of the various deposits made in maintenance of this account, from the 1st day of March, 1869, to the 2d day of July, 1873, including all those made with Messrs. Baring Brothers & Co. as well as those made with Messrs. Jay Cooke, McCulloch & Co., are shown in the statement herewith inclosed, marked "D."

After the failure of the firm of Jay Cooke & Co., the correspondents of Jay Cooke, McCulloch & Co. in this country, although said last-mentioned firm continued to pay, as our agents, the Navy drafts drawn upon them in regular course, the Department was not willing, in the then disturbed condition of financial matters, to continue the said account without additional security, which was accordingly demanded and given before the Department would agree to continue the same. The additional security then received to protect the said account consisted of about 8,045 tons of railroad-iron, stored in the bonded warehouses of the Government, and the bonds of various railroad companies, amounting on their face to about six hundred thousand dollars, held as collateral security for said account, the Government to receive the proceeds of any payment or sales.

The regular time for a new remittance to the said foreign account, in usual course, came about the 1st of October, 1873, and the Department was then applied to by the representatives of said firm to make such new remittance, but declined to do so at that time, though our Navy drafts were still paid in due course by said firm, as our agents as aforesaid.

About the middle of said month of October, 1873, however, it became necessary either to make new remittances to said accounts or to allow our agents to stop the payment of our drafts. Consultation was held with the Secretary of the Treasury and the President upon the subject, and, in consideration not only of the fact that any difficulty in the payment of our Navy drafts which had been drawn and were being drawn by our paymasters abroad upon said firm, as our regular agents, and which were out in all parts of the world, would greatly inconvenience and increase the expense of our naval service abroad, but also of the fact that any discredit of the said firm of Jay Cooke, McCulloch & Co. which would result from the stopping and withdrawal of the Navy account at that time might have an injurious effect upon the operations of our Government, which was then carrying on large and important financial transactions with an association of bankers, (of which association the said firm of Jay Cooke, McCulloch & Co. were members,) in placing the new Government loan, it was determined to be wise public policy to continue said acount, provided the Navy Department could receive additional security to insure the Government against probable loss. In pursuance of such determination, the Department asked further security to secure the said account, and all remittances made thereto, and received a further transfer of railroad-iron stored in the Government warehouses, to the amount of more than ten thousand tons of new rails and four thousand eight hundred tons of old rails, making the whole amount of railroad-iron held by the Department, as collateral for said account, more than twenty-three thousand tons; and also notes and commercial credits to the amount of about two hundred thousand dollars, (all of which have since been paid,) and an assignment of the private estate of Hugh McCulloch in this country, valued at one hundred and fifty thousand dollars; and also an assignment of the claims of the said firm of Jay Cooke, McCulloch & Co. against the firm of Jay Cooke & Co., mentioned in your first interrogatory, together with a claim not mentioned therein, but amounting to the sum of one hundred and forty-six thousand two hundred and seventy-six dollars and fifteen cents.

In consideration of the facts already stated, and the receipt of the securities mentioned, and in consideration of the fact that the Government had under the laws of the United States a right of priority of payment against the private estates of all the partners of the said firm of Jay Cooke, McCulloch & Co. for the full amount of their indebtedness at the time, (which said priority has since been affirmed by the judgment and decree of the Supreme Court of the United States, and binds property valued at more than three times the amount of the indebtedness,) further deposits were made in continuation of said foreign Navy account, during the said month of October and the following month of November, amounting to £219,199 11*s.* 11*d.*, or ten hundred and sixty-six thousand seven hundred and thirty-four dollars and eighty-three cents. Said deposits were made through John O. Bradford, Paymaster-General of the Navy, who was then in London, and supplied with money for the purpose of protecting the credit of the Government.

The said firm of Jay Cooke, McCulloch & Co. continued to pay the Navy drafts in regular course, but were finally obliged, under the operation of the English laws, to go into liquidation, when their partners in this country were formally adjudicated bankrupts; and the final settlement of their accounts with this Department has since been delayed by the complication of their affairs with the affairs of the bankrupts, which, besides injuring their credit and locking up their capital and assets, has rendered it necessary to submit all the questions in which the bankrupts were interested to the consideration and adjudication of the United States courts.

A. Since the said bankruptcy no further remittances have been made to them, nor any further funds intrusted to their custody, but the drafts drawn upon them have been accepted by them as they came and were presented, and have been paid and taken up at maturity by Paymaster-General Bradford out of moneys furnished to him by the Navy Department for that purpose, in order that the said drafts might be paid in due course without interruption or discredit, but at the same time without advancing any additional money to the said firm of Jay Cooke, McCulloch & Co.

B. The indebtedness of the said firm to the Government has since been gradually reduced by payments made by them, and by payment of the notes and credits and sales of some of the property held by the Government as collateral, until the amount now due is the sum of six hundred and ninety-nine thousand one hundred and fifty-four dollars and fifteen cents, as near as can be ascertained at this time, and without a final adjustment of the account in the Treasury.

For the payment and return of this sum the Government now holds, in addition to the original bond of the firm above mentioned, the following securities:

1st. Decree in the circuit court of the United States for the eastern district of Pennsylvania, amounting, on the 1st day of March, with interest, to the sum of	$789,208 53
Which said decree has been affirmed by the judgment and decision of the Supreme Court of the United States, and is entitled to priority over all other claims of all other creditors of the bankrupt partners of the firm of Jay Cooke, McCulloch & Co.	
Upon this there has been paid the sum of	328,201 28
Leaving a balance of	461,007 25

2d. Claims against the estate of Jay Cooke & Co., proved by the firm of Jay Cooke, McCulloch & Co., of London, of amounts and descriptions as follows:

1. A claim amounting to (currency)	$45,252 75
2. A claim amounting to (currency)	30,225 00
3. A claim amounting to (currency)	1,452,531 11
4. A claim amounting to (currency)	125,220 40
And also a claim known as the syndicate claim, amounting, in currency, to	146,276 15
So that all these claims amount, in currency, to the sum of	1,799,505 41

It is claimed that this amount is subject to certain offsets, which will, when ascertained, reduce the amount, but not below the sum of $1,200,000. The actual value is not accurately ascertained, but it is understood that adjudicated claims can be sold in the market at 25 per cent.

3d. Four hundred and sixteen $1,000 first-mortgage bonds of the Indiana and Illinois Central Railroad Company; also, one hundred and forty-five $1,000 first-mortgage bonds of Saint Joseph and Denver Railroad Company.

4th. Six thousand seven hundred and twenty-one tons of English railroad-iron, in Government warehouses at New York, New Orleans, Du Luth, and Buffalo, estimated to be worth at least $200,000.

5th. Private estate of Hugh McCulloch in this country, valued at $150,000.

The amount now owing on said foreign account is more than $200,000 less than the amount for which the Government was in advance at the time of the failure of Jay Cooke & Co., on remittances made in regular course, and it is believed that the securities now held by the Government are amply sufficient to secure the payment of the whole account, and that it will probably be paid off in full before the end of the present fiscal year.

I have no information of the insolvency of the said house of Jay Cooke, McCulloch & Co. The said firm have gone into liquidation, as I have already said, on account of the formal bankruptcy of the members of the firm in this country, and the payment of their indebtedness to the United States has been delayed by the locking-up of their assets as before mentioned, but I am led to believe that the assets of the said firm are more than sufficient to discharge their debts, since I think the whole amount of their indebtedness to the United States will be paid out of the securities specifically pledged for it, and since the partners of the said firm in London have, as I understand, organized a new house, and are carrying on the banking business in that city.

I have made no deposits of the public money of the United States with any banking-house in London or banking firm of which Jay Cooke and Hugh McCulloch, or either of them, are members, or with which they are connected, except with the said house of Jay Cooke, McCulloch & Co., as the fiscal agents of the Navy as aforesaid, in the manner and to the amount aforesaid; and I have made none with them since the firm of Jay Cooke & Co. were declared bankrupts.

I was not aware at the time I began or continued the said account with the said Jay Cooke, McCulloch & Co. that the said firm had no capital or capital stock, but, on the contrary, I understood from their partners or agents in this country that they were a strong firm, with good working capital and ample resources in reserve; and after the failure of Jay Cooke & Co. I was informed directly from the firm of Jay Cooke, McCulloch & Co., through dispatches to their agents in this country, that their private ledger still showed a very large working capital, besides all their other property and assets.

I would further state, in response to your second interrogatory, that I have endeavored to collect the debt of the said firm to the United States by collecting the notes and commercial credits assigned to me, and by disposing of the property held as collateral whenever I was able to do so without risk and to the advantage of the Government; that I have successfully defended in the supreme court of the State of New York the right of the United States to about four thousand four hundred tons of the railroad-iron consigned to me as aforesaid, and stowed in the Government warehouses in New York, which right was questioned in said court; and that I have enforced the lien of the United States against the private estates of the bankrupt debtors in this country by suit in the circuit court of the United States for the eastern district of Pennsylvania and have obtained a decree thereon against said bankrupts and their estates for $789,208.53; which said decree has since been affirmed by the Supreme Court of the United States, and the right of priority of payment settled in favor of the Government.

Believing that I have in this and my former letter, of March 10, covered the ground of all your interrogatories, I remain, very respectfully,

GEO. M. ROBESON,
Secretary of the Navy.

Hon. J. M. GLOVER,
Chairman of Select Committee on Real-Estate Pool and Jay Cooke Indebtedness, House of Representatives.

A.

NAVY DEPARTMENT,
Washington, May 15, 1871.

GENTLEMEN: I have the honor to inform you that the Department has determined to keep its London account with the American house of Jay Cooke, McCulloch & Co., who have been appointed agents of the Department for that purpose.

I beg to assure you that this change in no way grows out of any dissatisfaction of any kind on the part of the Department with your house, which has for so many years and so acceptably transacted its foreign financial business, but is the result solely of the opinion entertained by the Department that the establishment in London of respectable houses of purely American origin and character makes it, in every sense, becoming and desirable that the Government business should be intrusted to some one of them.

The Department has notified its pay-officers of the change of its agents in London, and has instructed them to draw, from and after the receipt of the notification, on the house of Jay Cooke, McCulloch & Co.

Your agents in New York, Messrs. S. & G. C. Ward, reported, on the 15th instant, that they had remitted to you, for the credit of the Department, the amount of £203,850 10*s.* 2*d.* This amount is supposed to be sufficient to meet the indebtedness of the Department on its account as last reported, and also to meet such bills as may be outstanding, or that may be drawn by authorized officers of the Department before they receive notification of the change of agents.

If drafts are presented in excess of this amount you are authorized to pay them on account of the Department, and notify the Department by telegram, that a remittance may be made you; or they will be protected by the firm of Jay Cooke, McCulloch & Co., to whom you will please refer the presentors.

Very respectfully,

GEO. M. ROBESON,
Secretary of the Navy.

Messrs. BARING BROTHERS & CO.,
London, England.

B.

NAVY DEPARTMENT,
Washington, May 1, 1871.

GENTLEMEN: Your letter of March 20 is received, and in accordance with the request and proposition therein contained the Department has this day appointed Messrs. Jay Cooke, McCulloch & Co., of London, temporary special agents to accept and pay drafts drawn abroad upon them by the Department, or on account of the Department, by its officers and other persons properly authorized for that purpose. This appointment is made, and, if accepted, will be understood to be so accepted, on the following terms, conditions, and agreement, that is to say:

The said firm will, while they continue agents of this Department, as aforesaid, accept, protect, and pay all bills and drafts drawn upon them by the Department, or on its account, by its officers or other persons duly authorized for that purpose, and properly presented and coming to them for acceptance, protection, or payment, charging therefor commissions of not more than 1 per cent.; and will allow and credit to the Department interest at the rate of 4 per centum per annum for all moneys and balances of the Department in their hands, so long as the same shall remain in their hands, and until the same shall be used or reduced by the payment of such bills and drafts, as aforesaid, by the said firm.

And the Department, on its part, will furnish the money to the said firm for the payment of said bills and drafts from time to time, as it may be required, and will allow to the said firm interest at the rate of 5 per centum on all accounts for which the said firm are at any time in advance to said Department by reason of the payment of its bills and drafts, as aforesaid, so long and to the extent that they shall remain so in advance. In addition to the aforesaid condition, the Department will, before making any advances to the said firm, in accordance with the provisions of the law in that behalf made, require them to enter into a bond in the sum of one hundred thousand dollars, with good and sufficient security, that they will faithfully carry out and execute all the terms of this agreement and understanding, and will promptly account for and pay to the said Department, when required so to do, all moneys and balances at any time remaining in their hands.

If this agreement and conditions are acceptable to the said firm of Jay Cooke, McCulloch & Co., their answer as such firm to this letter will be considered their acceptance of the same and their agreement to carry out the terms and conditions thereto.

Respectfully, yours,

GEO. M. ROBESON,
Secretary of the Navy.

JAY COOKE, MCCULLOCH & CO.,
114 *South Third Street, Philadelphia.*

C.

OFFICE OF JAY COOKE, SUBSCRIPTION AGENT,
114 SOUTH THIRD STREET, PHILADELPHIA, *May* 4, 1871.

DEAR SIR: Your letter of the 1st instant to Messrs. Jay Cooke & Co., Philadelphia, wherein we are appointed temporary special agents of your Department, has been received, and fully accepted by us. The terms and conditions you have therein expressed will be strictly complied with on our part.

Respectfully, yours,

JAY COOKE, McCULLOCH & CO.,
Of London, England.

HON. GEO. M. ROBESON,
Secretary of the Navy.

D.

Remittances to Baring Brothers & Co.

March 18, 1869, to requisitions	$1,000,000 00
June 26, 1869, to requisitions	1,000,000 00
January 10, 1870, to requisitions	1,000,000 00
May 6, 1870, to requisitions	1,000,000 00
December 3, 1870, to requisitions	500,000 00
January 6, 1871, to requisitions	500,000 00
May 11, 1871, to requisitions	1,000,000 00
Transferred to Baring Brothers & Co., by Jay Cooke, McCulloch & Co.	298,708 24

Remittances to Jay Cooke, McCulloch & Co.

May 20, 1871, to requisitions	$500,000 00
August 5, 1871, to requisitions	500,000 00
August 23, 1871, to requisitions	1,000,000 00
November 1, 1871, to requisitions	1,000,000 00
January 19, 1872, to requisitions	1,000,000 00
July 13, 1872, to requisitions	1,000,000 00
September, 19, 1872, to requisitions	800,000 00
October 4, 1872, to requisitions	200,000 00
December 23, 1872, to requisitions	500,000 00
March 12, 1873, to requisitions	600,000 00
June 4, 1873, to requisitions	250,000 00
July 2, 1874, to requisitions	1,000,000 00

HOUSE OF REPRESENTATIVES,
Washington, D. C., April 4, 1876.

SIR: I have the honor to request you will transmit to me a statement of the amount or amounts of the public moneys (as may appear by the warrants and books of the Treasury or otherwise) drawn from the United States Treasury upon approved requisitions of the Paymaster-General of the Navy, or any disbursing-officer of the Navy, that you have reason to know or believe was remitted to Jay Cooke, McCulloch & Co., of London, England, or any fiscal agent or disbursing-officer of the Navy in London during and in the months of June, July, August, September, October, and November, 1873.

Very respectfully,

J. M. GLOVER,
Chairman of the Select Committee of Investigation on the Real-Estate Pool and Jay Cooke Indebtedness.

Hon. B. H. BRISTOW,
Secretary of the Treasury, Washington, D. C.

TREASURY DEPARTMENT,
Office of the Secretary, April 6, 1876.

SIR: In reply to your request of the 4th instant, for a statement of the amounts drawn by Jay Cooke, McCulloch & Co., of London, or any fiscal agent or disbursing-officer of the Navy in London, on approved requisitions during the months of June, July, August, September, October, and November, 1873, you are respectfully informed that the following comprise all the payments made from the Treasury to that firm during the time indicated, viz:

June 4, 1873	$250,000
July 3, 1873	1,000,000

In addition to the above, a draft for $1,000,000 was issued on September 17, 1873, to the firm of Jay Cooke & Co. They, however, on the following day returned it, and it was immediately canceled and covered into the Treasury.

Jay Cooke, McCulloch & Co. were the only agents in London to whom money was paid from the Treasury on account of the Navy Department for the time specified.

Very respectfully,

CHAS. F. CONANT,
Acting Secretary.

Hon. J. M. GLOVER,
Chairman Select Committee, House of Representatives.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 19, 1876.

SIR: I have the honor to request that you will transmit to me a statement of the amount or amounts of the public moneys (under appropriations for the United States Navy) drawn from the Treasury as the Navy foreign account, and remitted to any banking-house, banking-firm, fiscal agent, or disbursing-officer of the Navy in London,

England; and, if you please, state the date of warrant, name of disbursing-officer making requisition, from July, 1873, to April, 1876, inclusive.

An early reply is requested.

Very respectfully,

JNO. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. B. H. BRISTOW,
Secretary of the Treasury, Washington, D. C.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 1, 1876.

SIR: Referring to my letter addressed to you on the 19th ultimo, requesting a statement of the amount of the public moneys remitted to Jay Cooke, McCulloch & Co., or any fiscal agent or disbursing-officer in London, England, for Navy foreign account, from appropriations for the Navy from July, 1873, until April, 1876, I would respectfully state up to this date we have had no reply to said letter. You will please forward the above-required statement as soon as practicable.

Very respectfully,

JNO. M. GLOVER,
Chairman, &c.

Hon. B. H. BRISTOW,
Secretary of the Treasury, Washington, D. C.

TREASURY DEPARTMENT,
Washington, D. C., May 1, 1876.

SIR: I am in receipt of yours of the 19th ultimo, requesting a statement of the amount or amounts of public moneys, under appropriations for the Navy, drawn from the Treasury from June, 1873, to April, 1876, inclusive, on what is known as the Navy foreign account, and remitted to any banking-house, banking-firm, fiscal agent, or disbursing-officer of the Navy in London, England, with date of Treasury warrant, the name of the disbursing-officer making the requisitions, and date of the requisitions.

In reply, I inclose a statement of amounts drawn from the Treasury by Navy warrants on foreign account during the period stated in your communication.

Very respectfully,

CHAS. F. CONANT,
Acting Secretary.

Hon. J. M. GLOVER,
Chairman Select Committee on Real-Estate Pool, &c., House of Representatives.

Statement of amounts drawn from the Treasury by Navy warrants on foreign account from June 1, 1873, to April 29, 1876.

Warrant.		Requisition.		Name of disbursing-officer charged.	Amount.
Date.	No.	Date.	No.		
1873.		1873.			
June 4	573	June 4	1876	Jay Cooke, McCulloch & Co	$250,000 00
July 3	717	July 2	2024	do	1,000,000 00
					1,250,000 00
1874.		1874.			
Oct. 15	1538	Oct. 6	4410	J. O. Bradford, Paymaster-General, U. S. N	49,484 54
Dec. 28	1867	Dec. 21	4817	do	44,651 15
Dec. 28	1868	Dec. 21	4818	do	79,379 85
					173,515 54
1875.		1875.			
Jan. 11	34	Jan. 4	4845	J. O. Bradford, Paymaster-General, U. S. N	34,728 70
Jan. 18	79	Jan. 14	4906	do	24,806 20
Feb. 1	176	Jan. 26	4983	do	24,806 20
Mar. 12	327	Mar. 8	5136	do	98,969 10
Mar. 25	431	Mar. 22	5247	do	59,381 45
Apr. 7	443	Apr. 5	5252	do	49,484 55
Apr. 7	444	Apr. 5	5253	do	148,453 60
July 12	893	July 10	5725	do	150,000 00
July 12	894	July 10	5724	do	99,481 85
July 28	1064	July 28	5902	do	150,000 00
July 30	1072	July 30	5905	do	173,195 90
Aug. 4	1084	Aug. 2	5913	Seligman Brothers, agents	200,000 00
Aug. 7	1106	Aug. 7	5927	J. O. Bradford, Paymaster-General, U. S. N	49,740 90
Aug. 13	1121	Aug. 10	5935	do	98,969 07
Aug. 14	1128	Aug. 11	5954	do	99,481 85
Aug. 26	1245	Aug. 25	6086	do	49,484 55
Sept. 4	1303	Sept. 2	6116	do	98,969 10
Sept. 10	1331	Sept. 8	6162	do	49,484 55
Sept. 25	1464	Sept. 23	6289	do	74,226 80
Oct. 1	1479	Sept. 27	6312	do	49,357 30
Oct. 7	1507	Oct. 5	6319	do	49,357 30
Oct. 18	1576	Oct. 15	6419	do	59,076 90
Oct. 29	1674	Oct. 26	6492	do	29,538 45
Nov. 1	1682	Oct. 30	6513	do	34,461 55
Nov. 5	1706	Nov. 4	6525	Seligman Brothers, agents	250,000 00
Nov. 5	1707	Nov. 4	6526	J. O. Bradford, Paymaster-General, U. S. N	44,307 70
Nov. 11	1757	Nov. 9	6581	do	98,714 65
Nov. 27	1846	Nov. 24	6674	do	69,100 25
Nov. 27	1847	Nov. 24	6673	do	59,228 80
Dec. 8	1911	Dec. 7	6736	do	123,393 30
					2,600,200 57
1876.		1876.			
Jan. 5	42	Jan. 5	6887	J. O. Bradford, Paymaster-General, U. S. N	59,228 80
Jan. 17	84	Jan. 15	6926	do	49,357 30
Jan. 21	111	Jan. 21	6976	do	113,521 85
Feb. 1	172	Feb. 1	7005	do	49,357 30
Feb. 21	265	Feb. 19	7126	do	34,550 15
Feb. 25	291	Feb. 24	7139	do	24,678 65
					330,694 05
In addition to the above, the following warrants were issued, but were not paid, having been returned to the Treasury:					
1873.		1873.			
Sept. 17	1057	Sept. 16	2367	Jay Cooke, McCulloch & Co	1,000,000 00
1875.		1875.			
Nov. 9	1718	Nov. 8	6580	Seligman Brothers, agents	250,000 00

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 11, 1876.

SIR: I have the honor to request that you will furnish this committee with the names of the bondsmen of the firm or banking-house of Jay Cooke, McCulloch & Co., of London, and also please state their residences.

Very respectfully,

J. M. GLOVER,
Chairman Select Committee on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. GEO. M. ROBESON,
Secretary of the Navy, Washington, D. C.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 19, 1876.

SIR: Referring to my letter to you of the 11th instant, in relation to the bondsmen of the late firm, or fiscal agents, Jay Cooke, McCulloch & Co., I will state, if you have not already forwarded the names of said bondsmen, you will now please transmit to me a copy of the bond itself.

Very respectfully,

JNO. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. GEORGE M. ROBESON,
Secretary of the Navy, Washington, D. C.

NAVY DEPARTMENT,
Washington, April 22, 1876.

SIR: Your note of the 19th arrived yesterday, and I herewith inclose copy of bond as requested.

The letter of the 10th referred to is not to be found on the files of the Department, but it probably came during my absence from the city, and getting mixed with other papers has been mislaid.

Yours, &c.,

GEO. M. ROBESON.

Hon. J. M. GLOVER.

Know all men by these presents, that we, Jay Cooke, McCulloch & Co., of London, in the kingdom of Great Britain, and Jay Cooke, banker, of the State of Pennsylvania, and Alexander G. Cattell and Elijah G. Cattell, merchants, of the State of New Jersey, are held and firmly bound unto the United States of America in the sum of one hundred thousand (100,000) dollars, lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, and administrators, in the whole, jointly and severally, by these presents.

Sealed with our seals, and dated this fifth day of May, A. D. one thousand eight hundred and seventy-one.

Now the condition of this obligation is such that, whereas the Navy Department of the United States, by direction of the President thereof, has appointed the said Jay Cooke, McCulloch & Co. temporary special agents of the said Department, to accept and pay drafts drawn abroad upon them by the Department, or on its account by its officers or other persons duly authorized for that purpose, upon the following agreement, terms, and conditions, (which have been duly accepted and entered into by the said Jay Cooke, McCulloch & Co.,) that is to say: That the said firm will, while they continue such agents of the said Department, accept, protect, and pay all bills and drafts drawn upon them by the Departmeut, or on its accounts, by it officers or other persons duly authorized for that purpose, and properly presented or coming to them for acceptance, protection, or payment, charging therefor commissions of not more than one per centum, and will allow and credit to the Department interest at the rate of four per centum per annum, for all moneys and balances of the Department in their hands so long as the same shall remain in their hands and until the same shall be used in the payment, by the said firm, of such bills and drafts as aforesaid, and will promptly to account for and pay over to the said Department, when required so to do, all moneys and balances of said Department at any time remaining in their hands. The said Navy Department on its part agreeing to furnish the money to the said firm for the payment of said bills and drafts, from time to time, as the same may be required, and to allow to the said firm interest at the rate of five per centum on all accounts for which the said firm are at any time in advance to said Department by reason of the payments made on its behalf as aforesaid, so long and to the extent that they remain so in advance. Now if the above bound Jay Cooke, McCulloch & Co. shall faithfully and fully discharge all their duties as such temporary agents as aforesaid, and all the said agreements, terms, and conditions, and shall faithfully and fully, whenever called upon so to do, account for and pay over to the said Department all moneys and

balances of said Department, being or remaining in their hands, then this obligation to be void; otherwise to remain in full force and virtue.

In witness whereof we have hereunto set our hands and seals the day and year first aforesaid.

JAY COOKE, McCULLOCH & CO. [SEAL.]
JAY COOKE. [SEAL.]
ALEXANDER G. CATTELL. [SEAL.]
ELIJAH G. CATTELL. [SEAL.]

Sealed and delivered in the presence of—
CHAS. D. BARNEY.
STEPHEN W. WHITE.

I, William P. Tatem, collector of the first district of New Jersey, do hereby certify that Alexander G. Cattell and Elijah G. Cattell above mentioned are residents of said district; that they are respectable and responsible merchants and property-holders, and that in my opinion they are respectively worth the sum for which they are above bound after their debts are paid.

WM. P. TATEM,
U. S. Collector, First District New Jersey.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 8, 1876.

SIR: As you have already advised this committee that you received divers collateral securities pledged by Jay Cooke, McCulloch & Co. for the protection of your claim as Secretary of the Navy against them, will you further advise us what amount or amounts you have realized on such collaterals, by suits or otherwise, and likewise what disposition you have made of such amounts so realized; if not collected or received by yourself or by your Department, please state by whom collected and to what officer in the United States finally paid and to what fund credited.

Very respectfully,

JNO. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. GEO. M. ROBESON,
Secretary of the Navy, Washington, D. C.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 13, 1876.

SIR: Your attention is respectfully called to my letter to you bearing date as early as 8th ultimo, in response to which, I regret to state, there seems to have been unnecessary delay.

Herewith I inclose copy of the same, to which this committee desires an early reply.

Very respectfully,

JNO. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. GEO. M. ROBESON,
Secretary of the Navy, Washington, D. C.

NAVY DEPARTMENT,
Washington, June 20, 1876.

SIR: Your letter of the 13th is received, containing copy of a letter dated the 8th of May, the original of which, however, has not been received by me, and is not to be found on the files of the Department.

In response to the inquiries made in the said copy, I beg to say that since my last letter to your committee, dated the 23d day of March, I have received in payment of the indebtedness of the firm of Jay Cooke, McCulloch & Co. to the United States, the sum of $350,000; that this sum has been paid by checks of Edwin M. Lewis, trustee of the estate of Jay Cooke & Co., drawn to the order of the Secretary of the Navy,

and by me indorsed to the Acting Paymaster-General of the Navy, who has drawn the same and deposited it in the Treasury of the United States to the credit of the fund known as "pay of the Navy."

Very respectfully, your obedient servant,

GEO. M. ROBESON,
Secretary of the Navy.

Hon. J. M. GLOVER,
Chairman Committee on Real-Estate Pool and Jay Cooke Indebtedness,
House of Representatives.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 6, 1876.

SIR: I have the honor to request that you will transmit to me a summary statement of the account of Jay Cooke, McCulloch & Co. with the Treasury Department, exhibiting debits and credits from May 20, 1871, to September, 1873.

You will please transmit a similar statement of the account of the Paymaster-General of the Navy, John O. Bradford, from the date of his assuming the duties of disbursing-officer at London, to April 30, 1876, or the quarter ending nearest to this aforesaid date, (April 30, 1876.)

Very respectfully,

JOHN M. GLOVER,
Chairman of the Select Committee of Investigation
on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. B. H. BRISTOW,
Secretary of the Treasury, Washington, D. C.

TREASURY DEPARTMENT, FOURTH AUDITOR'S OFFICE,
June 2, 1876.

SIR: In reply to your letter of the 6th ultimo, addressed to the Hon. Secretary of the Treasury, you will please find herewith copies of the statements of the accounts of Jay Cooke, McCulloch & Co., from the commencement of their agency to September 30, 1873; also copies of the accounts of J. O. Bradford, Paymaster-General, United States Navy, from September 25, 1873, to March 31, 1876.

Very respectfully,

S. J. W. TABOR,
Auditor.

Hon. J. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and
Jay Cooke Indebtedness, Room of the Committee on Mines and Mining,
House of Representatives, Washington, D. C.

The United States Navy Department in account with Jay Cooke, McCulloch & Co., London.

DR.

1871.			£	s.	d.
June 14	To stamps on	67, 68	2	10	0
15	To Gulick	67	3,000	0	0
	do	68	2,000	0	0
21	To stamps on	69, 70	2	0	0
	To Gulick	69	1,500	0	0
	do	70	2,500	0	0
24	To stamps on	71, 72	1	9	0
	To Burtis	131	4,000	0	0
26	To Gulick	71	2,000	0	0
	do	72	900	0	0
27	To J. D. Potter		6	75	3
	To L. Casella		2	16	6
30	To J. W. King		20	0	0
	To A. C. Rhind		48	2	6
July 4	To Woodhull	6	3,000	0	0
	To B. H. Stevens		29	8	6
5	To J. W. King		30	0	0
	do		200	0	0
13	To E. Simpson		230	0	0
18	To Gulick	73	500	0	0
	do	75	500	0	0
20	do	74	500	0	0
24	To J. W. King		30	0	0
	To B. H. Stevens		10	6	3
26	To A. C. Rhind		20	0	0
28	To Gulick	76	3,000	0	0
Aug. 3	do	77	2,500	0	0
4	To Sir E. Thornton, equip.		262	14	9
5	To Thornton		3,000	0	0
8	To C. T. Thompson		4,000	0	0
14	To J. E. Tolfree		4,000	0	0
15	To J. D. Potter		38	2	4
18	To Healey, Saco		2,000	0	0
	To 10 Wabash		2,000	0	0
	To 5 Martin		3,000	0	0
19	To A. C. Rhind		28	0	0
23	To Thompson	61	600	0	0
	do	58	1,000	0	0
	do	59	1,000	0	0
24	To Gulick		3,000	0	0
Sept. 5	To J. W. King		40	0	0
6	To A. C. Rhind		25	0	0
	To Gulick, 79 Franklin.		2,000	0	0
8	To C. P. Wallach		6,000	0	0
	To Burtis, Brooklyn.		2,000	0	0
9	do		1,000	0	0
	Pay. W. G. Long		25	16	0
13	To Gulick	80	3,500	0	0
14	To Barings		61,716	11	7
15	do		6,000	0	0
	To J. W. King		280	0	0
16	To A. C. Rhind		23	0	0
18	To Gulick	81	2,000	0	0
20	To Frailey	2	2,000	0	0
21	To Tolfree	37	5,000	0	0
20	To Martin	6	4,000	0	0
	To C. H. Curhause		2,000	0	0
30	Balance		57,542	8	5
			203,815	1	1
Oct. 2	To commissions of 1 per cent. to Sept. 30.		1,462	15	0

CR.

1871.		£	s.	d.
June 12	By cash	101,580	2	7
30	Interest on account to July 1.	194	2	3
Aug. 26	By cash per Jay Cooke & Co., New York.	102,040	16	3
		203,815	1	1
Sept. 30	By balance	57,542	8	5

Cash account month ending October 31, 1871, *the United States Navy Department in account with Jay Cooke, McCulloch & Co., London.*

DR. CR.

1871.		£	s.	d.	1871.		£	s.	d.
Oct. 2	To commission on £146, 272 12*s.* 8*d.*	1, 462	15	0	Sept. 30	By balance.....	57, 542	8	5
	To 83, Gulick, Franklin.....	2, 000	0	0	Oct. 31	....do	19, 783	16	1
	To 82, Gulick, Franklin.....	4, 000	0	0					
	To A. C. Rhind	48	0	0					
5	To J. Sparhawk, coal agent, June 30, 1871, Equipment.	104	3	4					
6	To 84, Gulick, Franklin.....	600	0	0					
7	To 4, A. Burtis, Brooklyn.....	4, 000	0	0					
	To 65, Thornton, Lancaster.....	1, 000	0	0					
	To 66, Thornton, Lancaster.....	1, 000	0	0					
	To Baring Brothers & Co.....	7, 500	0	0					
9	To 62, Thornton, Lancaster.....	2, 000	0	0					
	To 63, Thornton, Lancaster.....	2, 000	0	0					
	To 64, Thornton, Lancaster.....	2, 000	0	0					
	To 12, Wallach, Guerriere	4, 000	0	0					
16	To E. Simpson	20	0	0					
	To W. J. Healy, Saco	2, 000	0	0					
17	To Cummerford & Girdler, notarial charges.	7	9	0					
20	To 3, Frailey, Wachusett.....	1, 000	0	0					
21	To Baring Brothers & Co.....	20, 000	0	0					
	To 7, Woodhull, Brenandoah.....	2, 000	0	0					
23	To 8, Woodhull, Brenandoah.....	2, 000	0	0					
25	To 4, Frailey, Wachusett.....	1, 500	0	0					
26	To E. Simpson.....	7	10	0					
	.....do	250	0	0					
27	To 85, Gulick, Franklin.....	250	0	0					
28	To Batione, Benicia	5, 750	0	0					
	To Baring Brothers & Co.....	6, 800	0	0					
30	To B. Wallach, Guerriere.....	2, 000	0	0					
	To E. Simpson.....	26	7	2					
31	To Wallach, Guerriere	2, 000	0	0					
		77, 326	4	6			77, 326	4	6
Oct. 31	To balance	19, 783	16	1					

United States Navy Department in account with Jay Cooke, McCulloch & Co., London.

Date.	Particulars.		Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1871.			£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
Oct. 31	To balance		19,783 16 1		Dr	19,783 16 1			
Nov. 2	To Martin, Juniata	7	1,500 0 0		Dr	21,283 16 1			
3	To Wallach, Guerriere	15	2,000 0 0		Dr	23,283 16 1			
3	To Frailey, Wachusett	5	400 0 0		Dr	23,683 16 1			
6	To A. C. Rhind		48 0 0		Dr	23,731 16 1			
6	To Baring Bros. & Co		12,500 0 0		Dr	36,231 16 1			
8	By Jay Cooke, McCulloch & Co			206,185 11 4	Cr	169,953 15 3			
9	To G. W. Long		51 12 0		Cr	169,902 3 3			
10	To Burtis, Brooklyn		6,000 0 0		Cr	163,902 3 3			
11	To Baring Bros. & Co		103 6 0		Cr	163,798 17 3			
13	To Thompson, Plymouth	21	3,000 0 0		Cr	160,798 17 3			
13	do	22	1,000 0 0		Cr	159,798 17 3			
17	To paid Mr. Perthes, at Gotha		36 4 0		Cr	159,762 13 3			
17	To Gulick, Franklin	86	2,000 0 0		Cr	157,762 13 3			
24	To J. D. Potter		37 10 10		Cr	157,725 2 5			
30	To Carpenter, Colorado	17	10,000 0 0		Cr	147,725 2 5			
30	To balance		147,725 2 5		Cr				
			206,185 11 4	206,185 11 4					
30	By balance			147,725 2 5	Cr	147,725 2 5			
Nov. 30	By balance		147,725 2 5		Cr	147,725 2 5			
Dec. 1	To A. C. Rhind		48 2 10		Cr	147,676 19 7	1		147,676 19 7
2	To Baring Bros. & Co		8,000 0 0						
2	To Frailey, Wachusett	7	1,500 0 0		Cr	138,176 19 7	2		276,353 19 2
4	do	6	1,500 0 0						
4	To Beaman, Ossipee	3	3,000 0 0		Cr	133,676 19 7	3		401,030 18 9
7	To G. W. Long		25 16 0		Cr	133,651 3 7	4		534,604 14 4
11	To D. B. Batione, Benicia	2	4,250 0 0						
11	To J. F. Hamilton, Onward	29	5,000 0 0		Cr	124,401 3 7	1		124,401 3 7
12	To Thornton, Lancaster	67	4,000 0 0		Cr	120,401 3 7	3		361,203 10 9
15	To G. R. Martin, Juniata	8	4,000 0 0						
15	To J. H. Watmough		51 12 0		Cr	116,349 11 7	1		116,349 11 7
16	To Burtis, Brooklyn	6	3,200 0 0						
16	To E. Simpson		11 10 0		Cr	113,138 1 7	3		339,414 4 9
19	To J. F. Tarbell, Wasp	1	2,000 0 0						
19	To J. G. Thornton, Lancaster	69	1,000 0 0						
19	To B. F. Stevens, appropriation, Ordnance, 1872, advised £6 12*s.* 7*d*		8 11 7		Cr	110,129 10 0	1		110,129 10 0
20	To C. P. Wallach, Guerriere, No. 16		2,000 0 0		Cr	108,129 10 0	2		216,259 0 0
22	To C. P. Wallach, Guerriere, No. 17		2,000 0 0		Cr	106,129 10 0			106,129 10 0

23	To Burtis, Brooklyn	7	8,000 0 0			98,129 10 0	4		392,598 0 0
27	To J. H. Watmough		51 12 0		Cr	98,077 18 0	3		294,233 14 0
30	To interest on overdraft		39 0 0						
30	To commission, £165,650 1*s.* 9*d.*, from 30th September, at 1 per cent.		1,656 0 0		Cr	96,382 8 0	1		96,382 8 0
31	By interest at 4 per cent			1,764 15 3	Cr	98,147 3 3			
	To balance		98,147 3 3						
			149,489 17 8	149,489 17 8				*264,929 17 2	†15,948,640 19 11
Dec. 31	By balance			98,147 3 3	Cr	98,147 3 3	1		98,147 3 3
1872.									
Jan. 1	To B. F. Stevens		12 10 0		Cr	98,134 13 3	1		98,134 13 3
2	To A. C. Rhind		48 2 10						
2	To C. D. Mansfield, Monocacy	4	2,500 0 0						
2	To Woodhull, Shenandoah	9	4,000 0 0						
2	To Beaman, Ossipee	4	2,000 0 0		Cr	89,586 10 5	2		179,173 0 10
4	To G. U. Long		25 16 0		Cr	89,560 14 5	2		179,121 8 10
6	To Fulton, Wabash	1	2,000 0 0		Cr	87,560 14 5	3		262,682 3 3
9	To Thornton, Lancaster	75	2,000 0 0		Cr	85,560 14 5	1		85,560 14 5
10	do	74	3,000 0 0						
10	do	73	2,000 0 0						
10	To advice of Sept. 19, Com. Matheus Brequet, account of Paris		42 3 0		Cr	80,518 11 5	2		161,037 2 10
12	To Batione, Benicia	3	3,750 0 0		Cr	76,768 11 5	1		76,768 11 5
13	To Fulton 2, Wabash		6,000 0 0		Cr	70,768 11 5	4		283,074 5 8
17	To Fulton 3, Wabash		5,500 0 0						
17	To Fulton 4, Wabash		1,500 0 0		Cr	63,768 11 5	1		63,768 11 5
18	To Burtis, Brooklyn	8	4,000 0 0		Cr	59,768 11 5	1		59,768 11 5
19	To Thornton, Lancaster	71	1,000 0 0						
19	do	72	1,000 0 0		Cr	57,768 11 5	1		57,768 11 5
20	To Wallach 18, Guerriere		1,000 0 0						
20	To Thornton, Lancaster	70	1,000 0 0		Cr	55,768 11 5	2		111,537 2 10
22	do	76	2,000 0 0		Cr	53,768 11 5	1		53,768 11 5
23	To Baring Brothers		6,561 11 5		Cr	47,207 0 0	1		47,207 0 0 47,207 0 0
25	To C. D. Mansfield, Monocacy	5	2,500 0 0						
25	To Batione, Benicia	4	4,500 0 0						
25	To Stancliffe, St. Mary	1	5,000 0 0		Cr	35,207 0 0	2		70,414 0 0 70,414 0 0
29	To Carpenter, Colorado	18	10,000 0 0		Cr	25,200 0 0	2		50,414 0 0
31	To Paymaster Long		25 16 0						
31	To A. C. Rhind		48 2 10		Cr	25,133 1 2	1		25,133 1 2
Feb. 1	To J. D. Potter		30 16 9		Cr	25,102 4 5	2		50,204 8 10
3	To Jas. H. Watmough		51 12 0						
3	To John George West, account for compasses United States steamer Java, Bureau of Navigation		26 5 0		Cr	25,024 7 5	4		100,097 9 8
7	To James Thornton, Lancaster	77	4,000 0 0		Cr	21,024 7 5	2		42,048 14 10
9	To Fulton, Wabash	7	2,400 0 0						
9	do	6	3,000 0 0		Cr	15,624 7 5	1		15,624 7 5

*Commission, at 5 per cent, £36 5*s.* 10*d.* †Commission, at 4 per cent, £1,747 15*s.* 9*d.*

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.		Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
			£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
1872.									
Feb. 10	To James Fulton, Wabash	5	4,400 0 0		Cr	11,224 7 5	6		67,346 46
16	To Greeley, Onward	1	5,000 0 0		Cr	6,224 7 5	1		6,224 7 5
17	To Wallach, Guerriere	19	600 0 0						
17	To James Hoy, naval depot	2	1,000 0 0						
17	do	1	1,000 0 0						
17	To James Fulton, Wabash	8	3,500 0 0		Cr	124 7 5	2		248 14 10
19	By Jay Cooke & Co., New York			206,896 5 0	Cr	207,020 12 5	2		414,041 4 10
21	To J. D. Potter, account pay		29 5 11						
21	To F. Clarke, Alaska	7	1,166 13 4						
21	To James Hoy, naval depot	3	1,000 0 0		Cr	204,824 13 2	1		204,824 13 2
22	To postage unpaid		2 3		Cr	204,824 10 11	1		204,824 10 11
23	To Fulton, Wabash	9	4,000 0 0		Cr	200,824 10 11	1		200,824 10 11
24	To H. B. Stancliffe, St. Mary	2	5,000 0 0		Cr	195,824 10 11	2		391,649 1 10
26	To postage advice, Potts		9		Cr	195,824 10 2	2		391,649 0 4
28	To postage unpaid		1 0						
28	To B. F. Stevens		1 10 6						
28	To Hugel, Rear-Admiral Davis, Superintendent United States Naval Observatory, Washington, D. C.		16 0 0		Cr	195,806 18 8	1		195,806 18 8
29	To interest over-credited		16 19 6						
29	To William Gibson		25 16 0						
29	To A. C. Rhind		48 2 10						
29	By overcharged, December 30			2 14 2	Cr	195,718 14 6			
	To balance		195,718 14 6						
			305,046 2 5	305,046 2 5					4,366,514 1 7
29	By balance			195,718 14 6					
									4,268,366 18 4
	By amount			195,718 14 6	Cr	195,718 14 6	2		391,437 9 0
Mar. 2	To S. P. Brown, Rio Janeiro		1,000 0 0		Cr	194,718 14 6	2		389,437 9 0
4	To unpaid postage		0 0 9						
4	To A. J. Greeley, Onward		5,000 0 0		Cr	189,718 13 9	2		379,437 7 6
6	To Thornton, Lancaster	78	2,000 0 0						
6	To Fulton, Wabash	10	3,000 0 0						
6	To Fulton, Wabash, provision		2,500 0 0						
6	To Johnson & Kasilin, 1 pay		1,000 0 0		Cr	181,218 13 9	1		181,218 13 9
7	To extra postage				Cr	181,218 8 9	1		181,218 8 9
8	To F. Clarke, Alaska	8	466 13 4		Cr	180,751 15 5	3		542,255 6 3
11	To F. Clarke, pay 6	6	700 0 0		Cr	180,051 15 5	4		720,207 1 8

15	To Jackson & Watson, to equipment of vessels, advertisement dated February 26.		145 0 0		Cr	179,906 15 5	1		179,906 15 5
16	To W. Gibson, as per letter		56 6 5						
16	To J. Watmough, on account paymaster		51 12 0						
16	To G. H. Griffin, pay	8	500 0 0						
16	To James Hoy, naval depot		1,000 0 0						
16	To G. H. Griffin, Narragansett	5	1,000 0 0		Cr	177,298 17 0	2		354,597 14 0
18	To G. H. Griffin, Narragansett, 7	7	500 0 0		Cr	176,798 17 0	2		353,597 14 0
20	To G. H. Griffin, Narragansett, Honolulu, pay Navy		1,000 0 0		Cr	175,798 17 0	1		175,798 17 0
21	To Thomas W. Rae		100 0 0		Cr	175,698 17 0	1		175,698 17 0
22	To Hinman, 1 Ticonderoga		6,000 0 0		Cr	169,698 17 0	1		169,698 17 0
23	To H. P. Stancliffe, St. Mary's, Sunday pay	3	3,000 0 0						
23	To Thornton, Lancaster	79	3,000 0 0						
23	To J. Hoy, naval depot	5	1,000 0 0		Cr	162,698 17 0	4		650,795 8 0
27	To appropriation ordnance		1 12 6		Cr	162,697 4 6	1		162,697 4 6
28	To Clarke, Alaska, per advice 21, 2, '72, Stevens	9	1,600 0 0						
28	To Carpenter, Colorado	19	5,000 0 0						
28	do	20	5,000 0 0		Cr	151,097 4 6	2		302,194 9 0
30	To F. Crosbie, Saranac	2	1,000 0 0						
30	do	3	500 0 0						
30	do	4	500 0 0						
30	To J. Hoy, naval depot	6	1,000 0 0						
30	do	7	1,000 0 0						
30	do	8	1,000 0 0						
30	do	9	1,000 0 0						
30	do	10	1,000 0 0						
30	To J. Fulton, Wabash	72	8,000 0 0						
30	To A. C. Rhind		48 2 10		Cr	136,049 1 8	1		136,049 1 8
30	To balance		136,049 1 8						9,714,613 11 10
			195,718 14 6	195,718 14 6					
Mar. 31	By balance			136,049 1 8	Cr	136,049 1 8			
Mar. 31	By balance			136,049 1 8	Cr	136,049 1 8			
April 2	To extra postage		0 0 9						
2	To William Gibson		25 16 0		Cr	136,023 4 11			
3	To G. Cochran, 2 Congress		500 0 0		Cr	135,523 4 11			
5	To Bregriet, Paris, fcs. 1,430		56 17 11						
5	To Barney & Co., appropriation as per advice date 16, 3, '72		22 10 0						
5	To F. Clarke, Alaska	10	3,000 0 0		Cr	132,443 17 0			
8	To George Cochran, Congress	3	1,000 0 0						
8	do	4	1,000 0 0						
8	To W. F. A. Torbert, Idaho	12	2,687 10 0		Cr	127,756 7 0			
8	By Jay Cooke & Co., New York			205,714 5 9	Cr	333,470 12 9			
9	To George Cochran, Congress	1	500 0 0						
9	To R. C. Schenck		9 19 2		Cr	332,960 13 7			
10	To James H. Watmough		51 12 0						

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.		Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1872.			£ s. d	£ s. d.		£ s. d.		£ s. d.	£ s. d.
Apr. 10	To J. Hoy, naval depot	11	1,000 0 0						
10	do	12	1,000 0 0						
10	do	13	1,000 0 0						
10	To J. Fulton, Wabash, 13 ordnance		1,382 10 4		Cr	328,526 11 3			
11	To G. R. Martin, Juniata	9	1,000 0 0		Cr	327,526 11 3			
13	To C. D. Mansfield, Monocacy	6	2,500 0 0		Cr	325,426 11 3			
15	To Hansard's Debates		0 5 5		Cr				
15	To J. B. Redfield, Monocacy	1	1,050 0 0		Cr	323,971 6 3			
17	To Baring Bros. & Co., of T. U. Rae		51 13 0		Cr	323,919 13 3			
20	To W. C. Corbie, Saranac	5	1,000 0 0						
20	To J. F. Fulton, Wabash	14	8,000 0 0						
20	To A. C. Rhind, letter, 3, 7, '71		48 2 10		Cr	314,871 10 5			
22	To J. E. Thornton, Lancaster	2	1,000 0 0						
22	To B. F. Stevens, ad. 5 April		24 14 5						
22	To Elliot Bros., ad. 10 April		16 5 0		Cr	313,830 11 0			
26	By int. com. charged in error			14 8 6					
26	By int. on £1,656, 10 per cent., 31 Dec.			0 3 8					
26	By com. improperly charged on f. 1,462	151		14 12 7	Cr	313,859 15 9			
26	To Mr. Gibson, com's		25 16 0						
26	To J. Rodgers, Colorado	22	5,000 0 0						
26	do	21	6,000 0 0		Cr	302,833 19 9			
30	To J. D. Peter		1,300 0 0		Cr	301,464 13 3			
30	do		69 6 6						
30	To balance		301,464 13 3						
			341,792 12 2	341,792 12 2					
30	To balance			301,464 13 3					
30	By balance			301,464 13 3	Cr	301,464 13 3	1		301,464 13 3
May 1	To J. Alder, Wabash	15	9,000 0 0		Cr	292,464 13 3	2		584,929 6 6
3	To A. J. Greeley, Onward	3	5,000 0 0		Cr	287,464 13 3	1		287,464 13 3
4	To J. Fulton, Wabash	16	8,000 0 0						
4	To J. E. Thornton, Lancaster	83	3,000 0 0		Cr	276,464 13 3	6		1,658,787 19 6
10	To C. A. Daniel, Iroquois	1	2,500 0 0		Cr	273,964 13 3	1		273,964 13 3
11	To C. Schenck, California	1	3,000 0 0						
11	To C. B. Greenough		1,000 0 0		Cr	269,964 13 3	5		1,349,823 6 3
16	To J. B. Luce, Juniata	10	1,000 0 0		Cr	268,964 13 3	6		1,613,787 19 6
22	To J. H. Watmough		51 12 0						
22	To A. Burtis, Brooklyn	9	4,000 0 0		Cr	264,913 1 3	1		264,913 1 3
23	To E. Simpson		50 0 0						

23	To J. E. Thornton, Lancaster	80	3,000 0 0		Cr	261,863 1 3	4		1,047,452 5 0
27	To B. F. Stevens		5 5 6						
27	To C. A. McDaniel, Iroquois	2	2,000 0 0						
27	To C. A. Mansfield, Monocacy	7	3,500 0 0		Cr	256,357 15 9	1		256,357 15 9
28	To Geo. R. Martin, Juniata	12	1,500 0 0						
28	do	11	1,500 0 0		Cr	253,357 15 9	1		253,357 15 9
29	To C. P. Thompson, Plymouth	23	500 0 0						
29	To C. Schenck, California	2	1,800 0 0		Cr	251,057 15 9	2		502,115 11 6
31	To balance		251,057 15 9						
			301,464 13 3	301,464 13 3			31		8,394,419 0 9
	Products brought forward								17,907,980 2 10
May 31	Balance			251,057 15 9	Cr	251,057 15 9			26,302,399 3 7
	By balance			251,057 15 9					
June 1	J. E. Thornton, Lancaster	84	3,000 0 0			248,057 15 9	1		248,057 15 9
2	G. Cochrane, Congress	5	2,000 0 0			246,057 15 9	2		492,115 11 6
4	J. H. Carpenter, Colorado	23	12,000 0 0			234,057 15 9	2		468,115 11 6
6	L. Frailey, Wachusett	8	440 0 0			233,617 15 9	2		467,235 11 6
8	Torbert, Idaho	13	4,552 1 8						
8	H. C. Blake, Alaska		3,000 0 0			226,065 14 1	5		1,130,328 10 5
13	J. Foster, Shawmut	5	1,000 0 0			224,065 14 1	1		224,065 14 1
13	J. Hoy, stores, naval depot	14	1,000 0 0			224,014 2 1	1		224,014 2 1
14	J. Watmough		51 12 0						
15			1,000 0 0			223,014 2 1	2		446,028 4 2
17	R. J. McConnell, Ashuelot		794 15 10						
17	J. Hoy, naval depot	15	1,000 0 0						
17	J. Hoy, naval depot	16	1,000 0 0			220,219 6 3	1		220,219 6 3
18	G. E. Thornton, Lancaster	82	2,000 0 0						
18	Extra postage		1 9			218,219 4 6	1		218,219 4 4
19	Dft. Eynon, $16.98; E. B. Simmond, United States consul, St. Thomas.		3 10 2			218,215 14 4	1		218,215 14 6
20	A. Greeley, Onward	14	10,000 0 0				1		203,715 14 4
20	D. B. Bahnie, Benicia	5	4,500 0 0			203,715 14 4			
21	R. Washington, Lancaster	1	1,000 0 0						
		2	1,000 0 0						
21	S. T. Browne, Rio Janeiro	3	1,000 0 0			200,715 14 4	3		602,147 3 0
24	J. Denison, Hurthit		1,130 4 2			199,585 10 2	1		199,585 10 2
25	J. Fulton, Wabash	18	3,000 0 0			196,585 10 2	1		196,585 10 2
26	J. Fulton, Wabash	17	3,000 0 0						
26	J. Fulton, Wabash	19	16,000 0 0			177,585 10 2	1		177,585 10 2
27		9	1,200 0 0						
27	Hon. H. Fish, appropriation contingent		4 15 10			176,380 14 4	3		529,142 3 0
30	Commission		3,343 18 0					32	818,883 16 3
	By interest			3,596 11 7		176,633 7 11	Cr. b	alance to new a	ccount, at 4 per
	Balance		176,633 7 11				cen	t, £3,596 11*s.* 7*d.*	
			254,654 7 11	254,654 7 11					

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.		Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1872.			£ s. d.	£ s. d.		£ s. d.			£ s. d.
June 30	By balance			176,633 7 11	Cr...	176,633 7 11	1		176,633 0 0
July 1	To extra postage		0 2 6						
1	To J. D. Potter, navigation, 1872		39 17 7						
1	To 10, D. Woodhull, Shenandoah		2,000 0 0						
1	To 10, Arthur Burtis, Brooklyn		4,000 0 0		Cr...	170,593 7 10	1		170,593 0 0
2	To William Gibson, commander		25 16 0		Cr...	170,567 11 10	3		511,704 0 0
5	To R. Washington, Lancaster		1,000 0 0						
5	To 6, R. Washington, Lancaster		1,000 0 0						
5	To 7, R. Washington, Lancaster		1,000 0 0						
5	To 8, R. Washington, Lancaster		1,000 0 0						
5	To 9, R. Washington, Lancaster		1,000 0 0		Cr...	165,567 11 10	1		165,568 0 0
6	To 2, P. Johnson Hassler		859 10 0						
6	To 4, R. Washington, Lancaster		2,000 0 0						
6	To 9, C. D. Mansfield, Monocacy		4,500 0 0						
6	To 85, J. E. Thornton, Lancaster		2,000 0 0		Cr...	156,208 1 10	4		624,832 0 0
10	To 3, R. Washington, Lancaster		1,000 0 0		Cr...	155,208 1 10	1		155,208 0 0
11	To Royal Mail Steam Packet Company		37 10 6		Cr...	155,170 11 4	1		155,171 0 0
12	To Comeford & Co., notarial charges		8 9 0						
12	do		19 9 0		Cr...	155,142 13 4	1		155,143 0 0
13	To 1, A. G. Kinney, Plymouth		1,000 0 0						
13	To 11, G. H. Griffing, Narragansett		4,000 0 0						
13	To 2, G. W. Brown, Ashuelot		3,000 0 0		Cr...	147,142 13 4	2		294,286 0 0
15	To James H. W. Watmough		51 12 0						
15	To 12, G. H. Griffing, Narragansett		1,000 0 0						
15	To 13, G. H. Griffing, Narragansett		1,000 0 0						
15	To 24, J. N. Carpenter, Colorado		10,000 0 0		Cr...	135,091 1 4	1		135,091 0 0
16	To 8, D. Mansfield, Monocacy		7,000 0 0						
16	To 10, R. Washington, Lancaster		1,000 0 0						
16	To extra postage		0 0 9		Cr...	127,191 0 7	3		381,273 0 0
19	To B. F. Stevens, appropriation ordnance		47 1 10						
19	To James D. Watmough		25 16 0						
19	To 10, G. H. Griffing, Narragansett		1,000 0 0		Cr...	126,018 2 9	3		378,054 0 0
22	To 11, D. Woodhull, Shenandoah		1,000 0 0						
22	To 12, F. Clarke, Alaska		4,000 0 0						
22	To extra postage		0 0 9		Cr...	121,018 2 0	1		121,018 0 0
23	To S. Denson Hurbus		2,312 10 0		Cr...	118,705 12 0	1		118,706 0 0
24	To 2, A. G. Kenney, Plymouth		2,000 0 0						
24	To William Woodhull, Shenandoah		2,000 0 0		Cr...	114,705 6 0			688,236 0 0
30	To William Gibson, commander		25 16 0						
30	To J. Foster, Shawmut	2	1,000 0 0		Cr...	113,679 16 0	1		113,680 0 0
31	To James Watmough, pay debtor		25 16 0						

	To balance		113 654 0 0						
			176, 633 7 11	176, 633 7 11					4, 345, 196 0 0
31	By balance			113, 654 0 0					
									4, 345, 196 0 0
July 31	Amount forward			113, 654 0 0	Cr...	113, 654 0 0	2		227, 308 0 0
Aug. 2	To 20, Wabash, J. Fulton		17, 000 0 0		Cr...	96, 654 0 0	1		96, 654 0 0
3	To 5, A. J. Greeley, Onward		5, 000 0 0		Cr...	91, 654 0 0	3		274, 962 0 0
6	J. G. Hobbs, Tuscarora		1, 500 0 0						
6	To R. Washington, Lancaster		488 9 6						
6	.....do	12	1, 000 0 0						
6	.....do	15	1, 000 0 0						
6	.....do	16	1, 000 0 0		Cr...	86, 665 10 6	4		346, 664 0 0
10	To B. Stevens, contingent, Navy		2 3 2						
10	To 3, Kenney, Plymouth		2, 000 0 0		Cr...	84, 663 7 4	2		169, 326 0 0
12	To G. H. Griffing, Narragansett		1, 000 0 0		Cr...	83, 663 7 4	1		83, 663 0 0
13	B. F. Stevens, Bureau Steam-Engineering		5 14 3						
13	To H. T. Harris, Supply		2, 000 0 0		Cr...	81, 657 13 1	1		81, 658 0 0
14	Jane Corney		25 0 0		Cr...	81, 632 13 1	1		81, 633 0 0
15	C. G. Cochrane, Congress		1, 000 0 0		Cr...	86, 632 0 0	1		80, 633 0 0
16	To G. W. Brown, Ashuelot		2, 000 0 0						
16	To B. Stevens, Steam-Machinery		4 5 9		Cr...	78, 628 7 4	1		78, 628 0 0
17	To R. Washington, Lancaster		2, 000 0 0						
17	To 19, R. Washington, Lancaster		858 8 3						
17	To 20, R. Washington, Lancaster		641 11 9		Cr...	75, 128 7 4	2		150, 256 0 0
19	J. N. Carpenter, Colorado		10, 000 0 0		Cr...	65, 128 7 4	1		65, 128 0 0
20	To 27, J. N. Carpenter, Colorado		5, 000 0 0		Cr...	60, 128 7 4	2		120, 256 0 0
22	To 13, F. Clarke, Alaska		5, 000 0 0						
22	To 14, F. Clarke, Alaska		2, 500 0 0						
22	To J. D. Potter & Co., Navigation		227 0 0		Cr...	52, 401 7 4	1		52, 401 0 0
23	To G. I. Ide, lieutenant, United States		100 0 0						
23	To 10, C. D. Mansfield, Monocacy		2, 500 0 0		Cr...	49, 801 7 4	3		149, 403 0 0
26	To 1, D. B. Batione, Benicia		1, 200 0 0						
26	To A. Burtis, Brooklyn		2, 000 0 0		Cr...	46, 601 7 4	1		46, 601 0 0
27	To J. N. Carpenter, Colorado		10, 000 0 0						
27	To C. McDaniel, appropriation		1, 200 0 0						
27	To J. Forney		50 0 0		Cr...	35, 351 7 4	1		35, 351 0 0
28	To extra postage		3 0						
28	To B. F. Stevens		77 3 8		Cr...	35, 274 0 8	2		70, 548 0 0
30	P. Gauthier Villars, fcs	39							
30	Arperadom 9 west		1 11 11						
30	To 6, H. Greeley, Onward		5, 000 0 0		Cr...	30, 272 8 9	1		30, 272 0 0
31	To William Gibson, commander		25 16 0		Cr...	30, 246 12 9			
31	To balance		30, 246 12 9						
			113, 654 0 0	113, 654 0 0					6, 586, 541 0 0
Aug. 31	By balance				Cr...	30, 246 12 9			

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.		Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
			£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
1872.	Forward								
Aug. 31	By balance								6,586,541 0 0
Sept. 2	To J. H. Watmough			30,246 12 9	Cr.	30,246 12 9	2		60,494 0 0
2	To extra postage		51 12 0						
3	To S. W. Gordon		4 9		Cr.	30,194 16 0	1		30,195 0 0
3	To J. P. Loomis, Ossipee		51 12 0						
5	To A. Burtis, Brooklyn		3,000 0 0		Cr.	27,143 4 0	2		54,286 0 0
7	To R. Washington, Lancaster	12	1,000 0 0		Cr.	26,143 4 0	2		52,286 0 0
7	To Hon. E. B. Washburne, francs 10,248.22 at 25.40		2,000 0 0		Cr.	24,143 4 0			
7	To S. P. McCrea		403 9 4						
9	To Captain E. Simpson		39 10 2		Cr.	23,700 4 6	2		
12	To R. Washington, Lancaster		166 2 10		Cr.	23,534 1 8	3		
12	To R. Washington, Lancaster	17	1,000 0 0						47,400 0 0
12	To H. T. Stancliff, St. Mary's	14	2,000 0 0						70,602 0 0
14	To H. T. Stancliff, St. Mary's		1,200 0 0		Cr.	19,334 1 8	2		
16	To W. W. Woodhull, Shenandoah	8	600 0 0		Cr.	18,734 1 8	2		
19	To L. A. Frailey, Wachusett	13	2,000 0 0		Cr.	16,734 1 8	3		38,668 0 0
20	To 7, A. J. Greeley, Onward	10	1,000 0 0		Cr.	15,734 1 8	1		37,468 0 0
20	To 4, A. S. Kenney, Plymouth		5,000 0 0						50,202 0 0
21	To H. T. Stancliff, St. Mary's		1,000 0 0		Cr.	9,734 1 8	1		15,734 0 0
23	To J. N. Carpenter, Colorado	6	1,000 0 0		Cr.	8,734 1 8	2		
24	To McDaniel, Iroquois	28	5,000 0 0		Cr.	3,734 1 8	1		9,734 0 0
25	To L. A. Frailey, Wachusett	4	800 0 0		Cr.	2,934 1 8	1		17,468 0 0
26	To G. Cochran, Congress	11	1,000 0 0		Cr.	1,934 1 8	1		3,734 0 0
26	To H. T. Stancliff, St. Mary's	7	3,000 0 0						2,934 0 0
27	To A. Burtis, Brooklyn		1,200 0 0		Dr.	2,265 18 4	1	2,266 0 0	1,934 0 0
27	To W. Gibson, commander		4,000 0 0		Dr.	6,265 18 4			
27	To extra postage		25 16 0		Dr.	6,291 14 4			
28	To James Forney		1 6		Dr.	6,291 15 10	1	6,292 0 0	
30	To J. Fulton, Wabash		25 0 0		Dr.	6,316 15 10	2	12,634 0 0	
30	By balance	21	6,000 0 0		Dr.	12,316 15 10			
				12,316 15 10					
			42,563 8 7	42,563 8 7			30	21,192 0 0	7,079,680 0 0
Sept. 30	To balance		12,316 15 10		Dr.	12,316 15 10			
	Forward								
Sept. 30	To balance							21,192 0 0	7,079,680 0 0
Oct. 3	By Jay Cooke & Co., New York		12,316 15 10		Dr.	12,316 15 10	3	36,951 0 0	
4	To S. W. Godon			204,301 6 7	Cr.	191,984 10 9	1		191,985 0 0
			31 12 0						

4	To S. W. Godon		20 0 0							
4	To F. M. Ramsay		100 0 0		Cr.	191,832 18 9	1			191,833 0 0
5	To James H. Watmough		51 12 0							
5	To 3, Caspar Schenck, California		2,000 0 0							
5	To 4, Caspar Schenck, California		1,000 0 0		Cr.	188,781 6 9	2			377,562 0 0
7	To James Forney		25 0 0							
7	By error in calculation, 16 July			11 19 0						
7	To James Forney		20 0 0		Cr.	188,748 5 9	1			188,748 0 0
8	To 1, H. P. Tuttle, Lackawanna		3,000 0 0							
8	To 14, W. F. A. Torbert, Idaho		3,437 10 0		Cr.	182,310 15 9	1			182,311 0 0
9	To E. P. McCrea		39 10 0							
9	To 21, Richard Washington, Lancaster		3,000 0 0							
9	To 22, Richard Washington, Lancaster		2,000 0 0		Cr.	177,271 5 9	3			531,813 0 0
12	To B. F. Stevens, Navy appropriation		5 13 2							
12	To 4, Samuel D. Brown, Brazil		1,000 0 0							
12	To 7, H. T. Stancliff, St. Mary's		1,000 0 0		Cr.	175,265 12 7	3			525,798 0 0
15	To 29, J. N. Carpenter, Colorado		5,000 0 0							
15	By short credit, £206,896. 5; should be, £206,896. 11			6 0	Cr.	170,265 18 7	3			510,798 0 0
18	To James Forney		25 0 0		Cr.	170,240 18 7	1			170,241 0 0
19	To 22, James Fulton, Wabash		20,000 0 0		Cr.	150,240 18 7	2			300,482 0 0
21	To Louis A. Yorke, Yantic		2,085 0 0		Cr.	148,155 18 7	1			148,156 0 0
22	To 25, Richard Washington, Lancaster		3,000 0 0		Cr.	145,155 18 7	2			290,312 0 0
24	To James Forney		25 0 0							
24	To 5, C. A. McDaniel, Iroquois		1,000 0 0		Cr.	144,130 18 7	1			144,131 0 0
25	To 2, John F. Tarbell, Wasp		1,000 0 0		Cr.	143,130 18 7	3			429,393 0 0
28	To 2, H. P. Tuttle, Lackawanna		2,000 0 0		Cr.	141,130 18 7	1			141,131 0 0
29	To 23, Richard Washington, Lancaster		5,000 0 0							
29	To 24, Richard Washington, Lancaster		5,000 0 0		Cr.	131,130 18 7	1			131,131 0 0
30	To extra postage		1 0							
30	To R. F. Bradford		200 0 0							
30	To E. O. Mathews		300 0 0		Cr.	130,630 18 7	1			130,631 0 0
31	To E. P. McCrea		39 10 2							
31	To James Watmough		51 12 0							
31	To Hon. R. C. Schenck, as per advice		113 8 9		Cr.	130,426 6 8				
31	To balance		130,426 6 8							
			204,313 11 7	204,313 11 7				58,143 0 0		11,666,136 0 0
Oct. 31	By balance			130,426 6 8						
	Forward							58,143 0 0		11,666,136 0 0
Oct. 31	By balance			130,426 6 8	Cr.	130,426 6 8				
Nov. 1	To 7, F. Cosby, Saranac		400 0 0				1			130,426 0 0
1	To 8, F. Cosby, Saranac		400 0 0							
1	To 9, F. Cosby, Saranac		400 0 0							
1	To 11, F. Cosby, Saranac		2,000 0 0							
1	To 12, F. Cosby, Saranac		1,000 0 0							
1	To 23, James Fulton, Wabash		5,000 0 0		Cr.	121,226 6 8	1			121,226 0 0
2	To 26, Richard Washington, Lancaster		4,000 0 0							
2	To J. D. Potter, Navigation	73	54 17 3							

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.	Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1872.		£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
Nov. 2	To F. M. Ramsey	50 0 0		Cr	117,121 9 5	2		234,242 0 0
4	To S. W. Gordon	51 12 0						
4	To James Forney	25 0 0		Cr	117,044 17 5	2		234,090 0 0
6	To C. C. W. McDaniel, Iroquois	4,500 0 0		Cr	112,544 17 5	3		337,635 0 0
9	To James Forney	25 0 0		Cr	112,519 17 5	2		225,040 0 0
11	To extra postage	1 0		Cr	112,519 16 5	2		225,040 0 0
13	To William Gibson, commander	25 16 0		Cr	112,494 0 5	2		224,988 0 0
15	To John Browning	4 5 0		Cr	112,489 15 5	1		112,490 0 0
16	To 15, W. F. A. Torbert, Idaho	3,406 5 0		Cr	109,083 10 5	4		436,336 0 0
20	To 1, Charles Guild, naval depot, Hong-Kong	1,000 0 0						
20	To 2, Charles Guild, naval depot, Hong-Kong	100 0 0						
20	To 3, Charles Guild, naval depot, Hong-Kong	1,000 0 0						
20	To 4, Charles Guild, naval depot, Hong-Kong	1,000 0 0						
20	To 3, John F. Tarbell, Wasp	2,000 0 0						
20	To James Forney	25 0 0		Cr	103,058 10 5	1		103,059 0 0
21	To Sennons Bros	22 7 10		Cr	103,036 2 7	5		515,180 0 0
26	To 2, Louis A. York, Yantic	1,000 0 0		Cr	102,036 2 7	3		306,108 0 0
29	To 14, William M. Woodhull, Shenandoah	2,000 0 0		Cr	100,036 2 7	1		100,036 0 0
30	To 14, George H. Griffing, Narragansett	5,000 0 0		Cr	95,036 2 7			
30	To Balance	95,036 2 7						
		130,426 6 8	130,426 6 8			30	58,143 0 0	14,972,032 0 0
30	By balance		95,036 2 7					
	Forward						58,143 0 0	14,972,032 0 0
Nov. 30	By balance		95,036 2 7	Cr	95,036 2 7	2		190,072 0 0
Dec. 2	To Arthur Burtis, Brooklyn	6,000 0 0						
2	To E. McCrea	39 10 2						
2	To extra postage	2 0						
2	To William Gibson, commander	25 16 0		Cr	88,970 14 5	1		88,971 0 0
3	To S. W. Goodin	51 12 0		Cr	88,919 2 5	3		266,757 0 0
6	To 28, R. Washington, Lancaster	2,000 0 0						
6	To 29, R. Washington, Lancaster	2,000 0 0		Cr	84,819 2 5	1		84,819 0 0
7	To 18, James Hoy, naval depot	1,000 0 0						
7	To 22, James Hoy, naval depot	1,000 0 0						
7	To 23, James Hoy, naval depot	1,000 0 0						
7	To 24, James Hoy, naval depot	1,000 0 0						
7	To 24, James Fulton, Wabash	12,000 0 0		Cr	68,919 2 5	2		137,838 0 0
9	To 127, Richard Washington, Lancaster	1,000 0 0						

9	By Jay Cooke & Co., New York			166, 473 19 10	Cr	232, 393 2 3	1		232, 393 0 0
10	To extra postage		1 6						
10	To I. D. Potter		70 17 7						
10	To I. D. Potter		24 12 0		Cr	232, 297 11 12	3		696, 894 0 0
13	James Fourney		15 0 0						
13	To 31, J. N. Carpenter, Colorado		12, 000 0 0		Cr	220, 282 11 2	1		220, 283 0 0
14	Louis A. York, Yantic		250 0 0						
14	To 20, James Hoy, naval depot		1, 000 0 0		Cr	219, 032 11 2	2		438, 066 0 0
16	To 3, S. D. Hurthet		2, 441 13 4						
16	To 5, A. J. Kenney, Plymouth		2, 000 0 0						
16	To 19, James Hoy, naval depot		1, 000 0 0						
16	To extra postage		9		Cr	213, 590 17 1	1		213, 591 0 0
17	To 17, James Hoy, naval depot		1, 000 0 0						
17	To William Gibson		25 16 0						
17	To William Gibson		25 16 0		Cr	212, 539 5 1	1		212, 539 0 0
18	To 21, James Hoy, naval depot		1, 000 0 0		Cr	211, 539 5 1	1		211, 539 0 0
19	To 33, Richard Washington, Lancaster		2, 000 0 0						
19	To Richard Washington, Lancaster		1, 000 0 0						
19	To 1, Edwin Stewart, Hartford		2, 000 0 0						
19	To 2, Edwin Stewart, Hartford		1, 512 2 9		Cr	205, 027 2 4	1		205, 027 0 0
20	To 8, A. J. Greeley, Onward		5, 000 0 0		Cr	200, 027 2 4	1		200, 027 0 0
21	To 2, J. G. Hobbs, Tuscarora		400 0 0						
21	To J. N. Carpenter, Colorado		20, 000 0 0						
21	To 32, J. N. Carpenter, Colorado		10, 000 0 0		Cr	169, 627 2 4	2		339, 254 0 0
23	To 32, Richard Washington, Lancaster		3, 000 0 0						
23	To James Forney		20 0 0						
23	By J. Cooke & Co., New York			41, 655 2 4	Cr	208, 262 4 8	1		208, 262 0 0
24	To 3, Edwin Stewart, Hartford		5, 000 0 0						
24	To H. Buck Housard, debates		5 15 6		Cr	203, 256 9 2	3		609, 768 0 0
27	Extra postage		3 0		Cr	203, 256 6 2	3		609, 768 0 0
30	James Forney		15 0 0		Cr	203, 241 6 2	1		203, 241 0 0
31	To Felix Flugel, opps., naval		12 1 0						
31	To interest at 5 per cent. on debtor balances		7 19 3						
31	To interest at 5 per cent. on credit balances			2, 289 3 6					
31	To commission		3, 858 9 0						
31	To balance		201, 592 0 5						
			305, 394 8 3	305, 394 8 3			31	58, 143 0 0	20, 341, 241 0 0
Dec. 31	By balance			201, 592 0 5				7, 193 0 0	222, 936 0 0
1872. Dec. 31	By balance			201, 592 0 5	Cr	201, 592 0 5	1		201, 592 0 0
1873. Jan. 1	To extra postage		1 3						
1	To 15, A. Burtis, Brooklyn		4, 000 0 0						
1	To S. W. Godon		51 12 0		Cr	197, 540 7 2	1		197, 540 0 0
2	To E. P. McCrea		39 10 2		Cr	197, 500 17 0	1		197, 501 0 0
3	To extra postage		8						
3	To John Goldsborough		128 16 0		Cr	197, 372 0 4	1		197, 372 0 0
4	To 5, S. T. Brown, Rio de Janeiro		1, 000 0 0		Cr	196, 372 0 4	3		589, 116 0 0

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.	Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1873.		£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
Jan. 7	To extra postage	9		Cr	196,371 19 7	2		392,744 0 0
9	To I. D. Potter	33 10 10						
9	To 25, James Hoy, naval depot	1,000 0 0		Cr	195,338 8 9	2		390,676 0 0
11	To 4, John F. Tarbell, Wasp	1,000 0 0						
11	To 8, George Cochran, Congress	4,000 0 0						
11	To 25, James Fulton, Wabash	4,000 0 0						
11	To 26, James Fulton, Wabash	2,500 0 0		Cr	183,838 8 9	2		367,676 0 0
13	To 4, S. D. Hurlbut, Saco	3,200 0 0						
13	To 16, W. F. A. Torbert, Idaho	4,395 16 8						
13	To 30, R. Washington, Lancaster	2,500 0 0						
13	To 31, R. Washington, Lancaster	2,500 0 0						
13	To James Forney	25 0 0						
13	To Comeford & Co., notaries	24 9 0		Cr	171,193 3 1	2		342,386 0 0
15	To 9, A. I. Greeley, Onward	5,000 0 0		Cr	166,193 3 1	1		166,193 0 0
16	To S. D. Hurlbut, Saco	3,200 0 0						
16	To 15, W. W. Woodhull	1,000 0 0		Cr	161,993 3 1	1		161,993 0 0
17	To 16, W. W. Woodhull, Shenandoah	1,000 0 0		Cr	160,993 3 1	3		482,979 0 0
20	To James Forney	10 0 0						
20	To R. Washington, Lancaster	3,000 0 0		Cr	157,983 3 1	1		157,983 0 0
21	To extra postage	9						
21	To 27, James Fulton, Wabash	10,000 0 0						
21	To 37, R. Washington, Lancaster	3,000 0 0		Cr	144,983 2 4	1		144,983 0 0
22	To 38, R. Washington, Lancaster	1,000 0 0						
22	To 1, W. Goldsborough, Omaha	3,000 0 0						
22	To 36, R. Washington, Lancaster	3,000 0 0		Cr	137,983 2 4	3		413,949 0 0
25	To James Forney	10 0 0		Cr	137,973 2 4	2		275,946 0 0
27	To 26, James Hoy, naval depot	1,000 0 0						
27	To 27, James Hoy, naval depot	1,000 0 0						
27	To 28, James Hoy, naval depot	1,000 0 0		Cr	134,973 2 4	3		404,919 0 0
30	To F. M. Ramsay	50 0 0		Cr	134,923 2 4	1		134,923 0 0
31	To balance	134,923 2 4						
	Total	201,592 0 5	201,592 0 5			31		5,220,471 0 0
31	By balance		134,923 2 4	Cr	134,923 2 4			
Jan. 31	By balance		134,923 2 4	Cr	134,923 2 4	1		134,923 0 0
Feb. 1	To 16, A. Burtis, Brooklyn	5,000 0 0						
1	To 101, T. H. Stevens, Lackawanna	5,000 0 0		Cr	124,923 2 4	2		249,846 0 0
3	To 9, George Cochran, Congress	5,000 0 0						
3	To 16, F. Clark, Alaska	5,000 0 0						
3	To S. W. Godon	51 12 0		Cr	114,871 10 4	1		114,872 0 0

4	To extra postage		9		Cr	114,871 9 7	1		114,871 0 0
5	To James Forney	20 0 0							
5	To extra postage	2 0			Cr	114,851 7 7	2		229,702 0 0
7	To I. D. Potter	94 7 9			Cr	114,756 19 10	1		114,757 0 0
8	To W. Ladd & Co., letter 8, 1, 1873	60 14 0			Cr	114,696 5 10	3		334,088 0 0
11	To James Forney	5 0 0			Cr	114,691 5 10	1		114,691 0 0
12	To extra postage	2 9							
12	To James Hoy, naval depot	1,000 0 0			Cr	113,691 3 1	1		113,691 0 0
13	To William Gibson	25 16 0			Cr	113,665 7 1	2		227,330 0 0
15	To E. P. McCrea	39 10 2							
15	To James Forney	25 0 0							
15	To 6, A. S. Kenney, Plymouth	1,000 0 0			Cr	112,600 16 11	2		225,202 0 0
17	To 7, A. S. Kenney, Plymouth	1,000 0 0							
17	To 17, W. W. Woodhull, Shenandoah	2,000 0 0			Cr	109,600 16 11	1		109,601 0 0
18	To extra postage	9			Cr	109,600 16 2	3		328,803 0 0
21	To 28, James Forney, Wabash	6,000 0 0			Cr	103,600 16 2	1		103,601 0 0
22	To 7, C. A. McDaniel, Iroquois	2,500 0 0			Cr	101,100 16 2	3		303,303 0 0
25	To extra postage	9			Cr	101,100 15 5	1		101,101 0 0
26	To 102, J. H. Stevens, Lackawanna	5,000 0 0			Cr	96,100 15 5	1		96,101 0 0
27	To I. D. Potter, account appointments	98 3 3			Cr	96,002 12 2	1		96,003 0 0
28	To balance	96,002 12 2							
		134,923 2 4		134,923 2 4					8,342,957 0 0
28	By balance			96,002 12 2	Cr	96,002 12 2			
	By balance			96,002 12 2	Cr	96,002 12 2	1		96,003 0 0
Mar. 1	To 8, A. S. Kenny, Plymouth	2,000 0 0							
1	To 9, A. S. Kenny, Plymouth	2,000 0 0							
1	To 10, A. S. Kenny, Plymouth	2,000 0 0							
1	To 4, E. Stewart, Hartford	2,000 0 0							
1	To 10, T. T. Caldwell, Pensacola	10,000 0 0							
1	To 33, . N. Carpenter, Colorado	15,000 0 0			Cr	63,002 12 2	2		126,006 0 0
3	To extra postage	9			Cr	63,002 11 5	2		126,006 0 0
5	To extra postage	2 0							
5	To E. P. McCrea	39 10 2			Cr	62,962 19 3	1		62,963 0 0
6	To Calvin Brown, engineer	200 0 0							
6	To I. D. Potter, appropriation Navigation	61 18 10			Cr	62,701 0 5	1		62,701 0 0
7	To James Forney	20 0 0							
7	To William Gibson, commander	25 16 0			Cr	62,655 4 5	1		62,655 0 0
8	To B. F. Stevens, appropriation, Ordnance	21 16 9							
8	To 4, L. A. Yorke, Yantic	1,300 0 0			Cr	61,333 7 8	2		122,666 0 0
10	To 30, James Hoy, naval depot	1,000 0 0			Cr	60,333 7 8	1		60,333 0 0
11	To extra postage	9			Cr	60,333 6 11	2		120,666 0 0
13	To extra postage	1 0			Cr	60,333 5 11	1		60,333 0 0
14	To James Forney	20 0 0							
14	To Felix Flugel, appropriation, Naval Observatory	14 8 5			Cr	60,298 17 6	1		60,299 0 0
15	To 31, James Hoy, naval depot	1,000 0 0							
15	To extra postage	5 4			Cr	59,298 12 2	3		177,897 0 0
18	To extra postage	9			Cr	59,298 11 5	1		59,299 0 0

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.	Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1873.		£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
Mar. 19	By J. Cooke & Co., N. Y		102,859 2 10					
19	To 8, C. A. McDaniel, Iroquois	3,300 0 0		Cr.	158,855 14 3	1		158,856 0 0
20	To 6, L. A. Yorke, Yantic	524 0 0						316,560 0 0
22	To S. W. Godon	51 12 0		Cr.	158,280 2 3	2		
22	To 18, W. W. Woodhull, Shenandoah	4,000 0 0						
22	To 39, R. Washington, Lancaster	8,000 0 0						
22	To 20, R. Washington, Lancaster	2,000 0 0		Cr.	144,280 2 3	2		288,560 0 0
22	To 34, J. N. Carpenter, Colorado	3,000 0 0						
22	To 6, S. S. Brown, Rio de Janeiro	1,000 0 0						
22	To I. S. Cunningham	58 6 8		Cr.	140,221 15 7	1		140,222 0 0
25	To 10, George Cochran, Congress	5,000 0 0						
20	To extra postage	6		Cr.	135,221 15 1	1		135,222 0 0
26	To 32, James Hoy, naval depot	1,000 0 0						
26	To 5, Charles F. Guild, naval depot	1,000 0 0						
26	To 6, Charles F. Guild, naval depot	1,000 0 0						
26	To 7, Charles F. Guild, naval depot	1,000 0 0		Cr.	131,221 15 1	1		131,222 0 0
27	To John S. Cunningham	741 13 4						
27	To F. M. Ramsay	100 0 0		Cr.	130,380 1 9	2		260,760 0 0
29	To John Jay, account Captain Davenport, funeral expenses	2 19 11						
29	To 33, James Hoy, naval depot	1,000 0 0		Cr.	129,377 1 10	2		258,754 0 0
31	To balance	129,377 1 10						
		198,859 15 0	198,859 15 0			31		11,230,940 0 0
Mar. 31	By balance		129,377 1 10					
Mar. 31	By balance		129,377 1 10	Cr.	129,377 1 10	1		129,377 0 0
Apr. 1	To extra postage	2 0						
1	To 29, James Fulton, Wabash	6,000 0 0						
1	To James Forney	30 0 0						
1	To E. P. McCrea	39 10 2		Cr.	123,346 19 10	1		123,347 0 0
2	By balance of R. T. Bradford's, by letter of credit		95 0 0	Cr.	124,402 9 8	1		123,402 0 0
3	To John R. Goldsborough	128 16 0						
3	To extra postage	9		Cr.	123,273 12 11	1		123,274 0 0
4	To D. A. Smith, Onward	5,000 0 0		Cr.	118,273 12 11	3		354,822 0 0
7	To J. D. Potter, Navy appropriation, Navigation	33 4 10		Cr.	118,240 8 1	1		118,240 0 0
8	To S. W. Godon	51 12 0		Cr.	118,188 16 1	2		236,378 0 0
10	To 7, L. A. Yorke, Yantic	1,700 0 0						
10	To 11, C. D. Mansfield, Monocacy	3,500 0 0		Cr.	112,988 16 1	5		564,945 0 0
15	To 5, L. A. Yorke, Yantic	310 0 0						
15	To William Gibson, commander	25 16 0		Cr.	112,653 0 1	1		112,653 0 0

16	To extra postage		9							
16	To I. D. Potter, appropriation, Navigation		63 3 10		Cr	112,589 15 6	1			112,590 0 0
17	To B. F. Stevens, appropriation, contingent, Navy		1 6 4		Cr	112,588 9 2	1			112,588 0 0
18	To 1, T. T. Caswell, Pensacola[1]		10,000 0 0							
18	To Sieurens Bros., appropriation, Ordnance		266 2 11		Cr	102,322 6 3	3			306,966 0 0
21	To 9, C. A. McDaniel, Iroquois		4,000 0 0		Cr	98,322 6 3	1			98,322 0 0
22	To 1, W. W. Barry, Supply		1,000 0 0		Cr	97,322 6 3	2			194,644 0 0
24	To 103, I. H. Stevenson, Lackawanna		6,000 0 0							
24	To 41, R. Washington, Lancaster		6,000 0 0		Cr	85,322 6 3	2			170,644 0 0
26	To W. W. Woodhull, Shenandoah		1,000 0 0		Cr	84,322 6 3	2			168,644 0 0
28	To M. N. Webber, appropriation, contingent, Equipment and Recruiting.		50 0 0		Cr	84,272 6 3	1			84,272 0 0
29	To extra postage		1 6		Cr	84,272 4 9	1			84,272 0 0
30	To B. F. Stevens, Navy appropriation		18 16 10		Cr	84,253 7 11				
30	To balance		84,253 7 11							
			129,472 1 10	129,472 1 10			30			14,450,320 0 0
Apr. 30	By balance			84,253 7 11						
	Forward									14,450,320 0 0
Apr. 30	By balance			84,253 7 11	Cr	84,253 7 11	2			168,506 0 0
May 2	To J. W. King		20 0 0		Cr	84,233 7 11	1			84,233 0 0
3	To 10, C. A. McDaniel, Iroquois		2,275 0 0							
3	To 17, W. F. A. Torbert, Idaho		3,084 7 6							
3	To E. P. McCrea		39 10 2		Cr	78,834 10 3	3			236,505 0 0
6	To extra postage		1 6							
6	To J. W. King		305 0 0		Cr	78,529 8 9	1			78,529 0 0
7	To B. F. Stevens		9 16 1							
7	To B. F. Stevens		90 19 3							
7	To S. W. Godon		51 12 0		Cr	78,377 1 5	3			235,131 0 0
10	To 8, L. A. Yorke		2,500 0 0		Cr	75,877 1 5	2			151,745 0 0
12	To 7, S. T. Browne, Rhode Island		1,000 0 0							
12	To James Forney		30 0 0		Cr	74,847 1 5	1			74,847 0 0
13	To R. C. Schenck, Prov		83 0 2							
13	To 12, L. A. Frailey, Wachusett		1,500 0 0							
13	To 34, James Hoy, naval depot		1,000 0 0							
13	To James Forney		10 0 0		Cr	72,254 1 3	1			72,254 0 0
14	To James Forney		30 0 0		Cr	72,224 1 3	2			144,448 0 0
16	To 7, A. Burtis, Brooklyn		8,000 0 0							
16	To 35, James Hoy, naval depot		1,000 0 0		Cr	63,224 1 3	1			63,224 0 0
17	To B. F. Stevens		31 17 7							
17	To W. Gibson		25 16 0							
17	To James Forney		30 0 0							
17	To 7, Edwin Stewart, Hartford		470 0 0							
17	To 5, Edwin Stewart, Hartford		500 0 0							
17	To 2, W. W. Barry, Supply		2,000 0 0							
17	To 6, E. Stewart, Hartford		3,000 0 0		Cr	57,166 7 8	2			114,332 0 0
19	To 5, C. Schenck, California		1,000 0 0							
19	To 6, C. Schenck, California		1,000 0 0		Cr	55,166 7 8	3			165,498 0 0

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.	Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1873.		£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
May 22	To 1, H. T. Skelding, Guard	3,000 0 0						
22	To James Forney	15 0 0		Cr	52,151 7 8	1		52,151 0 0
23	To 7, C. Schenck, California	1,000 0 0						
23	To 8, C. Schenck, California	1,000 0 0		Cr	50,151 7 8	1		50,151 0 0
24	To 9, E. Stewart, Hartford	30,000 0 0						
24	To extra postage	8		Cr	20,151 7 0	2		40,302 0 0
26	To James Forney	30 0 0		Cr	20,121 7 0	1		20,121 0 0
27	By Jay Cooke & Co., New York		125,000 0 0	Cr	145,121 7 0	1		145,121 0 0
28	To F. M. Ramsay	300 0 0		Cr	144,821 7 0	2		289,642 0 0
30	To 36, James Hoy, naval depot	1,000 0 0						
30	To 37, James Hoy, naval depot	1,000 0 0						
30	To 20, W. W. Woodhull, Shenandoah	5,000 0 0						
30	To 1, E. W. Whitehouse, Portsmouth	2,000 0 0						
30	To 3, L. A. Frailey, Wachusett	283 0 0						
30	To 11, A. S. Kenny, Plymouth	375 7 2		Cr	135,162 19 10	1		135,163 0 0
31	To 30, James Fulton, Wabash	2,000 0 0		Cr	133,162 19 10			
31	To Balance	133,162 19 10		Cr	133,162 19 10			
		209,253 7 11	209,253 7 11			31		16,772,232 0 0
May 31	By balance		133,162 19 10	Cr	133,162 19 10			
	Forward							16,772,232 0 0
May 31	By balance		133,162 19 10	Cr	133,162 19 10	3		399,489 0 0
June 3	To 16, G. H. Griffing, Narragansett	2,000 0 0						
3	To 17, G. H. Griffing, Narragansett	1,000 0 0						
3	To James Forney	25 0 0		Cr	130,137 19 10	1		130,138 0 0
4	To E. P. McCrea	39 10 2		Cr	130,098 9 8	1		130,098 0 0
5	To 43, R. Washington, Lancaster	5,000 0 0						
5	To 42, R. Washington, Lancaster	5,000 0 0						
5	To S. W. Godon	51 12 0		Cr	120,046 17 5	2		240,094 0 0
7	To 6, D. Hurlbut, Saco	2,285 7 6		Cr	117,761 10 2	2		235,524 0 0
9	To 11, G. Cochran, Congress	5,000 0 0						
9	To 14, L. A. Frailey, Wachusett	3,200 0 0						
9	To 11, C. A. McDaniel, Iroquois	2,500 0 0						
9	To 10, H. F. Stancliff, St. Mary's	500 0 0						
9	To 2, D. A. Smith, Onward	5,000 0 0						
9	To 9, H. F. Stancliff, St. Mary's	2,000 0 0						
9	To 18, A. Burtis, Brooklyn	5,000 0 0						
9	To 3, I. G. Hobbs, Tuscarora	1,500 0 0						
9	To extra postage	9		Cr	93,061 9 5	4		372,244 0 0
13	To 1, A. H. Gilman, Wabash	6,000 0 0		Cr	87,061 9 5	1		87,061 0 0

14	To 14, E. Stewart, Hartford		4,000 0 0						
14	To 8, S. T. Brown, Rio de Janeiro		1,000 0 0						
14	To James Forney		30 0 0		Cr	82,031 9 5	3		246,093 0 0
17	To W. W. Shock, letter of credit		700 0 0						
17	To 7, S. D. Hurlbut, Saco		6,124 18 5						
17	To 11, E. Stewart, Hartford		7,000 0 0		Cr	68,206 11 0	2		136,414 0 0
19	To 38, James Hoy, naval depot		1,000 0 0						
19	To 40, James Hoy, naval depot		1,000 0 0						
19	To 41, James Hoy, naval depot		1,000 0 0						
19	To 42, James Hoy, naval depot		1,000 0 0		Cr	64,206 11 0	1		64,207 0 0
20	To 39, James Hoy, naval depot		1,000 0 0		Cr	63,206 11 0	1		63,207 0 0
21	To 13, T. T. Caswell, Pensacola		5,000 0 0						
21	To 8, E. Stewart, Hartford		1,005 18 5		Cr	57,200 12 7	3		171,603 0 0
24	By amount wrongly calculated, $200,000; £41,655 2*s.* 4*d.*, should be £41,666 13*s.* 4*d.*			11 11 0					
24	By interest on same from December 23			4 9					
24	By interest on balance of Bradford, letter of credit			1 12 0					
24	By commission, balance of Bradford, letter of credit			19 0	Cr	57,214 19 4	2		114,430 0 0
26	To 2, A. H. Gilman, Wabash		4,000 0 0						
26	To 12, G. Cochran, Congress		3,000 0 0		Cr	50,214 19 4	4		200,860 0 0
30	To 1, R. W. Allen, Idaho		3,000 0 0						
30	To 104, J. H. Stevenson, Lackawanna		7,000 0 0						
30	To John D. Brandt		60 0 0						
30	To commission, £389,403 10*s.* 8*d*		3,894 0 8						
30	By interest on credit balances			2,122 0 10					
30	To balance		38,382 19 6						
			135,299 7 5	135,299 7 5					19,363,694 0 0
30	By balance			38,382 19 6	Cr	38,382 19 6			4% 2,122 0 10
June 30	By balance			38,382 19 6	Cr	38,382 19 6	1		38,383 0 0
July 1	To S. W. Godon		51 12 0						
1	To 1, L. G. Boggs, Frolic		1,500 0 0		Cr	38,831 7 6	1		36,831 0 0
2	To James Forney		55 0 0		Cr	36,776 7 6	1		36,776 0 0
3	To 9, L. A. Yorke, Yantic		1,350 0 0		Cr	35,426 7 6	1		35,426 0 0
4	To 12, A. S. Kenny, Plymouth		600 0 0		Cr	34,826 7 6	4		139,304 0 0
8	To William Gibson, commander		25 16 0						
8	To James Forney		10 0 0		Cr	34,790 11 6	1		34,791 0 0
9	To Comeford & Co		24 11 0		Cr	34,766 0 6	1		34,766 0 0
10	To R. C. Schenck		4 12 0						
10	To 15, L. A. Frailey, Wachusett		3,500 0 0		Cr	31,261 8 6	2		62,522 0 0
12	To 1, A. W. Bacon, Rio de Janeiro		2,000 0 0						
12	To James Forney		10 0 0		Cr	29,251 8 6	2		58,502 0 0
14	To E. T. Dunn, Shanghai		600 0 0						
14	To D. Vieheis		61 9 1		Cr	28,589 19 5	1		28,590 0 0
15	To James Forney		5 0 0		Cr	28,584 19 5	1		28,585 0 0
16	To William Gibson, commander		25 16 0		Cr	28,544 3 5	1		28,544 0 0
16	To James Forney		15 0 0						
17	To James Forney		5 0 0		Cr	28,539 3 5	4		114,156 0 0
21	To 3, A. H. Gilman, Wabash		9,000 0 0		Cr	19,539 3 5	1		19,539 0 0
22	To James Forney		5 0 0						

United States Navy Department in account with Jay Cooke, McCulloch & Co., London—Continued.

Date.	Particulars.	Dr.	Cr.	Dr. or Cr.	Daily balances.	Days.	Products. Dr.	Products. Cr.
1873.		£ s. d.	£ s. d.		£ s. d.		£ s. d.	£ s. d.
July 22	To J. M. Brodhead	200 0 0		Cr.	19,334 3 5	2		38,668 0 0
24	To T. S. Thompson, Juniata	3,000 0 0		Cr.	16,334 3 5	2		32,668 0 0
26	To 9, S. T. Brown, Rio de Janeiro	1,000 0 0						
26	To B. F. Stevens	46 11 0		Cr.	15,287 12 5	2		30,576 0 0
28	To 3, W. W. Barry, Supply	1,000 0 0		Cr.	14,287 12 5	3		42,864 0 0
31	To James White	44 15 0						
31	To J. M. Brodhead	50 0 0						
31	To balance	14,192 17 5						
		38,382 19 6	38,382 19 6			31		841,491 0 0
31	By balance		14,192 17 5		14,192 17 5			
	Forward							841,491 0 0
July 31	By balance		14,192 17 5	Cr.	14,192 17 5	1		14,193 0 0
Aug. 1	To 2, H. S. Skelding, Guard	3,000 0 0						
1	To 4, A. H. Gilman, Wabash	1,500 0 0						
1	To James Forney	15 16 0		Cr.	9,677 17 5	1		9,678 0 0
2	To J. R. Goldsborough	128 16 0						
2	To Webster Horsfall	28 10 0						
2	To Elhington & Co	28 10 0		Cr.	9,492 1 5	3		28,476 0 0
5	To James Forney	20 0 0		Cr.	9,472 1 5	1		9,472 0 0
6	To 13, Cochran, Congress	5,000 0 0		Cr.	4,472 1 5	5		22,360 0 0
11	To 4, W. W. Barry, Supply	2,000 0 0						
11	To 12, E. W. Stewart, Hartford	15,000 0 0						
11	To 2, R. W. Allen, Idaho	5,000 0 0		Dr.	17,527 18 7	1		17,528 0 0
12	To William Gibson	25 16 0		Dr.	17,553 14 7	1		17,554 0 0
13	To 45, R. Washington, Lancaster	3,000 0 0						
13	To 2, A. W. Bacon, Rio de Janeiro	3,000 0 0						
13	To 21, W. W. Woodhull, Shenandoah	1,000 0 0		Dr.	24,553 14 7	1		24,554 0 0
14	To John D. Brandt	240 0 0		Dr.	24,793 14 7	4		99,176 0 0
16	To John D. Brandt	240 0 0						
18	To 5, A. J. Pritchard, Saranac	7,000 0 0		Dr.	31,793 14 7	2		63,588 0 0
20	By Jay Cooke & Co., New York		51,546 7 10					
20	To J. O. Bradford	10 0 0						
20	To James Forney	40 0 0						
20	To B. F. Stevens	4 19 5		Cr.	19,697 13 10	1		19,698 0 0
21	To James Forney	10 0 0						
21	To 16, L. A. Frailey, Wachusett	250 0 0		Cr.	19,437 13 10	1		19,438 0 0
22	To Hon. D. E. Sickles, Madrid	222 10 4		Cr.	19,215 3 6	1		19,215 0 0
23	To 17, L. A. Frailey, Wachusett	450 0 0						

23	To 19, L. A. Frailey, Wachusett		350 0 0		Cr.	18,415 3 6	4		73,660 0 0
27	To 13, E. Stewart, Hartford		23,000 0 0						
27	To James Forney, July 5		5 0 0		Dr.	4,589 16 6	1	4,590 0 0	
28	To E. B. Washburne, appraiser equipment of vessels		406 2 9						
28	To J. D. Potter, appraiser equipment of vessels, 1873		30 4 3						
28	To 18, L. A. Frailey, Wachusett		450 0 0		Dr.	5,476 3 6	1	5,476 0 0	
29	To James Forney		10 0 0						
29	To J. Goldsborough		85 17 4		Dr.	5,572 0 10	1	5,572 0 0	
30	To 46, R. Washington, Lancaster		2,000 0 0		Dr.	7,572 0 10	1	7,572 0 0	
31	By balance			7,572 0 10					
			73,311 6 1	73,311 6 1			31	245,610 0 0	1,057,681 0 0
Aug. 31	To balance		7,572 0 10						
	Forward							245,610 0 0	1,057,681 0 0
Aug. 31	To balance		7,572 0 10		Dr.	7,572 0 10	1	7,572 0 0	
Sept. 1	To J. Bradford, draft		20 0 0		Dr.	7,592 0 10	4	30,368 0 0	
5	To R. C. Schenck		144 8 6						
5	To Casellas, bill for instruments		70 10 6		Dr.	7,806 19 10	1	7,807 0 0	
6	To J. W. King's draft		40 0 0		Dr.	7,846 19 10	2	15,694 0 0	
8	To 28, Woodhull, Shenandoah		500 0 0						
8	To 29, Woodhull, Shenandoah		500 0 0						
8	To 44, Lancaster, Washington		2,000 0 0		Dr.	10,846 19 10	5	54,235 0 0	
13	To W. Gibson, letter of credit		25 16 0		Dr.	10,872 15 10	2	21,746 0 0	
13	To J. D. Potter, chg. appr., November, 1873		22 5 9						
13	To 47, Washington, Lancaster		5,000 0 0						
13	To 48, Washington, Lancaster		5,000 0 0						
13	To 49, Washington, Lancaster		2,000 0 0						
13	To 50, Washington, Lancaster		2,000 0 0						
13	To Robson's draft, July 1		10,723 4 6		Dr.	35,618 6 1	2	71,236 0 0	
17	To J. Bradford's draft		20 0 0		Dr.	35,638 6 1	1	35,638 0 0	
18	To J. Bradford's draft		100 0 0		Dr.	35,638 6 1	2	71,316 0 0	
18	To 2, Putnam, Benicia		1,000 0 0						
20	To 3, Putman, Benicia		1,000 0 0						
20	To J. W. King's draft		50 0 0						
20	To J. Bradford, draft		50 0 0		Dr.	37,758 6 1	2	75,516 0 0	
22	To 20, Frailey, Wachusett		500 0 0						
22	To 21, Frailey, Wachusett		500 0 0						
22	To Felix Fleyel, appr. N. Obser		23 16 3						
22	By cash			205,714 5 0	Cr.	166,932 2 8	2		333,864 0 0
24	To Cochran, Congress		5,000 0 0		Cr.	161,932 2 8	1		161,932 0 0
25	To Ramsay's draft		35 0 0		Cr.	161,897 2 8	1		161,897 0 0
26	To Hannan, Canandaigua		2,000 0 0		Cr.	159,897 2 8	1		159,897 0 0
27	To 43, J. Hoy, naval depot		1,000 0 0		Cr.	159,897 2 8	2		317,794 0 0
29	To 22, Woodhull, Shenandoah		500 0 0		Cr.	158,397 2 8	1		158,397 0 0
30	To balance		158,397 2 8						
			205,714 5 0	205,714 5 0			30	636,738 0 0	2,351,462 0 0
30	By balance			158,397 2 8	Cr.	158,397 2 8			

The United States Navy Department in account-current with J. O. Bradford, Paymaster-General United States Navy, from September 25, 1873, to June 30, 1875.

DR.

No. of voucher.	Date.	To whom expended.	For what purpose.	Sterling money. £ s. d.	Amount at par, U. S. gold.
1	Sept. 25, 1873	George F. Cutter, pay director, United States Navy	Cost of cable transfer paid by him		$10 00
2	Oct. 20, 1873	Jay Cooke, McCulloch & Co	Transferred for disbursement	£80,000 0 0	387,200 00
3	Oct. 31, 1873	Post-Office Department	Paid protested draft of Jay Cooke, McCulloch & Co., favor of J. W. Marshall, Acting Postmaster-General, by order of Navy Department, amount of draft, £3,500. Protest 17*s.* 6*d.*	3,500 17 6	16,944 23
4	Nov. 1, 1873	Jay Cooke, McCulloch & Co	Transferred for disbursement	100,000 0 0	484,000 00
5	Nov. 8, 1873	do	do	18,000 0 0	87,120 00
6	Nov. 10, 1873	do	do	40,000 0 0	193,600 00
7	Nov. 14, 1873	do	do	5,000 0 0	24,200 00
8	Nov. 22, 1873	do	do	30,000 0 0	145,200 00
9	Nov. 29, 1873	do	do	27,500 0 0	133,828 75
10	Dec. 2, 1873	do	Bills due in London January 28, 1874, entered at $4.86 65-100 Bills due in London January 28 and 29, 1874, entered at $4.86 65-100	28,000 0 0	136,262 00
11	Dec. 6, 1873	do	Transferred for disbursement, at $4.84	6,000 0 0	29,040 00
12	Dec. 8, 1873	do	Transferred for disbursement; bills due February 5, 1874, at $4.86 65-100.	3,500 0 0	17,032 75
13	Dec. 10, 1873	do	Transferred bills due February 9, 1874, at $4.86 65-100	1,000 0 0	4,866 50
14	Dec. 10, 1873	do	Transferred cash, at $4.84	3,500 0 0	16,940 00
15	Dec. 11, 1873	do	do	3,000 0 0	14,520 00
16	Dec. 12, 1873	do	do	5,000 0 0	24,200 00
17	Dec. 15, 1873	do	do	4,000 0 0	19,360 00
18	Dec. 16, 1873	do	do	5,000 0 0	24,200 00
19	Dec. 22, 1873	do	do	11,000 0 0	53,240 00
20	Dec. 27, 1873	do	do	2,500 0 0	12,100 00
21	Jan. 5, 1874	do	Bill for official telegrams, at $4.86 65-100	221 0 10	1,075 70
22	Jan. 6, 1874	do	Transferred for disbursement	5,000 0 0	24,332 50
23	Jan. 10, 1874	do	do	22,000 0 0	107,063 00
24	Jan. 22, 1874	do	do	6,500 0 0	31,632 25
25	Jan. 24, 1874	do	do	22,000 0 0	107,063 00
26	Jan. 27, 1874	do	do	6,000 0 0	29,199 00
27	Feb. 6, 1874	do	do	6,000 0 0	29,199 00
28	Feb. 7, 1874	do	do	12,000 0 0	58,398 00
29	Feb. 11, 1874	do	do	1,714 11 11	8,344 08
30	Feb. 14, 1874	do	do	5,900 0 0	28,712 35
31	Feb. 28, 1874	do	do	13,406 5 5	65,338 95
32	Feb. 28, 1874	do	do	16,000 0 0	77,864 00
33	Mar. 6, 1874	do	do	2,000 0 0	9,733 00

34	Mar. 11, 1874	do	do	3,000	0	0	14,599 50
35	Mar. 14, 1874	do	do	500	0	0	2,433 25
36	Mar. 16, 1874	do	do	1,000	0	0	4,866 50
37	Mar. 21, 1874	do	do	11,007	0	0	53,565 57
38	Mar. 25, 1874	do	do	14,000	0	0	68,131 00
39	Mar. 28, 1874	do	do	3,000	0	0	14,599 50
40	Apr. 4, 1874	do	do	5,000	0	0	24.332 50
41	Apr. 13, 1874	do	do	3,000	0	0	14,599 50
42	Apr. 15, 1874	do	do	2,000	0	0	9,733 00
43	Apr. 18, 1874	do	do	1,000	0	0	4,866 50
44	Apr. 24, 1874	do	do	15,000	0	0	72,997 50
45	Apr. 26, 1874	do	do	1,972	0	8	9,596 90
46	Apr. 27, 1874	do	do	1,000	0	0	4,866 50
47	May 16, 1874	do	do	3,000	0	0	14,599 50
48	May 23, 1874	do	do	21,000	0	0	102,196 50
49	May 26, 1874	do	do	4,500	0	0	21,899 25
50	May 28, 1874	do	do	3,000	0	0	14,599 50
51	May 30 1874	do	do	2,500	0	0	12,166 25
52	June 4, 1874	do	do	6,850	0	0	33,335 53
53	June 5, 1874	do	do	3,000	0	0	14,599 50
54	June 9, 1874	do	do	2,000	0	0	9,733 00
55	June 13, 1874	do	do	2,500	0	0	12,166 25
56	June 18, 1874	do	do	1,900	0	0	9,246 35
57	July 6, 1874	do	do	8,000	0	0	38,932 00
58	July 11, 1874	do	do	22,000	0	0	107,063 00
59	July 17, 1874	do	do	3,280	0	0	15,962 12
60	July 23, 1874	do	do	1,000	0	0	4,866 50
61	July 25, 1874	do	do	2,000	0	0	9,733 00
62	Aug. 4, 1874	do	do	23,000	0	0	111,929 50
63	Aug. 11, 1874	do	do	6,300	0	0	30,658 95
64	Aug. 13, 1874	do	do	9,000	0	0	43,798 50
65	Aug. 17, 1874	do	do	3,000	0	0	14,599 50
66	Aug. 18, 1874	do	do	3,920	0	0	19,076 68
67	Aug. 21, 1874	do	do	4,500	0	0	21,899 25
68	Aug. 22, 1874	do	do	30,000	0	0	145,995 00
69	Aug. 25, 1874	do	do	1,000	0	0	4,866 50
70	Aug. 26, 1874	do	do	3,000	0	0	14,599 50
71	Sept. 2, 1874	do	do	2,000	0	0	9,733 00
72	Sept. 5, 1874	do	do	3,000	0	0	14,599 50
73	Sept. 10, 1774	do	do	3,000	0	0	14,599 50
74	Sept. 11, 1874	do	do	10,400	0	0	50,611 60
75	Sept. 12, 1874	do	do	7,300	0	0	35,525 45
76	Sept. 17, 1874	do	do	2,000	0	0	9,733 00
77	Sept. 19, 1874	do	do	1,500	0	0	7,299 75
78	Sept. 23, 1874	do	do	7,500	0	0	36,498 75
79	Sept. 26, 1874	George F. Cutter, pay-director United States Navy	Cost of cable transfer paid by him				20 25
80	Sept. 26, 1874	Jay Cooke, McCulloch & Co	Transferred for disbursement	3,000	0	0	14,599 50
81	Sept. 30, 1874	do	do	6,000	0	0	29,199 00
82	Oct. 9, 1874	do	do	2,000	0	0	9,733 00
83	Oct. 10, 1874	do	do	5,000	0	0	24,332 50
84	Oct. 15, 1874	do	do	1,000	0	0	4,866 50
85	Oct. 16, 1874	do	do	3,000	0	0	14,599 50

The United States Navy Department in account-current with J. O. Bradford, Paymaster-General United States Navy, &c.—Continued.

DR.

No. of voucher.	Date.	To whom expended.	For what purpose.	Sterling money. £	s.	d.	Amount at par, U. S. gold.
86	Oct. 20, 1874	Jay Cooke, McCulloch & Co.	Transferred for disbursement	4,000	0	0	$19,466 00
87	Oct. 21, 1874	do	do	6,000	0	0	29,199 00
88	Oct. 28, 1874	do	do	700	0	0	3,406 55
89	Oct. 30, 1874	do	do	1,000	0	0	4,866 50
90	Oct. 30, 1874	do	do	1,000	0	0	4,866 50
91	Oct. 31, 1874	do	do	3,800	0	0	18,492 70
92	Nov. 5, 1874	do	do	2,000	0	0	9,733 00
93	Nov. 6, 1874	do	do	1,400	0	0	6,813 10
94	Nov. 14, 1874	do	do	9,000	0	0	43,798 50
95	Nov. 16, 1874	do	do	13,000	0	0	63,264 50
96	Nov. 20, 1874	do	do	9,000	0	0	43,798 50
97	Nov. 21, 1874	do	do	2,000	0	0	9,733 00
98	Nov. 30, 1874	do	do	8,000	0	0	38,932 00
99	Dec. 5, 1875	do	do	6,000	0	0	29,199 00
100	Dec. 7, 1875	do	do	1,000	0	0	4,866 50
101	Dec. 8, 1875	do	do	3,000	0	0	14,599 50
102	Dec. 12, 1874	do	do	2,500	0	0	12,166 25
103	Dec. 17, 1874	do	do	22,000	0	0	107,063 00
104	Dec. 19, 1874	do	do	2,000	0	0	9,733 00
105	Dec. 21, 1874	do	do	1,000	0	0	4,866 50
106	Dec. 26, 1874	do	do	5,300	0	0	25,792 45
107	Dec. 29, 1874	do	do	2,250	0	0	10,949 63
108	Jan. 6, 1875	do	do	2,000	0	0	9,733 00
109	Jan. 8, 1875	do	do	1,200	0	0	5,839 80
110	Jan. 8, 1875	do	do	662	16	9	3,225 69
111	Jan. 9, 1875	do	do	2,000	0	0	9,733 00
112	Jan. 9, 1875	do	Bill for official telegrams for 1874	102	0	8	496 54
113	Jan. 12, 1875	do	Transferred for disbursement	5,000	0	0	24,332 50
114	Jan. 22, 1875	do	do	13,000	0	0	63,264 50
115	Jan. 25, 1875	do	do	3,112	3	10	15,145 48
116	Jan. 30, 1875	do	do	8,000	0	0	38,932 00
117	Feb. 2, 1875	do	do	1,000	0	0	4,866 50
118	Feb. 5, 1875	do	do	2,000	0	0	9,733 00
119	Feb. 13, 1875	do	do	5,000	0	0	24,332 50
120	Feb. 20, 1875	do	do	5,400	0	0	26,279 10
121	Feb. 22, 1875	do	do	6,400	0	0	31,145 60
122	Fec. 24, 1875	do	do	15,637	16	2	76,101 39
123	Feb. 27, 1875	do	do	2,468	0	0	12,010 52

124	Mar. 6, 1875	do	do	2,500	0	0	12,166 25
125	Mar. 8, 1875	do	do	1,500	0	0	7,299 75
126	Mar. 10, 1875	do	do	2,300	0	0	11,192 95
127	Mar. 13, 1875	do	do	9,157	0	0	44,562 54
128	Mar. 15, 1875	do	do	6,000	0	0	29,199 00
129	Mar. 17, 1875	do	do	5,000	0	0	24,332 50
130	Mar. 20, 1875	do	do	800	0	0	3,893 20
131	Mar. 22, 1875	do	do	21,000	0	0	102,196 50
132	Mar. 25, 1875	do	do	6,000	0	0	29,199 00
133	Apr. 5, 1875	do	do	800	0	0	3,893 20
134	Apr. 10, 1875	do	do	2,000	0	0	9,733 00
135	Apr. 12, 1875	do	do	2,000	0	0	9,733 00
136	Apr. 16, 1875	do	do	16,200	0	0	78,837 30
137	Apr. 17, 1875	do	do	7,000	0	0	34,065 50
138	Apr. 22, 1875	do	do	4,000	0	0	19,466 00
139	Apr. 23, 1875	do	Bill for stationery paid by them	3	15	0	18 25
140	Apr. 24, 1875	do	Transferred for disbursement	4,000	0	0	19,466 00
141	May 6, 1875	do	do	2,000	0	0	9,733 00
142	May 8, 1875	do	do	15,000	0	0	72,997 50
143	May 10, 1875	do	do	2,000	0	0	9,733 00
144	May 15, 1875	do	do	4,000	0	0	19,466 00
145	May 18, 1875	do	do	2,700	0	0	13,139 55
146	May 21, 1875	do	do	16,300	0	0	79,323 95
147	May 24, 1875	do	do	3,000	0	0	14,599 50
148	May 26, 1875	do	do	2,000	0	0	9,733 00
149	May 29, 1875	do	do	5,093	12	5	24,788 10
150	June 2, 1875	do	do	1,500	0	0	7,299 75
151	June 4, 1875	do	do	4,150	0	0	20,195 98
152	June 8, 1875	do	do	2,400	0	0	11,679 60
153	June 10, 1875	do	do	2,000	0	0	9,733 00
154	June 15, 1875	do	do	2,300	0	0	11,192 95
155	June 22, 1875	do	do	12,079	14	8	58,786 02
156	June 23, 1875	do	do	3,500	0	0	17,032 75
157	June 24, 1875	do	do	1,000	0	0	4,866 50
158	June 26, 1875	do	do	500	0	0	2,433 25
159	June 29, 1875	do	do	800	0	0	3,893 20
160	June 30, 1875	do	do	6,000	0	0	29,199 00
161	June 30, 1875	do	do	1,000	0	0	4,866 50
		Difference between loss and gain on exchange					54,367 46
		Balance due the United States		9,139	8	4	44,476 97
				1,151,348	4	2	5,649,046 48

The United States Navy Department in account-current with J. O. Bradford, Paymaster-General United States Navy, &c.—Continued.

CR.

Date.	From whom received.	Sterling money.	Par value, U. S. coin.	Loss on exchange.		Gain on exchange.		Total amount.
				Rate.	Amount.	Rate.	Amount.	
		£ s. d.						
Sept. 25, 1873	George F. Cutter, pay-director	100,000 0 0	$484,000 00			108¾	$666 67	*$483,333 33
Sept. 25, 1873	George F. Cutter, amount paid for cable telegram							10 00
Sept. 25, 1873	George F. Cutter, pay-director	100,000 0 0	484,000 00	109½	2,666 67			*486,666 67
Sept. 27, 1873	do	10,000 0 0	48,400 00	109½	266 67			*48,666 67
Oct. 20, 1873	do	62,937 1 3	304,615 38			107¼	4,615 38	*300,000 00
Oct. 20, 1873	do	37,863 6 10	183,258 57			107¾	1,935 24	*181,323 33
Nov. 27, 1873	do	50,000 0 0	242,000 00			106	6,444 44	*235,555 56
Dec. 3, 1873	do	74,545 9 0	360,799 98	110	3,644 46			*364,444 44
Jan. 5, 1874	Jay Cooke, McCulloch & Co., paid for telegrams	221 0 10	1,075 70					*1,075 70
Jan. 28, 1874	Jay Cooke, McCulloch & Co	8,000 0 0	38,932 00					*38,932 00
Feb. 5, 1874	do	3,500 0 0	17,032 75					*17,032 75
Feb. 9, 1874	do	1,000 0 0	4,866 50					*4,866 50
Feb. 11, 1874	do	64 6 9	313 10					*313 10
Feb. 28, 1874	do	4,000 0 0	19,466 00					*19,466 00
Feb. 28, 1874	do	2,000 0 0	9,733 00					*9,733 00
Mar. 10, 1874	do	4,500 0 0	21,899 25					*21,899 25
Mar. 24, 1874	do	3,620 11 10	17,619 61					*17,619 61
Mar. 24, 1874	do	3,652 17 9	17,776 78					*17,776 78
Mar. 25, 1874	do	3,000 0 0	14,599 50					*14,599 50
Mar. 27, 1874	do	3,221 10 1	15,677 45					*15,677 45
Mar. 28, 1874	do	8,128 13 7	39,558 21					*39,558 21
Mar. 28, 1874	do	1,521 11 7	7,404 77					*7,404 77
Apr. 2, 1874	George F. Cutter, pay-director	15,000 0 0	72,997 50	113 7/32	10,615 21			†83,613 71
Apr. 2, 1874	do	15,000 0 0	72,997 50	113 7/32	10,615 22			†83,612 72
Apr. 7, 1874	Jay Cooke, McCulloch & Co	1,031 5 9	5,018 76					†5,018 76
Apr. 7, 1874	do	1,500 0 0	7,299 75					*7,299 75
Apr. 20, 1874	do	411 19 0	2,004 75					*2,004 75
Apr. 23, 1874	do	3,539 15 3	17,226 25					*17,226 25
Apr. 24, 1874	do	412 7 5	2,006 80					*2,006 80
Apr. 28, 1874	George F. Cutter, pay-director	15,000 0 0	72,997 50	†5 56	10,402 50			†83,400 00
Apr. 30, 1874	Jay Cooke, McCulloch & Co	412 16 0	2,008 89					*2,008 89
May 1, 1874	do	6,094 15 2	29,660 14					*29,660 14
May 1, 1874	do	5,150 17 5	25,066 72					*25,066 72
May 2, 1874	do	2,624 12 1	17,639 14					*17,639 14
May 8, 1874	do	412 16 0	2,008 89					*2,008 89
July 8, 1874	Secretary of the Navy	3,500 0 0	17,032 75					*17,032 75
July 11, 1874	George F. Cutter, pay-director	50,000 0 0	243,325 00	4 90	1,675 00			*245,000 00
July 11, 1874	do	90,000 0 0	437,985 00	4 87½	765 00			*438,750 00
Sept. 23, 1874	Bill of exchange No. 1, on Secretary of the Navy	10,006 0 0	48,665 00		819 54			*49,484 54
Sept. 26, 1874	George F. Cutter, pay-director	102,350 0 0	498,086 27	4 88½	1,893 48			*499,979 75

Sept. 26, 1874	George F. Cutter, amount paid for cable transfer							*20 25
Nov. 3, 1874	Jay Cooke, McCulloch & Co	95 12 4	465 32					*465 32
Nov. 10, 1874	George F. Cutter, pay-director	50,858 0 0	247,500 46	4 91.565	2,499 54			*250,000 00
Dec. 3, 1874	Bill No. 2, on Secretary of the Navy	9,000 0 0	43,798 50		852 65			*44,651 15
Dec. 3, 1874	Bill No. 3, on Secretary of the Navy	16,000 0 0	77,864 00		1,515 85			*79,379 85
Dec. 17, 1874	Bill No. 4, on Secretary of the Navy	7,000 0 0	34,065 50		663 20			*34,728 70
Dec. 28, 1874	Bill No. 5, on Secretary of the Navy	5,000 0 0	24,332 50		473 70			*24,806 20
Jan. 6, 1875	Bill No. 6, on Secretary of the Navy	5,000 0 0	24,332 50		473 70			*24,806 20
Jan. 9, 1875	Jay Cooke, McCulloch & Co., amount paid for telegrams	102 0 8	496 54					*496 54
Jan. 10, 1875	George F. Cutter, pay-director	51,020 8 2	248,290 82	4 90	1,709 18			*250,000 00
Feb. 22, 1875	Bill No. 7, on Secretary of the Navy	20,000 0 0	97,330 00		1,639 10			*98,969 10
Mar. 3, 1875	Bill No. 8, on Secretary of the Navy	12,000 0 0	58,398 00		983 45			*59,381 45
Mar. 13, 1875	Bill No. 9, on Secretary of the Navy	10,000 0 0	48,665 00		819 55			*49,484 55
Mar. 17, 1875	Bill No. 10, on Secretary of the Navy	30,000 0 0	145,995 00		2,458 60			*148,453 60
Mar. 24, 1875	George F. Cutter, pay-director	40,050 14 5	194,906 83			4 85	660 83	*194,246 00
Apr. 23, 1875	Jay Cooke, McCulloch & Co., amount paid for stationery	3 15 0	18 25					*18 25
Apr. 24, 1875	Bill No. 11, on Secretary of the Navy	6,000 0 0	29,199 00		801 00			*30,000 00
Apr. 24, 1875	Bill No. 12, on Secretary of the Navy	4,000 0 0	19,466 00		534 00			*20,000 00
May 8, 1875	Bill No. 13, on Secretary of the Navy	10,000 0 0	48,665 00		1,335 00			*50,000 00
May 8, 1875	Bill No. 14, on Secretary of the Navy	10,000 0 0	48,665 00		1,335 00			*50,000 00
May 21, 1875	Bill No. 15, on Secretary of the Navy	10,000 0 0	48,665 00		1,335 00			*50,000 00
May 21, 1875	Bill No. 16, on Secretary of the Navy	10,000 0 0	48,665 00		1,335 00			*50,000 00
May 21, 1875	Bill No. 17, on Secretary of the Navy	5,000 0 0	24,332 50		667 50			*25,000 00
May 21, 1875	Bill No. 18, on Secretary of the Navy	5,000 0 0	24,332 50		667 50			*25,000 00
June 7, 1875	Bill No. 19, on Secretary of the Navy	10,000 0 0	48,665 00		1,075 95			*49,740 95
June 7, 1875	Bill No. 20, on Secretary of the Navy	6,000 0 0	29,199 00		645 55			*29,844 55
June 7, 1875	Bill No. 21, on Secretary of the Navy	4,000 0 0	19,466 00		430 35			*19,896 35
June 23, 1875	Bill No. 22, on Secretary of the Navy	5,000 0 0	24,332 50		537 95			*24,870 45
June 23, 1875	Bill No. 23, on Secretary of the Navy	5,000 0 0	24,332 50		537 95			*24,870 45
		1,151,348 4 2	5,591,499 38		68,690 02		14,322 56	5,645,897 09
June 30, 1875	Difference between $4.84 and $4.86.65 to the pound sterling on £118,844 19*s.* 7*d.*, excess of receipts over expenses, at $4.84							3,149 39
		1,151,348 4 2						5,649,046 48

* Gold. † Currency.

SPECIAL AGENCY, LONDON.

DR. *The United States (Navy Department) in account-current with John O. Bradford, Paymaster-General United States Navy.*

No. of voucher.	Date.	To whom paid.	For what purpose.	Amount in sterling.	Amount in U. S. coin, par value.
	1875.				
162	July 2	Jay Cooke, McCulloch & Co.	To pay drafts of George L. Davis	£5,000 0 0	$24,332 50
163	July 3	do	To pay drafts of Goldsborough & Stavey	7,400 0 0	36,012 10
164	July 6	do	To pay drafts of three pay officers	5,658 0 0	27,534 66
165	July 7	do	To pay drafts of five pay officers	8,528 0 0	41,501 51
166	July 9	do	To pay drafts of J. D. Murray	20,000 0 0	97,330 00
167	July 19	do	To pay drafts of T. S. Thompson	1,000 0 0	4,866 50
168	July 26	do	To pay drafts of sundry persons	3,072 19 0	14,954 51
169	July 29	do	To pay drafts of J. R. Carmody	2,000 0 0	9,733 00
170	July 31	do	To pay drafts of J. A. Smith	6,000 0 0	29,199 00
171	Aug. 9	do	To pay drafts of sundry persons	8,550 0 0	41,608 58
172	Aug. 11	do	To pay drafts of R. Parks and W. H. Shock.	6,050 0 0	29,442 32
173	Aug. 14	do	To pay drafts of T. S. and C. P. Thompson.	4,000 0 0	19,466 00
174	Aug. 16	do	To pay drafts of T. S. Thompson	850 0 0	4,136 52
175	Aug. 21	do	To pay drafts of G. Cochran and F. L. Fernald.	5,050 0 0	24,575 82
176	Aug. 23	do	To pay drafts of three pay officers	11,050 0 0	53,774 82
177	Aug. 25	Seligman Brothers	To pay drafts of J. D. Murray	7,000 0 0	34,065 50
178	Aug. 28	Jay Cooke, McCulloch & Co.	To pay drafts of E. Stewart	2,500 0 0	12,166 25
179	Aug. 31	do	To pay drafts of J. A. Smith and F. N. Fernald.	2,100 0 0	10,219 65
180	Sept. 2	Seligman Brothers	To pay drafts of J. D. Murray	4,041 0 0	19,665 53
181	Sept. 4	Jay Cooke, McCulloch & Co.	To pay drafts of E. Stewart	500 0 0	2,433 25
182	Sept. 8	do	To pay drafts of George Cochran	5,000 0 0	24,332 50
183	Sept. 11	do	To pay drafts of G. L. Davis, J. Finney	10,000 0 0	48,665 00
184	Sept. 17	Seligman Brothers	To pay drafts of C. P. Thompson	3,000 0 0	14,599 50
185	Sept. 21	Jay Cooke, McCulloch & Co.	To pay drafts of J. H. Stevenson	7,000 0 0	34,065 50
186	Sept. 22	Seligman Brothers	To pay drafts of J. D. Murray	6,000 0 0	29,199 00
187	Sept. 22	do	To pay drafts of sundry persons	289 14 0	1,409 83
188	Sept. 26	Jay Cooke, McCulloch & Co.	To pay drafts of E. Stewart	1,370 0 0	6,667 11
189	Sept. 27	do	do	2,400 0 0	11,679 60
190	Sept. 29	Seligman Brothers	To pay drafts of George L. Davis	549 10 0	2,674 14
191	Sept. 29	Jay Cooke, McCulloch & Co.	To pay drafts of E. Stewart	1,000 0 0	4,866 50
192	Oct. 2	do	To pay drafts of J. A. Smith	5,000 0 0	24,332 50
193	Oct. 5	do	To pay drafts of J. T. Addicks and L. A. Yorke.	6,550 0 0	31,875 57
194	Oct. 5	Seligman Brothers	To pay drafts of A. W. Bacon	2,000 0 0	9,733 00
195	Oct. 7	do	To pay drafts of C. P. Thompson	2,000 0 0	9,733 00
196	Oct. 9	Jay Cooke, McCulloch & Co.	To pay drafts of R. Parks, W. H. Shock	6,110 0 0	29,734 32
197	Oct. 14	Seligman Brothers	To pay drafts of A. D. Bache	1,000 0 0	4,866 50
198	Oct. 20	do	To pay drafts of J. D. Murray	2,500 0 0	12,166 25
199	Oct. 21	do	To pay drafts of C. P. Thompson	3,000 0 0	14,599 50
200	Oct. 21	do	To pay drafts of sundry persons	247 2 6	1,202 64
201	Oct. 22	do	To pay drafts of George L. Davis	4,100 0 0	19,952 65
202	Oct. 29	do	To pay drafts of J. D. Murray	20,000 0 0	97,330 00
203	Nov. 4	do	To pay drafts of sundry persons	8,021 0 0	39,034 20
204	Nov. 8	Speckley, White & Lewis.	Public bill for clothing	505 6 3	2,459 10
205	Nov. 9	Jay Cooke, McCulloch & Co.	To pay drafts of J. A. Smith and W. H. Shock.	6,340 0 0	30,853 61
206	Nov. 13	do	To pay drafts of J. R. Carmody, C. W. Slamm.	4,000 0 0	19,466 00
207	Nov. 19	Seligman Brothers	To pay drafts of sundry persons	3,590 0 9	17,470 92
208	Nov. 22	do	do	13,500 0 0	65,697 75
209	Nov. 25	do	do	5,576 5 3	27,136 88
210	Dec. 2	do	do	3,601 5 0	17,525 49
211	Dec. 11	do	To pay drafts of H. T. Skelding	5,000 0 0	24,332 50
212	Dec. 16	do	To pay drafts of sundry persons	2,130 7 11	10,367 57
213	Dec. 17	Jay Cooke, McCulloch & Co.	To pay drafts and adjust difference	925 0 0	4,501 51
214	Dec. 23	Seligman Brothers	To pay drafts of sundry persons	6,191 3 9	30,129 41
215	Dec. 31	do	do	1,225 3 8	5,962 35
	1876.				
216	Jan. 4	do	To pay drafts of T. S. Thompson, J. D. Murray.	4,700 0 0	22,872 55
217	Jan. 8	do	To pay drafts of Bache, Bacon, Smith.	23,000 0 0	111,929 5
218	Jan. —			8,500 0 0	41,365 25

The United States (Navy Department) in account-current with John O. Bradford, Paymaster-General United States Navy—Continued.

DR.

No. of voucher.	Date.	To whom paid.	For what purpose.	Amount in sterling.	Amount in U. S. coin, par value.
	1875.				
219	Jan. 22	Seligman Brothers ..	To pay drafts of King, Parks, Read...	£1, 659 19 2	$8, 078 18
220	Jan. 27	.....do	To pay drafts of sundry persons.....	6, 719 18 5	32, 702 49
221	Feb. 1	Speckley, White & Lewis.	Public bill for clothing	486 11 0	2, 367 80
222	Feb. 7	Seligman Brothers ..	To pay drafts of sundry persons.....	7, 054 7 2	34, 330 03
223	Feb. 14	.....do	To pay drafts of King, Cochran	2, 555 18 5	12, 438 39
224	Feb. 23	.....do	To pay drafts of sundry persons.....	26, 689 3 8	129, 882 92
225	Mar. 4	.....do	To pay drafts of J. D. Murray	5, 000 0 0	24, 332 50
226	Mar. 6	.....do	To pay drafts of sundry persons.....	5, 417 5 10	26, 363 25
227	Mar. 6	.....do	.....do.....	5, 438 17 0	26, 468 17
228	Mar. 27	Jay Cooke, McCulloch & Co.	To pay drafts of H. T. Wright	600 0 0	2, 919 90
229	Mar. 30	.....do	.....do.....	1, 000 0 0	4, 866 50
	Mar. 31	Loss on exchange ...	.....	.....	28, 126 77
	Mar. 31	To balance remaining	on hand due the United States	22, 349 3 7	108, 762 28
		Total	.....	381, 243 2 4	1, 883, 446 40

The United States (Navy Department) in account-current with John O. Bradford, Paymaster-General United States Navy.

CR.

Date.	How received.	Amount in sterling.	Value in U. S. coin at par.	Loss on exchange.	Total amount.
1875.					
July 1	Balance.....	£9, 139 8 4	$44, 476 97	.....	$44, 476 97
July 1	Bill No. 24.....	8, 000 0 0	38, 932 00	$860 75	39, 792 75
July 1	Bill No. 25.....	7, 000 0 0	34, 065 50	753 15	34, 818 65
July 1	Bill No. 26.....	5, 000 0 0	24, 332 50	537 95	24, 870 45
July 6	Bill No. 27.....	20, 000 0 0	97, 330 00	1, 639 10	98, 969 10
July 6	Bill No. 28.....	15, 000 0 0	72, 997 50	1, 229 30	74, 226 80
July 29	Bill No. 29.....	8, 000 0 0	38, 932 00	655 63	39, 587 63
July 29	Bill No. 30.....	12, 000 0 0	58, 398 00	983 44	59, 381 44
Aug. 10	Bill No. 31.....	10, 000 0 0	48, 665 00	819 55	49, 484 55
Aug. 20	Bill No. 32.....	20, 000 0 0	97, 330 00	1, 639 10	98, 969 10
Aug. 25	Bill No. 33.....	10, 000 0 0	48, 665 00	819 55	49, 484 55
Sept. 7	Bill No. 34.....	15, 000 0 0	72, 997 50	1, 229 30	74, 226 80
Sept. 16	Bill No. 35.....	10, 000 0 0	48, 665 00	692 30	49, 357 30
Sept. 21	Bill No. 36.....	10, 000 0 0	48, 665 00	692 30	49, 357 30
Oct. 2	Bill No. 37.....	12, 000 0 0	58, 398 00	678 90	59, 076 90
Oct. 6	Bill No. 38.....	6, 000 0 0	29, 199 00	339 45	29, 538 45
Oct. 14	Bill No. 39.....	7, 000 0 0	34, 065 50	396 05	34, 461 55
Oct. 21	Bill No. 40.....	9, 000 0 0	43, 798 50	509 20	44, 307 70
Oct. 25	Bill No. 41.....	20, 000 0 0	97, 330, 00	1, 384 65	98, 714 65
Nov. 3	Bill No. 42.....	12, 000 0 0	58, 398 00	830 80	59, 228 80
Nov. 9	Bill No. 43.....	14, 000 0 0	68, 131 00	969 25	69, 100 25
Nov. 22	Bill No. 44.....	25, 000 0 0	121, 662 50	1, 730 80	123, 393 30
Dec. 16	Bill No. 45.....	12, 000 0 0	58, 398 00	830 80	59, 228 80
1876.					
Jan. 1	Bill No. 46.....	10, 000 0 0	48, 665 00	692 30	49, 357 30
Jan. 8	Bill No. 47.....	9, 000 0 0	43, 798 50	623 10	44, 421 60
Jan. 8	Bill No. 48.....	14, 000 0 0	68, 131 00	969 25	69, 100 25
Jan. 15	Bill No. 49.....	10, 000 0 0	48, 665 00	692 30	49, 357 30
Feb. 1	Bill No. 50.....	7, 000 0 0	34, 065 50	484 65	34, 550 15
Feb. 6	Bill No. 51.....	5, 000 0 0	24, 332 50	346 15	24, 678 65
Feb. 21	Seligman Brothers	5, 000 0 0	24, 332 50	409 75	24, 742 25
Feb. 21	.....do.....	5, 000 0 0	24, 232 50	409 75	24, 742 25
Feb. 21	.....do.....	5, 000 0 0	24, 332 50	409 80	24, 742 30
Feb. 21	.....do.....	5, 000 0 0	24, 332 50	409 80	24, 742 30
Feb. 21	.....do.....	16, 000 0 0	77, 864 00	1, 311 25	79, 175 25
Feb. 21	.....do.....	14, 000 0 0	68, 131 00	1, 147 35	69, 278 35
Mar. 22	McCullough & Co	103 14 0	504 66	.....	504 66
	Total.....	381, 243 2 4	1, 855, 319 63	28, 126 77	1, 883, 446 40

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 22, 1876.

SIR: Herewith is inclosed copy of a telegraphic dispatch; the original thereof is in the hands of this committee. Please inform the committee at the earliest practicable moment of the nature of the transaction to which it refers, as it does not appear to be covered by any communication received from you to date.

Very respectfully,

J. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke Indebtedness.

Hon. GEO. M. ROBESON,
Secretary of the Navy.

To BRADFORD,
Care Stevens, 17 *Henrietta Street, London:*

Edwards's dispatch correct. Amount, one hundred thousand sterling.

ROBESON.

Ch'ge Navy Dept.

NAVY DEPARTMENT, *Washington, June* 30, 1876.

SIR: I have received your letter of the 22d instant, inclosing what purports to be a copy of an original telegram in the hands of your committee, in the words and figures following, namely:

"WASHINGTON, *August* 30, 1873.

"BRADFORD, care STEVENS, 17 *Henrietta Street, London:*

"Edwards's dispatch correct. Amount, one hundred thousand sterling.

"ROBESON."

In reply to said letter, I beg to say that no such telegram was written or sent by me on the date mentioned, to wit, the 30th August, 1873; but that such a telegram *was* sent by me to John O. Bradford, Paymaster-General, United States Navy, then being in London, on or about the 30*th day of October, A. D.* 1873, in confirmation of a dispatch sent to him by me on the day previous, directing him to deposit with Jay Cooke, McCulloch & Co., the then fiscal agents of the Navy Department, the sum of £100,000, in continuance of the Navy foreign account with them, (the Navy Department having received security for the same in this country.)

The said transaction is mentioned and referred to in my letter to yourself of the 23d day of March last, the said deposit of £100,000 being part of the deposits, in the said letter particularly mentioned and stated to have been made through the said John O. Bradford, in continuance of said account with said firm during the latter part of the month of October and the month of November, 1873.

I am, very respectfully, yours,

GEO. M. ROBESON,
Secretary of the Navy.

Hon. J. M. GLOVER,
Chairman Select Committee of the Real-Estate Pool and Jay Cooke Indebtedness, House of Representatives.

THE WESTERN UNION TELEGRAPH COMPANY, MANAGER'S OFFICE,
CORNER PENNSYLVANIA AVENUE AND FOURTEENTH STREET,
Washington, D. C., June 29, 1876.

DEAR SIR: Hon. George M. Robeson has shown me a letter addressed to him by yourself, calling his attention to the following cable-dispatch now in the hands of your committee:

"AUGUST 30, 1873.

"To BRADFORD, care STEVENS, 17 *Henrietta Street, London:*

"Edwards's dispatch correct. Amount, one hundred thousand sterling.

"ROBESON."

Mr. Robeson stated that the date of this dispatch must be incorrect, as it was sent in October instead of August. On reference to our record, I found that he was correct, the message being entered as of October 30, 1873, and no such message is entered in August. At Mr. Robeson's request, I make the same explanation to you that I did to

him. At the time the message was sent we were using a hand-stamp to stamp the number and date on messages filed at this office. This stamp was very liable to get out of order while being used, and stamp the wrong date or number, and was soon after discarded for that reason. (I find among our October cables one that is stamped *September* 30, 1873, being a message of the Post-Office Department, and dated October 30.) The message of Mr. Robeson could not have been sent in August and entered in October; but it is *possible* that it was not sent October 30, as the day may have been wrong as well as the month, and this would not, perhaps, have been detected if it had been sent on any day from October 20 to 31, for this reason: Our cable-reports are made weekly, and the few odd days at the end of the month are included in the report for the fourth week. The cable-messages for each week are all entered together, and, therefore, if a date was wrong, but covered by the period for which the report was made, the error might escape notice. I find that my last report for the month of October, 1873, covered from 20th to 31st, inclusive. In my mind there is no doubt that the message was filed and sent between those dates.

I am ready to make a statement to this effect in more formal manner if desired.

Very respectfully,

LEONARD WHITNEY,
Manager.

Hon. J. M. GLOVER,
Chairman House Committee on Real-Estate Pool and Jay Cooke Indebtedness.

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 22, 1876.

SIR: Please furnish this committee, at the earliest practicable moment, with a statement of the money received by George F. Cutter, pay director at New York, on account of the United States, and by him transmitted to Paymaster-General Bradford at London, between September 24, 1873, and March 24, 1875, inclusive, stating the date of receipt of each separate amount by Director Cutter, the date when each separate amount left his hands, and the method whereby it was transmitted to London, whether by draft, bill of exchange, or otherwise; also please state the method whereby the amount called for by requisition 2024, dated July 2, 1873, was transmitted to Jay Cooke, McCulloch & Co., at London; and whenever draft or bill of exchange was used, state names of drawer and drawee.

Very respectfully,

J. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool, &c.

Hon. B. H. BRISTOW,
Secretary of the Treasury.

TREASURY DEPARTMENT, FOURTH AUDITOR'S OFFICE,
July 1, 1876.

SIR: In reply to your letter of the 22d ultimo, addressed to the Hon. Secretary of the Treasury, you will please find herewith a statement of moneys received from the United States by Pay-Director G. F. Cutter, United States Navy, at New York, and by him transmitted to Paymaster-General J. O. Bradford, United States Navy, at London, between September 24, 1873, and March 24, 1875; also the method of transmitting the amount of requisition, No. 2024, dated July 2, 1873, to Jay Cooke, McCulloch & Co.

Very respectfully, &c.,

SEPHEN J. W. TABOR,
Auditor.

Hon. J. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke Indebtedness, Room of the Committee on Mines and Mining, House of Representatives, Washington, D. C.

Statement of moneys received from the United States by George F. Cutter, pay-director, U. S. N., at New York, and by him transmitted to Paymaster-General J. O. Bradford, U. S. N., at London, between September 24, 1873, and March 24, 1875.

Date.	Cutter received.	Date left Cutter's hands.		Method of transmission to London.
Sept. 24, 1873	$1,500,000 00	Sept. 24, 1873	$483,343 33	Cutter bought bill of exchange from Drexel, Morgan & Co.
		Sept. 26, 1873	486,666 67	Cutter bought bill of exchange from J. & W. Seligman & Co.
		Sept. 27, 1873	48,666 67	Cutter bought bill of exchange from E. H. Green.
		Oct. 4, 1873	300,000 00	Cutter bought bill of exchange from Francis Ormund French.
		Oct. 6, 1873	181,323 33	Do.
Total	1,500,000 00	.....	1,500,000 00	
Nov. 12, 1873	300,000 00	Nov. 12, 1873	235,555 56	Cutter bought bill of exchange from F. O. French.
Dec. 5, 1873	300,000 00	Dec. 6, 1873	364,444 44	Cutter bought bill of exchange from J. & W. Seligman & Co.
Total	600,000 00	.....	600,000 00	
Apr. 1, 1874	167,225 43	Apr. 2, 1874	167,225 43	Cutter bought bill of exchange from Morton, Bliss & Co.
Apr. 27, 1874	83,400 00	Apr. 28, 1874	83,400 00	Do.
July 11, 1874	683,750 00	July 11, 1874	683,750 00	Cutter bought bill of exchange from F. O. French.
Sept. 26, 1874	500,000 00	Sept. 26, 1874	500,000 00	Cutter bought bill of exchange from J. & W. Seligman & Co.
Nov. 5, 1874	250,000 00	Nov. 10, 1874	250,000 00	Do.
Dec. 29, 1874	250,000 00	Dec. 29, 1874	250,000 00	Do.
Mar. 9, 1875	194,246 00	Mar. 9, 1875	194,246 00	Do.

The names of the drawers and drawees of the bills of exchange are not known in this office, for the reason that Cutter furnishes as his voucher in his accounts rendered the receipts only of the various bankers from whom he purchased the bills.

The draft issued in payment of requisition No. 2024, dated July 2, 1873, was drawn payable to Jay Cooke, McCulloch & Co., and paid July 7, 1873, upon the indorsement of Jay Cooke, McCulloch & Co. and Jay Cooke & Co.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 17, 1876.

DEAR SIR: Please inform this committee, at your earliest convenience, whether there is any record in your possession showing the advice and consent of the Senate to the appointment of Jay Cooke, McCulloch & Co., Messrs. Barings Brothers, and Messrs. Clews, Habicht & Co., of England, to receive and pay money for the use of the naval service on foreign stations.

Very respectfully,

JNO. M. GLOVER,
Chairman of the Select Committee on Real-Estate Pool and Jay Cooke & Co. Indebtedness.

Hon. GEO. C. GORHAM,
Secretary of the Senate.

UNITED STATES SENATE CHAMBER,
Washington, July 17, 1876.

SIR: Our records show that Baring Brothers & Co. were nominated to receive and pay money for the use of the naval service on foreign stations on June 17, 1844, and on the same day confirmed by the Senate. As to the firms of Jay Cooke, McCulloch & Co. and Messrs. Clews, Habicht & Co., I can find no record of their ever having been nominated to perform similar service.

Very respectfully,

GEO. C. GORHAM,
Secretary United States Senate

Hon. J. M. GLOVER,
Chairman Select Committee Real-Estate Pool, &c.

WASHINGTON, *July* 12, 1876.

JOHN O. BRADFORD sworn and examined.

By the CHAIRMAN:

Question. Do you hold any position under the Government?—Answer. I am the Paymaster-General of the Navy. I have been acting in that capacity since February, 1873. Prior to that I was a pay director in the Navy.

Q. At what time did you leave this country for England?—A. I think I left on the 12th of August, 1873.

Q. What was the occasion of your going there?—A. I was a great invalid at the time, and the Secretary of the Navy authorized me to visit Europe and examine the naval commissariat establishments; those of England and France particularly.

Q. Did you examine into those matters while you were there?—A. Unfortunately there was a good deal of red tape about it; they would not allow me to go into the establishments at all without an order from the admiralty, and that had to be obtained through our minister to England, and it was the same in France; so that I was not able to carry out my mission as I had intended. I was expected to be back home in sixty-five days from the time I left, and I was on my way home when the panic occurred and Jay Cooke & Co. failed, and the Department telegraphed me to remain.

Q. Did you attempt to renew your investigations into these matters afterward during your stay abroad?—A. No, sir; not very materially. I availed myself of every opportunity to improve my knowledge on the subject, but I made no formal examination.

Q. Have you made any report to the Secretary on that subject?—A. No report to the Secretary. They are excedingly careful about admitting foreigners into their establishments.

Q. What time did you receive notice of the failure of Jay Cooke & Co.?—A. I was in London on my way home when I saw it announced in the papers by telegraph, and the next day or a day or two after that I got a telegram from the Secretary to remain.

Q. Did the Secretary state what he wished you to remain for?—A. No, sir; I was to wait and receive instructions.

Q. And you did afterward receive instructions?—A. I did. I received remittances from him and instructions to take care of the general interests of the Government—the financial interests.

Q. Were those instructions by telegram or by mail?—A. By telegram, and subsequently by letter.

Q. Are you in possession of those letters?—A. They are in England. I presume there are copies of them here at the Department. I may remark that when I heard of the failure of Jay Cooke & Co., although I had no official right, I felt it my duty, as a representative of the Navy Department to go to Cooke, McCulloch & Co. and ascertain the state of our account and whether there was any danger of our drafts being protested. I ascertained that there was no danger—that they would pay them, and they did pay them.

Q. Were they holding balances at that time?—A. When the failure was announced they held a balance of from £170,000 to £180,000.

Q. What was likely to be the extent of the drafts upon that balance?—A. The drafts vary. Some times I have paid as high as £70,000 or £75,000 a month. I think my disbursements since I have been there have amounted to about £1,700,000.

Q. Were you representing at that time, or immediately afterward, the Navy Department?—A. Yes; when I got the instructions from the Secretary, I felt that I had an official right to represent the Department.

Q. What were the instructions you received?—A. As I have stated, the instructions were to look out and protect the financial interests of the Department there, and to see that the bills were paid; for which purpose the Department placed me in funds.

Q. Did it occur to you to remove the balance in the hands of Cooke, McCulloch & Co. to a safer place?—A. No, sir; I had no authority. I may say also that when I went down to their office and told them who I was and what my business was and the interest I had in the matter, they placed before me a fair statement of their account, in which they showed that they could meet their liabilities unless the Navy Department should come down upon them for its large balance in their hands; and on the strength of that I telegraphed the Secretary the condition of the house as it appeared to me, and advised that a lenient policy should be pursued with them, telling him that if the Department should come down upon them for the balance in their hands they would be forced into bankruptcy, and the parties in England, being on the spot, would take possession of everything. When a house goes into bankruptcy in England, as a general rule, there is not much left for the persons who have claims against them.

Q. How long after that did the house go into liquidation?—A. I think it was about a year. The house never went into bankruptcy, you know. I think it was about a year before the formation of the new house.

Q. Do you think it was a safe operation to leave that fund there in the face of the

bankruptcy of the parent-bank in America?—A. As I have said, my impression is that if the house had been pressed for the large balance of the naval money in their hands at that time, it would have forced them into bankruptcy; and therefore I think the Navy Department would have come off badly. The indications were at that time that the house could pull through and pay every cent. Nobody supposed that the effects of the panic would continue more than six months at most.

Q. What extent of assets did they seem to have, at the time you made your examination, above the amount due the Government?—A. I did not audit the accounts; I only looked at the balance; but they had a very large amount of railroad-iron upon which they had made advances; and then they had various stocks and assets of that kind, which indicated to me, from the examination I made, that the house were in a condition to meet their liabilities fully in the end.

Q. What stocks do you refer to?—A. They had various railroad bonds.

Q. Northern Pacific Railroad bonds?—A. I don't recollect that they had many of those, and yet they may have had; I did not take an account of the stock at all.

Q. What seemed to be their cash-balance?—A. At that time they had quite a cash-balance. There was a run upon them, and they were paying it out very freely. They paid out a very heavy amount in a few days after the failure.

Q. Do you think if you had made a demand for what was due the Government they would have paid it at that time?—A. I think not.

Q. Did you know anything of the responsibility of that bank then or at any other time?—A. I have no personal knowledge.

Q. Did you know anything of the basis upon which they went into banking?—A. Nothing personally. I understood that Jay Cooke put $1,000,000 into the house when it was established in London.

Q. You do not know that of your own personal knowledge?—A. No, sir. I have understood that that was the fact.

Q. I have heard it stated that they did not have a dollar of stock in the bank at any time. You do not know anything about that?—A. I think that is a mistake. The house was very successful.

Q. It was very successful; but the question is as to whether you have any knowledge of their having had any capital in that bank at any time?—A. I had no personal knowledge of the amount Jay Cooke & Co. put in there, but I was told that they put in $1,000,000 in establishing that house, and I presume they must have had quite a large amount to start with, because they did a very large business, such as a house without a substantial capital could not have done. In London it is a very difficult thing to start a house without adequate capital; a house must have backbone.

Q. How long after that bank started were the naval deposits removed from Baring Brothers to Jay Cooke, McCulloch & Co.?—A. I do not know.

Q. Have you any knowledge of the fact that that removal constituted about the only foundation that that house of Cooke, McCulloch & Co. had?—A. No, sir; I have not. As an officer, I had no occasion to enter into details of that kind.

Q. Baring Brothers were always prompt and reliable, were they not?—A. Always prompt and reliable. They are very rich people.

Q. Drafts upon them were always at par, I suppose?—A. That depended upon where the drafts were drawn. As a general rule, drafts on London command a premium; but there are parts of the world where they are liable to discount.

By Mr. LEWIS:

Q. Baring Brothers never fail to pay?—A. O, no, sir; they never fail to pay. They were removed at one time from the position of our financial agents by General Jackson. He removed them for what he thought a just cause; but they were re-instated by a subsequent administration.

By the CHAIRMAN:

Q. Did the transfer of the naval fund to Jay Cooke, McCulloch & Co. make any difference in the purchase or cost of exchange by paymasters on foreign stations?—A. No, sir; because the standing of the banker upon whom the bills are drawn does not affect the price of our exchange abroad. It is the credit of the Government that settles it. A young assistant paymaster, if he draws the proper bill, with the proper indorsement of the commanding officer, makes as good a bill as any in the market.

Q. But a bill drawn upon Cooke, McCulloch & Co. after they went into liquidation would not have passed current, would it?—A. It would have been just as good, because those bills were all promptly taken care of. After I received instructions from the Secretary, I telegraphed to the principal points where drafts were drawn stating that there would be no change in the payment of our drafts, that they all would be promptly met.

Q. Were they all promptly met as long as that balance lasted?—A. All promptly met.

Q. Met out of that balance that you say was in the hands of Cooke, McCulloch &

Co.?—A. They paid it down to £120,000 and then there was another advance made to them.

Q. Did the Government still advance money to Jay Cooke, McCulloch & Co. after the bankruptcy of Jay Cooke & Co. here?—A. Yes, sir. As to this, I am giving only my understanding. These things all occurred on this side; as an officer abroad I had only to obey orders. I understood that Jay Cooke, McCulloch & Co. gave the Secretary very full security for the amount originally deposited in their hands, and then gave additional security for the additional advance. That is my understanding; but you know more about it here than I do, because the transactions all occurred here while I was abroad.

Q. Was not that a virtual loaning of the naval funds to that house?—A. That I do not know, sir. It would look that way, but, as I tell you, I think the object of the Secretary was to secure ultimately the debt due to the Government.

Q. What was the first advance after the failure here?—A. I think the first advance was £180,000.

Q. That was a greater amount than the balance then in their hands?—A. Yes, sir; when I gave them the £180,000, I think the balance was £120,000.

Q. Was that a very judicious way to save a debt of £120,000, by advancing £180,000 more?—A. That depends on the character of the security. I took the responsibility, with the knowledge I had of the facts, of recommending that the Secretary should be as gentle in his dealing with the house as possible, as I believed they were honest people and intended to meet every obligation. When the first securities were given they expected to realize from their assets so as to have gone on and paid up everything in a short time, but such was the depreciation that that was impossible. For instance, railroad iron which cost them £10 to lay it down in the United States, sold, a good deal of it, for £5.

Q. Then the security that the Secretary took was not very good?—A. O, it was good for the amount, I think; I believe that the Secretary will realize every cent. Nobody expected the panic to extend over so long a space of time, and nobody supposed that the failure of Jay Cooke & Co. was so disastrous.

Q. What was this £180,000 advanced, and the £120,000 balance in their hands, used for?—A. For the paying of——

Q. The general liabilities of the house?—A. I presume so.

Q. Then the Navy Department of this country was carrying Jay Cooke, McCulloch & Co.'s indebtedness to all their creditors?—A. Well, to a certain extent they were—that is so; but, as I say, the redeeming feature of it to my mind was that by assisting those people in that way the debt would be ultimately saved, because I believe that had the house been closed up at that time the English creditors would have seized everything; I doubt whether the Government of the United States would have got anything at all, and, as a business operation, I thought it was wise. Whether it was technically legal or proper, I do not know.

Q. Do you know whether there was any authority of law for such use of the public money?—A. That I do not know. My rule for many years has been simply to obey orders, and I have never had any occasion to acquaint myself with the laws in that particular.]

Q. Do you know who all the parties interested in that banking-house were?—A. The partners in England were Hugh McCulloch, Mr. Puleston, and Frank Evans. I do not know all the partners in the United States, but I think the four leading partners in Jay Cooke & Co. were interested in the English house of Jay Cooke, McCulloch & Co.: Mr. Cooke, Mr. Morehead, Mr. Fahnestock, and Mr. French. That is what has been told me. I have no official knowledge of it. I believe that they were partners in the house of Jay Cooke, McCulloch & Co. of London, but Jay Cooke, McCulloch & Co. of London had no interest in the house of Jay Cooke & Co. in this country. I understood that Jay Cooke received about one-half the profits of the house in London; and for the three years that that house was in business they averaged £100,000 a year. It was a remarkably successful business-house. Mr. McCulloch stood high then, as he does now; his troubles have not affected in the least his prestige as an honest, upright man.

Q. How long does it generally take money to reach London from the United States Treasury?—A. There are several ways of remitting. You can remit by cable, or you can remit by bills of exchange drawn at sight, at thirty, or sixty, or ninety days, as the case may be; they go over in about ten days by steamer.

Q. What was the usual method of the transmission of money from the Treasury to London?—A. The usual method has been by bills of exchange, but occasionally I received large remittances by cable.

Q. Direct from the Treasury?—A. I received a note from J. S. Morgan & Co. one day, stating that they wanted to see me. I went to Mr. Morgan's office, and he said he had £100,000 to my credit in his house. I presume it must have been remitted by the house of Drexel, Morgan & Co., of New York, but their authority for sending it I do not know. You may think it strange that I do not know more about these things

but, on the other hand, you must remember that I had nothing to do but to carry out these orders.

Q. Did Mr. Morgan say how long he had had that £100,000?—A. No. I think, however, he only got it a day or two before I heard of it.

Q. Did he say how he came to inform you of it?—A. No, sir; he just sent word that he wanted to see me, and told me that he had that amount of money to my credit.

Q. Had you received any communication from the house in America on the subject?—A. No, sir.

Q. What did you do with that amount of money?—A. I left it in his hands until it was called for, some time afterward.

Q. How long did it remain there?—A. I think it remained there a month or two—long enough to draw nearly £600 interest.

Q. What was done with the interest?—A. The Government was credited with it.

Q. Did you draw and disburse the interest?—A. I have drawn and disbursed the interest, and it is all accounted for in my returns. The interest I have received since I have been abroad has been nearly a thousand pounds. I took most of the money out of the Bank of England and put it with Williams, Deacon & Co., because the Bank of England allows no interest, and the interest I received was from Morgan & Co. and Williams, Deacon & Co.

By Mr. PRATT:

Q. Those two houses are banking-houses, I suppose?—A. Yes, sir. Very rich banking-houses. Morgan was a partner and is the successor of George Peabody, and Williams, Deacon & Co. is a house a hundred years old, probably, standing pretty much in the same grade with the Barings and those old houses.

By the CHAIRMAN:

Q. Where have you kept moneys belonging to the Government?—A. With the Bank of England, with J. S. Morgan, with Morton, Rose & Co., and with Williams, Deacon & Co. Morton, Rose & Co. are the financial agents of the State Department.

By Mr. LEWIS:

Q. Do you say that the first money you received any notice of, as having been transmitted to you, was this £100,000 that Mr. Morgan informed you about?—A. Yes, sir.

Q. State how much money, in all, you got from the Navy Department to help the house of Jay Cooke, McCulloch & Co. to tide over their difficulties in the fall of 1873.—A. The first advance was £180,000, I think. The accounts are all in the Treasury Department, and I wish they could be referred to, because I cannot well fix the dates or names. Then, after that amount, there was a sum which I omitted to mention on my former examination, £40,000 more, making, altogether, about £220,000.

Q. I see that on September 24 there left Paymaster Cutter's hands, to be transmitted to you in London, $483,343.33. You got that?—A. Yes, sir.

Q. And that went to Jay Cooke, McCulloch & Co.?—A. Yes, sir.

Q. September 26 there was sent to you from Cutter $486,666.67. Did you receive that?—A. Whatever is down there I received.

Q. September 27 there was sent to you $48,666.67. You received that?—A. Yes, sir; whatever is down there I received.

Q. Then, on October 4, $300,000 left Paymaster Cutter's hands for you?—A. Well, there may be a little discrepancy there, because in my returns I entered those amounts as received from the bankers through whom I got the money.

Q. Mr. Cutter, of course, bought bills of exchange and sent them to you?—A. Yes; I think he sent most of that money through the Seligmans, but at the same time I got a number of bills of exchange from him. My accounts and his agree, I know, because they have been settled at the Treasury Department.

Q. The total amount that left Cutter's hands for you (less discount, I suppose) would be $1,500,000. Then, on November 12, 1873, there was $235,555.56; on December 6, 1873, $364,444.44. That is all the account shows you received in 1873. Now, all that money that you received up to December 6, 1873, was not placed in the hands of Jay Cooke, McCulloch & Company?—A. No, sir. There was £220,000 given to Jay Cooke, McCulloch & Company, and the balance was used for the payment of drafts drawn upon them as they came along. I paid all the drafts.

By the CHAIRMAN:

Q. On the naval account?—A. Yes, sir.

Q. Well, that was virtually giving the money for their use, was it not?—A. No, sir; that was paying our own drafts.

Q. But the drafts were drawn on Cooke, McCulloch & Co.?—A. Yes, sir.

By Mr. LEWIS:

Q. You turned over £220,000 to Cooke, McCulloch & Co., and the balance of this amount you used to protect drafts drawn upon them by our naval officers?—A. I can-

not follow the sums as you read them off, because that statement is made out in dollars and the money was received by me in pounds, but, as I say, our accounts have been settled at the Treasury Department and found to be correct.

By the CHAIRMAN:

Q. Do I understand you to mean now that this £220,000 turned over to Jay Cooke, McCulloch & Co. was used exclusively by them to carry their general indebtedness, and that you paid the naval drafts out of other funds at the same time?—A. Yes, sir—I do not know that I should say "yes, sir"—the second payment to them, £40,000, was considered, I think, to be of a temporary character, and I believe it was repaid here in the United States.

Q. Well, that loan to Jay Cooke, McCulloch & Co. has turned out to be disastrous, has it not?—A. No; I think the Government will recover every cent of the debt from Jay Cooke, McCulloch & Co.

Q. But the Government has been lying out of that sum of money for three years?—A. Yes, sir.

Q. Do Cooke, McCulloch & Co. pay interest on that money?—A. I think the contract requires them to pay 4 per cent. interest.

Q. Did you make the contract?—A. O, no, sir; I had nothing to do with the contract. I understood that it was a copy of the contract with the Barings. They were allowed to charge 5 per cent., and they paid 4 per cent. on balances, which, I think, is a very unjust system, because these people double their commissions by their discount.

Q. When you received money in London, in the form of drafts or otherwise, belonging to the United States, did you deposit the moneys in bank, or pay them over to Jay Cooke, McCulloch & Co.?—A. I never paid anything to Jay Cooke, McCulloch & Co. except the moneys I have stated, £220,000, and except paying the drafts upon them as they matured.

By Mr. LEWIS:

Q. How did you meet those drafts?—A. After I drew down the amounts deposited with Morgan & Co. and Morton, Rose & Co. I kept my main deposit with Williams, Deacon & Co. When Cooke, McCulloch & Co. accepted a draft drawn by any of our naval people, they always accepted it payable at the banking-house of Williams, Deacon & Co. That is the custom in London; the bankers never pay their own drafts; they always make them payable at some banking-house.

Q. Before the failure of Cooke, McCulloch & Co., they paid them, did they not?—A. No, sir; they paid them always through Williams, Deacon & Co. The Barings or the Rothschilds never pay a draft at their own office.

Q. As soon as you received these remittances outside of the £220,000, you made your deposits with other bankers?—A. The first thing I did when I got those drafts was to have them accepted. The drafts were usually at sixty days, and when they were collected the money would be passed to my credit with Williams, Deacon & Co., and then I would check upon it to pay the drafts.

Q. Those drafts were taken at par, were they?—A. Always taken at par.

Q. Did you receive any money on account of the United States prior to September 25, 1873?—A. No, sir—well, I had a letter of credit.

Q. On September 22, 1873, £205,000 was put into Jay Cooke, McCulloch & Co.'s hands; that is the amount you allude to?—A. That is the amount, I think; but, as I have stated, I cannot recall dates.

Q. If it was necessary to place public funds in your hands after the failure of the American and parent house, why was not this $1,000,000 which was paid over after that failure also placed in your hands? Was that money sent to you to be disbursed at your own discretion, or directed to be placed to the credit of the Government?—A. It was sent to me at my discretion in the first place.

Q. And you took the responsibility of putting it in their hands?—A. O, no; I never took any responsibility of that kind; I only obeyed instructions.

Q. How long did you hold that money before you received orders to turn it over to them?—A. I think, probably, the final payments to make up the £220,000 were completed by the middle of November. There were several occasions on which I made payments, but I think the final payment to make up the amount was made by the time I have stated.

Q. Let me see whether I understand you in regard to that £205,000. Do you say that Jay Cooke, McCulloch & Co. got that money on the 22d of September?—A. No, sir; I cannot say about the dates, but I know they did not get it on the 22d of September.

Q. There was £205,000 that they received from the Government by a draft drawn some time in the summer, but it appears from the statement of the Treasury account of Jay Cooke, McCulloch & Co. that they did not receive the money on that draft until the 22d of September.—A. I do not know anything about that.

Q. But you regarded that draft as so much money in their till or portfolio, and that, less the thirty-seven thouand and odd pounds that they had already used in paying off Government drafts, made about the £170,000 which, as you considered, they owed the Government?—A. Yes, sir; the balance, as I ascertained at the time of the failure, was about from £170,000 to £180,000.

Q. They made a statement to you at the time?—A. Yes, sir.

Q. Is that the way in which they arrived at that balance, or do you know how they arrived at it?—A. I do not know. As I have said, I did not audit the account. I had to take their statement. I went down to their house as a stranger, and I did not examine their accounts, nor go into the condition of their assets, although I saw a telegram from young Mr. Morgan, in New York, to his father, in which he stated that certain assets (railroad-iron) were valuable and worth so much. However, with regard to the character and value of their assets, I did not go into that at all.

Q. If that £205,000 was not paid to them on the 22d of September, could it not have been stopped before it was paid, it being in the hands of Jay Cooke & Co.?—A. I do not know, sir. I understood from Cooke, McCulloch & Co. that there had been a sum of money, perhaps $1,000,000, paid to their partners here in the United States to remit to them, but which never reached their hands, and that had a great influence in inducing me to telegraph to the Secretary to be gentle with them, because they assumed that debt and did not attempt to repudiate it at all, but said, "Although that money has not come into our hands, we are bound for it and will pay it."

Q. Then they intimated that the house in America had swindled them out of $1,000,000?—A. That the American house had received that money to remit it to them, and had never sent it; and one of the partners did use a rather strong expression about it.

Q. Had you personal knowledge on that subject?—A. No, sir; I had very little personal knowledge on that subject.

Q. Was not the actual amount sent to you £205,714 5*s.*?—A. I think the amount in my accounts rendered to the Treasury was about £300,000.

Q. You say that this sum of £205,000 did not reach Cooke, McCulloch & Co. by the 22d of September.—A. O, no; I did not pay them any money so early as that.

Q. In what form did that come?—A. One hundred thousand pounds came by telegraph to Morgan & Co., and another equivalent sum through the Seligmans, and then there was £10,000 by Mr. Green, and then there was a remittance from Mr. Cutter. Altogether, I think, the amount reached £300,000, or perhaps more.

Q. Have you any explanation to make why this money was divided up and remitted by so many different houses?—A. No, sir. It is not customary for the bankers in New York to have these large balances available. One hundred thousand pounds is a large balance, and perhaps Drexel, Morgan & Co. did not have available a larger balance than that, although the house is one of high standing.

Q. Do you recollect the first day you called at Jay Cooke, McCulloch & Co.'s house?—A. I think it was the very day after the panic occurred.

Q. Can you fix the day of the month?—A. I can by that, because I remember having been struck by the announcement of the failure of Jay Cooke & Co.; and although I had no legal right, I thought I would try to see whether our drafts were to be protected or not.

Q. At that time was the security given for this amount of money?—A. That I do not know.

Q. Subsequently, was it not?—A. Yes, sir.

Q. Was Mr. McCulloch in England at the time?—A. No; he arrived in New York on the very day after the failure.

Q. Did you regard it as a safe operation to put $1,000,000 in there in addition to what was in already?—A. I had nothing at all to do with it. I would not have put $1,000,000 nor $1,000 there unless I had security for it. If the Secretary had good security for it, I should say it was a safe operation. The object that was prominent in my mind was to save the entire debt, which I believe would have been jeopardized by crowding the house at that time.

Q. You are not able to say exactly when that sum reached London?—A. I cannot without referring to my accounts rendered to the Treasury Department, but it was a short time. The sums did not come together. Mr. Morgan's was the first, and the balance followed it in a few days.

Q. You are certain that no portion of it was in their hands by the 22d of September?—A. I don't believe there was; I cannot think it possible.

Q. It was in your hands at that time, and prior to that time?—A. Yes, sir; it was in my hands from the time I received it until I paid it over, by order. I have all the vouchers, with the dates.

Q. You could have stopped it then?—A. No; I would not have been at liberty to have stopped it.

Q. But you had time to stop it, and could have stopped it if you had not had contrary instructions?—A. I could not very well take the responsibility of disobeying an order of the Department.

Q. In what form was the instructions given you to pay them $1,000,000?—A. By telegram.

Q. Have you a copy of that?—A. I have, in England.

Q. Would it not have been proper to have brought those things home with you?—A. I did not know there was to be an investigation of this kind, and I set off post-haste.

Q. Were you sent for to come before a committee of Congress?—A. The Secretary sent me a letter from the chairman of the naval committee saying that he thought it was desirable that I should come home.

Q. Had you seen no account in England about the investigation of this subject by this committee?—A. No, sir; I was very glad to get home, and I was afraid that Congress might adjourn, so I jumped into the first steamer I could reach.

Q. Did you come home with the purpose of returning to England?—A. I will have to return and settle up my affairs. All my documents, vouchers, &c., are there. However, it will take me but a very few weeks, because they have appointed new bankers for the Department, the Seligmans.

Q. Were you at the bank of Jay Cooke, McCulloch & Co. on the 22d of September, 1873?—A. I was there every day after the panic.

Q. Don't you think it would have been proper to have made a close examination of their accounts?—A. I do not know that I was exactly qualified to make a close examination into their accounts and of the character of all their assets and vouchers; besides, I think it is usual when what is considered a first-class house draws off a balance-sheet to take it as correct. In England, especially, it is a very serious offense to make a false statement of that kind; and these appeared to be very worthy, honorable gentlemen, as I think they are.

By Mr. PRATT:

Q. Do you know now whether, as a matter of fact, they did make any untrue statement?—A. I do not think they did. I think their assets have shrunk dreadfully.

Q. But nothing has come out to your knowledge which would induce you to think that they misrepresented the state of their affairs?—A. No, sir; I think they are perfectly upright people.

By the CHAIRMAN:

Q. Mr. McCulloch was not there at that time, so, of course, you were not relying upon his character?—A. No, sir, he was not there. He either telegraphed or wrote, when he heard of the trouble, to put his private estate into the assets of the firm.

Q. Was it not a thing to be looked for naturally, a shrinkage in values in this country?—A. I suppose it was, but nobody was prepared for the vast shrinkage that did take place. Take, for instance, the item of railroad-iron, costing £10 a ton, and sold in the United States, with all the charges of freight, interest, commission, storage, and labor upon it, at £5. It was an unheard-of thing. Yet there has been a very great amount of such shrinkage. A very distinguished financial authority told me before I left England, that the shrinkage of English securities held abroad, in three months, was equal to two hundred millions sterling.

Q. You were in telegraphic communication with the Secretary of the Navy at that time?—A. Yes, sir.

Q. Were you aware that on the opening of the business day, September 22, 1873, the Government was indebted to Jay Cooke, McCulloch & Co.?—A. No, sir, I was not.

Q. If you had examined their accounts, or if they had made a correct statement of their accounts, would it not have been made known to you that the Government was indebted to them?—A. No, sir; they were owing the Government.

The CHAIRMAN. I think the Government was owing them.

(The clerk of the committee, at the request of the chairman, gave the sum of £37,758 19*s.* 6*d.* as the amount of the alleged indebtedness of the Government to Jay Cooke, McCulloch & Co., at the date named.)

The WITNESS. I do not know anything about the affairs of Jay Cooke, McCulloch & Co. prior to the time when I had this interview with them.

By Mr. LEWIS:

Q. When they made the statement to you, did they put down this £205,000 as having been paid in to them?—A. The statement was made to me that the balance due the United States was about £170,000 or £180,000, and it was reduced by subsequent payments of drafts down to about £120,000; what took place previous to that interview, I have no knowledge of.

Q. Have you any knowledge at all of that £205,000, or when or how it was paid them?—A. I have not the slightest knowledge of anything except what occurred after the 22d or 23d of September, when I received this money and made those payments myself. What they had got before that I have no idea.

By Mr. PRATT:

Q. I understood you to say that they claimed that there had been some £200,000 paid

to Jay Cooke & Co., for remittance to Jay Cooke, McCulloch & Co.?—A. I understood from them that it had been put into the hands of the American house, and that they in England had not received it.

Q. But, nevertheless, they charged themselves with it?—A. Yes, sir; they assumed that debt.

Q. And that item was charged to them in the statement which they made to you, showing that they owed the Government £180,000?—A. Yes, sir; they regarded that amount as so much cash received by them.

Q. But at this time they claimed that they had not received that money?—A. That they had not received a cent.

Q. Did you learn whether they afterward received it?—A. I think that they never received a dollar of it after that. The Department must realize something from the assets of the estate of Jay Cooke & Co.; I do not know how much.

Q. But this £200,000, or thereabout, that was paid to Jay Cooke & Co., for remittance to Jay Cooke, McCulloch & Co., never reached them, so far as you know?—A. So they told me.

By the CHAIRMAN:

Q. But it all became the basis upon which they estimated their indebtedness to the Government?—A. Yes, sir; I presume that is so.

Q. That was the amount you thought ought to be saved, if possible?—A. Yes, sir.

By Mr. LEWIS:

Q. If the books of the Treasury here show that this £205,000, which you say Jay Cooke & Co. took and converted to their own use, to the prejudice of the house in London, was sent in a bill of exchange to Jay Cooke, McCulloch & Co., indorsed by Jay Cooke & Co., that could not have been possible, could it?—A. It must have been protested; otherwise it would have been paid.

By the CHAIRMAN:

Q. Then, if they did not receive that amount, they were not indebted to the Government for it?—A. Of course, they were responsible for the acts of their representatives.

Q. But suppose it is stated here that that $1,000,000 did not leave the Treasury at all—never was paid out at all?—A. That I do not know anything about.

Q. Were you kept informed of the nature of the transactions of that banking company from day to day?—A. No, sir; not generally. The naval business I watched closely, and I kept a general idea of their business as well as I could. I did not want to be offensive in any way.

Q. Let me see if I understand you. You say that you called on them on the 22d of September?—A. I called on them the day after the failure of Jay Cooke & Co.; it was the very day that I saw it in the papers.

Q. And on that day you had not paid them anything?—A. No, sir; I had nothing to pay them.

Q. But you had received this £205,000?—A. O, no, sir; I had not received a cent of that.

Q. When did you receive that?—A. It was a short time afterward that I received the first £100,000 through Morgan & Co. I think this £205,000 that you have referred to must be another and separate transaction, with which I had nothing at all to do.

Q. What is your opinion as to the ability of the Secretary of the Navy to have stopped this remittance of $1,000,000 by telegram, after ordering this amount for the relief of Jay Cooke, McCulloch & Co.?—A. He had abundance of time to stop it. No doubt about that.

Q. But you know that it was not his purpose to stop it?—A. That I do not know.

Q. Was it not the original purpose to loan them that amount of money to help them through with their general liabilities?—A. I have not the slightest idea of the purpose. I only know what I telegraphed the Secretary, stating the condition of the house as it impressed me, and advising him to be as kind and gentle in dealing with them as he could; that I thought they deserved as gentle treatment as he could give; that they had been unfortunate in this country, but their business on the other side had been kept entirely free from speculation.

Q. Now, if it be a fact that there was not a dollar of stock in the banking-house of Jay Cooke, McCulloch & Co., would they have deserved any kind treatment from the Navy Department?—A. My impression is that that house was established originally with a million dollars capital, and after that they made a good deal of money; but it must have been drawn out by Jay Cooke & Co. here.

Q. On the 22d of September, 1873, the sum of £205,714 and five shillings was passed to the credit of the United States; were you present at the banking-house of Jay Cooke, McCulloch & Co. on that day to know whether that credit was made?—A. I think I was there at that time.

Q. Do you know anything about the credit being given there for that amount?—A. I cannot imagine how that amount should be placed to their credit on that occasion. I do not think I received the first cent myself until after that time.

Q. There seems to be evidence in the statement rendered here by the Treasury Department that they received the money on that day; could this amount have been sent without your knowledge?—A. If they received it from me my vouchers are here to show it—to show the date and the form in which it was paid. Some of the money was paid them by bills and some by checks. My vouchers will show. I cannot speak as to the date.

Q. It may be that they did not receive this amount from you; have you any knowledge of their receiving it from other sources?—A. I have not any knowledge of their receiving a cent except what I paid them.

Q. Do you think they did not?—A. I should say not. I have not the slightest knowledge of their receiving a cent except what I paid them.

Q. I do not know that you have stated the day on which you gave them the first payment.—A. I cannot state it here positively, but my accounts will show. Every time I paid them money I took their vouchers, which are up at the Treasury.

Q. What is your best recollection as to the date of the first payment?—A. I think probably the first payment was not until the 1st of October, because they paid Navy drafts some time after the failure, and reduced the amount of their indebtedness to £120,000. It strikes me that this £205,000 you speak of must be the money which they say they never received, although they are responsible for it. I do not know anything about it, but I think that sum must embrace the $1,000,000 which they say was intended for them but never received.

Q. When was this amount that you paid them transferred from the Treasury Department?—A. That I don't know. It was sent to me through the bankers.

Q. Do you know that on the 22d September, 1873, Jay Cooke, McCulloch & Co. had telegraphed Jay Cooke & Co., after the latter's suspension, to draw on them for funds to meet their obligations?—A. No, sir; and I should doubt it, because Jay Cooke & Co. had already depleted them—drawn out everything that they could.

Q. Could Jay Cooke, McCulloch & Co. have continued business after the failure of the American parent house, if the Government money had been withdrawn?—A. No, sir; I think the withdrawal of that account would have shut them up—forced them into bankruptcy *instanter*.

Q. Why was not the agency transferred when these complications of that house commenced?—A. That I do not know. My impression is that it was kept there as a kind of additional security—as a spur to induce them to meet their obligations to the Department. I think I understood that that was one inducement held out to them, that if they would meet their obligations the account would probably be continued with them. In my own intercourse with them I stated it as my belief that if they would reduce the amount of their indebtedness to the Department as rapidly as possible, the account would probably be kept with them; but otherwise, so far as I knew, the Government must take the account away.

Q. Has the account been taken away?—A. Just before I left I paid a draft of £2,000, coming through Jay Cooke, McCulloch & Co., from a paymaster in some remote part of the world, who had not heard of the change. I had been paying all the drafts until I left; but I presume, now that the Seligmans have been appointed, the account will be regularly transferred to them. Up to the time of my departure, the business was all done through me. I paid all the drafts upon the Seligmans as well as upon Jay Cooke, McCulloch & Co.

Q. You have had no deposits with Jay Cooke, McCulloch & Co. since what time?—A. Not since the failure.

Q. Did any sums of money belonging to the United States pass through your hands or under your control while you were absent from the United States other than those used to meet the drafts of paymasters?—A. No, sir, except one sum of £3,000 for the Post-Office Department. I took up a draft of the Post-Office Department, under the general direction of the Secretary of the Navy to protect the financial interests of the United States abroad. It was a draft remitted, I think, from the house of Cooke & Co., bankers here.

Q. Has interest been paid on all sums of money belonging to the Government while under your control?—A. Only two parties have paid interest, Morgan & Co. and Williams, Deacon & Co. The Bank of England does not pay any interest; and if Morton, Rose & Co. pay interest, I do not know anything about it; they allowed me no interest in the settlement of the account.

Q. To whom was the interest paid by those parties who did pay interest—to you?—A. Yes, sir.

Q. Do you know what the aggregate amount of it is?—A. I think it is nearly £1,000.

Q. You have accounted for it in the settlement of your accounts?—A. Yes, sir.

Q. Has any one that you know of been benefited by those deposits in the way of

interest or otherwise?—A. Nobody except the parties who had the money on which they allowed the interest. Mr. Morgan allowed me 4 per cent. while the money was in his hands, and Williams, Deacon & Co. 3 per cent. The deposit with them was made a little later. The London bankers usually pay 1 per cent. less than the Bank of England rate of discount.

Q. How is that interest paid—on monthly balances?—A. At no stated time; usually when the account is closed.

Q. You have realized no interest personally out of this matter?—A. Not the slightest, sir.

Q. Have you had a son with you in Europe?—A. My son was with me a short time.

Q. Was he in any business?—A. No, sir; he was in the Marine Corps. He came out to be of some service to me; my sight has been very poor for some time, and the Secretary sent him out to me, and he staid a short time.

Q. You remained in England most of the time, did you not?—A. Yes, sir; all the time.

Q. And he with you?—A. Yes, sir, while he was there.

Q. He returned before you did?—A. Yes, sir; he came home last July or August.

Q. Have you had any other relation with you in Europe?—A. My wife has been out there.

Q. Any male relative?—A. My eldest son is coming and going. He is on board of one of the White Star steamships.

Q. He does not reside in Europe?—A. No, sir; at one time he resided for a very short period at Rome.

Q. Neither of your sons has ever had any use of the public money while in Europe?—A. Nobody has any use of the public moneys intrusted to me, sir.

Q. Have you any knowledge or intimation that any parties other than the bankers ever profited by the use of that money after it left the Treasury Department until it was disbursed in Europe?—A. I have not the slightest knowledge. That which came into my hands and went out, it is very easy to account for. I don't see how anybody could have knowledge or any benefit of it except the bankers who had the money and allowed the interest.

Q. Who was pay-director or fleet-paymaster of the European squadron while you were in London?—A. Pay-Inspector Gilman first, and then Paymaster Murray.

Q. What are his duties?—A. The duties of the fleet-paymaster—besides the ordinary duties of the paymaster of a ship—are to supervise the general working of the pay-officers in the squadron, to see that they keep up to their duty, and to furnish them with funds.

Q. Is he on shore?—A. No, sir, he is attached to the Admiral's ship.

Q. In what respect do his duties differ from those you have been performing over there?—A. The paymaster of the ship attends also to the commissariat. He has charge of the provisions and clothing, and buying everything that is wanted for the ship.

Q. What have been the distinct duties that you have performed during your absence abroad?—A. Simply to receive the money and pay the Navy drafts as they became due.

Q. Could not that have been done by the other officers mentioned by you?—A. No, sir. It required a person permanently resident in London; daily presence was required.

By Mr. LEWIS:

Q. Could it not have been done by the fiscal agents of the Government, as it has always been?—A. I suppose that for the time being I was the fiscal agent of the Government [Department] there.

Q. You drew your salary as paymaster-general all the time?—A. Yes, sir.

By the CHAIRMAN:

Q. Did you draw any additional salary?—A. I did not.

Q. What have been your additional allowances?—A. I have not had any allowances yet. I presume the Secretary will make me some allowance. I was taken away suddenly from my home, family, and interests; I have had a divided establishment; and, altogether, it has been rather an unfortunate move for me.

Q. Do not the disbursing-officers of vessels, when those vessels go into commission, before they leave the United States, make requisitions for their allowance of money?—A. Yes, sir; but, going on foreign stations, they usually do not require any more than what is necessary for disbursement before leaving, because paper currency does not go very well abroad.

Q. Then how do they do after they go abroad?—A. They draw bills for whatever amounts they may want. Their instructions are to draw bills either upon our agents in London or upon the Navy Department direct, as it can be done to the best advantage. Sometimes you meet abroad people who want to remit money directly to the

United States, who will give you as much for a bill on New York as you could sell it for in London, and that saves the commission; but, as a general rule, bills abroad are better placed directly on London than anywhere else.

Q. State whether or not disbursing-officers do not accompany their requisitions on the Department with vouchers or abstracts of the same, showing for what purpose they need said money.—A. No, sir, that has not been the custom. They draw their drafts; they then advise the Secretary by a printed form: "Sir: I have this day drawn upon our agents in London for such an amount, to the order of such a commanding officer, under such an appropriation." Their vouchers are sent every quarter to the Fourth Auditor of the Treasury, and until I went into the bureau there had been rather a loose system of settling the accounts; they were not settled quarterly at all. That system was liable to great abuse, and when I went into the bureau I had an order issued that the accounts should be settled quarterly, so that every man's status should be known every ninety days.

Q. Did not our Cuban troubles come on about the time of the failure of Jay Cooke & Co.?—A. Soon after that.

Q. Was or was not the European squadron sent home?—A. Yes, sir.

Q. Requiring less money, therefore?—A. Yes, sir.

Q. Were there any less remittances on that account?—A. Yes, sir, very much less. We only kept out two ships.

Q. Do you say the remittances were much less, including the amounts loaned to Jay Cooke, McCulloch & Co.?—A. There was much less drawn for the use of the squadron than when they were all out there.

Adjourned.

WASHINGTON, D. C., *July* 14, 1876.

JOHN O. BRADFORD recalled.

By the CHAIRMAN:

Question. The books of the Treasury Department show that on the very day when you telegraphed the Secretary that you, by request of the House, were there constantly, and that all the books and current transactions were open to you, £205,714 5*s*. were passed on those books to the credit of the United States, and this amount being so passed to them is what makes them appear as debtors to the Government on that day. Did you not, from the books or current transactions or exhibits made to you, become aware of this apparent reversal of Jay Cooke, McCulloch & Co.'s relations to the United States?—Answer. No, sir; I only ascertained or learned that the balance due the United States at that time was about £175,000 or £180,000.

Q. Now, by deducting £37,000 from this amount of £205,714 5*s*., will that about make up the amount you state?—A. Yes; it will. I do not know personally about it, but I think that that £205,000 is the $1,000,000 which I see the house assumed as having been paid to their agents here, but for which they never received a cent. I think that is the amount. I cannot account for it in any other way. They acknowledged that they were bound to the Navy Department for the debt, although they did not receive a dollar of it.

Q. How can that occur when $60,000 was remitted to them by draft?—A. That I do not know, because I did not know anything at all about their transactions.

Q. Do you know that when Jay Cooke & Co. failed, Jay Cooke, McCulloch & Co. did not appear on the Treasury books indebted to the Government in anything whatever?—A. No, sir; on the contrary, the statement to me was that they owed about £180,000.

Q. But that was subsequent to the date of their failure?—A. Well, I think only within a day or two. I think it was almost immediately following.

Q. Have you in any way whatever any knowledge as to how this money which you were kept at London to protect came to get into Jay Cooke, McCulloch & Co.'s hands after the failure of Jay Cooke & Co.?

The WITNESS. Do you mean these £205,000?

The CHAIRMAN. Yes.

A. Not the slightest; on the contrary, I do not believe they ever received a cent of it.

The CHAIRMAN. We only know by the accounts rendered by the Department that to all intents and purposes they received it.

The WITNESS. They received it as being responsible for moneys paid to their agents in the United States, but in fact they never received a dollar of it, I am sure.

The CHAIRMAN. Let me refresh your recollection by reading a telegram:

"WASHINGTON, *September* 22, 1873

"To SECRETARY OF NAVY,

"*Fifth Avenue Hotel, New York:*

"Just received from London that yours received and fully understood. Earnestly at work to carry out your views. By request of house am there constantly. All the books and daily transactions open to me. They are preparing perfect balance-sheets so as to enable them to make arrangements to meet your views. If assets are as reported, and I believe they are, will show surplus outside of private estate of resident partners. Business continues as usual, and public sentiment shows confidence in house. Hope to-morrow to cable you something definite and satisfactory. The house will cable to-morrow through their bankers to all parts that Navy drafts will be promptly met.

"BRADFORD."

Did you examine their books thoroughly?—A. I did not audit them. I looked over them to satisfy myself. The fact is, however, that I cannot very well audit books; my sight is not very good; but in England it is a thing that a person dare not do, to make a false exhibit of their books. It is a very serious offense.

Q. From your knowledge of the manner of keeping accounts in the Navy Department, should it not have been known in the Navy Department exactly how the account stood on those books, or nearly so?—A. I should think so.

Q. Ought it not to have been known on the day of the suspension here whether the Government was indebted to that house, or that house indebted to the Government?—A. I should think so. That is, in this way: A large amount of drafts might come in, which would change the face of the account. I have paid there in one month £75,000 or £80,000, and such a sum as that might change the face of the account, and throw the balance from one side to the other.

By Mr. PRATT:

Q. How often did the house of Jay Cooke, McCulloch & Co., of London, report the state of their account to the Navy Department?—A. I believe every three months they forwarded their accounts completely made up for settlement.

Q. Do you know how long before the 18th of September, 1873, that house had reported the state of its accounts?—A. They had undoubtedly sent on their quarterly accounts ending 30th of June.

Q. Their accounts are kept by the fiscal year, are they?—A. Yes, I think so. In all our Navy accounts we keep them quarterly. January, February, and March constitute one quarter; April, May, and June another. I think, therefore, that the house must have sent on by that time their accounts for the quarter ending 30th June. I do not know it to be so, but I presume it.

Q. The next quarter would end on the 1st of October?—A. Yes.

Q. That being the case, then, will you now state whether it is likely that the Navy Department here had any precise knowledge of the state of the account of Jay Cooke, McCulloch & Co.?—A. I do not know that they had, and I do not think that they had.

Q. Only a quarter had elapsed since their previous account had been rendered?—A. Yes; unless they were advised by the house specially. If the house had run out of funds, or was about to run out, they would advise them, but they might advance without that. The Barings very frequently advance largely. They prefer being in advance, because they charge a better rate of interest than they could get outside. Some years ago there was, under the administration of Mr. Preston as Secretary of the Navy, a large number of pay officers who were reported as defaulters to the Government, and some of them in large amounts. The truth is that they were not defaulters at all. Mr. Preston had taken up all the amounts charged them on the books, but the amount which they had paid out had not yet been brought forward to their credit, and therefore they appeared at the Department as defaulters, when there was no default at all.

Q. Do you know whether the Navy Department observed any regularity in sending remittances to Jay Cooke, McCulloch & Co.?—A. From what I saw in the statement I should judge that the Secretary had some regular times for sending remittances. I do not know the dates, but I think he made usually regular remittances to them.

Q. At some regular periods?—A. Yes.

Q. Are you able to state about how frequently those regular periods occurred?—A. No, sir, I cannot; because there was no regularity observed with myself after I went there.

By the CHAIRMAN:

Q. You do not know how Jay Cooke, McCulloch & Co. became indebted after the failure, otherwise than what you say about that £205,000?—A. No, sir.

Q. Which you think they never received?—A. Which they told me they had not received.

Q. But they assumed the debt, nevertheless, as it was put into the hands of their agents?—A. That is one reason why I felt a great deal of sympathy for those people.

I thought that they had acted in a manly way about it—to assume $1,000,000, when they did not receive a cent of it; to be sure, they had to do it.

Q. Was the draft of $1,000,000, paid July 7, 1873, not credited to the United States until September 22?—A. I suppose it was not due. It would probably have been a 60-day bill. I do not know anything at all about it, however.

Q. If you had examined the books you would have known about it, but you say you did not do that?—A. I did not examine the books to audit them, or to ascertain every detail of the resources of the bank.

Q. Would it not have been a proper precaution to have made a thorough examination of those books, to ascertain exactly how the amount stood, before such large amounts were advanced to a house, the parent bank of which had gone into bankruptcy?—A. Yes; but I believe, as I understood, the Navy Department had got abundant security for all the money they advanced; but, as I have told you, I do not know anything about it personally.

Q. Was it proper for this bank of Jay Cooke, McCulloch & Co. to assume that $1,000,000 which they never received?—A. O, yes; because it was paid into the hands of their agents here, who were authorized to receive it for them. I only state what I believe to be the facts of the case.

Q. The way I understand it is this: the Navy Department has business relations with Jay Cooke, McCulloch & Co.; they are the fiscal agents of that Department, and they are bankers and the depositories of the Navy fund in England?—A. Yes.

The CHAIRMAN. The witness states that he went to the bank on the 19th; now, if he had investigated on that day, he would have found that the Government was owing £37,000 to Jay Cooke, McCulloch & Co., and if they had not paid in a dollar there, then the Government would not have lost a dollar; but, four days after the suspension of this bank, there came to them $1,000,000, and then assumed that they must invest $1,000,000 or so more in order to save a $1,000,000 that had not been put in at all. The witness having been the representative of the Government in England, and the object of his stay there being to protect the interests of the Government, what I want to know is, why three days after he made the first visit to the bank, and after the suspension of the bank here, $1,000,000 was placed in that institution.

Mr. PRATT. Bear in mind that the witness states that the first visit he made to the bank was made on his own responsibility, without being directed by the Government to do so, or having authority from the Government to make any visit or examination.

The WITNESS. You are right. I told them distinctly that I had no official authority, but as the Paymaster-General of the Navy I came down to see what was about the condition of their drafts.

Q. Had you heard of the suspension there?—A. I heard of the suspension of Jay Cooke & Co.—I do not remember the day, but it was the day that it appeared in the London Times.

By Mr. PRATT:

Q. Have you testified at any time that it was on the 19th of September?—A. No, sir.

The CHAIRMAN. It was my recollection that your first visit was on the 19th, and that you made another on the 22d.

The WITNESS. No, sir.

Q. But you did visit the bank on the 22d, after you had heard of the suspension?—A. Yes; my first visit to the bank was entirely unofficial, just to ascertain what would become of our drafts, and if there was any danger of their being protested, because if there was, I would have to telegraph to the Secretary to have them looked after, and I would have to arrange with some American bankers in London to take them up, and I had nothing more to do until I got the Secretary's telegram.

Q. Do you recollect the date on which you got them?—A. I do not, but I have the telegram.

Q. You went to the bank after that?—A. Yes.

Q. Do you recollect that it was on the 22d?—A. I do not know what the day was.

The CHAIRMAN. I believe that is confirmed by your telegram.

The WITNESS. I forget the date, but whatever the telegram states is correct, of course.

Q. Admitting that this million dollars was received—I believe it was received without any agency of yours—that was given credit for on the 22d of September, 1873?—A. Yes.

Q. Had that been deducted from the amount deposited in that bank, it would have left a balance which the Government would have been owing to the bank?—A. Yes; according to the statement I have made here, about $37,000, and yet I do not know personally anything about it.

Q. You say that the books of the bank showed that they owed the Government about £180,000?—A. Yes.

Q. And that they had charged themselves with a million dollars. Of course if you

deduct the million dollars from £180,000, it would show a balance the other way?—A. Yes; that is the state of the case; but when the first question was put to me about this $205,000, I really had no idea when it was paid. I thought it had been paid some time before that. If it had been remitted in a 60-day bill, the probability was that the bill had not matured, and they were not bound to take it up until it matured.

Q. And you do not recollect anything about the date at which it was transmitted?—A. No; I do not.

Q. Do you know what Jay Cooke & Co. did with that one million dollars which you say they appropriated?—A. I have not the slightest knowledge.

Q. You think it was used on this side?—A. I am sure it must have been, because they assured me in London that they never received it on that side.

Q. When did they begin to pay back that million that had been received by Jay Cooke & Co. from here and not transmitted?—A. They were paying drafts as they came in until they had reduced their debt to about £120,000, I think.

Q. Do you know how much of it is still due?—A. I really do not know, but I think I understood there was about $400,000 due.

Q. Have you learned from any source how this million dollars that they had charged themselves with, got into the possession of Jay Cooke & Co. on this side?—A. I presume that a Treasury draft was sent to Jay Cooke & Co. I think the usual way is for the Department to send a draft to New York, when they want to make a remittance to London, and I think this was sent to Jay Cooke & Co. in New York, in their favor, to transmit to Jay Cooke, McCulloch & Co. in London. That would be the normal way of doing the thing.

Q. Do you know of any record of that transaction?—A. I do not, sir; because, besides being the recognized agents, the partners in New York were partners of the house in London.

Q. Do you know whether the Government had transmitted money to Jay Cooke & Co.?—A. I do not know it, but I have no doubt of it. I do not know it personally, but I have no doubt they remitted large sums in that way.

Q. Did you ever call the attention of the Secretary of the Navy or of the Secretary of the Treasury to the fact that the London house claimed that they never received this million dollars?—A. I think I did mention it to the Secretary of the Navy; I am sure I did. My correspondence was altogether with him on the subject.

Q. Do you remember whether he ever made any statement or reply?—A. No; I do not.

Q. Do you remember whether he ever took any steps to ascertain what had become of that money?—A. I do not. He took steps to secure the debt by getting security.

Q. Did you say that at one time, about the 22d or 23d, there was a heavy run on the bank of Jay Cooke, McCulloch & Co.?—A. There was quite a run on it; yes.

Q. Did that affect their credit at all?—A. I do not think it did; no. They met all their obligations.

Q. During the time of this run, were they receiving deposits?—A. I very much doubt whether they were receiving any deposits during the run upon them, but they met the run very promptly.

Q. You state in your dispatch of the 22d that the credit of the house was good, and confidence in it was good.—A. Yes; I do not think the house has lost credit.

Q. But was that the case when the run was being made; could those two things happen at one time?—A. Well, there was rather a panic among depositors, but I do not think any of the regular old banking establishments that had knowledge of the business of Jay Cooke, McCulloch & Co. were alarmed. I think the general impression was that the whole thing would be fixed up within six months. Nobody thought that the failure of Jay Cooke & Co. would be so disastrous. I am sure I did not think so myself. I thought that in a few months everything would be all square.

Q. I asked you those questions that you might reconcile the discrepancy in the two statements—your statement in the dispatch, and your statement, made a day or two ago, that there was a run on the bank, and yet that there was public confidence shown in the house. I do not see how that could be.—A. I have explained that bankers like, for instance, Williams, Deacon & Co., still had confidence in the house.

Q. The run was, then, not by banks, but by depositors?—A. Yes.

By the CHAIRMAN:

Q. And it was induced by the news of the failure of the house here?—A. By the news of the failure of the house of Jay Cooke & Co.—yes; because the show of assets which the house made at that time was very satisfactory, indeed; and it was in consequence of a very great shrinkage after that that they became involved.

Q. If you did not make any minute investigation or examination into their actual condition, your dispatch was calculated to mislead, was it not?—A. No, sir; I gave him what I conceived to be the substantial facts. It would take a good while to take off the accounts of the bank. I took the balances and statements as presented to me and examined those; and as I have told you, in England, especially in London, these

statements are bound to be very correct, because it is a very grave crime to make any false statements of that kind.

Q. The trouble being entirely on this side, the question is how they could be held amenable?—A. If they made a false statement there of that kind, they would be very severely punished.

Q. There is a term used in the naval account of which I wish an explanation: "Transferred for disbursement;" what does that mean?—A. That I cannot tell unless I should see the account and its connections, and even then perhaps I might not be able to tell. Was it an account in the Treasury here?

The CHAIRMAN. Yes; but not as coming from you. I thought you might understand this term.

The WITNESS. I do not, without seeing the papers.

Q. Did Jay Cooke, McCulloch & Co. always pay interest on the balances in their hands?—A. I understood that they were to pay interest at the rate of 4 per cent. and charge interest at the rate of 5 per cent. I understood that that was the way the Barings did; as I understood it, the contract was simply transportation from one to the other.

Q. If they did not handle the money, how could that happen? I understand that the money was not actually with them, but that other bankers had it. Theoretically the money was transferred to them, but it was really handled by other people?—A. That is because all these business houses in London do not receive any money or pay any money themselves except very trifling sums. They keep all their deposits with bankers, such as the Rothschilds, Barings, Morgans, &c. They do not keep any money in their own offices at all.

Q. Then there would be two payments of such on the same amount?—A. O, no.

Q. I suppose the bank, having the actual cash, would pay interest to somebody, and Jay Cooke, McCulloch & Co. would pay interest without handling the money?—A. If Jay Cooke, McCulloch & Co. paid interest on this money, they must have used it in some way.

Q. Did they receive any naval fund after September 22, 1873, in any other way than from you?—A. No, sir; not to my knowledge. I do not think they did receive a cent.

Q. Why were £210,000 remitted to you September 25 and 27, when the money was not to be paid over to Jay Cooke, McCulloch & Co. until October 20 or November 1?—A. That was remitted with the instructions to me to look out for the public interests. I suppose the Secretary might have thought that it might be that there was some danger of Jay Cooke, McCulloch & Co. failing, and they would want funds there to meet the drafts coming forward; but they were not used. I kept them in bank for some time, until nearly £1,000 of interest had become due.

Q. During the first quarter of the fiscal year 1874, why did Jay Cooke, McCulloch & Co. pay into your hands over £40,000, while in the same time you transferred to them over £150,000?—A. I stated to you the other day, I think, in my testimony, that the first payment I made to Jay Cooke, McCulloch & Co. was £180,000 and the second £40,000, making in all £220,000; only I understood it was to be for a temporary purpose and to be repaid.

Q. What was the necessity of that temporary purpose?—A. I do not know.

Q. You did that under orders?—A. Yes; I did everything under orders. I did nothing on my own responsibility.

Q. By order of the Secretary of the Navy?—A. Yes.

By Mr. PRATT:

Q. Was it subsequently repaid?—A. The £40,000 was repaid. I regret that that point escaped me in giving my testimony before the Naval Committee. I did not bring in that £40,000, and only mentioned the original amount of £180,000. I forgot the other.

By the CHAIRMAN:

Q. Has any part of the money given to you to be disbursed been placed by you at any time with the firm of Jay Cooke, McCulloch & Co., or their successors, as a deposit?—A. Not a cent.

Q. How did it get into their hands, if not as a deposit?—A. Only when I paid drafts that were drawn upon them.

Q. You did not consider that in your hands, surely; the drafts came to them?—A. Yes; I always took their vouchers for the money I paid them. They paid the drafts, and I took their vouchers for the amount paid.

Q. How much did you pay into their hands by the direction of the Secretary?

The WITNESS. You mean besides the drafts?

The CHAIRMAN. Yes.

A. I paid about £220,000—that is, £180,000 and £40,000.

By Mr. PRATT:

Q. And the £40,000 was subsequently repaid?—A. Yes.

By the CHAIRMAN:

Q. Was the money received by you from Pay-Director George F. Cutter, September 25, 1873, transmitted by telegraph or draft?—A. I think Cutter's remittances were by bills of exchange.

Q. Are you certain of that?—A. I feel quite sure of it. I think that I had but two remittances by cable. There may have been three, one from Morgan, one from Seligman, and one from Edward H. Green.

Q. Why were £210,000 left in your hands from September 25 to November 1, and £110,000, or parts thereof, to November 30?—A. I was not called upon to pay. The first payment I made was £180,000 to Jay Cooke, McCulloch & Co., and in the mean time I simply disbursed the money for the drafts as they came back, and left the money in the hands of the bankers at interest—with Morgan & Co., and Williams, Deacon & Co. The Secretary gave me that kind of discretion. He said, "Keep it in the Bank of England, or some equally safe place;" but I considered that as they would pay nothing for it, I would not leave such a large amount idle.

Q. How much did you pay?—A. I paid out £220,000 to Jay Cooke, McCulloch & Co.

Q. By way of taking up drafts?—A. No, sir; that was independent; besides taking up drafts when they became due.

Q. About what date was that?—A. The drafts were becoming due all the time.

Q. What did they do with that money?

The WITNESS. The £220,000?

The CHAIRMAN. Yes.

A. That I do not know. I suppose they used it in their business.

Q. Then there was about £127,000 remaining; what did they do with that?—A. I paid drafts with that.

Q. The Navy drafts?—A. As they became due; and in the mean time I had a deposit with Morton, Rose & Co. I think I deposited £40,000 with them, and that I drew it as I wanted it.

Q. Was that amount paid in to Jay Cooke, McCulloch & Co. of £220,000 paid all at once?—A. No. One hundred and eighty thousand pounds, I think, was paid at first, and the £40,000 was a subsequent payment.

Q. That is the amount that you said was the last sum paid?—A. Yes.

Q. What length of time elapsed between the two payments, the payment of the £180,000 and the payment of the £40,000?—A. I think they were all paid in the fourth quarter of 1873.

Q. What was the latest date that you say you paid any of this money?—A. My impression is that it was paid in the last quarter of 1873.

Q. That would be somewhere along in November or December?—A. Yes.

Q. And you paid nothing into their hands since?—A. No, sir.

Q. Then how does your account with the Department come to charge the Government with £120,000 in precisely similar entries, at different dates, between the 8th and 30th of November inclusive?—A. My account was made up to the 31st of December, and if there are any amounts of that charged, they are for drafts which I paid, because I had no other expenditures except the amount paid to Jay Cooke, McCulloch & Co. and the amounts of drafts. My own accounts were rendered every month, and my vouchers I sent on every week.

Q. To the Treasury?—A. To the Navy Department. My draft accounts were sent on every month and my vouchers weekly.

Q. Did the money wherewith you met drafts at Williams, Deacon & Co.'s ever actually go into the possession of Jay Cooke, McCulloch & Co.?—A. Not until they got my check.

Q. Then why does it appear on the Treasury books as transferred for disbursement to the latter firm?

The WITNESS. Transferred to Jay Cooke, McCulloch & Co.?

The CHAIRMAN. I think that is the way it is stated on the Treasury account.

A. It cannot be. The thing is very simple. When I would get money I would put it into the hands of Williams, Deacon & Co. When I met a draft, I would take the receipt of Jay Cooke, McCulloch & Co. in this form: "Received from Paymaster-General John O. Bradford, in accordance with the instructions of the Secretary of the Navy, the sum of so many pounds, to pay a draft drawn by so and so." When they would give me that document, I would give them a check upon Williams, Deacon & Co. for the amount. That was the only way that any transfers ever took place between us.

Q. Have Jay Cooke, McCulloch & Co. made any repayments to you of sums paid over by you to them, or have they simply allowed the amount in their hands to diminish by meeting drafts?—A. No, sir; they never allowed the amount to diminish by meeting drafts, and the only sum paid back is, as I have told you, this £40,000, though that was all paid in America, not to me at all.

By Mr. PRATT:

Q. They did not allow the sum of money in their hands to diminish by paying drafts?—A. Not after the £180,000 was paid to them.

By the CHAIRMAN:

Q. No amount of that was used in paying drafts?—A. No. The original indebtedness, as I have ascertained, was £180,000; then they paid drafts enough to reduce that down to £120,000, and after that the £180,000 was given to them; after which they paid no drafts except upon money received by me.

Q. Did you not pay a draft on them just before you left?—A. Yes. Some out-of-the-way paymaster had not heard of the change and drew a draft, I think, for about £2,000 just before I left.

Q. Why did they not pay it, as they were indebted to the Government?—A. They were not paying at all then; that is, they were in liquidation. The house of Jay Cooke, McCulloch & Co. was doing no current business.

Q. When was that last payment made by you?—A. A very few days before I came away.

Q. How long has that been?—A. I left on the 8th of June, 1876.

Q. Are they not re-establishing business now and were they not then?—A. No; the house of McCulloch & Co. is a new organization now. Mr. McCulloch, Mr. Puleston, Mr. Frank Evans, of the original house, are members and partners of the present house; but it is a re-organization, with a new gentleman named Melville, who put in £50,000.

Q. Did you perform any duties in London besides the payment of paymasters' drafts?—A. No, sir; looking after the interests of Government; anything I was called upon to do.

Q. Were you detained there on that business all the time you have been there?—A. Entirely. It was necessary to have somebody there, I presume, and as I happened to be there at the opening, the Secretary kept me there. He perhaps thought that on account of my position as Paymaster-General I would do better in London than any one else.

Q. Could not arrangement have been made with the Barings or some other good house to do just what you were doing?—A. There is no doubt about that. But I think that the object of the Secretary, certainly what I thought was his object or was a great thing, was to secure this debt.

Q. The Jay Cooke, McCulloch & Co. debt?—A. Yes; to aid the house in that way and keep the account with them, because if the account had been taken away from them, perhaps in their troubles it would have militated against them. I think the great consideration was to secure the debt, at least it was so with me.

Q. Why were two different modes of transmittal of money to you employed in 1874 and 1875, a part being remitted to you through Mr. Cutter and a part in bills of exchange?—A. That I do not know. There were three several modes. They remitted by cable or by bills.

Q. Do you know why the transmittals through Mr. Cutter were finally abandoned?—A. I do not. I really have no knowledge of the reason or cause of anything that happened on this side.

Q. What is the strength of the European squadron?—A. The European squadron is a very small part of the force that is to be paid from Europe—from London, for instance;—nearly all our ships abroad on the Atlantic coast are paid by drafts on London.

Q. The Pacific squadron and Asiatic squadron as well?—A. The North Pacific squadron when at San Francisco get their funds there, and when they cruise down the coast they get their pay by bills on London, as does the Asiatic and Brazil squadron, and even the squadron at home here when they are out in the West India Islands or at any foreign port are paid by bills on London. It is unfortunate that it is so, and I wish we could change it.

Q. Is it not a very costly mode?—A. It is costly; but if you draw bills on the United States you will have to pay more for them, because bills on the United States are not so current in foreign places as are bills on London. London is the great banking-house of the world.

Q. Suppose drafts were drawn on the Treasurer of the United States, would they not be as good as any drafts in?—A. No, sir; not to negotiate abroad. They would be just as good as and valuable, but such is the custom and demand for money on London that you can always sell drafts on London better than drafts on any other place. The amount of wealth there is colossal. The single house of Rothschilds could pay the national debt of the United States.

Q. When you have paid out more money than you have received from the Government, whence do you obtain the additional funds; do you overdraw on those banks?—A. We very frequently overdraw; yes, sir. There is no better credit in the world than that of an authenticated officer of the United States Government. I could have drawn millions of pounds in London if I had needed it.

Q. When you drew a bill to meet a particular draft, and you could do so at any time, why did you draw for considerably more money than the draft called for?—A. I very rarely did that. I kept a very small balance in hand, except when moneys were remitted to me. Sometimes remittances would be quite large to me.

Q. They came without any suggestions from you?—A. Yes. But my own balances from which I had to draw were kept down very close. It has been a rule with me all through my professional life to keep as little money as possible with me.

Q. Did you not often draw for money some time before it was needful to be used?—A. No, sir. I may say not at all; sometimes I would have drafts perhaps for £15,000 or £20,000 to be paid, and I might draw for £20,000 or £30,000 more; but my general account shows that I kept my balance down very close indeed. I always like to keep a little balance in the Bank of England and a little with Williams, Deacon & Co.; and unless there was some very particular reason, I did not like to overdraw.

Q. How did Seligman Brothers come to pay £20,000 into your hands on the 21st of February, 1876?—A. I drew for that sum.

Q. They are New York bankers?—A. Yes. I drew for that sum in several bills, to be used as required.

Q. Why were $450,000 remitted to Seligman in August, 1875, when you were acting as agent for the Department at London?—A. I do not know, sir.

Q. Did you know that that was a fact?—A. No, sir.

(Mr. PRATT objected to evidence of this character as outside the purview of the committee and exclusively within the jurisdiction of the Committee on Naval Expenditures.)

Q. Can you state what that $450,000 was applied to?—A. I presume it was applied to meeting the drafts which I met.

Q. It was not in any way connected with the matters of the house of Jay Cooke & Co.?—A. No, sir. Simply for the use of the naval disbursements, and nothing else.

Q. Did any of that sum pass into your hands?—A. No, sir; I think that that was to re-imburse them for drafts which I had drawn through them.

Q. Through whom?—A. The Seligmans.

Q. What is the amount of your official bond?—A. Twenty-five thousand dollars.

Q. Do you know the amount of bond given by Jay Cooke, McCulloch & Co.?—A. I do not know. It was understood to be $100,000.

Q. Do you know the amount of bond given by Baring Brothers & Co.?—A. I do not know. I understood $30,000.

Q. Did you give any additional bond when you went over there?—A. No, sir.

Q. Was Alexander G. Cattell or his brother a debtor or creditor of Jay Cooke, McCulloch & Co. at any time, do you know?—A. I have no knowledge of that whatever. My going over there was entirely accidental. I was not sent over for anything of that kind. I was on my way home when this failure of the house of Jay Cooke & Co. took place.

Q. What time commonly passed between the making of a requisition by a purchasing paymaster and the actual receipt of the cash by the party to whom it is due?—A. Ordinarily it ought not to exceed, when things are in proper order, eight or ten days, but sometimes it hangs here in the Treasury. There is a good deal of red tape to be overcome. It has to go from one office or room to another, and if a man is on the spot, and follows it up, he gets it through very quickly.

Q. That is about the usual length of time that elapsed while you were in that capacity?—A. Yes; I think that that was about the usual time. We would make a requisition and get our money in about eight or ten days.

Q. Do you know whether purchasing paymasters have kept money in private banking houses?

(Mr. PRATT objected to the question as being outside the scope of the committee.)

A. I can only say for myself that I always kept my public funds in the Treasury.

Q. Were Government moneys ever deposited with the banking-house of John J. Cisco or with any bank or business house with which John J. Cisco was connected or in which he was interested?—A. I have not the slightest knowledge of anything of that kind.

Q. Did you have any knowledge of the business of the Navy Department, its foreign pay department when in the hands of Baring Brothers?—A. Yes. I have done a large business with Baring Brothers.

Q. Were you Paymaster-General at that time?—A. No; but I was fleet-paymaster of two squadrons while they were fiscal agents.

Q. They were usually in advance, were not they?—A. I think they were, though I don't know positively. It was their interest always to be in advance. They commanded any amount of money at the lowest rates.

Q. It is in the interest of any banker to be in advance, if he has the money, is it not?—A. I think as a rule it is.

By Mr. PRATT:

Q. It amounts to a loan to the Government?—A. I think usually it is.

By the CHAIRMAN:

Q. Are there not two "shaves" on these moneys; they charge a percentage on the drafts and a percentage for doing the business?—A. They get a commission for doing the business, and then they charge interest on the advances.

Q. Were Cutter's bills of exchange drawn by the parties from whom he purchased them?—A. I don't know how he got them. They were always first-class bills.

Q. On whom were they drawn?—A. Probably on Baring Brothers, Brown Brothers, Rothschilds, or houses of that class.

Q. Do you recollect that any of his bills were purchased from Francis O. French?—A. No, sir. I don't really know whom he got his bills from; I think I got some bills from Cutter drawn by the First National Bank of New York, which is French's bank; though I wouldn't like to state that as a fact.

Q. On whom were those drawn which he bought of Morton, Bliss & Co.?—A. I don't remember that he bought any of them, but if he did so, they were on Morton, Rose & Co., I presume.

Q. Do you know whether he bought exchange from Jay Cooke, McCulloch & Co.'s New York agents while negotiations were pending which involved the safety of the house?—A. No such bills ever came to my hand.

Q. On your deposits in London, what did you say was the percentage allowed?—A. Mr. Morgan allowed me 4 per cent., and Williams Deacon 3 per cent. The Bank of England rate of interest then was high, and money was very tight then. The general rule of these banking houses is that they will allow you interest for any moderate sums at 1 per cent. less than the Bank of England rate.

Q. Do you know of any persons connected with the Navy that profited in any way out of the deposits?—A. Not the slightest. They could not do it. They are under my control, and the only profit was the interest received, which the Government gets credit for.

Q. Do you recollect holding some £18,000 from October 20 to November 8 instead of paying it over at once to Jay Cooke, McCulloch & Co.?—A. No, sir.

Q. You do not remember about that?—A. I think I paid that amount of drafts, but that is in my account. I think I have a voucher for that amount.

Q. Is the house of Morton, Rose & Co. connected with the house of Morton, Bliss & Co. in this country?—A. Yes. They are partners; that is, Morton, Bliss & Co. of New York are partners of the house of Morton, Rose & Co. I do not know whether Sir John Rose and his party have any interest in the New York house.

Q. You have kept money with them, have you not?—A. Yes.

Q. With or without interest?—A. They never gave me any interest. I was directed to deposit with them as the agents of the State Department, and therefore they must account to the State Department for the interest. They did not account to me for it and I had no authority to demand it.

Q. How long did your deposit remain with Morton, Rose & Co.?—A. I think it was there two to three months before it was used up, and I think I have had two deposits there, that is, deposits at two different times.

Q. Were those deposits credited to the Navy Department or to you individually?—A. To me as Paymaster-General of the Navy.

Q. You have not your accounts here?—A. All the vouchers of Morton, Rose & Co. are here, because my transactions with them were closed some time ago. Those papers are all here at the Department. I have duplicates.

Q. How long did you have moneys on deposit in the Bank of England?—A. I kept a small balance there until a short time ago, may be three or four months ago.

Q. What was the inducement to keep it there without interest?—A. It takes a very great deal of trouble to get a deposit there, it is a great privilege. After I had received this money and took the £100,000 to the bank, they would not receive it, so I had to telegraph to the Secretary and get documents signed by Sir Edward Thornton, showing that I was the proper person, then General Schenck had to go with me to the bank and all that kind of thing, and therefore I did not want to put myself out of the pale. I merely kept a small deposit there in case I wanted to put a large one in at some other time.

Q. To whom did you sell bills of exchange when you drew on the Secretary of the Navy?—A. I sold latterly to the Seligmans.

Q. Formerly to whom?—A. To Mr. Morgan, I think.

Q. Do you know what those banks did with the funds that were deposited; did they make general loans?—A. Yes.

Q. Where would this interest, if accounted for, appear; what disposition is made of the interest?—A. In the rendition of my accounts I charged myself with so much interest received from so and so, as from J. S. Morgan & Co. or Williams Deacon & Co. Those are the only parties that gave me interest.

Q. You reported that?—A. Yes. I reported that in the first place by letter, and then by the rendition of accounts.

Q. Ought not that to appear on the books of the Fourth Auditor?—A. Yes.

Q. I understand it does not appear there.—A. It ought to do so.

Q. About how much did you deposit under the direction of the Secretary of the Navy with Jay Cooke, McCulloch & Co. which was not re-imbursed by payment of naval draft, if you can aggregate the amount?—A. I believe the aggregate amount was £220,000.

Q. You said something about the payment of £40,000?—A. There was £40,000 of that that I understood was repaid.

Q. You do not know that it was repaid?—A. Yes; I can say that it was repaid.

Q. That would leave £180,000?—A. Yes.

[Q. What were your instructions about that; what did the Secretary of the Navy tell you to do with that money?—A. The Secretary of the Navy told me to advance or pay to Jay Cooke, McCulloch & Co., taking their vouchers for it, the sum of £180,000, and then subsequently £40,000.

Q. What was that for—it was not to pay Navy drafts?—A. No, sir.

Q. What was it for?—A. I believe the leading idea in my mind was that it was to ultimately secure the entire debt of the house.]

By Mr. PRATT:

Q. Did the Secretary of the Navy say what it was for?—A. No, sir. In the first place there was a debt of £120,000 which the Secretary, I understood, had secured. I was then authorized to pay an additional amount of £180,000, for which the Secretary had also good security.

Q. How do you find that Jay Cooke, McCulloch & Co. were owing that amount?—A. As I tell you, I have attained from their statement, which they showed me, that they owed the Government in the first place £180,000. They paid drafts, however, which reduced that to about £120,000.

Q. Do you know any reason why the £40,000 was not retained by them to be used in taking up the Navy drafts?—A. No.

Q. It was not paid back to you?—A. No.

Q. But it was on this side?—A. On this side, I think.

Q. Do you know how the transaction was effected?—A. No; I do not, but I know the Government got the money, because I was advised of the fact.

[Q. Jay Cooke, McCulloch & Co. stopped paying Navy drafts when they went into liquidation?—A. Well, after this £180,000 was given to them, then always after that the drafts were paid by me. I do not know exactly at what time they did go into liquidation, therefore I cannot say.]

Q. Upon whom did you draw when you sold bills of exchange to Seligman & Co., February 2, 1876?—A. I drew on the Secretary of the Navy.

Q. I believe you have stated that you did not know how much had been re-imbursed to the Secretary of the Navy to close up this indebtedness to Jay Cooke, McCulloch & Co. in London?

The WITNESS. Do you mean the amount now due?

The CHAIRMAN. You do not know how much has been paid back of this amount advanced?—A. No. I understood, however, that there is about £400,000 due.

Q. Still due?—A. Yes. I do not know it positively, but I understood it was so, and that the Secretary had good security to cover it all.

J. O. BRADFORD.

WASHINGTON, D. C., *July* 15, 1876.

J. O. BRADFORD, Paymaster-General of the Navy, recalled.

The CHAIRMAN. Your account shows that on the 25th of September you received from Cutter £200,000; it also shows the payment of $10 that day for a cable dispatch; and Cutter's account, as well as the telegrams in our possession, show that he only received the money on September 24. How do you reconcile these facts with your statement yesterday that this money was remitted by draft?

The WITNESS. I think I said that £200,000 came by cable, and £100,000 through J. S. Morgan & Co., and another amount through Seligman, and £10,000 through Edward H. Breen. I did not know that Cutter sent this money through Morgan. In my account I said, "Received from J. S. Morgan & Co."

The CHAIRMAN. I understood you to say that it was sent to you by draft.

The WITNESS. I got some money from Cutter by draft, but I did not know that he had sent this other money to me. In my account rendered to the Department I merely say that I received this money from J. S. Morgan, Seligman, and E. H. Breen.

The CHAIRMAN. When you were asked yesterday how you came to pay to Jay Cooke, McCulloch & Co. £40,000, you said that that sum had been temporarily advanced, and that it had been returned by them; but you afterward said it was not received by you.

The WITNESS. No, I think it was paid here in the United States.

The CHAIRMAN. This leaves your receipts from them to be explained. Would not that reduce the amount that much?

A. No. I had given them that amount, and it would appear upon their credit side. I paid them this amount of money, and they got their vouchers for it; £180,000 at one time and £40,000 at another.

Q. You say that they did not pay back this £40,000?—A. No; it was settled over on this side.

Q. In order to square your accounts, ought you not to have an account to show how that was settled?—A No, sir; my accounts are squared by the vouchers I received; about £300,000 or £320,000 was paid to these people.

The CHAIRMAN. Perhaps they did not pay it back at all.

The WITNESS. I understood that it was paid back through the First National Bank of New York.

Q. Whose bank was that?—A. The president of that bank is Samuel C. Thompson, I think. Mr. F. O. French is connected with it.

The CHAIRMAN. It appears upon close inspection that the amount paid to you was not £40,000, but over £65,000.

The WITNESS. I think not. I have never seen Jay Cooke, McCulloch & Co.'s accounts, and matters may have been mixed. That £205,000 which I mentioned the other day, I did not know was in this September account at all. I had been over there attending to these matters which were plain and simple, and did not know what was taking place on this side where all the money-transactions took place.

Q. Have you examined Jay Cooke, McCulloch & Co.'s accounts to know that that credit was taken on the 22d of September?—A. No, sir; only what you mentioned here. My accounts are at the Fourth Auditor's Office and give day and date for every transaction; but I cannot give them from my memory.

The CHAIRMAN. Here is your account.

The WITNESS. That ought to tell the whole story and very plainly, because it is not a complicated account at all.

The CHAIRMAN. I think it aggregates about £65,000 instead of £40,000.

The WITNESS. Then the balance has been paid for some other purpose on some draft. My vouchers are all filed and will show it. They are very explicit. I was very careful to have them explain everything.

Q. Why were your payments in drafts on Jay Cooke, McCulloch & Co. after they went into liquidation charged up to the 30th of June, 1865, as transferred to them for disbursement, and from that time charged as pay-drafts?—A. I made no transfers to them after the £220,000.

Q. Do you remember the date when you paid them the last item of £220,000?—A. I do not. The vouchers will tell the whole story. I had them made out very fully, so as to explain how the money was used.

Q. You stated yesterday that you did not keep large balances on hand. Your account shows that you repeatedly had on hand balances from £10,000 to £50,000 for days and weeks together. How do you explain that?—A. When remittances were made to me, I would have to keep them on hand until they were worked down.

Q. Your account also indicates that you had largely overdrawn at banks during nearly the whole of February, March, April, May, June, and September, 1874. Was not this the fact; and, if so, why was it?—A. When my remittances were slow, I had an understanding with the house of Williams, Deacon & Co. I kept a running account with them, and they let me have money and took my drafts when they came.

Q. Did you pay interest, discount, or commission to that house?—A. I paid discount. I paid no commission. It is an exceedingly liberal, honorable house. The interest which I paid was 4½ per cent. I believe, ½ per cent. less than was charged by the Barings or by Jay Cooke, McCulloch & Co.

Q. Why did you not draw on the Secretary of the Navy when you wanted money?—A. I notified the Secretary that I had this running account there, and he would remit me money whenever it was convenient, I presume.

Q. If he had done so, would it not have saved the interest which you had to pay?—A. Yes, it would have saved discount.

Q. Why did you receive this £6,500 from Jay Cooke, McCulloch & Co. at that time, instead of having them use it to meet drafts upon them?—A. I did not receive any such amount from them. I paid them £40,000, but I received none from them. That £6,500 must have been drafts which they paid. I never paid them a cent but the £220,000, except for drafts as they became due. They may have charged that £40,000 in some way, and it has been remitted to me perhaps through Cutter or the First National Bank; but I never received a cent from Jay Cooke, McCulloch & Co. I did not know to whom I should credit this amount. When the telegram came to get £100,000 from Morgan, I entered it as so much received from Morgan, and in the same way from Seligman. The account which I sent on was made up in pounds, shillings, and pence, but when it came to the Treasury they reduced it to dollars and cents, so that their account is really Greek to me. I do not know anything about it.

The chairman reads from the Treasury account with J. O. Bradford under the column "from whom received:"

January 28, 1874, Jay Cooke, McCulloch & Co	£8,000
February 5, 1874, Jay Cooke, McCulloch & Co	3,500
February 9, 1874, Jay Cooke, McCulloch & Co	1,000

The WITNESS. That is all a mistake. They have made up the account in a wrong way. That £3,500 was a post-office draft which I paid. I believe it was sent to Jay Cooke, McCulloch & Co. to turn over to me, and perhaps it was drawn to their order.

Q. Was that the case with all these items that I have read to you?—A. As I tell you, with this solitary exception of the £220,000, I never received a cent from Jay Cooke, McCulloch & Co.

Q. Do you know J. A. Stuart, of New York, brother of Edmund Stuart, of the Navy?—A. Yes, sir.

Q. Did you know him while you were purchasing-paymaster in New York?—A. Yes; I became acquainted with him at the time I went into that office.

Q. What was his business then?—A. He was president of the United States Trust Company.

Q. On what terms of intimacy was he with the Secretary of the Navy?—A. That I do not know.

Q. Did you ever deposit money in his banking-house or where he was employed?—A. No, sir; not a dollar.

Q. Were Government moneys ever deposited at the banking-house of John J. Cisco & Co., or in any business-house in which John J. Cisco was in any way interested?—A. Not that I know of. I never banked with him myself. I kept all my money in the sub-Treasury.

Q. Did you ever receive any orders to deposit money with these banks in New York?—A. No, sir.

Q. And you always kept your funds at the sub-Treasury?—A. Always.

The CHAIRMAN. I will read you a series of telegrams and ask you if you know anything about them, (reading:)

"LONG BRANCH, N. J., *September* 16.

"Commodore WM. REYNOLDS,

"*Acting Secretary of Navy, Washington, D. C.:*

"Give requisition in favor of Jay Cooke, McCulloch & Co. for one million for foreign account out of pay of Navy.

"GEORGE M. ROBESON."

"NAVY DEPARTMENT,
"*Washington, September* 18, 1873.

"Hon. GEO. M. ROBESON,

"*Monmouth Beach, Long Branch, N. J.:*

"Remittance to London stopped by the Treasury.

"WM. REYNOLDS,
"*Acting Secretary Navy.*"

"NEW YORK, *September* 22.

"Commodore REYNOLDS,

"*Navy Department, Washington:*

"Call upon the President, and stand ready to carry out his wishes in regard to foreign account.

"GEO. M. ROBESON."

"Immediate.] NAVY DEPARTMENT, *September* 22, 1873.

"Hon. GEO. M. ROBESON,

"*Fifth Avenue Hotel, New York:*

"Have reported to President. Nothing will be done until further news is received from New York. Sent Bradford's dispatch to you at Long Branch.

"WILLIAM REYNOLDS,
"*Acting Secretary Navy.*"

"Immediate.] WASHINGTON, *September* 22, 1873.

"SECRETARY NAVY,

"*Fifth Avenue Hotel, New York:*

"Just received from London.

"'Yours received and fully understood; earnestly at work to carry out your views. By request of house am there constantly; all the books and daily transactions open to

me. They are preparing perfect balance-sheet, so as to enable them to make arrangements to meet your views. If assets are as reported—and I believe they are—will show surplus outside of private estate of resident partners. Business continues as usual and public sentiment shows confidence in house. Hope to-morrow to cable you something definite and satisfactory. The house will cable to-morrow through their bankers to all parts that Navy drafts will be promptly met.

"'BRADFORD'
"WILLIAM REYNOLDS,
"*Acting Secretary.*"

Q. Did you send that last dispatch?—A. Yes, sir.

Q. You said in it that you were earnestly at work to carry out the views of the Secretary?—A. Yes.

Q. What were his views?—A. To get security for the debt; that was the great object he had in view, and that was the primary consideration with me in all my operations and movements there, to do the best I could to secure the debt.

Q. What was the amount of the cash-assets of Jay Cooke, McCulloch & Co. at that time?—A. I do not know; when they paid all their depositors their cash was pretty well drawn down, but their heavy assets were in their securities.

Q. They had not much money-assets?—A. The money in their vaults, I should think, was pretty well drawn down, so that their assets were their securities; railroad-iron and things of that kind.

Q. Do you know the amount of deposits that were drawn from them at that time?—A. I do not, but my impression is that it must have been a million and a half of dollars.

Q. Did the run on them set in as soon as the failure of Jay Cooke & Co. here became known in London?—A. Yes, I think it did; there was quite a panic there among depositors; the merchants and bankers who understood the condition of the house and knew what assets it had, had confidence in it; nobody expected such a terrible failure.

Q. When Jay Cooke, McCulloch & Co. telegraphed afterward all over the world that they would meet the Navy drafts, what resources had they to draw on?—A. I had the money then to take care of all the drafts myself.

Q. When that announcement was telegraphed to all the naval stations, was it understood that you were to meet the drafts?—A. My instructions were from the Secretary of the Navy (and that was what I was to have the money for) to take care of all the drafts of the United States in any department of the Government, because the other agency of the Government, Clews, Habicht & Co., had also failed and gone down thoroughly; that house was the agency for the State Department.

Q. Then Jay Cooke, McCulloch & Co. were not to pay the drafts at all?—A. They reduced the indebtedness down to about £120,000, and then they found that in consequence of disappointments in business, the shrinkage of assets, &c., they could not continue.

Q. Was that before you turned over to them your £220,000?—A. It was after this £220,000 was turned over on top of that £120,000 which they owed to the Government. The original debt was £180,000, and they reduced it by paying drafts to about £120,000. Then they found that on account of the terrible condition of their monetary affairs, and the shrinkage of their securities, it was impossible to continue. They were assisted in that way; a thing which I very strongly approved of myself for several reasons. In the first place, I thought it the best way to save the debt of the Government; and in the second place, if this house had gone down on top of the house of Clews, Habicht & Co., it would have been a very serious thing for American credit in England. That was my only motive and object, and I thought that I would do the best I could.

Q. Was it not the purpose of the Secretary of the Navy to save Jay Cooke, McCulloch & Co. as much as it was to save the debt to the Government?—A. I do not think that the Secretary of the Navy cared about the house so much as he cared about saving the debt to the Government.

Q. Did he not show an interest in the house when he transferred the deposits to it from another house?—A. I think that that was an unfortunate thing, but at the same time it was the popular opinion that Jay Cooke was a very wealthy man; and I myself believe in taking care of our own people so far as we can. Although Mr. Russell Sturgis, an American, is a partner in the house of Barings, yet he is a denationalized American, having no sympathy with the country at all.

Q. We have not taken very good care of ourselves, have we, in trying this experiment in the case of Jay Cooke, McCulloch & Co., and of Clews, Habicht & Co.?—A. That turned out to be a great mistake.

Q. Do you think that Government officers are justified in taking money on deposit from a firm banking house, (whether foreign or native,) and putting it into a shaky and unreliable house?—A. The same thing was done by General Jackson during his administration.

Q. That would not make it right, would it?—A. No; but the Government has the power

to do this. I think it a very unfortunate thing that the change was made. At the same time, so far as my action was concerned and all my recommendations and all my views, they were to save the debt of the Government in the best way we could.

The CHAIRMAN. There are some discrepancies in these telegrams with the facts as you have stated them. You say in one of these telegrams that the business of Jay Cooke, McCulloch & Co. continued as usual, and that public sentiment showed confidence in the house, and yet you state that the entire money assets of the house were exhausted.—A. The bankers and other people in London always had confidence in the house.

Q. Did they come to its rescue and lend money to it?—A. I think that one banking house did. Still there was a good deal of jealousy among commercial houses there. The house of Jay Cooke & Co. did a very large American business, thus interfering very much with the trade of other houses; and therefore I think that on the part of some people there was rather a desire to see the house go down than to see it stand.

Q. Was Cattell over there at that time?—He was.

Q. What part was he taking in the matter?—A. I was directed to advise with him, and we advised together as to what it was best to do. He was there as the representative of the Treasury Department in charge of bonds for the syndicate. The bonds were sent to Mr. Cattell, and he delivered them to the syndicate as they were disposed of.

Q. Is Cattell a banker on this side?—A. Mr. Cattell himself was for many years president of the Corn Exchange Bank of Philadelphia.

Q. Was his bank connected at all with the syndicate?—A. No; I think it had no interest in the syndicate.

The CHAIRMAN. I read you this other telegram:

"NAVY DEPARTMENT,
"*Washington, September* 22, 1873.

"Hon. GEO. M. ROBESON,
"*Long Branch, New Jersey:*

"Bradford telegraphs: With Cattell, have had long interview with house. They show themselves solvent if their New York securities good in this excitable moment. Think they cannot give tangible security here immediately. They possibly can arrange day or two protect account with securities in New York. See McCulloch; have positive assurance commanding my belief that Navy drafts in regular course will be paid. Feel sure any action crushing house most unwise for Government's interest.

"WILLIAM REYNOLDS."

This money was loaned on security, was it?

A. Yes, this £220,000 advance; and indeed the Secretary, I understood, got security for £120,000 balance in hand.

Q. But no part of it was to be used for cashing the Navy drafts?—A. No, sir; I was to cash the drafts.

Q. Out of what funds?—A. Out of the funds which I had on hand.

Q. To what amount?—A. I do not know; I cannot exactly tell. I had received about £300,000 early in September, I think.

Q. Besides this £220,000?—A. O, no; that £220,000 was paid out of the money which I had received.

Q. And out of that £220,000 Jay Cooke, McCulloch & Co. did not pay a solitary draft?—A. I understood that they paid drafts to the amount of £40,000.

Q. During the crisis there and that trouble you yourself met the drafts out of a different fund, and they used this money to maintain their credit with the creditors in general?—A. Yes.

The CHAIRMAN. I suppose there is no doubt of that. They were under large acceptances for railroad-iron sent to the United States—a great number of thousand tons.

Q. For the Northern Pacific Railroad?—A. Not exclusively, but for several other railroads. Their assets shrank away.

Q. Has this reduction of their indebtedness been made by their meeting drafts at all?—A. No, sir; I have met all the drafts. The reduction has been made here in America by the realization of assets; but personally I know nothing about their transactions here at all.

The CHAIRMAN. Then follows this telegram:

"LONG BRANCH, *September* 23.

"Commodore REYNOLDS,
"*Acting Secretary of Navy, Navy Department,*
"*Washington, D. C.:*

"Telegraphed you to-day to give Cutter requisition for five hundred thousand. Give him another for a million in addition; make special. Go in person to Secretary of Treasury and ask him to put through by telegraph. Act promptly. Answer to 29 Broadway.

"GEO. M. ROBESON, *Secretary.*"

The WITNESS. I do not know anything about that.

Q. You did not give any information on which this urgent action was asked?—A. No, sir.

The CHAIRMAN. I read you another telegram:

"WASHINGTON, *September* 24, 1873.

"To SECRETARY OF THE NAVY,
"29 *Broadway, New York:*

"Telegram received. Have seen Secretary Treasury. Requisition will be put through at once by telegram.

"WILLIAM REYNOLDS,
"*Acting Secretary Navy.*"

When did you receive the money spoken of here?—A. My account will show. I cannot tell. It was early in September.

Q. That is, after the 22d and between that and the last of the month?—A. Yes.

The CHAIRMAN. I read you other telegrams:

"NAVY DEPARTMENT, *Washington, September* 24, 1873.

"Hon. GEO. M. ROBESON,
Care Pay-Director G. F. Cutter, 29 Broadway, New York:

"Requisitions through and amount to credit of Cutter on assistant treasurer's books, New York.

"WILLIAM REYNOLDS,
"*Acting Secretary Navy.*"

"Your telegram received. Thanks for your promptness. Have seen President last night, and by his direction I will draw for a million more to-morrow. Please make special, and credit Cutter by telegraph to subtreasury as soon as requisition reaches Treasury. What is done should be done to-day. Will use only what is needed and refund rest.

"GEO. M. ROBESON."

What was the great urgency which required that money to be sent that day?—A. I have not the slightest idea.

Q. Did you receive that $500,000 and that $1,000,000?—A. I think that the $1,000,000 was the £200,000 which I received by cable, and that the $500,000 was the £100,000 which Cutter sent to me by bills.

Q. And as soon as you received the £200,000 you turned it over to Jay Cooke, McCulloch & Co.?—A. No, sir; it lay in the hands of Williams, Deacon & Co. and of J. S. Morgan until it earned nearly £1,000 interest.

Q. You do not recollect how soon you did turn it over, or whether you paid it in by installments?—A. I think that the £180,000 was passed in at the same time.

Q. That was in October?—A. I think so; but it must have been late in October, for I received £590 interest from Morgan and the balance up to £1,000 from Williams, Deacon & Co.

Q. When Morgan told you he had received this first amount, did he tell you from whom he had received it?—A. No; he simply informed me that he had it subject to my order.

Q. Who gave him information about it?—A. If Cutter is represented as remitting that money, Cutter must have sent it to him by cable, for it was only a short time after the trouble.

Q. You were not notified that it had been sent to him for your use?—A. Not until afterward. In my account I give credit to the person from whom I got the money. The great question with me has been to show vouchers for the use of money which I received.

WASHINGTON, D. C., *Saturday, March* 25, 1876.

LEONARD WHITNEY sworn and examined.

By the CHAIRMAN:

Question. Are you ready to respond to the subpœna *duces tecum*?—Answer. I am prepared to respond, first submitting to the committee my written protest, on which I desire their action before such response.

The protest is as follows:

"THE WESTERN UNION TELEGRAPH COMPANY, MANAGER'S OFFICE,
"CORNER PENNSYLVANIA AVENUE AND FOURTEENTH STREET,
"*Washington, D. C., March* 25, 1876.

"Hon. JOHN M. GLOVER,
"*Chairman Select Committee House Representatives*
"*On Real-Estate Pool and Jay Cooke Indebtedness:*

"SIR: Having been summoned to appear before the above-named committee, and to

bring with me certain telegrams sent or received by A. G. Cattell, George M. Robeson, Jay Cooke, McCulloch & Co., or Jay Cooke & Co., or either member of said firms, I appear as directed, but respectfully claim to the committee that the telegrams in question are privileged communications, intrusted in confidence to my care, and that I cannot produce them except upon compulsion, and that I ought not to be compelled to do so.

"Very respectfully,

"LEONARD WHITNEY,
"*Manager.*"

The CHAIRMAN. The committee have considered the protest of Mr. Whitney, and decide that it is not a sufficient excuse why he should not answer, and the committee require that he do answer the subpœna.

The WITNESS. I then ask the committee to furnish me with a certified copy of that order as entered upon their minutes.

The CHAIRMAN. That will be supplied to you.

Q. Through what months do those dispatches run?—A. Through the months of June, July, August, September, and October, 1873.

Q. Will you describe the various dispatches?—A. Do you mean the character of the dispatches?

Q. Yes, sir.—A. They consist of all the dispatches covered by the subpœna, whether sent by or addressed to the parties named in the subpœna. They consist of paid messages, some official, some private, free messages, and messages over the cable-lines.

Q. Some are skeleton?—A. Some are skeleton messages. All messages received here over our printing-instruments, the original copies of which are delivered, we have no copies of. The only copies that we have are of written messages, of which we take impression-copies. There are, however, some printed messages, which were repeated to branch-offices in the city. Of those, we have the original printed messages as received here.

Q. You are now willing to deliver to the committee those copies for their inspection and examination?—A. Yes, sir, under the ruling of the committee, upon my protest submitted to the committee, considering that I have no option in the matter. I would say in regard to the delivery-receipts that you will probably want some explanations of what few receipts I can give you, and they are very few. I have but one receipt-book for our main office, which will probably show the receipts for all the messages that were delivered through our office in the War Department. We have an office there, and messages for the War Department, and sometimes the Executive Department, are delivered from that office, being more convenient. Our files and records have been overhauled so frequently and are in such confusion that it has been a work of very great labor to find what we could find, and I cannot assure the committee that they are complete. But the documents are as complete as I could make them. These delivery-books especially have been called for in so many different cases that they have been mislaid and lost, and these are all that I can find.

Adjourned.

[Telegram.]

LONG BRANCH, N. J., *Sep. XVIth.*

Com. WM. REYNOLDS,
Actg. Secy. Navy, Wash'n, D. C.:

Give requisition in favor of Jay Cooke, McCullough and Co. for one million for foreign account out of pay of Navy.

GEO. M. ROBESON.

[Telegram.]

NAVY DEPARTMENT,
Washington, September 18, 1873.

Hon. GEORGE M. ROBESON,
Monmouth Beach, Long Branch, N. J.:

Remittance to London stopped by the Treasury.

WM. REYNOLDS,
Acting Secretary Navy.

[Telegram.]

NEW YORK, *September* 22.

Commodore REYNOLDS,
Navy Department, Washington, D. C.:

Call upon the President, and stand ready to carry out his wishes in regard to foreign account.

GEO. M. ROBESON.

[Telegram.]

NAVY DEPARTMENT, *September* 22, 1873.

Hon. GEO. M. ROBESON,
Fifth Avenue Hotel, New York:

Have reported to President. Nothing will be done until further news is received from New York. Sent Bradford's dispatch to you at Long Branch.

WM. REYNOLDS,
Acting Secretary Navy.

[Telegram.]

WASHINGTON, *September* 22, 1873.

To SECRETARY NAVY,
Fifth Avenue Hotel, New York:

Just received from London: "Yours received and fully understood. Earnestly at work to carry out your views. By request of house am there constantly; all the books and daily transactions open to me. They are preparing perfect balance-sheet, so as to enable them to make arrangements to meet your views. If assets are as reported, and I believe they are, will show surplus outside of private estate of resident partners. Business continues as usual, and public sentiment shows confidence in house. Hope to-morrow to cable you something definite and satisfactory. The house will cable to-morrow through their bankers to all ports that Navy drafts will be promptly met.—BRADFORD."

WM. REYNOLDS,
Acting Secretary.

[Telegram.]

NAVY DEPARTMENT,
Washington, September 22, 1873.

Hon. GEO. M. ROBESON,
Long Branch, New Jersey:

Bradford telegraphs: "With Cattell have had long interview with house. They show themselves solvent if their New York securities good in this excitable moment; think they cannot give tangible security here immediately; they possibly can arrange day or two protect account with securities in New York. See McCulloch; have positive assurance commanding my belief that Navy drafts in regular course will be paid. Feel sure any action crushing house most unwise for Government's interest."

WM. REYNOLDS,
Acting Secretary.

[Telegram.]

LONG BRANCH, *September* 23, 1873.

To Commodore REYNOLDS,
Acting Secretary of Navy, Navy Department, Washington, D. C.:

Telegraphed you to-day to give Cutler requisition for five hundred thousand. Give him another for a million in addition. Make special. Go in person to Secretary of Treasury and ask him to put through by telegraph. Act promptly. Answer to twenty-nine Broadway.

GEO. M. ROBESON,
Secretary.

[Telegram.]

WASHINGTON, *September* 24, 1873.

To SECRETARY OF THE NAVY,
29 *Broadway, New York:*

Telegram received. Have seen Secretary Treasury. Requisition will be put through at once by telegram.

WM. REYNOLDS,
Acting Secretary Navy.

[Telegram.]

NAVY DEPARTMENT,
Washington, September 24, 1873.

Hon. GEO. M. ROBESON,
Care Pay-Director G. F. Cutter, 29 Broadway, New York:

Requisition through, and amount to credit of Cutter on assistant treasurer's books, New York.

WM. REYNOLDS,
Acting Secretary Navy.

[Telegram.]

LONG BRANCH, N. J., *September* 24, 1873.

SECRETARY OF TREASURY,
Washington, D. C.:

Your telegram received. Thanks for your promptness. Have seen President last night, and by his direction I will draw for a million more to-morrow. Please make special, and credit Cutter by telegraph to subtreasury as soon as requisition reaches Treasury. What is done should be done to-day. Will use only what is needed and refund rest.

GEO. M. ROBESON.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 24, 1876.

SIR: You are hereby requested to attend a meeting of this committee to be held to-morrow, at 10 o'clock a. m., to be heard, if desired, upon the following subjects, which will be under consideration, to wit:

First. The appointment of Jay Cooke, McCulloch & Co. as temporary special agents at London, and matters relating thereto.

Second. The continuation of the foreign Navy account during the months of October and November, 1873, when further deposits were made with the firm of Jay Cooke, McCulloch & Co. to the amount of £219,199 11*s.* 10*d.*, and matters pertaining to said deposit.

Third. As to the amount of the public money you have received up to date on certain collateral securities pledged to Jay Cooke, McCulloch & Co. for the protection of the Government claim.

Very respectfully,

J. M. GLOVER.

Hon. GEO. M. ROBESON,
Secretary of the Navy.

WASHINGTON, D. C., *July* 24, 1876.

I hereby certify that I have this day delivered the original letter, of which this is a true copy, to Hon. G. M. Robeson, Secretary of the Navy, at his residence in this city.

B. MACKALL, JR.,
Deputy Assistant Sergeant-at-Arms, House of Representatives.

NAVY DEPARTMENT,
Washington, July 20, 1876.

SIR: I have received your letter of yesterday, of which the following is a copy:

"HOUSE OF REPRESENTATIVES,
"*Washington, D. C., July* 19, 1876.

"SIR: It appears from statements furnished this committee by the Treasury Department, that the Treasury draft issued in satisfaction of requisition No. 2024, on July 3, 1873, was credited to the United States by Jay Cooke, McCulloch & Co., to whom it was made payable, and was drawn September 22 of the same year, and was, in *fact*, paid July 7 of that year, being indorsed by Jay Cooke, McCulloch & Co., and also indorsed by Messrs. Jay Cooke & Co. Please inform this committee at your very earliest convenience of the reasons of such anticipatory payment, and state where and to whom such payment was actually made in person.

"Very respectfully,

"J. M. GLOVER,
"*Chairman of the Select Committee on Real-Estate Pool and Jay Cooke & Co. Indebtedness.*

"Hon. GEO. M. ROBESON,
"*Secretary of the Navy.*"

In response thereto, I beg to say that I am not informed of any anticipatory payment of the draft referred to in said letter, nor do I know the person to "whom such payment was actually made." It appears from the records of the Navy Department that requisition No. 2024 was made by the Secretary of the Navy on the Secretary of the Treasury on the 2d day of July, 1873, in favor of Jay Cooke, McCulloch & Co., and sent to the Treasury Department, and that on the 8th day of July, 1873, the Secretary of the Navy was notified by the agents of Jay Cooke, McCulloch & Co. (Messrs. Jay Cooke & Co.) that the sum of £205,714 5s. had been placed to the credit of the Department with Jay Cooke, McCulloch & Co., London, as the proceeds of the money received on such requisition, transmitted to London by bill at sixty days' sight. These proceedings were in the usual form, and the said firm of Jay Cooke, McCulloch & Co. became liable for said sum from that day, and have been so held by the Navy Department. It is also presumed to be true, and I doubt not it will so appear by the records of the Treasury Department, that the draft made by the Secretary of the Treasury in satisfaction of said requisition No. 2024 was dated the 3d day of July, 1873, made to the order of Jay Cooke, McCulloch & Co., and was drawn on their indorsement on the 7th of that month, the Navy Department being notified on the 8th, as above stated, that the proceeds had been placed to their credit with Jay Cooke, McCulloch & Co. In view of these facts, it is not understood that there was any anticipatory payment in the case. If it be the fact that the said sum appears to have been credited in the accounts of the said firm of Jay Cooke, McCulloch & Co., in London, on the 22d of September, 1873, the probable reason is that it was so credited at the date of the maturity of the bill by means of which it was transmitted. Of the reasons for making the said credit in such manner, the Navy Department is not informed, but they will probably be found to result from the manner of making settlement of such accounts in the Treasury, where the accounts of all officers and agents, including Jay Cooke, McCulloch & Co., intrusted with money of the Navy Department, are rendered, and by the accounting officers of which Department all such accounts, with all charges and allowances made thereon, are examined and settled.

The above comprises all my knowledge in reference to the inquiries of your letter, either official or otherwise.

Respectfully,

GEO. M. ROBESON,
Secretary of the Navy.

Hon. J. M. GLOVER,
Chairman Select Committee on Real Estate Pool and Jay Cooke Indebtedness, House of Representatives.

ROOM OF THE COMMITTEE ON MINES AND MINING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 19, 1876.

SIR: It appears from statements furnished this committee by the Treasury Department, that the Treasury draft issued in satisfaction of requisition No. 2024 on July 3, 1873, was credited to the United States, by Jay Cooke, McCulloch & Co., to whom it was made payable, and was drawn September 22 of the same year, and was in fact paid July 7 of that year, being indorsed by Jay Cooke, McCulloch & Co., and also indorsed by Messrs. Jay Cooke & Co. Please inform this committee at your earliest convenience of the reasons of such anticipatory payment, and state where and to whom such payment was actually made in person.

Very respectfully,

JNO. M. GLOVER,
Chairman, &c., &c.

Hon. GEO. M. ROBESON,
Secretary of the Navy.

WASHINGTON, D. C., *July* 25, 1876.

GEORGE M. ROBESON sworn and examined.

By the CHAIRMAN:

Question. Did you meet Mr. McCulloch in New York or elsewhere, between the 18th and the 24th of September, 1873?—Answer. I think I did; the dates I am not sure of, but I met him in September, 1873, and after the 18th.

Q. How nearly can you fix the date? I believe he arrived there on the 19th of September.—A. I should say if he arrived there on the 19th, that I must have seen him on the 20th or 21st.

Q. Did he then and there tell you that his house was indebted to the Government of the United States?—A. Yes; the house of Jay Cooke, McCulloch & Co.

Q. Did you then and there arrange with him to receive security for the amount of that indebtedness?—A. No; I did not arrange to receive security for the amount of the indebtedness at that time. I did, after some interviews with him, arrange to receive some security from him.

Q. On the then present indebtedness?—A. On the then present indebtedness; yes.

Q. In what amount did he acknowledge the house to be indebted to the Government at that time?—A. I do not think it was any definite amount, but it was understood to be about $900,000.

Q. Did you demand and receive credit for the amount of the indebtedness to the Government acknowledged at that time?—A. No; I received such security as I could get—I could not get much security. I got a few things from him at that time; I do not remember exactly what they were; but there were some railroad bonds and some iron; not a greal deal, however. When I say "not a great deal," I mean not a great deal in comparison with what I afterward got. I suppose the security which was then received would be worth now perhaps $200,000; though I could not say exactly, as values have changed so much since. I speak now of September, 1873.

Q. About September 21, you say you had your interview?—A. It was shortly after Mr. McCulloch arrived in this country; the particular date I cannot state. I do not know whether the 21st was Sunday or not; but it was within some few days after he arrived. I should say perhaps it was the 22d, if I tried to be more accurate.

Q. I understand you to say that the security he gave was worth about $200,000?—A. I should think it would be now, according to the values of things.

Q. Did you make any further demand for additional security?—A. I tried to get all the security I could.

Q. Did you afterward get an increased security?—A. I got a largely increased security in October following.

Q. Not until October?—A. Not until October.

Q. What time in October?—A. About the 20th; and then some further security was handed over to me early in November.

Q. About what amount of security did you procure in October, if you can recollect?—A. In October and the early part of November I got what was estimated at that time to be about $1,800,000 worth of security.

Q. That was very good security, then, for the $900,000, was it not?—A. That was given as security for the continuance of the account. It made, after I got it, very good security for the whole sum, I thought.

By Mr. PRATT:

Q. Do I understand you to say that you had to agree to continue the account before you could get the security?—A. It was only upon the understanding that the account would be continued that the security was given.

By the CHAIRMAN:

Q. Did they refuse to secure the Government unless you gave a further continuance of the account to them?—A. They did not give me all the security; I had been trying to get security ever since the time of the failure of their correspondents in this country.

Q. About what date did you complete the arrangements for all the security?—A. I think the arrangements were completed about the 20th or 22d of October. I think all the securities were not absolutely handed over until perhaps the first week in November, but the most of them were handed over on the 20th of October.

Q. Did they absolutely refuse to make good the $900,000 of indebtedness unless you made further advances?—A. No; I cannot say that. I had asked for security for the account; I had been able to get only the amount which I have told you; I could get no further security from them. There was no positive and absolute condition of that kind made, but I could not get the security; that was all.

Q. Did you consider the house in London at that time in danger of suspension?—A. I knew that its correspondents in this country had failed, although they had not yet gone into bankruptcy. I supposed that their correspondents had very large and valuable assets here, and would come out all whole, as they expected to. I had been informed by the agent of the house in London and by the Paymaster-General of the Navy, who was abroad, that the house in London was solvent, but, like all other banking-houses, could be very much injured by affirmative adverse action on the part of the Government. Mr. Bradford, who had been abroad on other business for the Department, was in London at the time of the failure of Jay Cooke & Co. I telegraphed him to remain there, and sent him orders to look after the account, to look after the house of Jay Cooke, McCulloch & Co., and to look after the interests of the Government there, and keep me informed. I have those orders here, which I will read if the committee desire to hear them. They are as follows:

"WASHINGTON, D. C., *September* 29, 1873.

"DEAR SIR: Under the circumstances attendant on the failure of the house of Jay Cooke & Co., it will be necessary for you to remain in London for the present to exercise a supervision over the accounts of the Navy Department with their agents, Jay Cooke, McCulloch & Co., and to take care of the interests of the Department and of the Government in that regard.

"You are, therefore, directed to remain in London, or at such other place abroad as this duty may require you to visit, and a credit will be given you to the amount of £1,000 to defray your expenses, for which you will render proper accounts on your return.

"While abroad, you will exercise as Paymaster-General of the Navy, and in its behalf and interests, and for the interests of the Government, the fullest supervision and care over our accounts with our fiscal agents aforesaid; and you are hereby authorized to draw the whole or such part of the amount standing with them to the credit of the Navy Department, or to take or receive any security for the same, or any part thereof, as you may think, at any time, may be for the best interest of the Government, and deposit the same in the Bank of England or such other place of safe deposit as you may think most advantageous, with full power to draw again from such bank or depository, and use for payment of the regular drafts upon our foreign account, or for the payment or protection of such other debts or drafts of the Government or its proper officers as you may have been, or may be, from time to time, specially or generally, authorized or directed to pay or protect.

"In the carrying out of these duties, our agents aforesaid are directed to keep you at all times fully acquainted with the condition and state of our said account, and to consult with you and take such action in relation thereto as you may from time to time, or at any time, think necessary or proper; and to this end they are required to keep open to you all business in relation to said account, its use and situation, and, as far as may be proper, the general situation and course of business of the house.

"You will make reports to me from time to time, and as often as possible, of any subject-matter of interest in regard to the said accounts, and the duties you are charged with in relation thereto, reporting if necessary by cable telegraph, and receiving and acting upon orders and authority received through the same channel, you being hereby authorized to carry out orders from proper authority which have been or which may be thus received.

"For the use and expenditure of the amounts placed to your credit in the house of J. S. Morgan & Co., and the Bank of England, or elsewhere, by direction of the Department, you will be held responsible as Paymaster-General of the Navy, and you will officially acknowledge the credits and will keep and render an account of the expenditure and disposal of so much thereof as you may draw; and you are authorized and directed to make use of the balances to your credit for the payment of any dishonored drafts properly drawn upon the United States Government or its agents, by the properly authorized officers of any department of the Government, and you will take every means in your power, and will exercise the fullest care, attention, and discretion, for the purpose of protecting fully the credit of the United States Government in respect to the matter above mentioned, and for preserving the Navy Department from any loss of the Government money now abroad, wherever the same may be deposited; and for this purpose the house of Jay Cooke, McCulloch & Co., and all other our financial agents abroad are directed to honor your drafts to the amount to the balance in their hands at any time.

"Very respectfully,

"GEO. M. ROBESON,
"*Secretary of the Navy.*

"Pay-Director J. O. BRADFORD,
"*Paymaster-General of the United States Navy, in London.*"

Mr. Bradford, in compliance with those orders, did remain in London and examined their accounts, and wrote to me that, although, of course, they were very much disturbed by the failure of their correspondents here, yet, in his opinion, they were solvent, and would go through; but that affirmative action on my part, such as removing the account from them, would be likely to discredit them, and that we would then be in danger of losing our money.

Q. Without removing the account that then existed there, was it not possible to have made it secure?—A. I do not see how I could have made it secure if I could not get security for it. Drafts were drawn on this house by our paymasters in all parts of the world. Those drafts were out, and there would have been a great many more out before we could have got word to the paymasters. Our ships were in Asia, on the southwestern coast of South America, and in fact everywhere around the world almost, and they were drawing every day large amounts of money on this house of Jay Cooke, McCulloch & Co. If those drafts were dishonored, that house would prob-

ably break. If it broke, their assets went into an English court of bankruptcy, and we would probably have got none, or very little of it. We had no peculiar privileges in England.

Q. I am now speaking of the indebtedness existing on the 22d of October.—A. Of course; I am speaking of that, too. Therefore I abstained, as far as it seemed the interests of the Government would permit, from doing any affirmative thing which would be calculated to discredit and break the house—thinking that that was for the interest of the Government, and the best way to save our money.

Q. The evidence, as detailed by Paymaster Bradford, goes to show that if the balance in their hands was left alone, the house would go through. The question is, was it not possible to have procured from them securities for that account without making additional advances?—A. No; they did not give me any other security than that which I have detailed. I was not able to get it. (I could not leave that amount there without giving them some money, I suppose, because drafts were coming in on them all the time.)

Q. But could they not have been met, as they were afterward met, by Paymaster Bradford by remittances?—A. That might possibly have been done. That was a scheme gotten up afterward. Still, that would have been the destruction of the house, I suppose, at that time.

Q. The testimony of Mr. Bradford, I think, shows clearly that the house would have sustained this if that account had not been withdrawn.—A. I do not know what Mr. Bradford's testimony is; but I know that Mr. Bradford very strongly advised me to continue the account.

Q. Did you make additional advances—if so, how much?—A. Our expenses abroad, which are made by what we call the foreign account, amount to between $3,500,000 and $4,000,000 a year. It had been the habit of the Department to make remittances about quarterly; we were not confined to any particular date, but would vary a week, and sometimes a good deal more, if there was any special reason. But about quarterly we usually gave them about $1,000,000. A requisition had been issued in their favor on the 2d of July, I think, for $1,000,000, and about the 1st of October the ordinary time came for issuing a new requisition and making a new remittance. They applied to me for it, but I was not willing to give it to them—certainly not without security. If their American correspondents had not failed, I should have given it to them. Indeed, I was about to give it to them, and did issue a requisition a few days before they failed, but that requisition was stopped in New York—the check never was presented. I telegraphed (or wrote, I forget which) from New York to the chief clerk here the moment I heard of the failure, to take measure to have the requisition stopped. I think the Secretary of the Treasury thereupon telegraphed to the assistant treasurer in New York to have it stopped. But that precaution was unnecessary, for they never presented the check, but sent it back.

By Mr. LEWIS:

Q. Were you in this city the day that Jay Cooke & Co. failed?—A. I was in New York that day, but I did not know they had failed until I had left the city.

Q. Do you know that the Secretary of the Treasury on that very day sent his telegram to stop that check?—A. No; I think it was the next day, probably. I heard of the failure of Jay Cooke & Co. on the boat which went down from New York to Long Branch. The boat left New York at 2 o'clock, I think, and they had failed perhaps an hour before that. As soon as I got to Long Branch I communicated with the Treasury—I do not remember whether by telegraph or not. As I say, they asked me for the regular remittance on the 1st of October, which I was not willing to give without security. In the meanwhile they were going on regularly, paying the drafts of our paymasters abroad as they came. They seemed to be able to go through, and the representations to me, both from themselves and from their agents and from our paymasters abroad, were that they would go through.

By the CHAIRMAN:

Q. Do you know how much they had reduced the account at that time?—A. I cannot be accurate about that.

Q. Can you give an approximation?—A. I think they had reduced the account $300,000, perhaps.

Q. Down to about $600,000?—A. I think so.

By Mr. LEWIS:

Q. Look at that dispatch [handing paper to witness] and see if it is correct?—A. Wm. Reynolds was the Acting Secretary of the Navy. I communicated with him to have the draft stopped, and he telegraphed back to me that the Secretary of the Treasury had stopped it; this is his answer.

Mr. LEWIS read the dispatch, as follows:

"WASHINGTON, *September* 18, 1873.

"Hon. GEORGE M. ROBESON,
"*Monmouth Beach, Long Branch, N. J.:*

"Remittance to London stopped by the Treasury.

"WILLIAM REYNOLDS,
"*Acting Secretary of the Navy.*"

The WITNESS. I think probably I telegraphed him on the subject from Long Branch.

Q. Have you a copy of that dispatch?—A. I do not know whether I have or not.

Q. Will you furnish the committee a copy if you have?—A. I will, if I can find it. I think probably it was sent from Long Branch station. I may have a copy, or may not.

Q. If it was sent from Long Branch, would it not be preserved there?—A. Probably it would be. There ought to be a copy of it somewhere.

Q. Was it sent by the Western Union?—A. I do not know whether it was sent by the Western Union or not.

Q. Do both of the telegraph companies have offices at Long Branch?—A. I think not. After returning to Washington, after consulting with the Secretary of the Treasury (who came to see me) and the President on the subject, I finally agreed to continue the account and give them at that time, or between that time and early in November, a new remittance upon their giving security—just such a remittance as I would have given under ordinary circumstances without security. In other words, I agreed to do with security what, under ordinary circumstances, I would have done without, and what it would have been customary to do without security. I did it because I thought I was amply secured; because I thought this security, being much larger in amount than the amount I advanced, would also be security for the money that they had in hand, and because it was in the ordinary course of things, and I did not desire to go outside of the ordinary course of things for the purpose of injuring them; I did not want to destroy their paying power to me. I did it, as I have said, upon consultation with the President of the United States and the Secretary of the Treasury.

By Mr. PRATT:

Q. I would like to ask you if there was any other consideration which rendered it desirable to maintain the credit and standing of the house of Jay Cooke, McCulloch & Co.?—A. There were a great many other considerations.

Q. Considerations in which the Government was interested?—A. There were a great many other considerations in which the Government was interested. The house of Jay Cooke, McCulloch & Co., was one of what was called the syndicate, who were funding the national debt. That association of bankers abroad included almost all the American banking-houses in London, and also the Rothschilds and Barings. I do not know whether the Barings were interested or not, but the Rothschilds were, at that time at least. The house of Jay Cooke, McCulloch & Co. had been the original house who had undertaken that business, and if they failed at that time their failure would have been a great shock to the credit of this country; a great shock to, if not the destruction of, the most of the American banking-houses in London, and would have interfered very much with the operations of the syndicate in funding the national debt. I suppose that was the consideration which affected the Secretary of the Treasury very much upon that subject. However, notwithstanding that consideration, if my money had not been there, if they had not been my regular agents, I should not have given the money merely for the purpose of sustaining their credit. I was looking out for the interest of the Department, and although these other considerations were very valuable, yet, as I say, if they had not been our agents, if I had not had to secure our money, I should not have given them any money, of course. I then gave them a new deposit in continuation of the account at the time I have spoken of, taking security, as I have said, very largely in excess, as the values then were.

By Mr. LEWIS:

Q. Was not Mr. A. G. Cattell in London at that time?—A. Yes.

Q. Was he not in some way connected with the syndicate?—A. He was the agent of the Treasury Department for the transfer of bonds between the Government and the syndicate.

Q. How long did he hold that agency?—A. I should say nearly a year.

Q. Was he not there when Mr. Bristow became a member of the President's Cabinet?—A. No; I think not.

Q. Did you make any effort to cause the Secretary to continue him as such agent?—A. There was a new arrangement made for the funding of our debt in July, 1874, Mr. Cattell having returned to this country in March, 1874. Yes; I asked Mr. Bristow to appoint him as the agent of the new syndicate.

Q. That was done, I believe?—A. Yes; he was appointed.

Q. How long did he continue?—A. He did not go out. His wife fell very ill and died, and consequently he did not go. She was ill for some months.

By the CHAIRMAN:

Q. You stated, I think, that you transmitted about $1,000,000 quarterly to the house of Jay Cooke, McCulloch & Co.?—A. That was the general understanding; yes. There was no arrangement about it—no agreement; it was a mere habit of the Department.

Q. How much was annually transmitted to the house of Baring Brothers?—A. The same amount. The amount depended entirely upon what our expenses abroad were.

Q. Were those additional advances to that house that you speak of made to take up the naval drafts coming to that house?—A. Yes; to enable them to continue the account and carry it on. I never gave them a penny after they stopped paying drafts.

Q. But did they use what you had already given them to take up drafts?—A. They did to some extent.

Q. To what extent?—A. That I cannot tell. They did to a considerable extent.

Q. In making this arrangement with them, did you arrange that the money which you sent to them should be used, and be exhausted in taking up naval drafts?—A. That was my understanding. It was made simply in continuation of the naval account; it could have had no other purpose; my purpose was to give them money to pay drafts.

Q. What was the additional amount?—A. I cannot tell exactly; a little over a million dollars, or about that.

Q. How much of that did they use in taking up naval drafts, in your opinion?—A. That I could not say.

Q. Have you any means of knowing?—A. None here. I cannot do it by looking at the accounts in the Treasury Department, because I would have to see when they stopped paying.

By Mr. PRATT:

Q. Are you able to state, as a matter of fact, that they took up drafts drawn on them after this last remittance?—A. O, yes; there is no doubt about that.

By the CHAIRMAN:

Q. Would it not have been prudent to see that that was done in some way through Mr. Bradford or somebody else?—A. It ought to have been done, of course; they ought to have done it, but that is just what their security was given to me for. I took that security to see that it was done, or to see that there was no loss if it was not done. If they had paid it all out there would have been no use in holding the security.

Q. It would have been very useful to have held it to see that they kept faith, would is not?—A. That is what I took it for.

Q. Would it not have been well as time went on to hold it to see that they were keeping faith?—A. I did so as long as I could, but when they stopped they stopped, and I had no power to compel them. I did not think they behaved well about it at all when they stopped. I thought and said that I was afraid that I had been deceived, and complained about it.

Q. What amount am I to understand that you think they used for other purposes than taking up naval drafts?—A. I do not know how they used it. I only mean to say that they have not paid me.

Q. The question I asked was how much had they used of the amount you transmitted to them for other purposes than taking up naval drafts?—A. I do not know what they used, or whether they used any of it for any other purpose.

Q. You have an idea of how much they used for other purposes than taking up naval drafts?—A. I have an idea of how much they owed.

Q. They owed all that they did not use in taking up naval drafts?—A. Yes; I suppose they did. I think they owed me when they stopped paying naval drafts somewhere about $1,400,000, including the $1,000,000 that I had remitted in October and November. If that statement is correct, and I cannot say that it is absolutely, that would make considerable payments by them after they had received the remittance.

By Mr. PRATT:

Q. The amount remitted in October and November was $1,066,734.83.—A. The odd sums came, I suppose, from my saying "make up the account to such an amount of money"—the amount I have forgotten, and taking the security. If it was about $1,400,000—and I cannot be accurate by any means—that would seem as if they had paid a couple of hundred thousand dollars after they had received the remittance; but whether that was so or not I do not know.

Q. At the time you made the remittance do you know how low their account had run?—A. I think it had come down to about $600,000, or, perhaps, $650,000. I think it was about $650,000.

Q. You remitted them $1,066,734.83, which added to the $650,000, which you think they had in their hands at that time, would make about $1,700,000?—A. If they had

got down to $1,400,000, they had paid out $300,000. I understand—that is the excuse that was given me for not going on, and I suppose it was true—that when their partners in this country were declared bankrupts, which happened, I think, on the 25th of November, 1873, then by the operation of the English law their house was obliged to go into liquidation, no matter how sound or solvent it was. I understand that if any American partner of an English house becomes insolvent, no matter how many assets the English house may have, or how solvent that particular firm may be, it must go into liquidation and settle up. I was not informed of that law at the time.

Q. Jay Cooke & Co. were declared bankrupts on the 25th of November, you say?—A. I think so. They were claiming, and their friends were claiming, that they would not be put into bankruptcy. Indeed, they attempted to make an arrangement with their creditors by which they could go on. Under the bankrupt law, I believe, if 75 per cent. of their creditors agreed to it, they would have been authorized to go on; but I believe they only obtained 71 per cent. If they had got the other 4 per cent. they would have been entitled to go on.

Q. And you understand that it was at this time, when the London house was obliged to go into liquidation, that they stopped paying drafts?—A. I do not know when they stopped paying drafts. It was about that time.

By the CHAIRMAN:

Q. You could ascertain by the records of the Treasury, could you not?—A. I could ascertain by going to the Treasury Department, I suppose. We do not keep these accounts. The Navy Department has nothing to do with money except to ask the Secretary of the Treasury to hand it over to our disbursing-officer. These disbursing-officers pay it out by checks and settle their accounts in the Treasury Department. It is very difficult to tell, even from the accounts in the Treasury Department, because they credit drafts sometimes, and it depends upon whether the drafts were credited at one time or another.

Q. Did you give any directions, orders, or instructions to Mr. Bradford or any one else, as to what was to be done by Jay Cooke, McCulloch & Co. with the £219,714 5s. paid over to them by Mr. Bradford?—A. I gave instructions to pay it to them in continuation of their account as the regular fiscal agents of the Navy Department in London, whose contract required them to pay the drafts as they came in.

Q. You speak of some railroad iron held as security. Did you know that the iron which Mr. McCulloch pledged to you as security had been pledged to his house as security for a loan made by it?—A. No; all I knew about the iron was that it was in their possession, and I supposed it was their own. They handed over warehouse receipts to me. It was in Government warehouses and I had the receipts for it. I thought it the most indestructible security that could be had; and, by special application to the Treasury Department, orders were given that it should never be removed from the Government warehouses except by my orders.

Q. At what date did you obtain possession of the first $200,000 security?—A. It was more than $200,000 on its face. I should think, as I said before, that would be about the 22d of September.

Q. Why did you make the requisition No. 224, on July 2, 1873? I believe that was for £219,714.—A. That was a requisition made in the ordinary course.

Q. At whose instigation or notice?—A. O, I do not know. It was the ordinary time (the commencement of the quarter) to send them a remittance. I do not know who applied for it, or whether any one applied for it. It was made to the house of Jay Cooke, McCulloch & Co., of course.

Q. Was it sent to them?—A. It was sent to the Secretary of the Treasury.

Q. I ask further, was it sent to them?—A. I do not know where it was sent from the Treasury. It is well enough to understand the process of that thing.

The CHAIRMAN. I would like to.

The WITNESS. As I said before, the Navy Department never handles any money proper, except through its disbursing-officers. The Secretary of the Navy draws his requisition, as it is called, upon the Secretary of the Treasury, which is in about these words: "Sir: You will please cause a draft to be issued for dollars, in favor of Jay Cooke, McCulloch & Co., and charge it" to such an appropriation—pay of the Navy, for instance. That requisition is sent from the Navy Department to the Treasury Department. It is a requisition upon the Secretary of the Treasury, as you perceive. It goes first to the Fourth Auditor of the Treasury, who sees whether there is any appropriation adequate to the draft. It then goes to the Second Comptroller, who sees whether it is drawn in favor of a proper disbursing-officer, and whether there is an appropriation adequate to the draft, and he generally reviews the action of the Fourth Auditor. They both countersign it if it turns out all right. It then goes to the Secretary of the Treasury; if it is all right, he issues his draft on the Treasurer to the order of the person mentioned in the requisition. According to the rules of the Treasury, that draft is then delivered to the parties.

Q. To Jay Cooke, McCulloch & Co.?—A. Yes.

Q. In whose control is that draft after it leaves the Treasury Department; the Sec-

retary of the Navy?—A. No; the Secretary of the Navy knows nothing about it. When these parties receive that draft, their habit is to notify the Secretary of the Navy that they have received the draft, and he is credited with the amount; that is all.

Q. The parties that would receive such a draft as that would be Jay Cooke, McCulloch & Co., of London?—A. Yes, undoubtedly, or their authorized agents.

Q. Who were their authorized agents?—A. That I do not know; but they had partners in this country. Mr. Henry D. Cooke and Mr. Jay Cooke himself were partners in the house of Jay Cooke, McCulloch & Co., of London, and I suppose that they were authorized to receive drafts for that house, and indorse for them, if they had not any other authorized agent here. I do not know whether they had or not.

Q. There certainly ought to be some agent of the Government who would have a right to stop that draft in case of certain emergencies that might arise; who would that be?—A. Until it was paid, of course, it could be stopped by the Treasury Department.

Q. And only by the Treasury Department?—A. And only by the Treasury Department, until it was paid. Here it is well enough to know, in order that there may be no misunderstanding, that that draft, for that requisition, issued on the 2d of July, it appears from the notification received at the Navy Department, was drawn on the 6th of July, on the indorsement of Jay Cooke, McCulloch & Co.; it was drawn from the subtreasury, and, of course, upon proper vouchers; otherwise the assistant treasurer would not have paid it out. I only assume that. When they get the money and are charged with it, they probably transmit it to London, not in bulk or in coin, but by the ordinary process of a bill of exchange at sixty days' sight, which is the cheapest way of doing it. I merely explain that because it seems to have made some confusion in the minds of people. That bill, if sent about the 7th of July, would reach London at such a time that the sixty days after sight would bring it up to about the 22d of September, which is the time for which this credit was made in their account. But they were responsible from the moment they received it. They credited it, I suppose, at the time they received the draft, when it was made payable. But that draft is merely their mode of transmittal. Neither the Secretary of the Treasury, the Secretary of the Navy, nor anybody else had anything to do with it, except so far as they transmitted it. If that house lost it they were responsible. If it had been transmitted by ship, and the ship had sunk, they would have been responsible.

Q. By that mode of operation a million dollars was in the hands and use of somebody for about sixty days?—A. It is like every other bill of exchange. When a man sells his bill of exchange on London he gets paid for it. That has been the mode of transmittal of funds abroad, I think, ever since the Government began.

Q. There was a reason for that being the mode in early times, when it took sailing-vessels four or five months to make the voyage.—A. Yes; you could hardly draw out American gold, and send it over in a ship to be there exchanged for English gold at a discount; you can hardly transmit any other way except by bills, that I know of.

Q. I know; but where is the necessity of drawing a draft in favor of Jay Cooke, McCulloch & Co., at sixty days, and then allow somebody else to draw it out in five days?—A. I beg pardon; there was no draft drawn in favor of any person, I think, at sixty days. The Secretary of the Treasury, in answer to the requisition to give them money, issued his draft upon the Treasury, and I suppose payable at once, because it was drawn out of the Treasury on the 6th of July. Then they having the money, and desiring to send it abroad, bought a bill of exchange at sixty days.

By Mr. PRATT:

Q. This bill was bought of Jay Cooke, McCulloch & Co.?—A. I suppose it was.

By the CHAIRMAN:

Q. There was a million dollars, then, in the hands of parties, who were not entitled to it, for sixty days, when the Government could have transmitted it by steamer in ten or twelve days directly?—A. They might have drawn a draft payable at sight; but that was their business. They had the money and were responsible for it. I suppose they transmitted it in the best way.

Q. In your judgment, does not that mode of transmitting money increase the risk of the Government?—A. If Jay Cooke, McCulloch & Co. had that money and were not good for it, the liability of risk to the Government would be just as great and the danger would be just as great, if it was in London, as if they had bought a bill here. The only difficulty is, if they did not buy a good bill, they suffered; that is all.

Q. If the draft had been sent directly to Jay Cooke, McCulloch & Co., there would have been no danger to the fund except from that house?—A. You do not apprehend, I think.

The CHAIRMAN. Yes, I think I do.

The WITNESS. When the Treasury draft was drawn for Jay Cooke, McCulloch & Co., and they got the money, the Government part of the transaction was ended. They had it in their possession; they had no control over anything else in the transaction.

Q. I say that the operation results in the Government losing the use of a million dollars for sixty days by the machinery that is instituted.—A. O, no; of course we get our interest under the contract, and if there is any exchange in our favor, we get the exchange.

Q. I do not suppose they paid interest until the 22d of September, eighty days after the 2d of July, when it was drawn?—A. I guess they allow interest from the day they receive it. Their accounts cannot be properly settled if they get anything out of that time. I do not settle their accounts, nor have anything to do with them; but they could not be properly settled if they had any allowance for that time, in my opinion.

Mr. PRATT. Of course not, because the 60-day bill is the object.

The WITNESS. The 60-day bill is their object, and they get it cheaper because they buy the time, and of course they ought to be charged with it; there is no doubt about that.

Mr. PRATT. The books of the subtreasury in New York would show when they got the money.

The WITNESS. The draft was drawn by them, I suppose—at least I gather that from the letter of the chairman—on the 6th or 7th of July. That draft ought to be in the Treasury, and ought to speak for itself.

Mr. PRATT. And the books will show when it went into their hands.

The WITNESS. Their agent notified me on the 8th that it had been placed to my credit in London.

By the CHAIRMAN:

Q. From your knowledge of these transactions, has it been the regular custom to conduct them in that way?—A. I suppose it has been. My attention was never directed to it until this matter came up.

Q. You did not know when that requisition was made that this money would go into the hands of Jay Cooke & Co.?—A. No; not at all. The draft was not drawn in their favor. They received it just the same as the house of Ward Brothers received money for the Barings, as their agents. My requisition was in favor of Jay Cooke, McCulloch & Co. I could not get the draft in favor of anybody else; I must get it in favor of a disbursing-officer.

Q. Really, does not that transaction increase the risks of the Government?—A. It increases the risks of the Government in just this way: that in all time-drafts, as there is more time to elapse, there is more risk of failure of the parties.

Q. I do not mean as to time, but I mean as to transmitting through one house or a dozen. If Jay Cooke had failed while that draft was in his hands—as it turns out that he did—would not that be a demonstration that there was increased danger to the Government, and not only to the Government, but to the house in whose favor the draft was drawn?—A. That is undoubtedly true, but it was their own fault.

Q. Is it not also the fault of the Government that would tolerate such a transaction in sending remittances to Europe through other houses?—A. You cannot send a remittance except either in bulk or by bill of exchange. If you buy a bill of exchange, you must buy somebody's bill, either Drexel, Morgan & Co.'s, or Jay Cooke & Co.'s, or that of somebody else.

Q. But it can be drawn on such time as will carry it to its destination within a reasonable time?—A. Yes; I am speaking for these commercial houses. The draft that the Government drew was drawn on sight and paid on sight, and went into the hands of the agents of Jay Cooke, McCulloch & Co. on the 6th of July. What they did with it afterward is a thing that we could not control any more in this country. We might make a positive agreement beforehand with them not to do any such thing, but in the ordinary course of things we would not do that, and we would have no control over it.

Q. Did you learn from Mr. McCulloch that the proceeds of that draft never reached his house?—A. No; but I have heard so since. The draft, I have been told, was not protested, but was accepted and paid, I suppose, by the house abroad.

Q. It would not have been in your power to arrest the payment of that draft?—A. No; I had no control over it.

Q. Might not the payment of that sixty-day draft have been arrested by the Treasury?—A. The draft had already been paid on the 6th of July by the Treasury.

The CHAIRMAN. O, yes; I see.

The WITNESS. At that time the house of Jay Cooke & Co. were in full credit, and I suppose that their bill was as cheap as that of anybody else in the market.

By Mr. LEWIS:

Q. I understood you to say that as well as you could ascertain now, the securities they gave you about the time of the failure amounted to about $200,000?—A. I thought they were worth more then, but I think they have not turned out to be worth more than that.

Q. When did Mr. McCulloch assign his individual estate in America as security?—A. I do not remember.

Q. Was it assigned at that time?—A. No; not until afterward.

Q. Do you know how many Cookes were members of the firm of Jay Cooke, McCulloch & Co.—both, or only one?—A. I suppose both of them were. I take it for granted that that is so, without having any special knowledge on the subject.

Q. Did they at that time have any individual estates in America?—A. O, yes; large estates; that is, Jay Cooke had.

Q. You stated that the indebtedness of Jay Cooke, McCulloch & Co., at the time of your interview, about the 19th or 21st of September, with Mr. McCulloch, in New York, was about £180,000?—A. Yes.

Q. The account of the Government with Jay Cooke, McCulloch & Co., as kept in the Treasury, shows that it was £166,932 2*d*.—A. That may be changed by some securities or charges which are different from what I supposed.

Q. This, then, is more likely to be accurate than your memory?—A. It is much more likely to be correct, provided they do not carry over a charge to some subsequent time; that is to say, if they have accepted a draft ten, twenty, or thirty days, they may not charge it in their account until it becomes due. I cannot say anything about that account.

Q. Did not Mr. McCulloch inform you in those interviews, when he was here at that time, of a provision of the English law which necessitated their going into liquidation in case the other partners were declared bankrupts?—A. No, he did not. I do not believe he knew it; I certainly did not know it. It is a peculiar provision of the English bankrupt act, I suppose, and does not apply anywhere else.

Q. Before you made any other advances or remittances to the house of Jay Cooke, McCulloch & Co., after you saw Mr. McCulloch, you say that you took additional security in the way of railroad-iron and other property that was assigned?—A. Yes.

Q. Whom did you appoint agent or attorney to take charge of those collaterals and look after them?—A. I put them in the hands officially of Paymaster Cutter, in New York.

Q. Whom did you appoint agent and attorney to look after them?—A. I never appointed anybody attorney or agent.

Q. Did you not notify Mr. French, or some other person connected with the house of Jay Cooke, McCulloch & Co., that A. G. Cattell would act as agent?—A. I do not know that I did, and I do not think that I did.

Q. And to put himself in correspondence with Mr. Cattell?—A. Very likely I did, because when Mr. A. G. Cattell came home—this was in March, just six months afterward—I requested him to endeavor to sell this iron. I could not run around to sell railroad-iron. I wanted to get the proceeds. I told him that I could not employ him; that, if he was employed, it must be as the agent of the other party, but that I would be glad to have him use his knowledge of business and whatever activity he could afford to spend on it to get clear of these collaterals for the Department. He had no appointment, but I had probably put him in communication with Mr. French, who was the agent of Jay Cooke & Co.

Q. Did you request him to act for you in looking after these collaterals?—A. I requested him to try and see if he could not arrange for some sales of them; those arrangements had to be referred to.

Q. Sales to whom?—A. To any person who wished to buy. I wished him to find some purchaser for cash, because I could not part with them without getting the money.

Q. Have you ever read the testimony of A. G. Cattell, given before the Committee on Naval Affairs of this House?—A. I do not think I have. Possibly I may have.

Q. I understand you to say that you had your interview with the President about the time you made further remittances and took these collaterals?—A. Yes.

Q. Did you inform him that these remittances were made simply in continuance of the account and for the purpose of paying foreign drafts?—A. I informed him of the facts exactly as I have stated them.

Q. Did you let him know——A. I let him know all that I knew about it.

Q. You talked the matter over fully, and you acquainted him with all the facts——A. Yes.

Q. Did you tell him that you had been informed from London that if the deposits were withdrawn the house would go down?—A. No; I did not tell him that.

Q. Did you show him the dispatches you had received from Mr. Bradford?—A. I do not think I received any dispatches to that effect; I do not think I showed him anything. I probably informed him without showing him the dispatches.

Q. Did you inform him of that fact?—A. O, I informed him, of course; that was a part of the consultation—that if we took the Navy drafts away from them it would injure them and destroy their paying power. That was my consideration. The consideration of the Secretary of the Treasury was that it would affect them as members of the syndicate.

Q. You say they continued to pay drafts up to the time of their going into liquidation?—A. I cannot fix the time to which they continued to pay drafts, but that is my understanding.

Q. From whom did you understand it?—A. I do not know particularly from whom.

Q. Did not Mr. Bradford inform you when they stopped?—A. I do not know about that, either.

Q. You cannot tell who informed you?—A. No; I do not remember the particular time when they did stop, and I do not remember exactly how the information came.

Q. You cannot state, then, to the committee through whom you got the information?—A. No, I suppose I got it from Mr. Bradford.

Q. Is that your best recollection?—A. I suppose I did; I have no recollection upon that subject.

Q. You say you have no recollection?—A. I have no recollection as to the particular time or the person from whom I received that word. I take it for granted that it was from Mr. Bradford, as he was my agent there.

Q. After they stopped paying drafts did you make any further remittances to them?—A. No, sir.

Q. Did you cause any further money to be paid to them?—A. No, sir.

Q. You are sure of that?—A. I am sure of that; that is, after I had any knowledge that they had stopped paying.

Q. Did you not furnish money to Mr. Bradford, other than £219,714 5*s.*?—A. O, yes.

Q. For what purpose?—A. To meet drafts when Jay Cooke, McCulloch & Co. had stopped paying.

Q. For what did he use those moneys?—A. For that purpose.

Q. How were the moneys remitted to Mr. Bradford?—A. A requisition was drawn in favor of Mr. Cutter, the paymaster in New York; he bought exchange and remitted to Mr. Bradford.

Q. All those moneys, then, were sent through Mr. Cutter to Mr. Bradford?—A. I think so, except the first moneys that were sent to Mr. Bradford. The first money that was sent to him—I mean before any payments were made—was in September, and was sent on what is called cable-drafts; that is to say, the house of Seligman Brothers deposited in the Bank of England so much money to the credit of John O. Bradford, Paymaster-General of the Navy, and then, upon the receipt of that telegram that so much was deposited, the amount was paid. There were two of those, I think; one directed to Morgan & Co. and the other to Seligman & Co.

Q. After those remittances, how were the others made?—A. Through Mr. Cutter.

Q. You drew your requisition in favor of Mr. Cutter upon the Treasury, the Treasury issued its warrant to him, and he bought exchange and sent to London?—A. Yes; that is what I understand to be the process.

Q. Mr. Cutter was paymaster at New York?—A. Yes; being a bonded officer of the Navy, he could receive money.

Q. Can you not state the amount of money that was received through cable-dispatches before the remittance by Cutter to Bradford?—A. I think it was about a million and a half; however, I would not be certain about that.

Q. You were at Long Branch, were you not?—A. I was there and at New York and Washington.

Q. Are those the requisitions that you speak of in your dispatch to Mr. Reynolds, Acting Secretary of the Navy?—A. I think it is probable that they were requisitions in favor of Mr. Cutter.

Q. Here is a dispatch dated Washington, September 24, 1873, and addressed to the Secretary of the Navy, 29 Broadway, New York.

The WITNESS. That is Paymaster Cutter's office—the Navy pay-office.

Mr. LEWIS: The body of the telegram reads:

"Telegram received. Have seen Secretary Treasury. Requisition will be put through at once by telegram.

"WILLIAM REYNOLDS."

The WITNESS. That was a requisition in favor of Paymaster Cutter. All those requisitions were in his favor, because he paid the exchange. The money had to go out of the Treasury to him, in order to let him pay the exchange of Seligman, Morgan & Co. and others.

Q. Here is another telegram which I will read:

"LONG BRANCH, *September* 23, 1873.

"Commander REYNOLDS,
"*Acting Secretary of the Navy, Navy Department,*
"*Washington, D. C.:*

"Telegraphed you to-day to give Cutter requisition for five hundred thousand. Give him another for a million in addition. Make special. Go in person to the Secretary of the Treasury and ask him to put through by telegram. Act promptly. Answer to 29 Broadway."

A. Yes; that is the telegram to which the other is probably the answer.

Q. Have the house of Drexel, Morgan & Co., in New York, a branch in London?—A. J. S. Morgan & Co., of London, are their correspondents—the old Peabody house.

Q. And one of the remittances was made through that house to Mr. Bradford, in London?—A. One of the remittances was made on telegraphic order for so much money, and the other was through the Seligmans, I think. I think there was some other money or exchange bought from somebody else; that is, what we call cable exchanges.

Q. Why was that money sent to Mr. Bradford; was that to meet drafts?—A. This was all the same money; this you have spoken of was made up of these two or three remittances sent for the same purpose.

By Mr. SMITH:

Q. To meet drafts?—A. Yes.

Q. What explanation, if any, have you to make in reference to the act of 1844, (sec. 1550, Rev. Stat.,) which requires that the appointment of officers abroad shall be approved by the advice and consent of the Senate?

The WITNESS. Do you ask me why I did not have the house of Jay Cooke, McCulloch & Co. confirmed by the Senate?

Mr. SMITH. Yes.

A. Simply because I did not understand that that act was in operation, and I do not now understand that it is in operation. That act of 1844 is a clause in an appropriation bill of more than thirty years ago. It was superseded, in my opinion, by other acts, and in substance was repealed.

That opinion is further substantiated by the fact that it passed out of the statutes of the United States and is not to be found in Brightly's Digest at all. The act of 1854 was substituted for it. That is as follows:

"Whenever it becomes necessary for the head of any Department or Office to employ special agents other than officers of the Army or Navy, who may be charged with the disbursement of public moneys, such agents shall, before entering upon duty, give bond in such form and with such security as the head of the Department or Office employing them may approve." (Sec. 3614, Revised Statutes.)

It was under that section and authority that Jay Cooke, McCulloch & Co. were employed for that purpose.

Q. I understand you give the legal opinion to this committee that a law which requires an officer to give bond supersedes a law requiring him to be confirmed by the Senate.—A. I do not say that in general terms. I say this: That that law was understood to be superseded by section 3614, or by some other law between the law of 1844 and the law of 1854.

Q. Has any court given any such opinion?—A. I do not know whether it did or not. My own opinion is that the original law was superseded by the subtreasury act of 1846, which, in broad terms, restricted the depositaries of the United States; and practically, between 1846 and 1854, there was no authority. I think that was the opinion of most of the members of the Judiciary Committee of the Senate when the nomination of the Seligmans was sent up to them. The act of 1844 seems to have been considered by the compilers as having been superseded. As I say, it is not to be found in Brightly's Digest at all, and of course was not understood to be a law governing any of these cases; therefore, when I employed Jay Cooke, McCulloch & Co., I did it under the authority of the act of 1854. After the Revised Statutes were passed, I found this law incorporated therein; and finding it there, and understanding that, even if it had not formerly been a law, it then became the law, when I appointed the Messrs. Seligman, I sent their names to the Senate of the United States for confirmation. They were reported, as I understood, from the Senate committee, and the Senate had considerable trouble, and the question was referred to the Judiciary Committee as to whether the appointment needed any confirmation or not. They finally thought that the nomination did need confirmation, because this was made the law by the Revised Statutes.

By Mr. PRATT:

Q. When was this new firm appointed?—A. They were appointed last March. They were nominated the preceding winter. We did not make any formal appointment. I think it was the opinion of the chairman of the Judiciary Committee that all this authority was swept away, and was only revived by the subsequent action of Congress in adopting the Revised Statutes. The chairman of the Judiciary Committee of the Senate told me that there seemed to be a special power given to the Secretary of the Navy more than to any other Department in regard to the control of his appropriations by the act passed in 1862, and he supposed that that power had been given because the Secretary had to send funds abroad and because the preceding act would otherwise have restricted his powers. The act of 1862, to which I have made reference, is section 3676 of the Revised Statutes, and reads as follows:

"All appropriations for specific, general, and contingent expenses of the Navy Department shall be under the control and expended by the direction of the Secretary of the Navy, and the appropriation for each bureau shall be kept separate in the Treasury."

By Mr. SMITH:

Q. I think it would be proper for you to state what was the judgment of the Judiciary Committee of the Senate who investigated the subject.—A. They made no report to me, and my only knowledge is derived from conversation with the chairman of that committee.

By Mr. PRATT:

Q. Are you able to state the present amount of the indebtedness of Jay Cooke, McCulloch & Co. to the Navy Department?—A. I cannot state it accurately, because I have not been to the Treasury. I think it is about $350,000. I do not think there has been any payment since I wrote a letter to the committee some time ago.

The CHAIRMAN. It was then four hundred and seventy-odd thousand dollars.

The WITNESS. I think it is not over $350,000. It was about $700,000 when I wrote the letter, and I think I have received $350,000 since, or $450,000; I have forgotton which.

The CHAIRMAN. By reference to your letter, it states that on the 20th day of June the sum of $350,000 had been paid.

The WITNESS. That taken from $699,000, which I think is the amount, would leave about $349,000 still.

By Mr. SMITH:

Q. From your knowledge of the assets, and the opportunity you have had for investigating their value, what is your judgment in reference to the ultimate payment of the claim of the United States?—A. I think we will get it. I think we have got security two for one now. When Jay Cooke & Co. went into bankruptcy on this side I got a new security by operation of law which I did not have before that time; that is, I got the right to priority on their private estates. That accrued when they were declared bankrupts, and not before; so that that increases my security largely. That right of priority would be confined to the money that they had before they were declared bankrupts.

By the CHAIRMAN:

Q. In what form were the first securities you took?—A. There was some iron in Duluth and some in New Orleans, and there were some western railroad bonds, $600,000 face value. I do not know what they are worth. You know more about that than I do. I suppose they are worth 20 or 25 cents, probably. I never estimated them at any great value. I took them, as I took everything they would give me. I have some bonds of the Denver and Saint Joseph Railroad, amounting to $145,000, I think. You know their value much better than I. Then I hold some bonds of the Indiana and Illinois Central. I am informed that they are worth about 20 cents on the dollar.

Q. You think that they are worth about 20 cents all the way through?—A. I should suppose so—yes. I have estimated them lately at about $100,000.

Q. Was all the iron that you held as collateral security in this country?—A. Yes; and all in bonded warehouses of the Government.

By Mr. LEWIS:

Q. Was there not some in Canada?—A. Some has been sent to Canada since. That was for the purpose of saving duties. There was a suit in New York in regard to some 4,000 or 6,000 tons of it, I have forgotten which, which was claimed by somebody else; but the supreme court of New York decided that the Government was entitled to hold it. That was one of my difficulties; I have had to defend that suit.

Q. You also had a suit to establish the priority of the Government's claim?—A. Yes, sir; that was tried in the circuit court for the eastern district of Pennsylvania before Judges Cadwalader and McKennan, and their decision was affirmed by the Supreme Court of the United States.

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