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LETTERS

ADDRESSED TO THE

PROPRIETORS OF BANK STOCK.

BY

AN OLD PROPRIETOR.

London:

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FOR J. M. RICHARDSON, CORNHILL; S. BAGSTER, STRAND;
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1816.

PRICE ONE SHILLING.

ADVERTISEMENT.

THE six following Letters were published in the course of the last autumn, in the *British Press* Newspaper: to which is added, a Letter which has appeared in the *Morning Chronicle*, on the same subject. The present situation of the Bank of England, with reference both to its own Proprietors and to the Public, and the Discussions on Bank Affairs which took place in the last Session of Parliament, and which, it is supposed, will be resumed in the approaching Session, seem to render the statements contained in these Letters peculiarly interesting at this moment. — Under this impression, they have been collected, and are now submitted, as well to the Public as to the Bank Proprietors.

The late sudden Rise in the Market Price of Bank Stock, is some confirmation of what is stated in these Letters, as to the enormous mass of wealth accumulated by the Bank, and not yet divided amongst its Proprietors.

31st January, 1816.

LETTERS, &c.

LETTER I.

To the Proprietors of Bank Stock.

September 7, 1815.

WE are to meet in General Court in this month, "*To consider of a Dividend of our profits,*" which, in conformity to our Charter and Bye-Laws, and the Acts of 8th William III., cap. 20. and 7 Anne, cap. 8. ought (and *must, if the Proprietors have the spirit to assert their rights,*) to consist of "all the profits made, (the charges of managing the business only excepted,) and to be applied to the uses of all the Members of the Corporation *for the time being,* rateably, and in proportion to each Member's share in the Stock of the Corporation."

Before this meeting takes place, I submit to you the following statement of the present gross profits, or income of the Bank of England, made up from Parliamentary papers, produced in consequence of the

discussion which took place in the House of Commons on Bank affairs, in last Session, and from other public authentic documents; viz.

| | | |
|---|-------------|-----------|
| 1st. The circulation of our paper — Average of last last year 27 millions, at 5 per Cent | £ 1,350,000 | |
| 2dly. Interest on 11½ millions of public money lodged at the Bank | 575,000 | } 425,000 |
| Deduct Loan to Government of three millions without interest | 150,000 | |
| 3dly. Allowance to the Bank for management of public Debt, Loans, and Lotteries, for the last year .. | 281,168 | |
| 4thly. Interest on 11,686,800 <i>l.</i> lent to Government, at 3 <i>l.</i> per cent. | 350,604 | |
| 5thly. Payment from the Exchequer for "House Expenses" | 4,000 | } 5,898 |
| Management of four millions South Sea Capital | 1,898 | |
| 6thly. Allowance for receiving Property Duty | 3,430 | |
| Together..... | £2,416,150 | |

Here, then, is an income of nearly 2½ millions per annum. But this is by no means "all" our profit, for to this sum must be added:—

- 1st. The interest we are making on our accumulated profits since the year 1797, the amount of which is known only to our Directors, but which I have heard estimated at not less than *twenty millions.*
- 2dly. Interest on private Deposits, which must amount to some millions.
- 3dly. Our annual gains from the loss and destruction of Bank Notes, the amount of which must be very considerable.

Any statement of our profits from these three last items, must, of course, be conjectural; but here is enough to show, that the present gross income of the Bank of England cannot be far short of "four millions per annum!!!"

Now how is this applied?

| | |
|---|------------|
| 1st. In the Dividend to the Proprietors on 11,642,400 <i>l.</i> Capital Stock, at 10 per cent, amounting to | £1,164,240 |
| 2dly. In Salaries to 1,000 Clerks, suppose at 200 <i>l.</i> per annum each on an average | 200,000 |
| 3dly. Property Duty, suppose per annum | 150,000 |
| 4thly. In Buildings, Salaries of Directors, Stationary, Porters, Coals, and all other expenses of the Establishment | 150,000 |
| Suppose together..... | £1,664,240 |

To this must be added, interest on cash lying unproductive in the coffers of the Bank of England; and the losses they experience from bankruptcies, and on bad paper; which they take in discounts. The amount of these two items can only be known to the Directors.

Here, however, is enough to show, that after all dividends, losses, and expenses paid, we must be accumulating annually a sum greatly exceeding one million sterling; which is, and has for years past, been withheld from the Proprietors, contrary both to the letter and spirit of our charter, and of the existing laws upon which that charter is founded.

Let us consider and act upon these facts at the ensuing General Court of Proprietors. The power is in our own hands, if we have the courage to use it.

AN OLD PROPRIETOR.

LETTER II.

Facts for the Proprietors of Bank Stock.

September 14, 1815.

THE restriction on cash payments at the Bank took place in 1797, at which time the circulation of Bank paper was less than "nine millions;" at that time, too, the dividend paid to the Proprietors was seven per cent; and at no period since the year 1730, had the annual profits divided amongst the Proprietors exceeded that rate.

In the year 1799, when the effects of the Restriction Act began to operate, and when the circulation of Bank paper had risen to about "fourteen millions," the system commenced of dividing a part of our profits, under the appellation of "a Bonus."

This is now sixteen years ago; and in the first eight years, commencing in 1799, and ending in 1807, bonuses were divided amongst us, amounting altogether to $32\frac{1}{2}$ per cent upon our capital, in addition to the ordinary dividend of seven per cent; which, during the

same period, made 56 per cent, and forming an aggregate division of profit during this period of $88\frac{1}{2}$ per cent; amounting, therefore, on our capital of *eleven millions six hundred and forty-two thousand four hundred pounds*, to "a profit actually divided" of *ten millions three hundred and three thousand five hundred and twenty-four pounds*. During these eight years the circulation of our paper rose to about sixteen millions.

In 1807, what is called our ordinary dividend, was raised from 7 to 10 per cent; but, from that period, the system of bonuses has altogether ceased.

During the second and last period of eight years, therefore, viz. from 1807 to 1815, the profits which have been divided amongst us, have amounted only (at 10 per cent per annum) to 80 per cent; making "a profit actually divided" of *nine millions three hundred and thirteen thousand nine hundred and twenty pounds*.

We have, consequently, received $8\frac{1}{2}$ per cent, or *nine hundred and eighty-nine thousand six hundred and four pounds "less"* in the latter, than in the former period; notwithstanding the circulation of our paper has gradually increased during the latter period, from 16 to at least 27 millions. Our profits too, from the deposits in public monies, have increased since 1799, in a still greater proportion; and the increase in our income from the management of the Public Debt, Loans, Lotteries, &c., during the last eight years,

has been immense, amounting for the last year to a sum very little short of "three hundred thousand pounds."

How happens it then, that during the last eight years, the profits divided should be "less by nearly one million," than the sum we received during the eight years preceding, when it must be evident that our gains from 1807 to 1815 must have nearly doubled in amount, as compared with our profits in the eight years of the first period?

Let this be a subject of our inquiry at the ensuing General Court of Proprietors.

AN OLD PROPRIETOR.

LETTER III.

To the Proprietors of Bank Stock.

Wednesday, September 20, 1815.

WE are summoned by advertisement to meet "to-morrow" in General Court, to "consider of a dividend," and I beg to remind you, that in what I have already addressed to you, I have stated upon authority that I believe to be incontrovertible,

1st. That our present gross income amounts to a sum of between "three and four millions" per annum;

2dly. That of this sum, "no more" than 1,164,240l.

(being less than one-third of our income), is divided amongst the Proprietors;

3dly. That our accumulation, during many years past, must have greatly exceeded "one million per annum," and that the whole sum now accumulated and undivided, cannot be far short of "twenty millions;"

4thly. That referring to what has passed during the last sixteen years, and dividing this into two equal periods of eight years each, it appears, that during the "first" of these periods, viz. from 1799 to 1807, we have received in dividends and bonuses, 10,303,524l.;

And that during the latter period, viz. from 1807 to 1815, during which our profits must have been nearly "double," as compared with our profits in the first period; we have received "only" 9,313,920l.;

And that adding the property duty applicable to these dividends during each of the above periods, the result remains precisely the same, namely, that during the last eight years, with profits greatly increased, "we have received less" than was divided amongst us during the former period; so that, in fact, an enormous "increase of profits" has been followed by a "diminution of dividends" amongst the Proprietors.

I shall attend the General Court to-morrow, and if the Directors should again, contrary to what I conceive is their duty, propose to limit our participation in the profits to the very inadequate dividend of 10 per

cent, which we have received during the last eight years, I hope some Proprietor competent to address a public Meeting (to which I feel myself unequal) will propose something that shall have for its object to give us what our charter, the law of the land, justice "to the Proprietors for the time being," and common sense, entitle us to demand.

AN OLD PROPRIETOR.

LETTER IV.

To the Proprietors of Bank Stock.

September 25, 1815.

I CONGRATULATE you upon what happened at the General Court of Proprietors, on the 21st inst. "*The ice is broken.*" For the first time, I believe, since our Charter has been in operation, you have exercised your undoubted right of dissenting from a proposal made by your Directors, on the question of dividend, by offering an amendment, which was put to the vote, and "*carried*" by a majority of the Court; and although this solemn vote was evaded by a conduct on the part of the Chairman, the most extraordinary, and for which, I believe, no precedent can be found in the practice of any deliberative assembly, the

proceedings of this day have, nevertheless, laid a foundation for measures which, I trust, and confidently expect, will at no later period than our General Court in March next, compel the Directors to give us that participation in our profits, which, as I stated in the letter I addressed to you on the 20th inst. "our Charter, the laws of the land, justice to the Proprietors *for the time being*, and common sense," entitle us to demand.

A sudden indisposition rendered it impossible for me to attend the General Court on Thursday last. But the report made to me of what passed there, by a Proprietor present, upon whose accuracy I can rely, is as follows:

The Chairman, according to usage, and without any information as to the state of our affairs, which might enable us to perform the duty for which we were assembled, namely, to "*consider of a dividend*," proposed that five per cent should be divided as the profits of the preceding half year, and was going to put his proposal to the vote, when the Hon. Mr. Bouverie rose, and after a reference to the papers, from which he argued, that the profits made had been more than double the amount of the proposed dividend, moved that *ten* instead of *five* per cent should be the dividend for the half year. No Proprietor seconded this motion; but Mr. Terry after some observations, moved for a dividend of six per cent; which motion was seconded by Mr. Bouverie, put to the vote, and upon a show of hands, "*carried by a great majority*," and so

declared by the Chairman. The question then was hereby formally and legally decided, when the Secretary of the Directors stated, that an existing Act of Parliament required that no increase of dividend could take place, except by ballot, to be held within three days from the period when it should have been voted by the General Court. The only point, then, remaining to be settled, appeared to be the day of ballot. But, strange to say, after a variety of observations on the part of the Directors, and of the Mover and Seconder of the adopted amendment, during which conversation several Proprietors came in, who had not been present when the vote passed, the Chairman, without assigning any reason to justify so novel and extraordinary a proceeding, "again" put to the vote the question that had been already solemnly decided; and upon a show of hands for and against Mr. Terry's amendment, stated the numbers on each side to be equal; and, as Chairman, giving his casting vote "against" the amendment, declared that it was negatived, and that his own original proposition for a dividend of five per cent was adopted. This was followed by a motion of adjournment, and thus ended the curious proceedings of this day!!!

I will not insult your understandings by making any comment on these transactions; though, I confess, I am at a loss to conjecture how the Proprietors present could suffer them to pass without notice or resistance. Nor do I regret the loss of the trifling increase of one

per cent to the dividend, convinced, as I am, from the facts stated in the three Letters which I have before had the honour of addressing to you, that instead of "six," our profits would entitle us to "twelve per cent." I will now only express the satisfaction I feel, in the prospect of what I think must take place at our General Court in March next, when, I have reason to know, that a number of Proprietors, acting in concert, and upon a plan previously arranged, will propose and put to the vote such a rate of dividend as may appear from public documents now before us, to bear some fair proportion to our profits.

Mr. Terry's motion, though far short of what I think it ought to have been, and though over-ruled in the way above described, has done great good, by establishing a precedent which will, I have no doubt, be of great value to us hereafter. You have made a stand—persevere, and you must ultimately be successful.

AN OLD PROPRIETOR.

LETTER V.

To the Proprietors of Bank Stock.

Thursday, Dec. 14, 1815.

UNLESS the Bank of England should, contrary to every former precedent, fix the Christmas week for holding

our Annual General Court in December, we shall be summoned to assemble for this purpose on Wednesday or Thursday in the following week, and I am therefore desirous that you should be apprized of it, and be told at the same time, which I can venture to do, that a discussion will take place on that day, very important indeed to our interests, and to the subject upon which I have already addressed four Letters to you : and amongst other topics, I hope and trust some independent Proprietor will notice and animadvert upon the very extraordinary proceeding which took place at our last General Court in September, when, after Mr. Terry's motion for an increase of dividend had been regularly and solemnly put by Mr. Mellish, the Chairman, "*and carried by a majority,*" the said Chairman, after a considerable interval, and without assigning any other reason, except "that several Proprietors had just entered the Court, who were not present when the question was first put and carried," again submitted it to the vote, declared the show of hands to be equal, and pronounced the question lost, by giving his casting vote against it.

In my last Letter, there was an error which I now wish to correct, by stating, that it was Mr. Samuel Thornton, and not the Secretary, who addressed the Court immediately after Mr. Terry's motion was carried.

I have, too, discovered some omissions and inaccuracies in my first Letter, dated 7th of September last, which I am desirous of correcting, because truth is

my only object ; and if I were capable, which I trust I am not, of intentionally deceiving you, I should be without motive for mistatement, the facts already before us, in favour of my view of this subject, being too strong, and too powerful, to require even exaggeration. - In my former Letter I omitted, under the head of Outgoings of the Bank, to state what they pay to Government as an equivalent for stamp duties, which, from the year 1804 to 1808, amounted to 32,000*l.* per annum ; from 1808 to 1815, to 40,000*l.* per annum ; but the amount of which is now, in consequence of the new principle introduced into the Stamp Bill, which passed in the last Session of Parliament, at the rate of about 87,500*l.* per annum.

I am told too, by some, that in estimating, by conjecture, the Property Duty paid by the Bank to Government at 150,000*l.* per annum, (being 10 per cent on a supposed annual profit of 1,500,000*l.*.) I state a sum much below what the Bank actually pay ; and that although the Bank divide amongst their Proprietors a profit only of 1,164,240*l.*, it is not to be believed that this great Corporation would pay upon a less amount of profit than what the law requires ; and that therefore, upon my own showing, supposing their profits rateable to the Property Duty to be 2½ millions per annum, I ought to put down 250,000*l.* instead of 150,000*l.* for their annual Property Duty.

On the other hand, I am informed that 200*l.* per annum is greatly beyond the average of the salaries paid to their clerks, and that 160*l.* per annum would amply

provide for what is actually paid.—Instead, therefore, of 200,000*l.* per annum, which I have put down in my first Letter, as the expense of these thousand Clerks, 160,000*l.* covers this article of their expenditure.

I have also very considerably under-rated our income for the management of the Public Debt, which, including the allowance on Loans and Lotteries, I stated at 281,568*l.* upon the authority of an account produced to Parliament; viz.

| | |
|--|--------------|
| £242,769 7 9½ for the Management of the Debt, | |
| 38,798 19 2 for Loans and Lotteries. | |
| I have discovered that the above sum of 242,769 <i>l.</i> 7 <i>s.</i> 9½ <i>d.</i> was the charge for managing the Debt, "as it stood on the 5th April, 1813;" but that if to that amount be added the operations by new Loans and Exchequer Bills funded, and Stock redeemed, since that period, the allowance for managing the Unredeemed Debt now is at the rate of £294,946 4 7½ | |
| To which, if you add the allowance of 800 <i>l.</i> per million, received in the present year, on 36 millions raised by Loan, and 1,000 <i>l.</i> for each Lottery Contract, together | 30,800 0 0 |
| The present allowance under this head is (per annum) about | £325,746 0 0 |

I have heard my conjectural statement of our present accumulated profits, which I have taken at 20 millions, much controverted: some stating it at 15 millions, some at 10; and some indeed have gone beyond me, and taken it at 25 millions. I have, therefore, been

at some considerable pains in making the best calculation, which the facts we have before us (*incomplete, no doubt, as they are on this subject,*) have enabled me to frame; and starting from the 25th February, 1797, when "we know" that this surplus profit amounted to 3,826,890*l.*; knowing too, as we do from a statement of Mr. Samuel Thornton's, made in the House of Commons, as reported in Mr. Allardyce's valuable publication on our affairs, Appendix, No. XI., page 48, "that after two Bonuses, one of 10, the other of 5 per cent, had been given to us, the surplus profits of the Bank were, in 1801, greater than they had been in 1797:" and bringing into account the accumulated and still accumulating profits since made by our increased circulation of paper, deposits of public monies, and allowance for management of the Public Debt, and other items, "I state confidently," as the result of this calculation, that the present surplus undivided profits of the Bank, rather exceed, than come below, "twenty millions."

Take, then, the following sketch, the most accurate that I am able to frame, of our present Income and Outgoings, and substitute it for that given in my first Letter:—

| INCOME. | |
|---|----------------|
| 1st, The Circulation of our Paper, 27 Millions | £1,350,000 |
| 2dly, Interest on 11½ Millions of Public Money lodged at the Bank | £575,000 |
| Deduct Loan to Government of 3 Millions, without Interest | 150,000 |
| | <u>425,000</u> |
| Carried forward | 1,775,000 |

| | |
|--|-------------|
| Brought forward..... | £1,775,000 |
| 3dly, Allowance for Management of Public Debt, Loans, and Lotteries | 325,746 |
| 4thly, Interest on our Capital lent to Government, at 3 per cent | 350,604 |
| Deduct Property Duty | 35,060 |
| | <hr/> |
| | 315,544 |
| 5thly, Allowance from Government, for "House Expenses"..... | 4,000 |
| Management of South Sea Capital | 1,898 |
| | <hr/> |
| | 5,898 |
| 6thly, Allowance for receiving Property Duty | 3,480 |
| 7thly, Interest on accumulated Profits, taken at 20 Millions | 1,000,000 |
| | <hr/> |
| TOTAL INCOME..... | £ 3,425,668 |

OUT-GOINGS.

| | |
|---|--------------|
| 1st, Salaries to 1,000 Clerks, at 160 <i>l.</i> each, is | £. 160,000 |
| 2dly, Composition for Stamp Duties | 87,500 |
| 3dly, Property Duty on Gains, upon the principle required by law, taken at 2,500,000 <i>l.</i> per annum .. | 250,000 |
| 4thly, Suppose our Losses, from Forgeries, Bankrupt- cies, and bad Paper taken in Discount, from Loss of Interest on Cash, and other unproductive Effects, to be half a Million annually | 500,000 |
| 5thly, Annual Allowance of Capital laid out in Build- ings, Salaries of Directors, &c. and all other Ex- penses of the Establishment | 150,000 |
| | <hr/> |
| TOTAL OUT-GOINGS.... | £. 1,147,500 |

Here, then, we have an Income, without reckoning
any Profit from the annual Destruction of Bank
Notes, and from private Deposits, of £. 3,425,668
Against Out-goings, amounting to 1,147,500

Leaving a Balance of " *Nett Profit*," of £.2,278,168
Of which our Dividend, of 10 per cent, amounts
only to £.1,164,240

Have we not a right to know what becomes of the
remaining undivided profit of 1,113,928*l.*, and upon
what grounds it is withheld from us, *in direct violation*
of our Charter, and of the Law of the Land, upon
which that Charter is founded?

AN OLD PROPRIETOR.

LETTER VI.

To the Proprietors of Bank Stock.

December 18, 1815.

IN the *Gazette* of Saturday last, a General Court of
Proprietors is summoned for " *Thursday, in this week,*
at eleven o'clock in the forenoon;" and although I
am satisfied, from the calculation I have made of our
profits, *since the year 1797*, when our surplus capital
amounted to 3,826,890*l.*, that we at present possess
a sum exceeding " *twenty millions*" of surplus capital,
I am desirous of suggesting to you, one simple mode of
confirming, collaterally, the accuracy of my statement,
by a reference to the present value of our stock in the
market. The present price of Bank Stock is 238 per
cent*.

* The price has risen, since the date of this letter, 13 per cent,
and is now, 31 January, 1816, at 251 per cent.

This price upon our capital of 11,642,400*l.*
 gives a sum of £27,708,912
 Deduct from this our capital upon which we
 receive a Dividend of 10 per cent..... 11,642,400

 Leaves a "Surplus undivided Capital" of £16,066,512

Now I by no means contend, that the market price of the capital Stock, in any concern, is an infallible criterion of the precise amount of its nett property; but I appeal to your understandings, and ask you, whether it is probable that our Stock would sell in the market for 27,708,912*l.*, if the property we have actually acquired should not amount to that sum? On the contrary, am I not justified in supposing, that a capital which would fetch in the market 27,708,912*l.*, and which pays an interest to its Proprietors "only" of 1,164,240*l.*, being little more than four and one-fifth per cent, is very far short indeed of the property we really possess? And that the purchasers of a capital Stock, who are satisfied with so small an interest for their money as four and one-fifth per cent, calculate, and calculate justly, upon profits already accumulated, greatly beyond the price they paid in the market for that capital? In this view of the subject, however, we have, according to the market value of our Stock, a surplus capital of "more than sixteen millions:" and I state this more as a collateral, than as an unerring proof of my assertion, that we are at this moment possessed of profits undivided, amounting to a sum exceeding "twenty millions."

Let us now compare this "conjectural" view of the proportions betwixt our actual property, and the present market value of our capital, with what we "fortunately know," from the statement of our affairs laid before Parliament in 1797, to have been "the exact" proportions betwixt the one and the other at that period.

It appears then from this statement, that our Surplus Capital, as I have before mentioned, amounted in 1797 to..... £3,826,890
 Add for our Capital Stock..... 11,642,400

 Real Value..... £15,469,290

By reference to an account laid before Parliament founded upon *Cassin and Moule's Compendium of the Funds**, it appears that the Prices of Bank Stock in the year 1797, taken at three different periods in the first month of each quarter, beginning in February, were as follow:—

PRICES OF BANK STOCK.

| | | | | | | |
|---------------|------|-----|------|-----|------|-----|
| 1797 February | .... | 142 | .... | 129 | .... | 136 |
| — May | .... | 121 | .... | 118 | .... | 117 |
| — August | .... | 131 | .... | 128 | .... | 130 |
| — November | .... | 118 | .... | 120 | .... | 117 |

These twelve Prices give an Average Market Price of our Stock for the year 1797, of 125*l.* per cent, which, upon our Capital of 11,642,400*l.*, makes the Market Value at that period of our whole Capital, amount to 14,553,000

 Excess of "Real Value" above "Market Value" in 1797..... 916,290

* *Vide* Report of the Committee on Public Expenditure, page 99.

I by no means contend, that what is proved to have been the fact in 1797 upon this subject, is an unerring criterion for the year 1815: it is, however, some guide for us; and in the total ignorance in which we have been kept of our affairs (excepting by the disclosures from time to time made of them in Parliament,) we must be satisfied with such information as we can get. Referring you then to the enormous profits which we have been notoriously, "*though silently,*" making since the year 1807, "*without any participation beyond our dividend of ten per cent,*" I ask you, can any person hesitate to believe that "*our present surplus capital,*" as compared with its market value, infinitely exceeds the proportions which existed betwixt the one and the other in the year 1797?

I trust that there will be a full meeting of Proprietors on Thursday next, and that they will do themselves and their families justice. I understand every exertion is making on the part of our Directors, to summon around them all their friends and supporters on this occasion: but I feel confident, from what has fallen within my own observation, that the Independent Proprietors will come forward, and put an end to a system that has neither law, equity, nor common sense, to justify or support it.

AN OLD PROPRIETOR.

LETTER VII.

(Which appeared in the MORNING CHRONICLE.)

To the Independent Proprietors of Bank Stock.

London, Nov. 9, 1815.

PREVIOUS to the last General Court held at the Bank, there appeared in one of the daily papers, a Letter, containing some very interesting and ingenious calculations respecting the state of the Bank Company, and assigning reasons for calling on the Proprietors to give their attendance at the next General Court, when, pursuant to their Charter, a dividend was to be declared on the profits of the Company for the last half year. A subsequent Letter also appeared from the same Correspondent, containing his observations on that meeting, and alluding particularly to the conduct of the Governor, who, it must be confessed, discovered some *ability* in his manner of manœuvring the question then brought forward.

I congratulate the Proprietors, that the question, although irregularly, was then disposed of in the manner it was; seeing that it affords them an opportunity of proceeding at the next General Court, agreeably to the established rules of the Company's Charter, which entitles them to *demand* of the Directors a full and clear statement of the accounts, books, and papers, to be produced to the General Court, in order that the said Court may be enabled to ascertain their profits, and declare a dividend accordingly.

It is not necessary for me at this time to enter into a calculation of what must have been the profits of the Bank Company. But if those profits have been

enormous, every Proprietor of Bank Stock is proportionably entitled to his share, he being a partner in the Bank Company. Not only the terms of the Charter, but the established laws of co-partnership, require it.

But, notwithstanding the immense wealth which the Company of the Bank of England are supposed to have acquired, *it is possible* that these same Directors, in whom the Public have placed such implicit confidence, may, contrary to the Charter, have improperly entered into engagements with Government; and that from that, or from some other hidden cause, the property of the Proprietors, and the actual state of their concerns, may have been unjustifiably withheld from them.

Should this conjecture be founded in fact, the Proprietors being partners, ought certainly to be made acquainted with the real state of their concerns. Bank Stock has, for the last ten years, borne a price of 25 per cent above the Government Funds. And why? Because the Proprietors have been led to believe that the enormous riches of the Bank Company must be divided among them. Should this prove fallacious, every Proprietor has been losing annually the interest of 250*l.* on every 1000*l.* stock which he held as a partner. It is time that this delusion should be done away.

I have the satisfaction to inform the Proprietors of Bank Stock, that Meetings have been held, and that many respectable, independent, and opulent Proprietors are determined to appear at the next General Half-yearly Court, for the purpose of pursuing those measures which they are empowered to pursue by the terms of their Charter.

The Proprietors are greatly indebted to the late Mr. Allardyce, who stood almost alone the champion of their rights, and who by his active perseverance and his powerful writings did certainly oblige the Directors to make a participation among their partners of a portion of their hidden wealth. Every Proprietor has to lament the loss of this gentleman, who died soon after the appearance of his last Pamphlet, published by Richardson in Cornhill, in the year 1801. From this Pamphlet I extract the following Question, with the Answer thereto, of that eminent law officer, Sir James Mansfield, Chief-Justice of the Court of Common Pleas. After reciting the various Parliamentary enactments, the Question is thus stated:—

“Whether any Proprietor of Bank Stock may not, at any General Court called for *considering* the state and condition of the Corporation, and for making and declaring the dividends, demand of the Directors that accounts and documents be produced, from which such general state and condition may be judged of, and whether he may insist upon this, not as a motion to be disposed of by putting it to the vote, as if a question proposed, *but as of right*; and if there is such right, and the production of the accounts and documents are refused, what remedy has the Proprietor, and how is it to be pursued?

Answer.—“I am of opinion, that every Proprietor, at a half-yearly General Court, has a right to require from the Directors, and it is the duty of the latter to produce, all such accounts, books, and papers, as are necessary

to enable the Proprietors to judge of the state and condition of the Corporation and its Funds, and to determine what dividend ought to be paid. The proper method to be pursued by those who consult me, in order to obtain such a production, is, that a number of respectable Proprietors should immediately give notice to the Governor and other Directors, that they shall require at the next General Court a production of all the necessary books, accounts, and papers, and at the General Court, when it shall be held, to attend and require such a production. If it shall not be obtained, I then advise them immediately, or within a few days after the holding the General Court, to make an application to the Governor to call a General Court; which application must be made by nine Members at least, having each 500*l.* stock. If the Governor should refuse to call such General Court, then the nine Members who shall have applied to him to have a Court called, may themselves call one in the manner prescribed by the Charter; and whether the Governor calls such Court, or it is called by the nine members, I advise them, as soon as it is called, to apply to the Court of King's Bench for a Mandamus to the Governor and Directors, to produce at such Court all the necessary accounts, books, and papers.

(Signed)—J. MANSFIELD, Temple, March 9, 1801."

I am, &c.

A PROPRIETOR.

F I N I S.