

TESTIMONY AND DOCUMENTS

Accompanying the Report of the Special Committee of the House of Representatives, ON THE MEMORIAL OF NIXON EDWARDS.

James Lloyd, of the Senate, sworn, at the request of Mr. Edwards.

Questions by Mr. Cook, in Mr. Edwards's behalf.

Question. State, if you please, what is meant by a special deposit made in banking institutions.

Answer. That will depend on the custom of the place, or the usage of the bank where the deposit is made. A special deposit is not a very definite term. A piece of blank paper said to contain a thousand dollars, may be a special deposit; as may be a bundle of notes left at a bank for collection or safe-keeping. Some banks receive a special deposit paper issued by other banks in the same state, or in other states, and which is repaid by the bank receiving it, or in bills of the bank previously designated. I should consider a special deposit that which did not mix nor mingle with the general circulation of the bank.

Q. Are special deposits ever made, without designating the amount and description of money, or the thing deposited?

A. I should think they were, sometimes, merely for the purpose of safe-keeping. More generally, there would be a label on the bundle, box, &c. deposited. It may be noted in the memorandum book of the Cashier, but does not enter into the transactions or records of the bank at all. Plate is often deposited in this manner, and other valuable articles. In one of the Boston banks, I have now a deposit of this description.

Q. When deposits are made for safe-keeping, is it ever understood that the bank is allowed to trade upon them as its own funds?

A. Never, I believe. Some of the banks in Massachusetts keep accounts in two kinds of money; Boston money, for example, and foreign money; which latter means bills of banks located out of the city. If a sum is deposited, repayable in foreign money, the bank designates on a list, generally posted in the banking house, a certain number of banks whose bills they will receive as "foreign money," which money they use; and if they receive the sum deposited in the bills of these banks, they deem the contract fulfilled. If any one of these banks becomes insolvent previous to the payment, it is my opinion that the bank receiving its bills runs the risk of the loss thence accruing.

Q. When a deposit is made of foreign money, or such as is not received as general deposit, but subject to be refunded to the depositor in paper of a similar kind to that deposited; if paper of a similar kind, at the time of making the deposit, should afterwards depreciate in value, would the depositor be bound to receive it in its depreciated state, in payment of such deposit?

A. I should say yes to a question thus specific; but I do not know whether, strictly considered, the notes of different banks can be viewed as precisely similar. If the bank specifies beforehand in what money it will repay, it is a special contract, and the depositor must abide by his own agreement. But, if one of the banks in whose paper the deposit is agreed to be repaid, has subsequently failed, the bank receiving the deposit would not, in my opinion, be authorized to repay the deposit in the notes of such bank as had thus failed. What rate of depreciation would justify a bank in offering to pay, or a depositor in refusing to receive, depreciated notes, I cannot state.

Q. Where money of any description is deposited in any bank, and is mingled with the funds of such bank generally, and the bank uses it in its general transactions, is not such bank always considered liable to pay the amount in legal money to the depositor?

A. I should consider the bank liable, if the deposit is received and credited as general deposit.

Question by Mr. Webster.

Q. By a general deposit, you understand a deposit to be credited as cash in account?

A. Yes.

Q. By a special deposit, you understand a deposit for safe-keeping merely?

A. Yes; or a deposit on particular conditions.

Q. If there be a deposit of an intermediate character between a general deposit and a deposit for safe-keeping, where, though the particular notes deposited, may be used or put in circulation by the bank, yet the bank is not answerable for the amount in cash; do the rights of the parties, in such case, depend mainly on their contract or agreement? or is there any general bank usage which would govern the case?

A. I know of no established usage. The conditions of the deposit are indicated by the terms prescribed by the bank from time to time, which are frequently varied, by it according to its sense of its own interest.

Q. Is your knowledge of bank usage confined principally to that prevailing in the banks of the Atlantic cities, or does it include the usage of the Western banks?

A. It is confined wholly to the former.

Hugh L. White sworn, at the request of Mr. Edwards.

Question by Mr. Edwards.—Have you any recollection of the sum of forty thousand one hundred and fifty-six dollars of notes on the Bank of Tennessee and its branches which was directed to be transferred by the Bank of Missouri to the branch bank of Louisville, and which was to be subject to the drafts of the Treasurer in favor of the Bank of Tennessee?

Answer. I think it proper to state to the committee, that my memory of the transaction is not entirely to be depended on, as it took place several years since, and latterly, my mind has been so much taken up with other concerns, that I may not recollect correctly some matters relative to this. So well as I remember, it was in the fall of 1819 the Knoxville Bank received from Mr. Crawford a letter, the substance of which was, that he proposed to give the Bank at Knoxville a draft on the Bank of Missouri for the whole amount of Tennessee paper then in the hands of the Missouri Bank, and which had been received by it for the United States, which should be payable at Louisville in Kentucky, in Tennessee bank paper; and that, upon the receipt of such draft, the State Bank at Knoxville should place to the credit of the Treasurer of the United States a like sum as specie, which would be drawn for by the Government might have occasion to use it, in that quarter of the country. On the receipt of this letter, he was answered that we could not agree to such an arrangement; that, as to the amount of Tennessee paper upon the bank of the state of Tennessee and its branches, we were willing to accept such draft on the Missouri Bank upon the terms proposed in his letter; that, as to other Tennessee paper that did not belong to the state bank or its branches, we could not agree to receive it. In pursuance of this arrangement early in the year 1820, I think in March or April, a draft was received from the Treasurer for 40,156 dollars on the Bank of Missouri, payable at the place and in the descriptions of notes agreed upon. I think the amount was placed to the credit of the Treas-

suror of the United States, immediately after receiving the draft. We had no correspondence with the Bank of Missouri, but only with the Secretary of the Treasury, so far as I can remember, at this time; and upon this point I feel pretty certain I am not mistaken: After waiting what we supposed a reasonable time, to allow the Missouri Bank to have the money at Louisville, where the draft was to be paid, I went, and took a young man with me, to receive the money. For form's sake, the draft was transferred to me. I went to Louisville, (and no particular place in Louisville being specified in the draft, where the money was to be paid,) I went to the Branch Bank there. I found no funds provided to meet the draft; and after waiting a few days without being able to hear any thing which induced me to think a longer delay would be useful, I had the draft protested, a copy of the protest forwarded to the drawer, with such notice as would make him responsible, and returned to Knoxville. Some time afterwards, I think in the same year, a letter was received from the Cashier of the United States' Bank, stating that a bundle, said to contain the 40,156 dollars, had been forwarded, and left there by the Missouri Bank, for the purpose of lifting this draft; but, as we had had the trouble and expense of going once to receive it, we took no notice of this communication, and wished to have the money sent to us at our own place, at the expense and risk of the Missouri Bank. We were content with the paper, and ready to receive it, at any time. Thus matters stood, until we heard that the Missouri Bank had failed. I advised that the Knoxville Bank should again send to get this money. This was in the winter of 1821. As soon as they could make the arrangement, they sent on and received the money at Louisville early in the year 1822. I understand that the whole amount of 40,156 was received in notes of the Knoxville Bank and its branches. In the meanwhile, the Treasury continued to draw on the Knoxville Bank, and, as President, I directed the Cashier not to pay cash for these drafts, but, if current money would be taken, to make advances in it, though the money was not yet received for the draft, under a belief, that, ultimately, the Secretary would cause the amount of the draft to be paid to our bank.

My impression was, that when the Missouri Bank had received these notes the banks were all paying specie, but that afterwards the branches had ceased to do so. The first information we got was from Mr. Cochran, Cashier of the Branch Bank of the United States at Louisville, that the money was ready for us, and was in the same summer, viz. of 1820, as I believe, but cannot be certain. I never exchanged a line with the Missouri Bank, nor received a line from it, according to my best recollection. I considered our transaction only with the Treasury. The mail from St. Louis to Knoxville was at that time tedious, and not very regular. I am yet ignorant of the reason why the money was not ready for us at Louisville. I had no Treasury draft, nor have I now, that would notify all parties concerned of having given the draft. The amount of notes on the principal Bank itself, was small in comparison to that on its branches.

I understood that the draft for 40,156 was a mode of transfer from one bank to another, for the purpose of having placed to the credit of the United States as cash, or general deposit this sum which the Bank of Missouri could not transfer to the Bank of the United States. We paid creditors of the United States who presented drafts in current bills though not in specie, and there were no complaints at the time, of which I have at present any recollection. We did not pay the specie, because the fund had not been received upon the foundation of which we had agreed to pay it; and if any blame is due, it is due to myself in preference to the Cashier; as I forbade him to pay the specie, as it related to this transaction, until the fund for which we had agreed to pay it should be paid to us.

Question by Mr. Edwards. I want to know the character of Mr. Lee, whose report is in my hand?

A. I have seen that report. Mr. Lee is a man of the utmost integrity; and if that report varies from my statement as to this transaction, it is more to be relied on than my own statement, which is from memory, without the same means of being correct which Mr. Lee had.

Q. Was a part of the money deposited to be suffered to remain in the Bank?

A. The Treasury was to draw out the money only as the wants of the government required; something may have been said as to the time it was to remain in the bank; but I have no recollection of any positive agreement on that subject. Mr. Crawford's letter shows the understanding upon that subject more correctly than I can state from memory merely.

Q. What was the discount on your paper?

A. None upon that of the principal bank; but upon that of the branches, and other Tennessee paper, it has fluctuated from ten to twenty-five per cent.

Q. What were notes on the branches of the Knoxville Banks worth at that time?

A. I cannot recollect at that particular time. The depreciation taken for a series of years was from ten to twenty-five per cent, as before stated, in East Tennessee; in West Tennessee the discount has been some time higher.

Q. Did not the pensioners receive from ten to twenty per cent. less than if they had received specie?

A. The money in which they were paid was of the kind which was at the discount before stated.

Question by Mr. Taylor. At the time that these payments were made at the Bank of Knoxville, was there a credit in that bank to the United States?

Answer. Yes; and that credit always stood as a specie credit; but we thought that it was more than balanced by the draft unpaid; and we held the Treasury responsible for the amount of that draft.

Question by Mr. Webster. In other transactions, did you pay specie for the drafts of the United States?

Answer. Our rule always was, to pay in specie as had been placed with us, if the draft was drawn as specie, we paid it in that—if desired. If the fund was other than specie, we did not pay specie.

Question by Mr. Edwards. In crediting the draft from the Treasury in your favor, was the word "cash" used?

Answer. I cannot remember. The intent was to credit it as cash. A deposit, when nothing is said to the contrary, is considered by us as being payable in cash, if demanded. We viewed special deposit of certain kinds of notes as not binding us to repay in those identical notes, but only similar notes of such as the depositor would be as well satisfied with.

Question by Mr. Edwards.—Was the paper of the Huntsville Bank received at your Bank?

Answer. We never had a draft on the Bank of Huntsville. The paper of that Bank is esteemed rather better than our own Branch notes; and we have, until long after this transaction, made no distinction between it and what is called, by us, current Tennessee paper.

Q. Was the notice of the protest, at Louisville, forwarded to the Treasury?

A. I do not recollect, further than that I took the ordinary steps to make the drawer liable, before leaving Louisville; and, upon my return, in May, wrote the letter now shown me, by one of the Committee, to the Secretary.

Q. When you received the draft, did you credit the amount to the Treasury?

A. Yes, as I now believe. That, I think, was our understanding of the agreement, and I suppose and believe we complied with that part of it.

Question by Mr. Webster.—Did you inform the Treasurer that you did not pay his drafts in specie but in your own bills?

A. I have no recollection of making any communication to Mr. Crawford on that subject. The Cashier may have given such notice—but I do not know that he did. I gave him no orders to do so; and think, if he had done so, I should have known it.

Question by Mr. Edwards. Do you believe that any one pensioner would have taken your bills, if he had supposed he could get specie?

A. Doubtless he would have preferred specie to any of the bills in which he was paid.

Question by Mr. Forsyth, on the part of Mr. Crawford. Did you hold the United States responsible for the amount of its draft on the Bank of Missouri?

A. Yes.

Q. How then did you refuse to pay in specie?

A. We thought that, as the money for the draft had never been paid to us, it was a just interpretation of the agreement that we should not pay in any thing till we received the proceeds of the draft; but preferred advancing in such funds as we could spare, to having the drafts protested.

Question by Mr. Edwards. When you received the amount of the draft, was it not chiefly in notes of your branches?

A. I understood so—but had no personal knowledge as I was not then in Knoxville.

Q. Had not most, or all, of those branches then stopped payment?

A. They had ceased cash payments when we made the agreement—but my impression is, that when these notes were received in the Bank of Missouri, the Banks all paid specie.—This answer is given, however, upon the presumption that the Missouri Bank had received them as they represented to the Secretary. How that fact was, I, of course, do not know.

Q. What means has a Director of knowing from what person a sum, say of \$100,000, found in Bank, and received in a series of months, has been so received?

A. I can only speak as to the rules of the Bank to which I have belonged. As to the rules of others, I could only speak from information. By the rules of ours, the President, Cashier, &c. can inspect all accounts of every person whatever; but no individual Director has such power; but the Board of Directors, if they choose, have as much right as any of the individual officers, to examine any and all accounts; but any information thus acquired would be confidential, and is intended to prevent any improper conduct, and to enable the Directors and officers to discharge their respective duties, to the public and to individuals.

Question by Mr. Forsyth. As the President of the Bank, would you not have preferred advancing in current notes with the government bound to pay the draft to its having been paid punctually and your being bound to pay in specie?

A. I would have preferred that the payment of the bill should have been made when I was at Louisville, and that the transaction should have gone on as originally intended; because we would then have been as able as we ever may be to lift our paper and as never expected more from the government than payment at our Bank in the same kind of money specified in the face of the draft; but at the same time felt a confidence that the government would cause us to be paid in such funds at our own place—it could make but little difference, as most of the pensioners were very probably paid in Branch paper, or funds equal to it, and I have ever believed, as President, that the interest of the Bank was most promoted by acting honestly. I make this observation without feeling that the question was intended to doubt our integrity.

H. L. WHITE.

James Sanderson, of Alexandria, sworn, at the request of Mr. Edwards.

Question by Mr. Edwards. I wish you to state what you know concerning sums of money obtained by the Mechanics' Bank of Alexandria, from the Secretary of the Treasury.

Answer. In January, 1819, I was President of that Bank. At that time, there was a run on that Bank, and the Bank was much embarrassed. I waited on the Secretary of the Treasury, and he loaned, at one time, \$17,000; at another, \$20,000. I showed him a statement of the concerns of the Bank, proving its condition to be good, and reminded him of former loans by the Bank, to government, in an hour of its necessity. He replied, that he would consult the President of the United States, and let me know the result; and, when I called again, told me the government was disposed to do all it could to relieve the Bank, as well as the other Banks of the District, and gave me a draft on the Bank of Alexandria for \$17,000. This was on or about the 12th of January. On or about the 23d of the same month, I called on him again, and he gave me another draft on the same Bank for \$20,000. I understood these sums as loans or deposits, made to relieve and aid the Bank. I continued President of the Bank a few weeks, and soon after I left it, it stopped specie payment for a time, some time about the middle of March.

Q. Has the Bank repaid any of these loans?

A. I went, this morning, to look at the books of the Bank, and find that the amount appears to have been repaid.

Question by Mr. Forsyth. When did you first call on the Secretary?

Answer. It was on Friday—but as I understood he was much engaged, on Saturdays, in receiving visits of Members of Congress, I called again on Monday, when I received the \$17,000.

Question by Mr. Forsyth. Were there any deposits made, by government, in that Bank previously to those you have now spoken of?

Answer. There were not, I believe, except the money which had been loaned to the government previous to the time I speak of.

JAS. SANDERSON.

June 9, 1823.

Jacob Morgan, of Alexandria, sworn, at the request of Mr. Edwards.

I was Cashier of the Mechanics' Bank of Alexandria for a time after Mr. Sanderson left it. There were some loans obtained by Mr. Swan, President, from the Secretary of the Treasury, and received by me. Mr. Sanderson had left it. One loan, I think, was of \$10,000, another of \$20,000. The first

was returned in a short time, say 30 or 60 days, and a few weeks after the first, the second loan was obtained. This latter was not repaid, when I left the bank, which was, I think, in 1821. When I came into the office of cashier, I found little specie, and a very small amount of current money, and about \$30,000 of notes in circulation. (I reduced them, before I left, to less than \$7000.) The second loan, of \$20,000, was, as I understand, subsequently paid, or secured to be paid, through the Bank of Alexandria, but when I left the bank, the two loans mentioned by Mr. Sanderson, and the second mentioned by me, remained unpaid. This last was received in Treasury drafts on Carolina and Virginia. I changed the draft for Virginia paper. The Raleigh bank then paid specie, and was willing to take away the specie. The first \$10,000 were obtained to enable the bank to pay specie, but this being found insufficient, the second loan was obtained. The bank paid some of its notes as it was able, and as fast as the notes were paid, they were withdrawn—but many notes were not paid when presented.—I did understand from the Secretary of the Treasury, that the loans were obtained in order to enable the bank to wind up its affairs.—The Secretary frequently applied to me for repayment, and being told by me that the bank was unable to do it, he insisted upon interest being allowed on the loan, which was agreed to by the bank. I do not recollect when this agreement for interest was made—not, however, before the money had remained due for a year. Nor do I remember from what date the interest was to be calculated.—The present statement I make from memory, merely—not having had access to the books of the bank for several years.

JACOB MORGAN.

Augustine Newton, sworn, at the request of Mr. Edwards.

I was Cashier of the Franklin Bank, and became so in March, 1821. There is a credit on the books of that bank to the Treasurer of the United States for \$48,000. The money was obtained before I came into office. Mr. Crawford was once at the bank while I was Cashier, say in August, 1821, applying to have the money either paid or secured; at which time the bank agreed to transfer to him all its property, as security, and that this loan was the first debt to be paid. The charter of the bank expired on the 1st Jan. 1822—but I have the books in my possession.

The discounted notes were first to be resorted to, and if these proved insufficient, resort was to be had to stock notes. A small sum, less than \$1000, has been collected. The notes are now in suit, by Mr. Swan, district attorney. The stock notes are notes given by stockholders for stock, for the payment of which stock is pledged as security. I know of no reason for the agreement that one class of notes was first to be sued for unless it may have been the convenience of the debtors on the stock notes. All the real property was also transferred. It consisted of a few houses, taken for debts.

The agreement was accepted by Mr. Crawford, before the expiration of the charter, and sent to Mr. Swan to have a regular conveyance drawn up. That conveyance was not consummated till after the charter had expired, say in October, 1822. Many of the notes assigned were under protest, and some of them in suit. None, including stock notes, to the amount of \$155,000, and real estate to the amount of \$5000, were offered to be transferred, but Mr. Crawford did not at that time accept of the offer, because it did not extend to the payment of interest; but afterwards, the interest being stipulated for, the agreement was accepted, and the transfer made on October, 1822, as I have above stated. The stock notes are still in my possession. They have never been endorsed to the government by any one. If suits can be sustained, there will be ample funds to repay the loan.

When I went into the office of cashier, I was under the impression that provision had been made by Congress for continuing the charter of the bank for five years beyond the time originally limited for its expiration. I continued under that impression for a long time, and I believe the directors were under the same impression.

9th June, 1824. AUG. NEWTON.

Mr. Newton again called, (10th June.)

The transfer above referred to, from the bank to the United States, was made on the 3d October, 1822.

The terms of the agreement were finally arranged and assented to by the parties, on the 5th Dec. 1821. A. NEWTON.

Charles T. Chapman, sworn, at the request of Mr. Edwards.

I was Cashier of the Union Bank of Alexandria, in June 1819, owing to the heavy pressures upon the Bank, and considering a disadvantageous loan had been made by the Bank to the Government, and believing as I then did and do now, that unless some temporary relief could be obtained at the moment, a serious inconvenience would have resulted to the institution, under such circumstances a committee was appointed to solicit from the Hon. Wm. H. Crawford, Secretary of the Treasury, a temporary aid—which he was pleased to grant, under the condition that the amount should be refunded, when demanded. The sum received from the Treasury was \$30,000, in June 1819, and having received information that it must be refunded in January 1820, a part was paid in the latter month, and the balance in February of the same year; and although the funds we received from the Treasury, were not, nor could have been desirable, under any other circumstances than those above mentioned, yet, interest was paid upon the same. The money thus received from the Treasury was all, I believe, paid into the office of Discount and Deposit of the Bank of the United States at Washington, either by deposits or drafts of the Treasurer through that Bank upon us.

The solvency of the Union Bank was, I believe, never questioned at any time during its operations.

C. T. CHAPMAN.

June 9, 1824.

James L. McKenna, sworn, at the request of Mr. Edwards.

I am Cashier of the Bank of Alexandria. I became so in 1811. The Bank has never had a loan or an indulgence from the Treasury.—It has always had the deposit of the government from the Collector. It has made advances to the government, when under pressure, and, at one time, remonstrated with Mr. Crawford on the closeness with which the public deposits were drawn. The average amount of public money remaining in deposit, in this Bank, since Mr. Crawford has been Secretary of the Treasury has been less, I think, than it was during the incumbency of Mr. Gallatin.

J. L. McKenna.

June 9.

I had an agency in obtaining one of the loans made by Mr. Crawford, to the Mechanics' Bank of Alexandria, when that Bank was in difficulty. I accompanied Mr. Sanderson, in his visit to the Secretary, when he obtained the second loan, and represented the injurious consequences of permitting that Bank to fail. Indeed, repeatedly, the notes of that Bank out of the hands of brokers and others. Mr. Crawford seemed dissatisfied at

the second application so soon after the loan of \$17,000. He applied to me for my opinion of the solvency of the Bank, and whether the loan would enable it to redeem its paper.—I represented the circumstances of the Bank as being safe, (to the extent of its debts, but that its Stockholders might lose,) though I doubted the sufficiency of the loan to enable it to redeem its paper. I represented the permitting the Mechanics' Bank to fail, as being calculated to injure, and the granting of the loan to benefit, materially, the commercial interests of Alexandria, and Mr. Crawford acquiesced in the wishes of Mr. Sanderson, and made the loan in drafts on some of the Eastern Banks, in sums of 2, 3, and 4,000 dollars each.

Question by Mr. Edwards. When a general deposit is made in your Bank, without any thing being said on either side, is the amount demandable in cash?

Answer. Always—except when plate, or notes of distant Banks are left for safe-keeping, to be delivered to order.

J. L. McKenna.

William Rhodes, sworn, at the request of Mr. Edwards.

I was Cashier of the Franklin Bank of Alexandria, from May, 1816, to June, 1819; when I left that bank it was indebted to the United States, I think in the sum of \$48,000. I cannot certainly tell when it became indebted, but believe it was in 1813 or 1819. It became indebted, as I understood, in consequence of an application by our Directors to the Secretary of the Treasury for a loan; there were, I believe, three such applications; at the first we received \$18,000, the second \$18,000, and at the third \$12,000; the money was advanced to the bank to relieve it from its embarrassments. I feel very certain as to the aggregate amount of 48,000, but am not so sure as to the amount of the different sums obtained at each application, nor respecting the time when they were obtained.—My impression is, that the loans were all obtained within the course of about six months; I cannot state whether interest was or was not to be allowed upon them. I have no farther knowledge of the transaction than that I received the warrants from the Treasury, and passed the amount to the credit of the United States. I now recollect that I was, in one instance, requested by the Directors to write a letter to the Secretary, requesting a deposit in our bank, which I did accordingly, but I do not remember at what time, nor whether it was before or after the first loan.

WM. RHODES.

[To be continued.]

NEW YORK, June 26.—The British frigate Pyramus, Capt. Newcomb, arrived at the Quarantine Ground yesterday, from Jamaica, and 12 days from Havana. On coming to anchor, the frigate fired a salute. It is said the amount of specie on board to be landed here, is about \$300,000.

Israel Corne, and Thomas Freeborn, Esqs. of this city, have been elected Directors of the Bank of Washington and Warren.

We have received by the Columbia, a Dominica paper of the 2d inst. An arrival at Barbadoes, on the 26th ult. from Cape Coast, had brought a confirmation of the total defeat of Sir Charles McCarthy, with the troops and colonists under his command. A Mr. Williams, is said to be the only survivor, who made his escape in almost a miraculous manner.

[Mer. Adv.]

SOUTH AMERICA.

NEWBURYPORT, June 22. Extract of a letter from Capt. Wm. Wheelwright, late of this town, (of the House of Robert and Wheelwright, Guayaquil,) dated 21st ult. in the hands of the Spaniards. They entered the city, 3000 strong, on the 25th ult.; the handful of Patriot soldiers retreated before them. All was quiet; foreign property was respected, and no excesses committed. What will be the extent of these things it is impossible to say. The Spanish army is formidable—but if Bolivar has time to get his troops from Venezuela, he will be successful—but should the Spanish army press hard upon him, before the reinforcement arrives, he will be compelled to retreat.

Lima is now blockaded by Admiral Guirre. Business will be entirely suspended so long as the Spaniards have the command on shore. Many voyages will be destroyed in consequence, as there is no other market of importance on the coast for the consumption of provisions. The English property existing in Lima, when the Spaniards entered, exceeded in amount 600,000 dollars. On all goods existing, paid 40 per cent duty—and adding 20 per cent. paid to the Patriot Government, give the amount of 80 per cent. duty. This, however, was no more than the British merchants anticipated: no doubt the value of the goods will increase in the like proportion in Lima.

Capt. W. on his journey from Lima to Callao was attacked by fourteen or fifteen robbers, who wounded and robbed him—but some officers coming up, providentially rescued him from the hands of the assassins.

Extract of a letter from Buenos Ayres, April 5.

"We have a new Governor here, Gen. Los HERAS, a brave and faithful soldier, and a worthy man."

"The news from Lima is sad; but by a letter transmitted to me from young Mr. Prevost, it appears not to be so unfavorable as at first represented. Bolivar is still at Truxillo, with near 15,000 men. The royal forces are said by some to amount to about 25,000, though by others to not more than 10,000. The Franklin sailed in great haste, on receiving the news, from Valparaiso for Callao, the seaport of Lima. I have great confidence in Bolivar."

"I congratulate you on the glorious result of your election for Governor. I never doubted the success of Mr. SUZUE; but his triumphant majority has exceeded my most sanguine expectations."

[Frank. Gaz.]

BATTLE WITH PIRATES.

Captain Cotton of the schr. Thetis, from the Coast of Cuba, reports that while lying at Moanilla, on the 9th of May, the supercargo got intelligence that the vessel would be attacked by three piratical boats, and made preparations for defence accordingly, by loading the guns, &c. and obtaining the assistance of 4 soldiers from the Commandant. At half past 11, at night, the boats were discerned approaching, when all hands were called to quarters. When within hearing, the supercargo hailed them three times, but received no answer, and they continued to approach the Thetis, with their oars muffled. With a glass, 12 men could be discovered in each boat. When within pistol shot, the boats were hailed again, but made no reply. The supercargo then fired a pistol in the air—when the boats instantly commenced a discharge of musketry at the Thetis. Their fire was warmly returned, and a brisk discharge from both sides was kept up for sixteen minutes, when the Thetis got her large bows to bear upon them, and they began to haul off the land. On the following morning, three were found dead on the beach, and five dreadfully wounded, were taken during the day, and remained in prison when the Thetis sailed. On

the 12th, one of the canoes in which the pirates made the attack, was found on the Keys, almost torn to pieces, with four dead bodies in it. They were all recognized by the inhabitants.

GENERAL LAND OFFICE, June 24, 1824.

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