

21

AN EXPOSITION

OF

THE CIRCUMSTANCES WHICH GAVE RISE TO
SUITS INSTITUTED

BY

JOSEPH PEARSON, ESQ.

AGAINST

The Patriotic Bank, Dr. P. Bradley,
and William Gunton :

AND OF

THE CONDUCT OF DR. BRADLEY, AND HIS SON
MR. WILLIAM A. BRADLEY,

DURING THE PROSECUTION OF THOSE SUITS.

BY WILLIAM GUNTON,

LATE A DIRECTOR OF THE BANK.

WASHINGTON :

PRINTED BY PETER FORCE, CORNER OF ELEVENTH STREET
AND PENNSYLVANIA AVENUE.

1830.

45

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THE CONDUCT OF DR. BRADLEY, AND HIS SON

MRS. WILLIAM A. BRADLEY,

BEING THE PROSECUTION OF THREE SUITS.

BY WILLIAM GUNTON,

LATE A DIRECTOR OF THE BANK.

WASHINGTON:

PRINTED AT PETER BOURNE, CORNER OF FIFTH AND

AND PENNSYLVANIA AVENUES.

1830.

AN EXPOSITION, &c.

To the Stockholders
of the Patriotic Bank, of Washington.

Having been by the secret devices of the President of the Institution immediately preceding the late election for Directors, deprived of a seat at the Board, and being conscious that the transactions giving rise to his enmity are in a great measure undivulged, and that unless they be promulgated my reputation might suffer by an opinion that his course is ascribable to improper conduct of mine as a Director, more especially as after a devotion of nine years to the interests of the Bank, my removal without good cause could not be fairly inferred; I have concluded to submit to your notice as full a disclosure of the facts and circumstances of the case, as the means in my power will enable me. Having in a considerable degree to rely on my memory, literal accuracy throughout is not to be expected; in substance however I feel confident there will be found no material deviation from the truth. To avoid the possibility of mistakes, so far as concerned particulars of which record evidence is in possession of the Bank, I endeavoured to procure transcripts—not only were these refused, but an attempt was made to get back other copies furnished to me long since for my own use, and their publication protested against as a breach of trust. Of my application to the Board, the reply thereto, and my rejoinder, copies are appended hereto marked Nos. 1, 2, and 3.

For effecting a change in the Presidency of the Bank in 1827, expedients were resorted to which form the ground work of the present narrative. In the spring of that year I learned in conversation with one of the Directors, that another of them, had suggested a change on the ground that the want of business habits of Mr. Pearson, the then President,

disqualified him for an efficient discharge of the duties of the office, and had named Mr. Wm. A. Bradley, the then Cashier of the Bank of Washington, as a fit successor, and that he had urged in reply to the proposer the extreme improbability of Mr. Wm. A. Bradley's being induced to resign a situation of \$1500 a year for one the annual compensation of which was then only \$400. No suspicion that the motion originated with either Doctor Bradley or Mr. Wm. A. Bradley, was then entertained by me, nor in this stage were any steps taken or agreed on by the Directors, for the attainment of the object.

At about this time Mr. Abraham Bradley, Jr. the then Cashier of the Patriotic Bank, sought by travelling the recovery of his health, and at the latter end of May, unexpectedly died while in Philadelphia. Soon after this event was known here, a Committee was appointed by the Board, for the purpose of examining the papers in the Bank, and separating such as related to the deceased's private affairs from those which had been under his charge in his official capacity. Of this Committee I was a member, and in the progress of the investigation a paper in his hand writing met my notice of which the following is a copy : "Mr De Krafft will please get Mr. Pearson to return the \$850, with interest for the time, and place it to credit of the person from whom I borrowed it." On showing this paper to another member of the Committee, he observed that he had heard a curious tale connected with it, and which he afterward related—it was briefly that to cover overdrafts on Mr. Pearson's account, and to prevent the fact being known to the Board by its appearance in the quarterly statement, Mr. Pearson and the Cashier had looked over the Leger together, to ascertain from whose account the amount could be borrowed, and that it had been transferred from the account of Doctor Bradley, to Mr. Pearson's credit ; the circumstance gave rise to much discussion amongst the Directors, and to several consultations between me and Doctor Bradley, who declared that the act was done without any authority or knowledge on his part, and spoke of it as a very heinous one. No difference of opinion existed in

the minds of the Directors as to the propriety of displacing a President who would commit an offence of this nature, but I did think and endeavoured to persuade other Directors including Doctor Bradley himself, that Mr. Pearson ought in common justice, to have an opportunity for explanation; they however contended that the matter was incontrovertible, and came to the determination, that it would be better to remove him without any intimation of the design, on which I yielded my opposition, but with a positive avowal to Doctor Bradley and other directors, that if he and Mr. Pearson were ever together at the Board in my presence the subject would certainly be introduced by me; and my doing so was prevented by the non-attendance there of Doctor Bradley.

On the evening of the 30th June, 1827, the Investigating Committee of the Board, and of which I was one, held a meeting, and at which Doctor Bradley and several other Directors attended, and when the Doctor represented to the Committee, that the \$850, had been transferred from the credit of his account without his consent or knowledge; that he, some weeks after the transaction occurred, having occasion for a large sum of money, called at the Bank to ascertain the state of his account, and perceiving a check of \$850 charged to him, he expressed considerable surprise, and observed that he never gave it, when the Book-keeper informed him that Mr. Abraham Bradley, Jr. the Cashier would explain the matter; that he afterward had an interview with the Cashier, and learned from him that the account of Mr. Pearson had at the time been overdrawn a nearly equal sum; that the Cashier and Mr. Pearson looked over the Leger together to see from whose account the amount might be transferred for a few days, till Mr. Pearson could make a deposit to meet it, and that the sum was transferred from the account of the Doctor; that some days afterward, Mr. Pearson called on him (the Doctor,) and observed that he had borrowed \$850 of his, and would have the money replaced to his credit if he would let Mr. Pearson know a few days before it was wanted; and that he (the Doctor,) being then acquainted with

the transaction, and feeling indignant at the proposition, turned away from Mr. Pearson, first signifying to him that resort would be had to the Bank for it ; and that Mr. Pearson had soon after the appointment of Mr. Wm. A. Bradley, as administrator of the estate of Mr. A. Bradley, Jr. the late Cashier, called on him, and declared himself to be indebted to that estate \$850, and was told in reply that there was no evidence of such debt among Mr. A. Bradley's papers. This account of the representation then made by Doctor Bradley, has been extracted from a report prepared in July, 1827, when my recollection thereof was fresh, and which report was unanimously adopted by the Board, Doctor Bradley himself being present, and without its accuracy being questioned in any respect. I notice this, because the written representation made by Doctor Bradley, subsequent to the election, to another Committee, will not be found to agree therewith in every particular. After making the representation above described the Doctor claimed to have the \$850 restored to his credit, and the Investigating Committee having on a resort to the books, found that the entries in the accounts of the Doctor and Mr. Pearson accorded with the representation ; and that the only authority for the transfer was a memorandum in the hand writing of the late Cashier in this form—

“City of Washington, 31st March, 1827,
 “Patriotic Bank of Washington,
 “Pay to J. P. or bearer, eight hundred and fifty dollars,
 “850 Dolls.” chg. “P. Bradley.”

gave directions for the reversal of those entries. Before the meeting separated, Doctor Bradley urged me and another Director, to see several of the large Stockholders with the view of obtaining the aid of their votes against Mr. Pearson, at the ensuing election to be holden a day or two afterward. I abstained from doing this, but the other Director did I understand converse on the subject with some of them. At the election Mr. Pearson was left out, and at a meeting holden on the following day, and at which Doctor Bradley attended, Mr. Wm. A. Bradley was, agreeably to previous concert, unan-

imously chosen Mr. Pearson's successor ; and the Salary of the President was advanced from \$400 to \$1,000 per annum.

On the 11th July, 1827, Mr. Pearson addressed to the President and Directors a letter of which the following is a copy :

July 11th, 1827.

GENTLEMEN : On examining my account with the Patriotic Bank the day before yesterday, I discovered with much surprise, that I was charged on the inst. with the sum of \$850, and was informed by the Book-keeper, that this charge was made by *order* of the *Directors*.

Unapprised, as I am, of any authority which the Directors possess, to change the character of my account, I deny the right, and protest against the propriety, of this interference with my account, or my funds. Considering this transaction as I do, both unprecedented and unjustifiable I require my account, in the form it stood anterior to the act alluded to.

Your obdt.

JO. PEARSON.

To the PRESIDENT & DIRECTORS,
of the *Patriotic Bank*.

In consequence thereof a Committee of which I was at the head, was raised for the investigation of Mr. Pearson's accounts, not only as to the charge complained of, but generally, as to all his concerns with the Bank ; and between him and the Committee some correspondence ensued, which being immaterial to the present purpose will be omitted. He also addressed another letter to the President and Directors, wherein he proposed to submit the subject of his aforesaid letter of the 11th July, 1827, to the arbitrament of Messrs. Swann, Van Ness, and S. H. Smith, Presidents of Banks in Washington, a measure which was opposed by Doctor Bradley, and not acceded to. Soon after its appointment this Committee took the very proper precaution of addressing notes to Doctor Bradley, and Mr. Wm. A. Bradley, for the purpose of obtaining their statements in writing in relation to the \$850 transaction ; and of their replies copies are appended hereto marked Nos. 4 and 5 : and it is from the report of the proceedings of this Committee, that the verbal representation of Doctor Bradley before set forth has been taken.

Exclusive of the correspondence which Mr. Pearson had

with the Board, and with this Committee, whereof as before observed I was a member, there was another between him and myself individually, as follows :

July 15, 1827.

SIR : Understanding that a report highly injurious to my character, and having you for its author, has obtained circulation, I am induced to ask you whether you have stated "that while President of the Patriotic Bank, I procured or influenced A. Bradley, Jr. late Cashier of that Bank, to transfer the sum of \$850 to my credit and charge the same to the account of Doctor P. Bradley, without authority on the part of A. Bradley, Jr. or myself for so doing," or words to this effect.

Sir, Yours, &c.

JO. PEARSON.

Mr. WM. GUNTON, *Washington.*

WASHINGTON CITY, July 16th, 1827.

SIR : I have this day received your letter of the 15th inst. and in reply thereto have to observe that such a statement as is therein set forth has never been made by me.

Sir, yours, &c.

WM. GUNTON.

JOSEPH PEARSON, Esq.

July 23d, 1827.

SIR : Your reply of the 17th to my note of the 15th inst. would ordinarily be considered an unequivocal disavowal both in *terms* and *substance* of the charge attributed to you. I have however reason to apprehend that you have in your reply regarded the *form* more than the *substance* of my inquiry, I therefore request you to state what you have said (if any thing) bringing into question my integrity as late presiding officer of the Patriotic Bank, in reference to the subject of my note of the 15th inst. and also your *authority* for any statement you may have made on that subject.

Yours &c.

JO. PEARSON.

Mr. WM. GUNTON, *Washington.*

To this letter so comprehensive in its scope I returned no answer, as an explanatory one couldnot have been written without involving Doctor Bradley ; and knowing that my own course had been dictated solely by a sense of duty to the Institution, I charitably gave credit to the Doctor for being governed by a like laudable motive ; and rather than name him as my authority, and thus expose him to a prosecution in which he would be deprived of the benefit of his own testi-

mony, I chose to risk one against myself notwithstanding the odium attached to an action for defamation ; and to rely on the facts as they were then understood, and on his evidence, for my justification. Subsequently however another Director who had mentioned the matter, did, to avoid being sued, give up Doctor Bradley, as his authority, and then a suit was brought against the Doctor. Other suits had been previously commenced by Mr. Pearson against me and the Bank, and the Bank also instituted one against him. Not many months had elapsed before an anxiety was manifested by Doctor Bradley, to have the controversies settled without being carried into court, and he called on me and read over either a letter to, or a statement to be placed in the hands of, Mr. Mallett of North Carolina, a friend of Mr. Pearson's, for the purpose of enabling him to aid in the accomplishment of the object—it was read however in a manner so rapid and confused, as to be not clearly intelligible to me, yet my impressions were that it might be viewed as containing admissions of a nature incompatible with his original representations (and but for which the controversies would have never arisen,) and this I observed to him, but he said the paper was so worded as not to be liable to that objection—I nevertheless thought it was, and expressed an opinion that by delivering it he would commit himself ; whether or not it was delivered I do not know.

In April 1828, Mr. Mallett appears to have visited Washington, and to have, *after interviews with Doctor Bradley, and Mr. Wm. A. Bradley*, written to them as follows :

WASHINGTON, 10th April, 1828.

Mr. Wm. A. Bradley,

DEAR SIR : Since the interview with you I have seen Mr. Worthington, and am authorized to say, if the Patriotic Bank will pay Mr. Pearson's check for five hundred and ninety-five dollars, forty-five cents, the suit brought by him against the Bank shall be dismissed.

I am, respectfully, &c.

C. P. MALLET.

WASHINGTON, 10th April, 1828.

Dr. P. Bradley,

DEAR SIR : Since our conversation this morning, I had an interview with Mr Worthington, and am authorized to say, that if you will communicate to me in writing what you have said in person, viz : that you never entertained an idea that Mr. Pearson, whilst presiding in the Patriotic Bank, ever acted directly or indirectly prejudicial to the interest of the institution; that you have always considered him a Gentleman, and entirely above any act derogatory to that character ; and that you have no cause to change that opinion of him, the suit brought against you, by Mr. Pearson, shall be dismissed.

Yours, &c.

C. P. MALLET.

Mr. Wm. A. Bradley, appears in pursuance of the note addressed to him, to have convened a meeting of the Board, and to have communicated the result to Mr. Mallett in a reply, of which the following is a copy :

Friday, 10th [11th] April, 1828.

C. Mallett, Esq.

DEAR SIR : I have this day submitted your favour of yesterday to the Board ; they have referred it to a Committee of the President and two Directors to settle the whole affair in dispute between Mr. Pearson and the Bank on such terms as to them may seem best.

The Committee desire you to meet them to-morrow at the Bank, at 2 o'clock.

Your most obedt.

WM. A. BRADLEY.

A glance at this correspondence cannot fail to convince the most incredulous—that notwithstanding the peculiar circumstances under which Doctor Bradley had involved me in litigation, the plan of him and his son was to abandon me to my fate. The Board however was not thus disposed, and if through artifice in wording the resolution, an authority was given to the Committee similar to that designated in Mr. Wm. A. Bradley's letter, it was unintentional on the part of the Board. The letter of Mr. Mallett is therein asserted to have been submitted to the Board : it may possibly have been produced, but without explaining its limited object, or communicating the information that Doctor Bradley had received a

distinct proposition (although seen by Mr. Wm. A. Bradley before delivery as is proved by Mr. Mallett's deposition,) and to me individually no offer of compromise was made. Had not the Board been led to believe that the overture related to all the matter in controversy, not only with the Bank but with Doctor Bradley and myself, no resolution for a Committee could have passed. The Board regarded the Bank as concerned in all the suits, and would have refused its consent to the separate adjustment of any of them. The phraseology of Mr. Wm. A. Bradley's letter is obviously so equivocal as not only to keep Mr. Mallett in the dark on this point, but to leave an opening for evasion in case the experiment about to be made should not succeed, and to which in consequence of its failure he had to resort. By the deposition of Mr. Mallett, it will be seen that conferences were held by him with the Committee at the Bank; that terms were agreed on; that a letter to him in conformity thereto was written and presented; that it was not till after all this, that the suits against Doctor Bradley and myself were attempted to be included in the arrangement; that when he found the Committee declined to settle the Bank case apart from the others, he went away, leaving the letter behind him and requesting to have any communication the Committee might make sent to Brown's Hotel; that he soon afterward received the letter next hereinafter set forth, being different from the one shown to him at the Bank; and that he replied thereto as will hereafter appear. The paper first prepared as the act of the Committee was the production of Mr. Wm. A. Bradley, and related simply to the Bank case. The other members of the Committee well knowing that the Board would not sanction any settlement of that case alone, ultimately withheld their concurrence, and the negotiation was then terminated by the letters of which the following are copies:

PATRIOTIC BANK, *Washington*, 16th April, 1828.
Charles Mallett, Esq.

SIR: On the 10th inst. I advised you of the reference of your favour of that date to a Committee who were authorized

to settle the whole affair in dispute between the Bank and Mr. Pearson. In obedience to the Direction of that Committee I now have the pleasure to inform you that when we are advised by you that the suits against the Bank, Doctor Bradley, and Doctor Gunton have been or shall be forthwith struck from the docket then the Committee will direct the proper officers of the Bank *agreeably to the spirit of your proposition*, to pay Mr. Pearson's check for \$595 45, or such sum as may appear to be due him on settlement. If the settlement be made, the debit of \$850 will of course be expunged or a counter entry made.

Your most obdt. servt.

WM. A. BRADLEY.

WASHINGTON, 16th April, 1828.

SIR : I have received your letter advising me of the order your Committee have given, and have to inform you that I am not authorized to deviate from the proposition made you on the 10th (memo. of 11th) shown the Committee constituting part of the same. I am, respectfully, &c.

C. P. MALLET.

To MR. WM. A. BRADLEY, *Patriotic Bank*.

On being made acquainted with the procedure of Mr. Wm. A. Bradley in this Committee, so ungenerous towards me, and opposed to the known views of the Board, an apprehension was excited in the minds of myself and other Directors, that there must have been something in the business which would not bear to be scrutinized ; and as a vindication of myself, might become necessary, it was thought advisable to obtain verified transcripts of the documents in possession of the Bank in relation thereto. An application was accordingly made to the Board, when permission was granted for my being furnished with the copies, of which, as before indicated, the present Board has sought to deprive me, and protested against my publishing, as a breach of trust.

Before the regular trial court the opinion of the attorney employed in the defence of the Bank, Doctor Bradley, and myself, and who at the outset had ridiculed the idea of Mr. Pearson's ever proceeding to trial, appeared to have undergone considerable change, owing as he intimated to the Book

keeper having made contradictory statements ; and he endeavoured to prevail on me to write to Mr. Pearson, or his counsel, an expiatory letter. This I declined doing, declaring at the same time that as I had not designedly, if at all, done any thing wrong, it would be more satisfactory to me to have my case decided in open court, where all the attendant circumstances would become publicly known, than to offer any concessions which might in the remotest degree implicate my character. I authorized him nevertheless, if any disposition was manifested by Mr. Pearson for an amicable adjustment, to say that I was quite willing to leave the matter to the arbitrament of three indifferent persons to be chosen in the usual way, or even to his own relative, William. Ross, Esq. of Fredericktown, singly, and to make any atonement, which they or he might prescribe.

On the 23d May, 1829, another special meeting of the Board was held pursuant to a call of Mr. Wm. A. Bradley, and at which he stated to the Directors, that Mr. Pearson through his counsel had proposed an arbitration of the Bank suits in connexion with those against Dr. Bradley and myself, and a note was produced of that date from Doctor Bradley to the Board in which he thus expressed himself :—" I am perfectly willing to submit the matter in controversy with Mr. Pearson to any referee or referees the Patriotic Bank select, and scrupulously abide their award." Although the Board after the failure of the former attempt to put an end to the controversies, had expressed a determination to make no advances to Mr. Pearson on the subject, yet it was not disposed to reject any that were proper which might come from him, and on a reliance that the statement thus officially made by Mr. Wm. A. Bradley was true, it passed (having I believe at my request excused me from voting) resolutions with a preamble as here set forth:

" Having understood that Mr. Pearson by his counsel has expressed a willingness to have the suit with this Bank de-

“ cided by arbitration and to connect therewith also the suits
“ against two of the Directors, therefore

“ *Resolved*, That the counsel of the Bank be authorized to
“ confer with the counsel of Mr. Pearson, and settle the pre-
“ liminaries of such arbitration in regard to the suit with the
“ Bank; and also, that by and with the consent of Doctor Gunton
“ and Doctor Bradley, the several suits against them may also
“ be included in said arbitration.

“ *Resolved*, That our said counsel be and hereby is author-
“ ized to select for the arbitrators on our part either Andrew
“ Way, Richard Smith, Clement Smith, or Roger C. Weight-
“ man.”

Not considering myself after the treatment I had experienc-
ed, to be under any further obligations to respect the feelings
of Doctor Bradley or his son, and believing it to have been oc-
casioned by a dread of detection of some immorality, wherein,
owing to the suit against me, I might be supposed to have been
concerned, I was extremely reluctant to be individually a
party to any measure the tendency of which was to prevent a
publick investigation. Yielding however to the entreaty of
several Directors I wrote to the Board as follows :

WASHINGTON CITY, 25th May, 1829.

GENTLEMEN : Inasmuch as the Bank by a resolution of the
Directors passed on Saturday last, has for the reason therein
assigned agreed to an arbitration of the suit pending between
it and Mr. Pearson ; and as Doctor Bradley has given his as-
sent in writing to a submission of the suit instituted against
him, by Mr. Pearson, to the referee or referees who may be
selected by the Bank; and as it was on the representations of
Doctor Bradley and the investigation to which it led, that any
cause of the suit brought against me by Mr. Pearson must have
originated; and as in every thing that I may have said or done
in this affair, I have been guided solely by a sense of my
duty to the Bank as a Director, I hereby consent to leave
Mr. Pearson's suit against me to the decision of the same re-
ferees as may have to determine the cases before mentioned,
at the same time declaring that this course is dictated only by
a desire to comply with the views of a majority of the Directors.

Yours, very respectfully,

WM. GUNTON.

To the PRESIDENT & DIRECTORS
of the Patriotic Bank.

No unfriendly feelings of the Board towards Mr. Pearson gave rise to the acts of which he complained. Not a member of it, that I know of, had ever any misunderstanding with him, and personally I had been for a long time favoured with his custom. A sense of duty to the institution alone influenced these acts, and if injustice had thereby been done to Mr. Pearson the Board felt well assured that it must have been most iniquitously misled. To free itself therefore from even the imputation of blame it desired to have the matter fully examined into, and this Mr. W. A. Bradley well knew. It had not in passing the resolutions already set forth the most distant idea of giving to the counsel of the Bank, any authority to disavow, explain, or admit error in its acts, nor as respected myself personally had I any intention of giving to him such an authority in my letter. Arbitration would have been unnecessary to induce the Board or myself to make any reasonable acknowledgment and satisfaction to Mr. Pearson for any acts committed by either, if the same had been ascertained to be unjust towards him. Whether or not any such acts had been committed was considered to be the first question for the decision of the arbitrators on a view of the whole evidence on which both plaintiff and defendants relied, and the understood object of the conference which the counsel of the Bank was authorized to hold with the counsel of Mr. Pearson, was the arranging of that evidence, the fixing upon the arbitrators, stating the points to be decided by them, and making any other preparations which might be deemed proper; and it was fully expected that when these preliminaries had been settled, the sanction of the Board, Doctor Bradley, and myself thereto would have been obtained before the matter was submitted to the arbitrators. Under these impressions it was with no little surprise that even before I knew of any steps having been taken by the counsel, I was waited upon by the arbitrator they had selected, who called to converse on the subject of the paper to be signed by me, and in the framing of which he kindly signified a desire to consult my feelings. I

expressed astonishment at the business having arrived at this stage, and still more when on inquiry I learned from him that no evidence whatever on behalf of the Board or myself had been laid before him; that he had not even seen the resolutions or my letter; that the papers submitted to him were statements of the counsel in which the facts were disavowed or admitted, and some correspondence adduced on the part of Mr. Pearson; and that he (the arbitrator) had only to decide on the mode in which redress was to be afforded. Finding this, I observed that no disavowals or admissions had been made by the Board or myself; and that as regarded me although I had every confidence in his judgment and integrity, and should be perfectly willing to abide by his decision if formed after an examination of the evidence on which I relied, yet I could not consent to his making any award which would affect me unless he first saw that evidence: and I added that the Board I was sure would be alike opposed to his deciding on the Bank case in the partial way in which it had been submitted to him. Mr. Wm. A. Bradley was at this time from home, having appointed Mr. Bacon, one of the Directors, to act as President of the Bank during his absence, and to whom I communicated the information I had received from the arbitrator, and he went with me to the latter and objected to his acting in the Bank case without first seeing the whole evidence. He of course declined to arbitrate either, and thus terminated this new manoeuvre to impose upon the Board and myself. It commenced with a falsehood on the part of Mr. Wm. A. Bradley, in asserting in his official capacity of President of the Bank, that the proposal for the arbitration came from Mr. Pearson through his counsel; (and but for which as is before intimated, and as the preamble evinces, the resolutions would never have passed,) whereas it proceeded as that counsel declared on being afterward asked by one of the Directors,* not from him but from the other side, and this

* "I likewise do remember when attending daily at the Court room, on a subpoena of Mr. Pearson's Counsel, (Mr. Worthington,) that in my anxiety to

the Director stated at the Board in the presence of Mr. Wm. A. Bradley, and without contradiction.

Since determining to make this Exposition I have applied to the arbitrator for permission to take copies of the statements of the counsel on which he had to act, and his obliging disposition and sense of justice having induced him to comply therewith, I am enabled to present them to your notice. They are as follows :

Mr. Wallach's Statement.

SIR : There are three suits depending in the Circuit Court of the District of Columbia, for Washington County, wherein Mr. Joseph Pearson is Plaintiff; one against the Patriotic Bank, one against Doctor Phineas Bradley, and the other against Doctor William Gunton, which the parties have respectively agreed to submit to your decision. It appears that on the 2d July. 1827, Mr. Pearson was debited in his account in the said Bank with the sum of \$850, and that certain entries have been made on the Journal of the Directors of the said Bank in relation to that debit, which as well as the debit were made [chiefly,] on [the] representations [of a late officer of said Bank but which that officer now disavows] *then made to the Bank which have been disavowed*; and it is for you to decide whether the said debit ought to be reversed and Mr. Pearson credited with the sum so debited against him so as to place his account in the state it was in before said debit, and whether any and what statement shall be made on said journal explanatory and in reversal of the said entries. In relation to the suit against Dr. Gunton, the declaration a copy of which will be delivered to you will inform you of the alleged cause of action. It is not admitted that he spoke the words charged in the declaration ; and it is contended that whatever he did say was predicated on the representations of others, and uttered in his own defence and without any design of injuring Mr. Pearson; but in his capacity of a Director of said Bank, and therefore it is submitted whether he can justly be called on to

be relieved from daily attendance, as a witness, I asked some questions as to the truth of a proposition for an arbitration having been made by Mr. Pearson, and was informed that it (the proposition) did not come from him, but the other side ; which astonished me, having heard the contrary expressed at the Board, by Wm. A. Bradley. After receiving this information I do recollect to have spoken of it at the Board—to the majority I believe, it was perfectly new, and the question was asked by whose authority the proposition was made ? I do not distinctly remember the answer "

[Extract from a letter of Doctor E. Cutbush.]

make any explanation. [The similar suit against Doctor Bradley is also submitted to you]

RICHARD WALLACH, *Attorney*
for defendants, *Patriotic Bank, Dr. Bradley and W. Gunton.*

Mr. Worthington's Statement.

On the Books of the Patriotic Bank a charge appears in the account of Mr. Pearson by which he is debited \$850, on the 2d July, 1827, which charge was *improperly* made. As soon as the charge was discovered by Mr. Pearson he objected to it, and required its correction. This was refused. Mr. Pearson then proposed to submit the whole transaction to Mr. Swann, S. H. Smith, and John P. Van Ness, who were Presidents of three Banks in the City. This was also refused; and the Bank proceeded to obtain certain *ex parte* statements with a view to justify the said improper charge, and have entered those *ex parte* statements on the journal of said Bank without the knowledge or consent of Mr. Pearson. It being admitted that these statements having been disavowed and explained or are susceptible of entire explanation, so far as to exempt Mr. Pearson from the charge of \$850 aforesaid, and so far as they may in any manner tend (without explanation,) to affect the character of Mr. Pearson—it is submitted, 1st, Whether the charge of \$850 shall not be reversed and Mr. Pearson's account placed in the situation in which it would have been had no such entry been made: 2d, Whether the entries in the journal as aforesaid shall or shall not be reversed or expunged, or what disposition shall be made of them. Mr. Pearson having been informed on authority entitled to credit that William Gunton had propagated the charge stated in the declaration in this case, which was calculated to affect the character of Mr. Pearson as a gentleman, and his integrity as late President of the Patriotic Bank, and being refused a satisfactory disavowal or explanation from the said Gunton, felt it due to himself to institute this suit, which was continued from term 1827, without any offer of acknowledgment, explanation or adjustment from said Gunton till within a few days. It being now understood that Mr. Gunton being satisfied that the authority on which he may have repeated any charge against Mr. Pearson in relation to the subject-matter of the declaration in this case, has disavowed or satisfactorily explained such charge so as to exempt Mr. Pearson from all imputation of blame or impropriety in relation to the subject of this controversy; it is submitted what shall be the form and extent of acknowledgment or disavowal to be made in writing

by Mr. Gunton—on what terms as to costs the suits shall be dismissed or agreed.

WM. M. WORTHINGTON.

It is agreed that the preceding statement and one of the same date signed by the Defendants' counsel shall be laid before Mr. Richard Smith, and his determination shall be conclusive on all the parties. Mr. Pearson is to be allowed to lay before Mr. Smith the letters of Col. Andrews, and William Prout, and the correspondence between Messrs. Bradley and Worthington.

2d June, 1829.

WM. M. WORTHINGTON,

for Plaintiff.

RICHARD WALLACH & F. S. KEY,

for Defendants.

Copies of the letters of Col. Andrews and Mr. Prout will be found in the Appendix marked Nos. 6, and 7; the other correspondence referred to I have not been able to obtain. The words in the statement of Mr. Wallach which I have included in crotchets have been expunged in the original, and the words in italicks, have been interlined. The expunged words evince not only that an unjust attempt was made to throw the chief blame on a late officer of the Bank, but also that Mr. W. A. Bradley's representation to the Board at the special meeting on the 23d May, 1829, must have been more untrue than has been already noticed, as the obliteration of the clause submitting to the arbitrator the suit against Doctor Bradley, and the utter silence respecting his case in the statement signed by the counsel jointly, manifest that there was on the part of Mr. Pearson no disposition to have it arbitrated with the others, and the mode devised on behalf of the Doctor for settling it separately, whatever it may have been, was kept a secret from the Board and myself. What instructions the Counsel of the Bank received from its executive officer, Mr. Wm. A. Bradley, to justify them in submitting the suits against the Bank and me to arbitration on such statements as the foregoing, I must leave to be inferred from the tenor of those statements. The disavowals and admissions therein made

were, I repeat, wholly fictitious and unauthorized as respected the Board and myself, and neither could have been induced to consent to a reference thereon. Further comment respecting them is thought to be unnecessary.

At one of the regular meetings of the Board a short time thereafter, and at which Thomas Munroe, Esq. a Director who had until then rarely attended, was present, the subject was introduced, and in discussing it he advocated a settlement of the Bank suit without regard to those against Doctor Bradley and myself. This induced me to ask Mr. Munroe whether he had informed himself of all the circumstances giving rise to these controversies ; and on his replying in the negative, I observed that if he would trouble himself to read over certain proceedings entered on the journal and whereto I directed his attention, he would I thought be of opinion that the cases were too intimately connected to be separated with propriety. Whilst he was doing so, Mr. Wm. A. Bradley remarked that but for a violation of the rules of the Bank by one of the members of the Board, nothing of the kind could have happened. I inquired whether he alluded to me—he hesitated, and on a repetition of the question, admitted that the remark was intended for me. My indignation thereat was highly excited and freely expressed. I referred to the circumstances under which the suit against me had been commenced, and to the surreptitious means by which a settlement thereof and of the suit against the Bank, injurious to the reputation both of the Board and myself, had been endeavoured to be forced, and said that these I had thought would have prevented my being surprised at any steps on the part of Mr. Wm. A. Bradley, or his father, concerning this business ; but that after the efforts the Doctor had used to establish in the minds of the Directors, the guilt of Mr. Pearson in relation to the \$850 transaction, and to prevail on me and another Director to try to persuade certain Stockholders to vote against Mr. Pearson on that account, I most certainly was not prepared for a charge, from the quarter whence it came, of hav-

ing violated the rules of the Bank in doing so. Doctor Bradley here said that although he had urged me and the other Director to see these Stockholders, he had not told us to mention that matter to them. I observed that whether he had told us so in express words or not was immaterial ; that this, bearing in mind the purpose for which we were to see them, was necessarily implied ; that there could have been no prospect of succeeding with them, if, when they demanded our reason for putting out Mr. Pearson, we refused to assign it ; that as it happened however I had the consolation of knowing that prior to the election I had conversed on the subject with no other than the Directors, and that what I had afterward said, and in respect whereof the suit against me had been brought, was only in my own defence, when blamed for the course which had been pursued in displacing Mr. Pearson. Much more passed which my memory will not enable me to detail. The being unexpectedly and groundlessly charged with the infraction of a rule which declares that a Director violating it, shall be deemed guilty of dishonourable conduct, had so roused my feelings that I had little command of them. Before we parted however the Doctor and his son manifested, by the manner in which they strove to conciliate me, their regret at this unwarrantable aggression, and in a degree I was appeased. Fearing after I had left them that my anger might have led me to an unbecoming excess, I questioned the other Directors who had been present, on this point, and they with one exception, in effect signified an opinion that the provocation fully justified all that I had said, and that the independent spirit I had evinced merited commendation. The Director to whom the exception applies was Mr. Hughes, who observed that he was sorry to witness such warmth at the Board, but that he would not say who he thought was in the wrong. This was the only occasion on which I used any intemperate language ; and I have been thus particular concerning it in order to a correct understanding of certain allusions in the correspondence contained in the Appendix.

At the last December term of the Circuit Court the causes were to have been called up for trial, a mode of concluding them rather too inquisitorial and public to suit Doctor Bradley ; and to prevent this the Board was induced at a meeting held on the 10th of that month, to pass a resolution with a preamble as follows :

“ It having been represented to the Board that Mr. Richard Smith had returned the papers submitted to him, agreeably to resolution of 23d May, 1829, on account of some of the parties concerned in the reference then agreed upon not being satisfied with the statements made to him, in said reference ; and that the suits pending against the Patriotic Bank, P. Bradley, and W. Gunton were in progress—

“ *Resolved*, Therefore that Mr. Smith be now respectfully requested to arbitrate the subject-matter of said suits, and that all parties be permitted to submit all the evidence in their possession to him, and to abide by his decision.”

Thereby it will be perceived the production to the arbitrator of the evidence vindicatory of the Board and myself, and the non-exhibition of which caused the prior reference to be unsuccessful, was provided for. Of this resolution a copy was transmitted to Mr. Smith, and by him to Mr. Pearson's counsel who signified a consent to a decision by Mr. Smith, in a note as follows :

WASHINGTON, December 14th, 1829.

DEAR SIR : The Counsel for Mr. Pearson in the case against the Patriotic Bank, cannot consent to act under the terms of the resolution of the Board of Directors of the Patriotic Bank annexed to your note of the 11th inst. They consider themselves at liberty to say that Mr. Pearson will consent to your decision on the statement of facts already in your possession or any other evidence or information you may think proper to require. Your obedt. servt.

WM. M. WORTHINGTON.

RICHARD SMITH, Esq.

The vindicatory evidence alluded to was submitted to Mr. Smith, who frankly declared an opinion that it was sufficient to warrant the acts of the Directors, if the representations therein set forth had been true ; but that, as these had been disavowed by Doctor Bradley the acts ought to be reversed.

The letter of the Doctor, containing the disavowal was as follows :

WASHINGTON, 22d December, 1829.

SIR : In accordance with the proposition heretofore submitted on my behalf by Joseph H. Bradley, Esq. to your friend, Mr. Worthington, I proceed to say, I have never by any act or declaration of mine, intended to impeach or be understood as impeaching your honour, integrity, or character as a gentleman. I expressly declare that I do not impute to you and disavow imputing to you, any impropriety in relation to the use made by the late A. Bradley, Jr of the sum of \$850 belonging to me and borrowed by him from my account in the Patriotic Bank. Respectfully, your obedt. servt.

P. BRADLEY.

JOS. PEARSON, Esq. *Washington City.*

Mr. Smith's award after reciting the reference of the Bank suit to him, and specifying the points for his decision proceeds thus :

From the statement of facts submitted by the Counsel of the parties and from the testimony laid before me it appears that the representations on which the charge was made have been disavowed or explained in such a way as to present a different view from that first entertained by the Board of Directors. I would therefore suggest that a counter entry be made in Mr. Pearson's account, placing it in the situation in which it previously stood, and that interest be paid by the Bank on the amount withheld from Mr. Pearson. With regard to the entries in the journal in relation to this charge as they cannot with propriety be expunged from the Book I would suggest that the Board of Directors pass a resolution to the following effect, and furnish Mr. Pearson with a copy thereof, viz :

Whereas the entry referred to having been adopted on representations then made to the Board, which it is since declared were not intended to convey the meaning then given to them by the Board, nor any idea injurious to Mr. Pearson, the Board do resolve that the charge of \$850 in Mr. Pearson's account on the 2d July, 1827, be reversed, and that all imputations and injurious suspicions resting on his character in consequence of such representations be and the same are hereby removed.

A meeting of the Directors was held on the 24th December last, and when a resolution was passed in this form—

“*Resolved*, That the award made by Mr. Smith, in the
 “case of the Bank submitted to him be and the same is here-
 “by received ; and it is ordered that the Counsel of this Bank
 “be and hereby is directed to agree to the discontinuance of
 “said suit of Mr Pearson versus the Bank, and to discontinue
 “the suit of the Bank versus Mr Pearson so soon as Mr.
 “Smith shall notify him, (Mr. Wallach) of awards having
 “been made by Mr. Smith in the cases of Doctor Bradley
 “and Doctor Gunton.”

Mr. Smith declined to arbitrate the suit against me, but kindly offered to act as a mediator ; and as from the series of conduct of Doctor Bradley and his son, and finally from the total disregard to truth displayed in the Doctor's letter of the 22d December last, I had become fully satisfied in my own mind that he had most atrociously calumniated Mr. Pearson, and imposed upon me and the other Directors ; I placed in the hands of Mr. Smith the form of such a statement as I was willing to make, and this having been submitted to Walter Jones, Esq one of the counsel of Mr Pearson, and slightly altered by him, was transcribed and signed by me, and received by Mr Pearson as satisfactory—It was in the following words:

If I have ever used any expressions injurious to the character of Joseph Pearson, Esq. in relation to a transfer of \$850 to the credit of his account from the account of Doctor Phineas Bradley on the Books of the Patriotic Bank such expressions were so used in my character as a Director of said Bank, and upon the authority and declarations made to me by Doctor Bradley and the entries on the books to which the same referred. I have however with no little surprise seen a letter from Doctor Bradley to Mr. Pearson dated 22d December, 1829, wherein he says “ I have never by any act or
 “declaration of mine, intended to impeach, or be understood
 “as impeaching your honour, integrity, or character as a
 “gentleman ; I expressly declare that I do not impute to
 “you and disavow imputing to you, any impropriety in rela-
 “tion to the use made by the late A Bradley, Jr. of the sum
 “of \$850 belonging to me, and borrowed by him from my
 “account in the Patriotic Bank.”

The truth of this, in justice to myself, I must unqualifiedly deny ; and if evidence be required to corroborate my assertion, I have sufficient to satisfy any person, however incred-

ulous he may be, that in his declarations before alluded to, Doctor Bradley did make such imputations. Under existing circumstances I am happy to find that there is no evidence to sustain these imputations except the entries on the books, and which do not show that Mr. Pearson was privy thereto; and now understanding distinctly from a conversation with Richard Smith, Esq. that Mr. Pearson had no knowledge till after the death of the late Abraham Bradley, Jr. how or from whom the latter obtained the \$850 placed to the credit of Mr. Pearson, I have no hesitation in stating that I consider Mr. Pearson's character has been unjustly assailed in relation to this transaction, and that no imputation ought to rest upon him respecting it.

W. GUNTON.

Washington, December 29, 1829.

In making the alteration alluded to, Mr. Jones erred in one particular, namely, in fixing the period at which Mr. Pearson first acquired the knowledge therein designated, after the death of the late Abraham Bradley, Jr. instead of after he had left Washington for the benefit of his health—the error was noted on the statement by Mr. Smith, and is mentioned here because on this point the statement disagrees with testimony which will be hereafter noticed. After explaining in a note on the aforesaid form his reason for desiring that alteration, Mr. Jones in a spirit of benevolence offered the following remarks: “I would further suggest that perhaps it is unnecessary to express such pointed contradiction of Doctor Bradley, as it might be sufficient to say, after quoting Dr. B's letter, (on the first page) that Dr. G. clearly understood Dr. B's verbal declarations to be different, but as this letter contains so strong and distinct a disavowal on the part of Dr. B. Dr. G. considers the original representations which rested on the sole authority of Dr. B. as utterly unfounded. I think if the force of expression in so far as it brings the two Doctors B and G. in collision could be somewhat mitigated it would be better.”

Highly as I respected advice from such a source I could not listen to it in this instance. The point whereon Doctor Bradley and myself were in collision was one respecting which there was no room for doubt. I had not to rely as Mr.

Jones supposed on verbal declarations susceptible of being misunderstood; nor could I, as it appeared to me, have admitted the possibility of a misconstruction of those the Doctor had made, without a derogation of myself and the other Directors in the public estimation, inasmuch as a report and acts so deeply affecting character as those which gave rise to the suits against me and the Bank, would have been inexcusable, had not the same been predicated on representations clear and positive and emanating from a source then considered worthy of confidence; a misunderstanding of them besides had not been pretended by Doctor Bradley—that as he well knew would have been in vain; an absolute disavowal suited him better; he had not to learn that although his letter would be promulgated the record evidence refuting it was inaccessible to the public view. What he had disavowed, I had been sued for uttering; and the prosecution against me was known wherever his letter was likely to be exhibited—he was my authority, and had been so declared in my aforesaid letter of the 25th May, 1829; his disavowal, therefore, if credited, could not have failed to produce an impression that I was the originator of the calumny. Under such circumstances extenuation was out of the question. Indeed it was not without much persuasion that I was induced to sign a statement at all, not because of any unwillingness on my part to make to Mr. Pearson an acknowledgment similar to that already set forth, but because I thought that strict justice to myself, and the other Directors would not be satisfied after such a disavowal, by a private adjustment, nor without having the facts fully exposed in open court, by a rigorous examination of the Doctor in my defence, confronting him with the record evidence in possession of the Bank. My commiseration for him in such a situation however was invoked and granted; and in return for this forbearance, he and his son by a concealment of their intention, except to some few of the Stockholders, whose votes they could influence, and by voting against me, not only in respect of the stock of themselves and relatives, but also of

that of other Stockholders whose proxies had been obtained, but would not knowingly have been permitted to be used in opposition to my re-election, have succeeded in defeating it. The fact of my having been displaced through their means, might be viewed by many as corroborative of the Doctor's disavowal, as it could not be well supposed that a person in the situation in which he was placed by my statement, would venture to set me at defiance, or on his account to allow his son to do so, unless I was in the wrong; and the creating an impression to this effect was probably their object, calculating that the privacy of the testimony I held would operate as a restraint on my using it in proof of the assertions which that statement contains. As to the justness of so using it however, in defence of my own character, I entertain no doubt, nor will any I trust rest on the minds of those I am addressing. To establish the truth of those assertions, that testimony was deemed amply sufficient by me, but when they were penned I was unapprized of the existence of other evidences, copies whereof for the present purpose I have in part been permitted to take, and have in other part obtained from the files of the Circuit Court, and which afford the means for displaying the conduct of Doctor Bradley, in this affair, and the worthlessness of his word much more fully than I could then have imagined. Intending to introduce these evidences at length in this publication I shall in the comments I have to offer, confine myself to some of the leading points. The first I shall notice is the conversation between him and Mr. Mallett, on the 5th July, 1827, as detailed in the deposition of the latter, [See Appendix, No. 8.] By this it will be seen that in accounting for the expulsion of Mr. Pearson from the Presidency of the Bank the real cause was not even alluded to by the Doctor; but that he instead thereof feigned another, ascribing it to a belief entertained by him and other Directors that Mr. Pearson had been engaged in procuring proxies with the object of producing a change in the direction or management of the Institution, hostile to the views of the gentlemen con-

cerned in the election: also, that on being questioned by Mr. Mallett, whether in truth Mr. Pearson had been thus engaged, and for this purpose, the Doctor declared, that a very short time prior to the meeting of the Stockholders, he had learned there was no foundation for the report, and that but for *his ill health which prevented his attending the meeting, Mr. Pearson would have still been the President.* Doctor Bradley voted both against Mr. Pearson at the election, and for Mr Wm. A. Bradley as President at the meeting of the Directors on the following day. More need not be said on this point.

Mr. Mallet's deposition also shows that on the 6th July, 1827, he again visited Doctor Bradley, to learn whether he could obtain a discount at the Patriotic Bank, telling him why it was wanted, and that \$850 of the money would be applied by Mr. Pearson in liquidation of the debt due by him to the estate of Abraham Bradley, deceased, and be paid into the hands of William A Bradley, his administrator. Here it will be perceived the Doctor's attention was called to the very debt, the mode of contracting of which, as represented by him to the Directors, had been the actual cause of Mr Pearson's removal, and yet not a word of complaint against the conduct of the latter in relation thereto was elicited from the Doctor.

The deposition of Mr. Mallet further shows that in October, 1827, he had another interview with Doctor Bradley, and at which the recharge of the \$850 to Mr. Pearson's debit, was referred to by Mr. Mallett, as the chief ground of concern to Mr. Pearson, and as that about which he much censured the Doctor, he having, so soon as he had learned that this money had been borrowed by the late Abraham Bradley from the Doctor, called on him, and inquired if he then wanted it, or would give Mr. Pearson notice when he should require it; and that at this interview the Doctor admitted the conversation with Mr. Pearson to have taken place at *about the time that Mr. Abraham Bradley went to Philadelphia*, and also that the Doctor had known of the money transaction with Mr.

Abraham Bradley *six weeks before he went away*. The Doctor's letter of the 21st July, 1827, before referred to and marked No. 4 in the Appendix, will be found to vary from these admissions in both particulars, and especially with regard to the time at which the money transaction with Abraham Bradley became known to the Doctor, which instead of *six weeks*, is in the letter said to have been but a *few days*, before Mr. Abraham Bradley went away. The letter too will be found to vary from the account already given, (and which as before observed has been taken from a report prepared soon afterward, and adopted by the Board of Directors including the Doctor himself.) of the verbal representation made by the Doctor to the Investigating Committee on the 30th June, 1827, as respects the person he saw at the Bank when he called to ascertain the state of his account. In the letter he expresses the *Cashier* to have been present, and to have given him the information; whereas according to the verbal representation he then saw only the *Book keeper*. The Book keeper was Mr. F. C. De Krafft, whose statement dated on the 16th December, 1829, appears in the Appendix marked No. 9, and contains as follows: "*The day after the information was received from Philadelphia of Mr A Bradley, Junior's death, Doctor Bradley asked me at the Bank to let him see the state of his account; on his examining the account, he asked me the meaning of the charge of \$850 in his account. I stated to him as mentioned above. Doctor Bradley said it was done without his knowledge or consent, and that he supposed the Bank would be responsible.*" With the light this sheds on the affair no one it is conceived can well avoid the conclusion that the plot had its origin after the receipt of the intelligence of the death of Mr. Abraham Bradley; and connecting therewith the circumstance of his having left home about the 14th May, the admission made to Mr. Mallett by the Doctor of his having known of the money transaction with Mr. Abraham Bradley *six weeks before he went away*, and the fact that this transaction occurred on the

31st March, the inference seems irresistible that the Doctor was privy thereto at the outset, and this inference is further sustained by a letter written by the Doctor to Mr. Pearson, of which the following is a copy :

SIR : Your letter of 10th inst. has been received ; no expression of mine warranted the remarks your letter indicates. To say that you influenced the Cashier about an irregular transaction would be casting a reflection on the character of him whom we shall see no more, as well as yourself. I have seldom mentioned the \$850—never with the intent to do any person an injury. If any improper report has obtained circulation it cannot have arisen from any observation of mine unless from a decidedly erroneous impression in regard to my remarks and views. Respectfully Sir, your obedt. servt.

W. City, 12th July, 1827. P. BRADLEY.

The first part of this letter if entitled to credence would in effect exonerate Mr. Abraham Bradley from any blame in the transaction in question, and from which if it was unauthorized by the Doctor he could not possibly have been exempt. The remaining parts of this letter and the disavowals contained in the letter to Mr. Pearson, of the 22d December, 1829, are so completely falsified by the Doctor's verbal representation to the Investigating Committee, on the 30th June, 1827, and by his letter to another Committee on the 21st July, following, both already noticed, as to leave no necessity for further testimony on this point. An extract from a letter lately received by me from Doctor E. Cutbush, indicates however so clearly the atrocious nature of the imputations cast upon Mr. Pearson by Doctor Bradley that I insert it here : “ I do remember “ after I became a Director of the Patriotic Bank, at one of “ the meetings of the Board, that Doctor Bradley when in conversation on the affair between himself and Mr. Pearson, “ called my attention to the 3d section of the act to extend “ the charter, dated March 2d, 1821.”

The section thus referred to is one rendering any President or other officer of any of the Banks of the District of Columbia who should embezzle, &c. the money or other property of the Bank, liable to prosecution by indictment in the Cir-

cuit Court, and on conviction to be adjudged a *felon*, and severely punished by fine and imprisonment: and implicitly relying on the correctness of Doctor Bradley's accusation, I went to the Circuit Court at its first session after I was sued, for the express purpose of presenting Mr. Pearson under this section, and was stopped from going before the Grand Jury, solely by the dissuasion of Mr. Wallach, the Counsel employed by the Board to defend the suits against the Bank, Doctor Bradley, and myself, and whose advice under the circumstances I did not consider myself at liberty to disregard.

In the Appendix will be found the copy of a circular, marked No. 10, addressed by me with the desire therein expressed to various gentlemen who were Directors of the Institution during the period I had a seat at the Board; also copies of their replies, and other correspondence between me and some of them marked from No. 11, to No. 24, inclusive; and to which I respectfully solicit your attention.

W. GUNTON.

Washington, November 4, 1830.

APPENDIX.

No. I.

W. Gunton to the President and Directors.

WASHINGTON, Aug. 5, 1830.

GENTLEMEN : Several of my friends coinciding with me in opinion that my being voted out of the direction of the Patriotic Bank, after having, for so many years, been a member of the Board, will, unless the public be otherwise informed, render me liable to a suspicion of having acted improperly while a Director, more especially when viewed in connexion with the suit well known to have been instituted against me by the late President of the Bank for defamatory words alleged to have been spoken by me as a Director, and which, after a pendency of more than two years, was stricken off the docket without any general promulgation of the grounds of the settlement; and having myself no doubt that it is owing to the course which a due regard to my own reputation compelled me ultimately to adopt in effecting this settlement, that my re-election was defeated, I contemplate, as an act of justice to myself, and for the satisfaction of my friends, to publish a full exposition of all the facts in relation to the suit before alluded to, and the concomitant circumstances; and as, in doing this, I should prefer introducing documentary evidence to the describing its import from recollection, and appealing to the Directors individually for corroborative testimony, I ask that permission be granted for furnishing me for the purpose with such extracts relating to the subject, from the Journal of the Directors, as I may point out, together with a list of the stockholders who voted at the last election, the amount of their stock, and the names of the proxies of such of them as did not vote in person.

Yours, respectfully,

W. GUNTON.

*The President and Directors
of the Patriotic Bank.*

No 2.

Reply to the above Letter.

PATRIOTIC BANK, Washington, Aug. 5, 1830.

WM. GUNTON, Esq.

SIR : I am directed by the Board to acknowledge the receipt of your letter of this date, and to communicate to you the following extract from the minutes as their reply :

“ A letter was received from Mr. W. Gunton, of which the following is a copy :

“ Whereupon it was unanimously resolved, that the Board cannot accede to the propositions contained therein ; and further, that Mr Gunton be requested to return to the Board the copy of the papers and proceedings on the Journal of the Board relative to the dispute between him and Mr. Pearson, granted to him by resolution of the Board, 1st May, 1828, that dispute having been settled, and the purpose for which it was granted completed.

“ *Resolved, unanimously, That the Board will view the publication by Dr. Gunton of those papers, or any of them. as a breach of trust, and they solemnly protest against such publication.*”

Respectfully, yours,

H. T. WEIGHTMAN, *Cashier.*

It may not be amiss to note, that at this meeting only Mr. William A. Bradley and six of the Directors were present ; and three of whom being new members, could not have been in a situation to vote understandingly on the subject.

No. 3.

Wm. Gunton to the President and Directors.

WASHINGTON, Aug. 7, 1830.

GENTLEMEN : I have to acknowledge the receipt of a letter from the Cashier of the Patriotic Bank, dated on the 5th inst. transmitting, as a reply to my letter to you of the same date, an extract from the minutes of the proceedings of the Board on that day, in which I find, not only a refusal to accede to the request contained in my letter, but a call on me to return to the Board the copy of the papers and proceedings on the Journal of the Board relative to the dispute between me and Mr. Pearson, granted to me by resolution of the Board, 1st May, 1828, that dispute having been settled, and [as the extract proceeds to say,] the purpose for which it was granted completed. The main object of my now addressing you, is to signify respectfully my intention not to comply with this call ; and I avail myself of the present opportunity to add, that the Board could not, in my opinion, if it had duly reflected on the subject, or even allowed itself to name the *purpose* for which the copy was granted, have arrived at the conclusion to which it came, as to this purpose being *completed* ; nor have considered itself as having any reason to view the

publication by me of any of these papers "*as a breach of trust.*" The copy in question was furnished to me not for any purpose of the Bank, but for my own justification, if any occasion should thereafter arise rendering its use necessary. The circumstances attending the settlement of the dispute referred to, and a more recent occurrence, have, as myself and friends consider, given rise to such an occasion, and I am quite content that those to whom the matter is designed to be made known, may decide whether, in applying any part of the transcript thus furnished to the express use for which it was obtained, I shall commit any "*breach of trust.*"

An earnest desire to present the whole case in its most correct form, dictated the requests before alluded to. The refusal of the Board to comply therewith, will, I feel confident, have due weight in inducing a discerning public to excuse any errors which may arise in describing from memory the import of the testimony withheld.

Yours, respectfully,

W. GUNTUN.

*The President and Directors
of the Patriotic Bank.*

No. 4.

Dr. P. Bradley to the Investigating Committee.

GENTLEMEN: I have received yours of the 14th instant, and in reply, observe that I have no personal knowledge of the \$850 referred to in your letter; such information as I have in regard to the matter has been principally derived from the late Cashier of the Patriotic Bank and Mr. Pearson. A few days before the Cashier departed for Philadelphia, I called at Bank to examine my account. On examination I was surprised to find the balance so much less than I expected. On referring to an entry of March 31st, I found my account debited \$850, without my authority or previous knowledge. The Cashier being present, informed me that Mr. Pearson being disappointed in borrowing money to meet a considerable balance against him, had, with him, (the Cashier) turned to my account and found a balance in my favour; it was then agreed that my account should be debited with \$850, and Mr. Pearson's account credited with the like sum; Mr. Pearson being confident of replacing it in a few (I believe ten) days, from Eastern funds. On the day of the Cashier's departure for Philadelphia, he expressed great regret and disappointment that Mr. Pearson had not returned the money as agreed

upon, but never intimated that his agency in the affair arose from any person's influence. The week preceding the decease of the Cashier, Mr. Pearson called on me and observed, that \$850 had been borrowed from my account and credited to his to meet a particular exigency, and which he had calculated to pay a good many days ago from Eastern funds, but his expectations were not realized. He then proposed that he would repay me that sum, provided I would give him a few days notice when I should want it. The proposal I could not accept, as I looked to the Bank, and to no individual for it.

Respectfully, your obed't,
July 21st, 1827. P. BRADLEY.
 Messrs. GUNTON, INGLE, and PROUT, Committee.

No. 5.

Mr. Wm. A. Bradley to the Investigating Committee.

WASHINGTON CITY, 21st July, 1827.

Messrs. WM. GUNTON, JOHN P. INGLE,
 and WM. PROUT, Committee.

GENTLEMEN: In reply to your inquiry of the 14th inst. I have to state, that a few days after I administered on the personal estate of A. Bradley, jun. deceased, Mr. Pearson informed me he was indebted to the estate \$850. I stated that I had not seen any evidence of the debt among Mr. B's papers. Mr. P. did not say whether such evidence existed, but repeated that he owed the estate the money.

Upon inquiry of Mr. De Krafft, bookkeeper of the Patriotic Bank, if he knew in what way Mr. Pearson became indebted to Mr. A. Bradley, he replied that the debt was not due to him, but to Dr. P. Bradley, and that Dr. P. Bradley's Bank account had been charged \$850, and Mr. Pearson's credited to pay an overdraft.

With great respect, your most obed't. servant,

WM. A. BRADLEY.

No. 6.

Col. C. Andrews to Joseph Pearson, Esq.

WASHINGTON CITY, July 21, 1827.

DEAR SIR: In compliance with your request, I now state to you, in writing, the conversation which occurred between Mr. William Gunton and myself on the afternoon of Monday, the 2d instant, subsequent to the election for Directors of the Pa-

triotic Bank. After the close of the polls, and the ballots were counted, I left the banking house and repaired to the Board of Aldermen, where I remained until their adjournment. Subsequently to which, I went into the room of the Board of Common Council, where I met Mr. William Gunton who inquired whether I had remained at the Bank until the votes for Directors were counted. I answered that I had, and that I felt very much surprised at the result. That Mr. Pearson had voted in favour of the very men who had evidently combined to turn him out, and clearly without his having the slightest expectation of such a result. I also commented upon the unmanly and unjustifiable course of conduct pursued. He replied that *he* could not, and would not, have voted for Mr. Pearson after what had occurred. He then proceeded to state, that Mr. Pearson, as President of the Bank, in conjunction with Abraham Bradley, the Cashier, had directed a transfer of \$850 from the account of Dr. Bradley, to the credit of Mr. Pearson, who stood charged with an overdraft of that amount. I then asked him why they had not, as gentlemen and honourable men, brought it forward whilst Mr. Pearson was in the Direction? and he replied, that he had expected, at the preceding meeting of the Board, that Dr. Bradley would have come forward and made the charge, but that he neglected to do so. We shortly after separated. The foregoing statement is as substantially correct, and as near the language used, as I can now remember.

I am, very respectfully, Sir,

Your most obedient servant,

CHRIST'R. ANDREWS.

JOSEPH PEARSON, Esq. *Present.*

No. 7.

Mr. Wm. Prout to Joseph Pearson, Esq.

WASHINGTON CITY, 17th Aug. 1827.

SIR: Your's of 9th inst. is received; in answer to which, as far as I can charge my memory respecting the conversation between Col. Andrews and myself, touching the subject matter of your communication, I mentioned to him, that, on the authority of Dr. P. Bradley, who stated that the sum of \$850 was transferred from his account to the credit of yours, and that the transaction was with your privity and knowledge. Dr. B. stating, at same time, he derived his information from A. Bradley, jun. the late Cashier, and your own personal acknowledgment to him; to this effect—"that you had this

sum of his, and would refund the same on a short notice given you by the Doctor." A statement of this kind being made by one of the Direction, I freely mentioned to Col A. my sentiments on the subject, which were—that a person placed at the head of a moneyed institution, who would be concerned in a transaction of this kind, was more culpable than one not similarly situated ; or something to this effect.

Respectfully, yours,

WILLIAM PROUT.

No. 8.

Mr. C. P. Mallett's Affidavit.

UNITED STATES OF AMERICA, }
North Carolina District. }

The deposition of Charles P. Mallett, of lawful age, taken at the instance of the Plaintiff, by me, Henry Potter, District Judge of the United States for the District aforesaid, to be read in evidence on the trial of a suit, or matter of controversy now depending, and at issue in the Circuit Court for the County of Washington, in the District of Columbia, wherein Joseph Pearson is Plaintiff, and the Patriotic Bank of Washington, (or the President and Directors of said Bank,) is Defendant. The said Charles P. Mallett, on this fifth day of December, in the year of our Lord one thousand eight hundred and twenty-eight, at the dwelling house of the said District Judge, in the town of Fayetteville, and District aforesaid, being by me carefully examined and cautioned, and sworn to testify the whole truth in the controversy aforesaid, deponeth and saith : That on the 3d day of July, 1827, he arrived in the City of Washington, and during the forenoon of that day he learned that Wm. A. Bradley had been elected President of the Patriotic Bank : about five o'clock in the afternoon of the same day, Joseph Pearson, the Plaintiff, called at deponent's lodgings, and invited deponent to his house : as they were about to step into the carriage, the Plaintiff was accosted by a gentleman, with whom he withdrew to a short distance, and remained for some time apparently engaged in earnest conversation : after the Plaintiff had joined deponent again, and they had rode some distance, Plaintiff inquired whether deponent had heard any thing of the election at the Patriotic Bank ? deponent replied, that, during the forenoon he had heard it spoken of in the rooms both of Abram Bradley and Doctor Bradley, in the Post Office Department ; and observed, that it had created no surprise in him, as Plaintiff had

shown him his resignation in April: deponent inquired, in turn, if he (the Plaintiff) was there at the first of it; Plaintiff said, that he had not heard a word on the subject, and appeared quite surprised at the event, the more so, he said, as the very persons who had been instrumental in this business had urged him very often not to resign; he spoke particularly of Doctor Bradley, and censured him very much: deponent thinks it was in the forenoon of the fifth of the same July, he had a conversation with Doctor Bradley; they both retired from the Doctor's room, and deponent informed him of Plaintiff's complaints, and recited, as well as deponent could, the conversation he had had with Plaintiff, and expressed a hope that such explanation could be given as would remove any unpleasantness between them. Doctor Bradley said, that could readily be done, and went on to inform deponent that he (the Doctor) and others, stockholders, and more especially of the Directors of the Bank, had learned, through a source so respectable that they were not at liberty to doubt the *fact*, that Plaintiff had been for some time engaged in procuring the proxies of stockholders, and had even gone across the Eastern Branch for the purpose; the Doctor said that he and others believed this to be the case, and that Plaintiff's object was to produce some change in the direction or other management of the institution, hostile to the views of the gentlemen concerned in the recent election: deponent inquired of the Doctor if it was true that Plaintiff had been so engaged, and for that purpose? He (the Doctor) replied, that a very short time prior to the meeting of the stockholders, he had learned that there was no foundation for such a report, and said, that, but for his ill health, which prevented his attending the meeting, the Plaintiff would have been then the President of that institution: Doctor Bradley then said, and has frequently, since that time, assured deponent, that no man stood higher in his estimation than the Plaintiff, and that as a high-minded, upright, and honourable man, there were but few whom he considered his equal; the Doctor expressed, moreover, very great regret that he had not been at the meeting, and repeated, more than once, that had he been present a different result would have taken place, as there never had existed any unpleasantness among the Board of Directors, and no feeling could have been excited against Plaintiff, save that first alluded to, namely, that he had been obtaining proxies, &c.: In the afternoon of the same day, deponent had an interview with Plaintiff, and repeated, as well as he could, the conversation he had had with Dr. Bradley; the Plaintiff

would give no credit to the motive assigned, but said that he believed the election of Wm. A. Bradley was the only one, and that he never could believe in any other : deponent and Plaintiff entered then upon the situation of their *business* concerns, which for several years had been very extensive : the Plaintiff's crops of cotton and tobacco usually passing through the hands of C. & P. Mallett, either for sale at Fayetteville, or for shipment elsewhere, as occasion or interest might dictate ; and at the period now alluded to, C. & P. Mallett had, in the hands of their brother, at Providence, Rhode Island, 202 bales of cotton, which had been mostly shipped in January, 1827 : they had in the hands of A. Hall, of Baltimore, six hogsheads of bright tobacco, and had on hand at Fayetteville, six other hogsheads of tobacco ; this property belonged to Plaintiff, and except the six hogsheads of tobacco at Baltimore, were subject to the order of C. & P. Mallett : it was, deponent believes, in the afternoon of the fifth July, 1827, that Plaintiff requested deponent to provide for him \$850, before he, (deponent) left the city, saying that he had borrowed that sum from the late Abram Bradley, and wished to pay it over to Wm. A. Bradley, who had administered on his estate ; deponent replied that he would do so, and either draw on his brother on account of Plaintiff's cotton, or on the Post Office Department, on account of his and his brother's concern. The next day deponent called on Dr. Bradley, and asked whether he could obtain a discount at the Patriotic Bank ? he seemed rather to doubt, saying, they were fearful their notes would go to Baltimore : deponent then explained why he wanted the discount, and that \$850 of the money was to be applied by the Plaintiff in liquidation of the debt due by him to the estate of Abram Bradley, deceased, and would be paid into the hands of Wm. A. Bradley, his administrator. Deponent obtained the discount, and not being able to see Plaintiff again that day, deposited \$850 at his credit in the Patriotic Bank, informed him of it by letter, and left the city the same afternoon for Baltimore. After being absent a few days deponent returned to Washington, and was surprised to learn from Plaintiff, that his check for the money the deponent had deposited as aforesaid, had not been paid ; and Plaintiff then informed him, that the Bank, by charging up some improper item to his account, left it to appear as overdrawn ; in this the Plaintiff charged much blame to Dr. Bradley, and talked of suing both him and the Bank : deponent left the city the same day, without seeing Dr. Bradley. Deponent's next visit to Washington was about the first of October in the same year,

when Plaintiff told him he either had instituted suits, or had positively determined to do so ; one against the Bank for the recovery of the money, the other against Dr. Bradley and a Mr. Gunton, for slander : deponent urged upon Plaintiff, that in the latter cases, more especially with regard to Dr. Bradley, deponent was sure there was some mistake, which, when explained, would release the Doctor from any imputation of the kind ; and deponent was the more positive in his assurance, as the Doctor had expressed to him so much regret at the probability of a misunderstanding with a gentleman he respected so highly as he did the Plaintiff : and in deponent's next interview with Dr. Bradley, the same feelings of regret were expressed, and the Doctor remarked, but for the manner in which the Plaintiff had called on him and demanded an explanation, he would have given one personally : deponent then remarked to the Doctor, that Plaintiff seemed to care for nothing in the whole matter, save an entry on the books of the Bank debiting his account with \$850, without his order or check, and that Plaintiff censured him (the Doctor) very much about this entry, for, that the Plaintiff said, so soon as he had learned that Abram Bradley had borrowed the \$850 from his uncle (the Doctor,) he went either the same day or the next, to the Doctor's office, and inquired if he wanted the money at that time, or if he would give him notice when he should require it. Dr. Bradley said that this conversation with the Plaintiff had taken place about the time that Abram Bradley went to Philadelphia ; and in speaking of the money transaction with Abram Bradley, he remarked that he had known of that six weeks before Abram Bradley went away. With this explanation deponent felt satisfied, and repeated the conversation to Plaintiff, and left the city, believing the whole misunderstanding would die away. Deponent's next visit to Washington was in April last, when finding the suits which had been instituted by Plaintiff were yet depending, he (the deponent) resolved to make one more effort to reconcile matters ; and without consulting plaintiff, and entirely without his knowledge, deponent addressed a letter to the President of the Patriotic Bank, a copy of which is herenunto appended, marked A, and a letter to Dr. Bradley, a copy of which is appended, marked B ; which letters, before delivery, were submitted to Wm. M. Worthington and Wm. A. Bradley, (separately,) who severally approved of the course. By request of William A. Bradley, per letter of the 10th of April last, a copy of which is also appended, marked C, deponent attended at the Bank, and was highly pleased to find that the Bank

Committee on this subject appeared as anxious as he could be, that every cause of dissatisfaction with Plaintiff should be done away ; and those gentlemen expressed for themselves and other members of the Board, the highest respect for Plaintiff. Deponent and Committee took up the subject of disagreement with the Bank, which was alone the entry in their books, debiting Plaintiff's account with \$850. The Committee explained this entry, by saying it had been made in consequence of some statement made by Mr. De Krafft, the book-keeper ; and one of the gentlemen who was not a Director at the time, said something (which I could not understand) of Doctor Bradley. Deponent asked leave to see Mr. De Krafft's statement, and on perusing it, he observed that he noticed a material difference between that statement and one which he had seen in De Krafft's own hand writing, which, by consent of De Krafft, was shown to the Committee. After a comparison of these papers, and a little conversation on the subject, they (Deponent and Committee) proceeded to ascertain what would be the true balance at Plaintiff's credit, after expunging the debit entry of \$850 ; which being done, Deponent asked leave to amend his letter to them of the 10th April, by adding the postscript. Bad weather, Deponent thinks, prevented their meeting again until the 16th of the month, when the Deponent found the Committee had come to the conclusion to adjust the matter as proposed in Deponent's letter to them of the 10th April, with the postscript of the 11th, considered as part of the same, and which was read to them at this time (the 16th) by Wm. A. Bradley ; a copy of the postscript, marked D, is annexed. The business being adjusted, as Deponent supposed, he asked leave to see the paper left by Abram Bradley in relation to the \$850 : it was readily assented to, but the paper could not be readily found. Deponent expressed to the Committee a desire to see it, that he might compare it with what he had learned to be the contents, viz : *" Mr. De Krafft will receive from Mr. Pearson eight hundred and fifty dollars, with the interest, and return it to the person from whom I borrowed it."* Wm. A. Bradley then remarked it was unnecessary to find the paper, as these were the contents *verbatim et literatim*. It was then proposed to Deponent, for the first time, that simultaneous with the receipt of their letter assenting to pay Plaintiff's check, Deponent should issue an order to dismiss the suits instituted by Plaintiff against the Patriotic Bank, Doctor Bradley and Doctor Gunton ; and the Committee appeared to be unwilling to consider their act as binding, or their letter as official, under any other circum-

stances. Deponent left the letter on their table, and requested the Committee to send any communications they might have for him to Brown's Hotel, where, in the course of an hour, he received the letter, a copy whereof, marked E, is annexed, but which was not the same that had been presented to him at the Bank. Deponent immediately replied by letter, a copy of which, marked F, hereto annexed, and soon after left the city. And further this Deponent saith not.

C. P. MALLETT.

The foregoing deposition, on two sheets, and interlined as it is, was taken as aforesaid, before me, and subscribed by the Deponent, after it was reduced to writing, which was done by me, at the time and place first above said.

H. POTTER,

District Judge, U. S. North Carolina.

This may certify that the foregoing deposition of Charles P. Mallett, was taken as aforesaid, before me, Henry Potter, District Judge of the United States for the District of North Carolina, (not being of counsel or attorney to either of the said parties interested in the event of the said cause) at the time and place therein mentioned, and was subscribed by the Deponent, Charles P. Mallett, after the same was reduced to writing, which was done by me. That the said deposition was taken for the following reasons, to wit: That the said Deponent lives in the county of Cumberland, and State of North Carolina, at a greater distance from Washington city, the place of trial of said suit, than one hundred miles; and that no notice was given to, or served on the adverse party, the Patriotic Bank of Washington, (or the President and Directors of said Bank,) or their attorney, because neither of them was, or is, within one hundred miles of the place of caption aforesaid.

[SEAL] Given under my hand and seal, at the dwelling house of the said District Judge, in the town of Fayetteville, and District of North Carolina aforesaid, the day of December, A. D. 1828.

H. POTTER,

District Judge, U. S. N. Carolina.

Note —The letters referred to in the deposition, and marked A, B, C, E and F, have been already set forth in pages 9, 10, 11 and 12. The postscript, marked D, relates to additional credits to which Mr. Pearson was considered to be entitled in consequence of omissions in his account.

No. 9.

Mr. De Krafft's Statement.

Between the middle and the end of the month of March, 1827, Mr Abraham Bradley, Jr. Cashier of the Patriotic Bank, asked me if my brother Edward had any money to spare, that he wished to borrow \$800 or \$900 for a short time. I mentioned that my brother had some money in Bank—whether he had it to spare at this time I did not know. A few days after this Mr Bradley asked my brother in the Bank for the loan of \$800 or \$900 for a short time. My brother stated to him he could spare that sum for a short time only.

On the 31st March, 1827, Mr. A. Bradley, Jr. Cashier, drew a memorandum in the form of a check, on the account of P. Bradley, for \$850, which \$850 was placed to the credit of Joseph Pearson, and charged the account of P Bradley. About the 14th May, 1827, A. Bradley, Jr. Cashier, went to Philadelphia, and at the end of May information was received of the death of A. Bradley, Jr. Cashier. The day after the departure of the Cashier, Mr. Pearson came to the Bank and asked me if Mr. Bradley had left a memorandum with me for him. I told Mr. Pearson I did not know, that I had not seen any ; if there was one, it, I supposed, was on Mr. Bradley's table. On examination I found a memorandum, the words in substance are : Mr. Pearson will pay Mr. De Krafft \$850, with interest, to be returned to the gentleman from whom it was borrowed. Mr. Pearson asked me from whom it was borrowed : I said from Dr. Bradley. Mr. Pearson expressed some astonishment at my answer, and said he thought it had been borrowed from my brother, if from any person. Mr. Pearson then requested me to lay it one side and he would attend to it. Mr. Pearson then left the Bank. *The day after the information was received from Philadelphia of Mr. A. Bradley, Jr.'s death, Dr. Bradley asked me at the Bank, to let him see the state of his account. On his examining the account, he asked me the meaning of the charge of \$850 in his account.* I stated to him as mentioned above. Doctor Bradley said it was done without his knowledge or consent, and that he supposed the Bank would be responsible. On the first Tuesday of July, 1827, being the day after the election for Directors of the Bank, the new Direction met, and the Board was organized. I was sent for to attend the Board, when several questions, by different Directors were put to me relative to the \$850 entry in Dr. Bradley's account. I stated to them all I knew of the circumstance as mentioned above ; when Mr.

P. Thompson proceeded to write a certificate : after having written it, he read it to me, and asked me if I thought that was the statement of the circumstance. I told him it was. He then asked me to sign it, which I did. The following day I met Mr T. P. Andrews—he asked me what Mr. Pearson had been doing that induced me to give a certificate that would injure his character. I said I had given no such certificate ; that I had given one detailing the affair of \$850, as far as it came to my knowledge ; that I could not give any certificate that would injure Mr. Pearson, and that I knew nothing that could injure him in the affair. When Mr. Thompson came to the Bank the same day, I stated to Mr. Thompson what was the report out of doors, and wished him to give me the certificate that I might so change it as to prevent any misapprehension of my real intention and knowledge of the affair. Mr. Thompson said I should certainly have the certificate, and make such changes as I wished. However, Mr. Thompson did not give the certificate. The next day being Thursday, and discount day, the Board of *Directors* again met, and I was again called before them, when Doctor Bradley, I think it was, asked me what alterations I wished to make in the certificate. I stated the reports out of doors, and in substance what I gave to Mr. Pearson of the date of July 29th, 1827. I was not permitted to read, or have possession of the certificate I had given : it was read by Mr. Thompson ; after which Dr. Bradley observed, there was nothing in the certificate that would injure Mr. Pearson. Dr. Bradley then asked me if Mr. Pearson had not been in the habit of examining the Deposit Leger ? To which I replied, no ; that Mr. Pearson had examined only such accounts in the Deposit Leger as he was interested in. Then Dr. Bradley stated to the Board, with apparent warmth, that Mr. Pearson *had* examined the Deposit Leger, and finding a considerable amount to his (Dr. B.'s) credit, induced the late Cashier to draw on his account for the \$850, and have the same placed to his (Mr. Pearson's) credit. After which Dr. Bradley stated to me the Board had done with me. I then retired. I afterwards applied to the Board for a copy of the certificate ; which application they never condescended to answer.

F. C. DE KRAFFT.

December 16, 1829.

Note —Reference being made by Mr De Krafft to two prior certificates, the same are here inserted.

PATRIOTIC BANK, 3d July, 1827.

Mr. De Krafft stated, that on the last day of March last, the late Cashier credited the account of the late President with eight hundred and fifty dollars, and charged the same amount to the account of Phineas Bradley.

Mr. De Krafft knew the object of this transaction, and thought it very irregular.

Mr. De Krafft laid a notice on the desk, relating to this transaction, for the President to see, but he did not mention it to the President. He, however, stated that he (the President) would re-arrange this business.

Mr. De Krafft considered Mr. Pearson as privy to the transaction, and knew that the object was to balance Mr. Pearson's account.

F. C. DE KRAFFT,

Book-keeper of the Patriotic Bank.

WASHINGTON, July 29th, 1827.

If the certificate which I gave to the Directors of the Patriotic Bank on the 3d day of July, 1827, will admit of a construction that Mr. Joseph Pearson knew the manner in which the transfer of the \$850 was made from Doctor Bradley's account to Mr. Pearson's account, on the 31st day of March last, I disclaim of having any intention that such construction should be made on the affair, inasmuch as I am totally ignorant of Mr. J. Pearson's knowledge of the manner in which the transfer was made, or of his having any knowledge that such transfer was made, or that this sum of money, or any sum of money, was obtained of Doctor Bradley for his use. I further state, that I made the substance of the above verbally to the Board of Directors at their meeting following the date of the certificate I gave of the 3d July.

F. C. DE KRAFFT.

No. 10.

Circular.

WASHINGTON CITY, July 12th, 1830.

SIR: Desirous of being enabled to satisfy my friends, several of whom are Stockholders of the Patriotic Bank, that the exclusion of me from the Board through the influence exerted by the President at the late election for Directors, was not justified by any improper conduct on my part as a Director, I take the liberty of submitting the following questions to you, and of respectfully soliciting explicit answers thereto.—

1. Have you any reason to believe, that contrary to my best judgment, I have as a Director ever been actuated by

personal feelings or ill motives of any kind to advocate any measure calculated to injure the Patriotic Bank, or to oppose any measure likely to be beneficial thereto?

2. So far as your opportunities have enabled you to judge, have I not on all occasions devoted both my time and best efforts for the prosperity of the institution?

3. Did you ever observe in relation to the controversy between Mr. Pearson, the Bank, Doctor Bradley, and myself, any act on my part which could at all affect my character as an honest man, or as an independent Director?

4. In your opinion, did I not throughout that very extraordinary affair, always consult the views of the Directors generally, and so far as I could consistently with my own reputation, the feelings of Doctor Bradley and his son?

5. Do you consider that their conduct towards me, particularly as to the controversy before alluded to, was in all respects as candid and liberal as mine was to them, and as under the circumstances I ought to have experienced?

6. Within your knowledge have I, as a Director, ever been the aggressor in any attempt to wound the feelings of the President or any of the Directors?

7. Has your opinion with regard to me, undergone any change to my disadvantage, since my removal from the Board, and do you think a due regard to the true interests of the Bank, dictated that removal?

An early reply will much oblige

Yours, very respectfully,

WM. GUNTUN.

No. 11.

Mr. P. Thompson's Answer to the Circular.

WASHINGTON, 14 July, 1830.

My Dear Sir:

In reply to the questions which you have submitted to me in your letter of the 12th inst. I beg to state, explicitly, as follows:—

Having voted for your continuance as a Director of the Patriotic Bank, at the Election held on the 5th inst I trust that I then gave the strongest pledge of my confidence in your integrity, your business-like habits, and your devotedness, to the interests of the Bank; and that I did not consider you to have been actuated by improper motives in your conduct as Director.—I will add that on the contrary, I have always found you active and efficient, and anxious to promote

the good of the Institution. This, I hope will be regarded as an explicit answer to your first and second questions.

With respect to your third, fourth and, fifth questions, I really am exceedingly loath to revive, even in my own mind, any recollections respecting the unpleasant business to which they allude; I will state however, that in my opinion, your conduct throughout that affair was open, manly, and independent; and that in the final adjustment of it, your sole desire was to justify the course which you had pursued, and to vindicate your character from the charge which the suit commenced against you, was calculated to attach to it. In my mind, your conduct in this business needs no justification, nor if it did, could it receive any from a comparison with that of others; I must, therefore, be excused from answering any questions which involve such a comparison.

From what I know of your character and disposition, I am convinced that you would not, intentionally, wound the feelings of any one; but, I am also aware that the warmth of your manner has sometimes laid you under the imputation of having done so; this in reply to your 6th question.

In conclusion, and in reply to your 7th question, I most explicitly state, that my present opinion of you is that which I have always entertained, since I have had the advantage of your acquaintance and friendship. The mere fact of your removal from the Board of the Patriotic Bank was not calculated to influence that opinion; nor could I have considered that the interests of the Bank required your removal, seeing that I must then have been a traitor to those interests when I voted for your continuance.

Very truly yours,
PISHEY THOMPSON.

No. 12.

W. Gunton, to Mr. P. Thompson.

WASHINGTON CITY, July 14th, 1830.

DEAR SIR:

In the friendly reply to my letter of the 12th inst. with which you have this day favoured me, you have in answer to the question whether "within your knowledge have I as a Director, ever been the aggressor in any attempt to wound the feelings of the President or any of the Directors?" expressed a conviction that I would not intentionally wound the feelings of any one, but that you are also aware that the warmth of my manner had sometimes laid me under the imputation of having done so.

A consciousness that on some occasions the "warmth of manner" to which you allude had been evinced by me, gave rise to the question, and the ascertaining whether on these occasions, *I was the aggressor*, was its main object. To this point your answer does not extend. Permit me, therefore, to entreat that it may be made to do so, and that you will excuse my again troubling you on this business.

Yours very respectfully,

WM. GUNTON.

PISHEY THOMPSON, Esq.

No. 13.

Mr. P. Thompson's reply to the Above.

WASHINGTON, 15th July, 1830.

MY DEAR SIR :

Having stated in my letter to you of yesterday (receipt of which you acknowledge) that I was "convinced, you would never *intentionally* wound the feelings of any one," I evidently exculpated you from having been the *aggressor*, on any occasion wherein you may have evinced that warmth of manner of which we both have spoken. It was my wish that you should have so understood me.

Indeed, on the occasion to which I have alluded, all the warmth of manner which was exhibited, originated without any act of aggression from any one; and was merely the effect of difference of opinion, operating upon a candid and independent mind, under the influence of strong and generous feelings.

Very truly yours,

PISHEY THOMPSON.

WM. GUNTON, Esq.

No. 14.

Mr. Thomas Munroe's Answer to the Circular.

Answer, 1st. I have no such reason but believe the contrary.

T. Munroe.

Answer, 2d. You have, and I think very beneficially.

T. Munroe.

Answer, 3d. I was not a member of the Board at the beginning, nor indeed till near the end of that controversy, but what I did observe was favourable to you as a man and as a Director.

T. Munroe.

Answer, 4th. I think you did as far as I witnessed.

T. Munroe.

Answer, 5th. I did not think that you were well treated by them in the accommodation of the suits with Mr. Pearson, from what you and they severally alleged at the Board, but of which I had no personal knowledge. *T. Munroe*

Answer, 6th. I know of no act of yours that I should call personally aggressive. In your proposing and opposing measures, you have been free and independent in your remarks, but I have never considered such a course as an aggression, although it might be sometimes disagreeable to those opposed to you in opinion. *T. Munroe.*

Answer, 7th. Altogether the contrary as regards the interests of the Bank at least; and as regards yourself that removal cannot injure your character in the slightest degree with any person acquainted with the circumstances attending it. *T. Munroe.*

SIR :

I return to you my answers to the foregoing queries as desired. I found it most convenient, and therefore wrote the answers severally to the queries as sent in your letter, instead of giving them on a separate paper.

THOMAS MUNROE.

Dr. Wm. GUNTON.

13th July, 1830.

No. 15.

Mr. T. Winn's Answer to the Circular.

Dr. W. GUNTON, WASHINGTON CITY, 16th July, 1830.

SIR : I have received your favour of the 13th inst. proposing certain inquiries relative to your conduct as a Director of the Patriotic Bank. It is known to you, that I have attended but a very few of the meetings of the Board for three years past, and that I have been, in fact, merely a nominal Director. I have not therefore, the information requisite to give a direct and positive answer to any one of your queries. As to the misunderstanding between Mr. Pearson and Doctor Bradley, I have barely heard that it was settled, but have never been informed of the mode or the terms.

As respects yourself, I state explicitly, that I have never witnessed an opposition made by you at the Board, but what appeared to me dictated by a regard for the interest of the Bank, and I have ever considered you as one of the most attentive and efficient Directors.

Respectfully yours, &c.

T. WINN.

No. 16.

Mr. S. Bacon's Answer to the Circular.

Answer, 1st. I have always been impressed with the belief that you as a Director of the Patriotic Bank in all the measures brought before you for your consideration as such, were acted upon by you, in such manner, as you believed to be for the best interests of the Institution.

Answer, 2d. You certainly have been one of the most attentive and industrious members of the Board, and have cheerfully devoted your time, when a call was made upon you for that purpose.

Answer, 3d. I have not been able to discover any thing in your conduct, in regard to the controversy between Mr. Pearson, the Bank, Doctor Bradley, and yourself, that would in any shape affect your character, as an honest man, or as an independent Director.

Answer, 4th. I have a perfect knowledge of your having at different periods consulted a part of the Directors upon the best measures to be pursued in that transaction, and in my opinion you had not the desire to injure the reputation or wound the feelings of Doctor Bradley or his son.

Answer, 5th. From the view I took of the controversy alluded to, I did not believe the same candour of conduct was meted to you, that was given from you to them.

Answer, 6th. I have no knowledge of your being the aggressor in any attempt to wound the feelings of any member of the Board.

Answer, 7th. I have still the fullest confidence in your integrity and ability to discharge any duty you undertake to perform. The last paragraph, I consider fully answered by my actions, having voted for you at the last election and at the Board.

Yours with respect.

S. BACON.

WM. GUNTON, Esq.

No. 17.

Mr. T. W. Pairo's Answer to the Circular.

WASHINGTON, July 14, 1830.

DEAR SIR: In answer to your letter of yesterday, I can say without hesitation, that I was much surprised when I heard you were not a Director in the Patriotic Bank for the ensuing year, being decidedly of opinion, that as long as I was a member of the Board, there was none more active and useful to

this institution than yourself; and in no case whatever have I seen you do an act, or express an opinion, which I should have considered against the interest of the Bank, or unbecoming an honourable man.

Respecting your controversy with Dr. Bradley, you will recollect that it took place before I was a Director, and I had no opportunity (on account of my own concerns, which required nearly all my time,) of making myself minutely acquainted with the subject; but I was always of opinion, as far as my information enabled me to judge, that you did nothing but what you had a right to do as a member of the Board.

With much esteem, I am, dear Sir,

Your friend and servant,

THOS. W. PAIRO.

WM. GUNTON, Esq.

No 18.

Mr. Wm. Prout's Answer to the Circular.

SIR: Yours of the 13th inst. is received, and herewith you have my answers to your several inquiries. To your first interrogatory I answer unhesitatingly, that your constant endeavors were for the advancement of the Patriotic Bank, and I can safely say, they resulted much to the advantage of the institution. To the second, I answer—Your zeal for the institution has resulted frequently to your own disadvantage. To the third, I answer—Your deportment towards the gentlemen concerned in the controversy to which you allude, was always independent and courteous. To the fourth, to the best of my knowledge, I answer, Yes. To the fifth—I left the Directorship soon after the controversy commenced, therefore am unable to answer this interrogatory explicitly. To the sixth, I answer—To the best of my knowledge, your deportment to the Board was always bland and conciliatory.

I take pleasure in saying, my opinion of your integrity and upright deportment remains unshaken, and in no wise affected by your removal from the Direction of the Patriotic Bank.

Very respectfully, your obedient servant,

WM. PROUT.

WM. GUNTON, Esq.

No. 19.

Mr. M. St. Clair Clarke's Answer to the Circular.

Dr. WILLIAM GUNTON, Washington.

DEAR SIR: I ought, long since, to have answered your

note containing inquiries about being left out of the Board of Directors for the Patriotic Bank, but many circumstances, and particularly that thief, procrastination.

To your first inquiry—I answer that I have never witnessed any thing of the kind.

To the second—You have devoted much time and labor for the prosperity of the Bank.

To the third and fourth—You will remember how often I pressed upon you the declaration that nothing you had said or done, so far as within my knowledge, could possibly implicate your character. That what you had said was from information communicated to the Board by Dr. Bradley, and from the inspection of the books. I did believe that you, Dr. B. and Wm. A. Bradley, all understood the matter in the same way, and were acting accordingly. Nothing ever occurred at the Board, in my presence, to make me think differently. You always appeared to be actuated by a desire to further the interest of the Bank.

To the fifth—All I can say is, that I heard, when I was absent from the Bank, some difference took place between you and the President on the Pearson business. After that time you appeared to have somewhat different views of the subject, each presenting his own. But I am free to declare that I never heard any improper motive ascribed on either side. You have a frank and fearless manner of expressing yourself, which does not fall to the lot of all, and therefore you should not set down all as uncandid who do not so act. In your absence both the Messrs. Bradleys have expressed to me their extreme regret at the difference existing.

To the sixth—Nothing ever said by you in my presence, was calculated to wound the feelings of the President or any Director, though I have heard that sometimes you were a little pointed in your remarks—but arising out of business.

To the seventh—My estimate of your character remains unchanged. I would have given you my vote.

I have thus answered your inquiries, and have but to add my hope and sincere exhortation, not to heed this matter any further. We have all our little ups and downs in this uneven world, and things all come right in due time.

Yours, very respectfully,

M. ST. CLAIR CLARKE.

29th July, 1830.

No. 20.

Wm. Gunton to Mr. M. St. Clair Clarke.

WASHINGTON CITY, 31st July, 1830.

SIR: Your obliging letter of the 29th, written in reply to mine of the 12th inst. did not reach me till to-day. As to some parts thereof, it would be gratifying to me to have explanations, and I hope you will excuse my soliciting them.

The answer you have given to the fifth question propounded in my letter, is as follows:—

“ All I can say, is, that I heard when I was absent from the Bank, some difference took place between you and the President on the Pearson business. After that time you appeared to have somewhat different views of the subject, each presenting his own. But I am free to declare, that I never heard any improper motive ascribed on either side. You have a frank and fearless manner of expressing yourself, which does not fall to the lot of all, and therefore you should not set down all as uncandid who do not so act. In your absence both the Messrs. Bradleys have expressed to me their extreme regret at the difference existing.”

Respecting this, it is my wish to learn what difference it was which you heard had taken place at Bank between the President and myself, when it happened, who was your informant, and whether he stated me to have been in the wrong, and if so on what grounds. Also, what *existing* difference it is which the Messrs. Bradleys have expressed their regret at. Likewise the sense in which I am to understand the phrase that I “should not set down all as uncandid who do not so act,” as I am not aware of having set down any one as being uncandid for not acting in the *way described*.

In answer to my sixth question you say “nothing ever said by you in my presence was calculated to wound the feelings of the President or any Director. Though I have heard that sometimes you were a little pointed in your remarks; but arising out of business.”

Have the kindness to designate what the remarks were which are here alluded to; who was your informant, and whether he represented me as making them without cause; or, in other words, whether they were not the consequence of other remarks, also of a pointed character.

Yours, very respectfully,

W. GUNTON.

MATT. ST. CLAIR CLARKE, ESQ.

No. 21.

Mr. M. St. Clair Clarke's Reply to the above.

DR. GUNTON,

DEAR SIR: In answer to your note of the 31st July, I state, that the first intimation of a difference between you and Wm. A. Bradley, I had from yourself; in which you mentioned his having said you had gone too far in the Pearson business, or had said more than was communicated, or something like this; I do not pretend now to remember, and that you had retorted upon him with some warmth. It is very possible I heard it from some others, but cannot remember.

The "existing difference" related to that subject, and at that time.

As to the "phrase" alluded to, I intended to convey the idea that no one should be considered uncandid who did not act as you did, but that all are to be judged by their own proper characteristics.

As to the explanation of my sixth answer: "The remarks" alluded to were general. *Mr. Bradley* has told me that you did not treat him in such a way as to make his situation as President pleasant. Other authority Dr. G. cannot wish me to give.

But as I said before, none of these occasions occurred in my presence, and cannot speak of them myself.

Yours, respectfully,

M. ST. CLAIR CLARKE.

3d August, 1830, WASHINGTON.

No. 22.

Mr. E. Macdaniel's Answer to the Circular.

SLIGO, July 20, 1830.

SIR: Since the receipt of your letter of the 12th instant, I have been too much engaged to give it that attention which you seemingly think the subject to which it refers requires, but from a hasty perusal of the same, I am inclined to the belief that you attach more consequence to the act complained of than public sentiment calls for. I do now, and always have thought you an honest man, particularly in the management of the affairs of the Patriotic Bank, although we sometimes differed in opinion. But I must say, (and I am no party man,) that there was not that harmony and good feeling between the President, yourself, and another Director, which is always so desirable, and indeed absolutely necessary, for the speedy and

profitable despatch of business ; and I presume the President's object in not voting for you at the late election for Directors, was to remove that state of things, without any intent to injure your reputation. He made no secret of his vote, nor do I believe that he used any exertions to induce others to vote with him.

Very respectfully,

Your obed't servant,

Dr. W. GUNTON.

EZ. MACDANIEL.

No. 23.

W. Gunton to E. Macdaniel.

WASHINGTON CITY, July 26, 1830.

SIR : On my return home from Baltimore this morning, I found your letter of the 20th inst. written as a reply to one addressed by me to you on the 12th inst. wherein I had solicited explicit answers to certain questions respecting my conduct as a Director of the Patriotic Bank, which your knowledge thereof, acquired by acting in a like capacity, qualified you to give. To my great surprise, each of these questions has been left wholly unanswered, and observations utterly irrelevant have been substituted.

Attributing this to the hasty perusal which you represent my letter to have received, and not to any desire on your part to evade a compliance with a request which, under the circumstances I cannot consider unreasonable, I beg leave again to entreat your attention to the questions, and a candid answer to each of them at your earliest convenience.

Yours, respectfully,

W. GUNTON.

E. MACDANIEL, Esq.

No. 24.

Dr. E. Cutbush's Answer to the Circular.

New York, September 17th, 1830.

MY DEAR SIR : I received your letter of the 8th inst. It is a source of deep regret that the Patriotic Bank of Washington should have been deprived of your services as a Director, being convinced, during the period in which I served as a member of the Board, that you were always governed by conscientious motives which had in view the benefit of the Institution ; and that you acted an honourable and independent part, on all subjects submitted for consideration ; and, in my opinion, sacrificed much of your time, and used your best efforts to promote the prosperity of the Institution. In relation to the controversy which occurred on a subject, anterior to my election as a

Director, and which was continued for some time after, between the former President, the Bank, Dr. Bradley and yourself, I never discovered any thing which could at all affect your character as an honest man, or as an independent Director; and during that *extraordinary affair*, considering the situation in which you were placed, I am confident that you exercised much *forbearance*, and always endeavoured to consult the feelings of Dr. Bradley and his son.—I do not know that you, as a Director, ever were the aggressor in any attempt to wound the feelings of the President or any of the Directors: and I assure you that my opinion of your upright and honourable conduct, as a Director of the Bank, is *unshaken*; the interest of the Institution was certainly not consulted by your removal.—If you were displaced in consequence of your rigid examination into the affairs of the Institution, and the conscientious opinions which you expressed at the Board on some improper transactions, you not only performed the duty of an honest man, but of an upright Director, which ought to have entitled you to the thanks of the Stockholders.—I have no hesitation in giving my opinion *fearlessly* that it is the duty of every Director to watch over and *scrutinize* the conduct of Bank officers, to *control* them within the limits of the Charter, and *enforce* the code of regulations and bye-laws of the Institution: under this impression I acted, and would have continued so to act had I remained in Washington, and continued as a Director.

Your friend,
E. CUTBUSH.

WM. GUNTON, Esq.

Note.—The circular was also sent to Mr. John Coyle, and to which or to a subsequent note calling his attention thereto he had not the courtesy to reply—Mr. Thomas Hughes, to whom a circular was likewise addressed, excused himself from writing on the ground of his not being a good scribe, but said that he was willing to reply verbally; and on my calling on him with a friend of his, he stated repeatedly that he considered me a good Director, and that I hugged the interest of the Bank as close as any person there—he also admitted that on the Sunday next preceding the Monday on which the election for Directors was held, Mr. Wm. A. Bradley told him of his intention not to vote for me or Mr. Thomas Munroe, and of his expectation as he should vote nearly one third of the stock of the Bank, of being able to elect the Directors; that this was the first intimation he, Mr. Hughes, had, of any change, and that he voted against me for the sake of peace—being afraid that Mr. Bradley would leave the Bank.

W. G.