THE BOND AND SHARE SOCIETY

NEWS LETTER 3/79

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THE BOND AND SHARE SOCIETY

From: The Secretary,
Heatherdene,
Blackhall Lane,
Sevenoaks, Kent.

NEWSLETTER 3/79 August, 1979.

Dear Collector,

1. Membership. This has risen to 240 of whom about a third are resident overseas.

2. New Activities. You will see from the enclosures that a postal auction scheme has been started as well as the bond index forecast in Newsletter 2/79. Also enclosed is the Society's Handbook for 1979 which will be published annually. In addition it is hoped to arrange a larger meeting place for the Annual General Meeting in London on either Saturday, 9th or Sunday, 10th February, 1980, so that there will be a special opportunity for members to meet and display their own collections. Plans are also being drawn up for a small public exhibition of bonds to be held in London some time next year.

3. Future Meetings.

Ordinary Meetings.
At Basildon House, 5/7, Moorgate, London. E.C.2. at 6 p.m. on:-

Tuesday, 2nd October, 1979
Tuesday, 6th November, 1979
Tuesday, 4th December, 1979
Tuesday, 4th March, 1980

Annual General Meeting

Saturday 9th, or Sunday 10th February, 1980 - venue will be announced in Newsletter 1/80.

4. Future Publications. The following will be published in the Autumn:-

Paper Money of the World by Colin Narbeth, Chris Stocker and Robin Hendy who has written the section on bonds. Publishers - Cassells.

A new edition of Drumm's Russian catalogue - in three languages including English.

5. The Austrian Club. It is understood there is an Austrian Club in Schottengasse, Vienna. Can any member supply the address, please?

6. Newsletter 1/80 Articles and items for "Wants and For Sale" should reach me not later than 15th November, please. Contributors who wish their articles to be illustrated are requested to provide black and white photographs.

Yours sincerely,
Donald Ross
Hon. Secretary

Enclosures:-
The Chairman's Message
Information about Bonds
Wants and For Sale
Postal Auction
The Society's Handbook, 1979.

1st August, 1979.

A MESSAGE FROM THE CHAIRMAN

Dear Members,

It is almost a year since the Society was founded and it will be more than a year when you read this newsletter. I thought it might be helpful to our new members who will be well aware of the Aims of the Society, to know what we have achieved to date and some idea of the difficulties facing us for expansion.

We hold monthly meetings, on the first Tuesday of each month, about eight times per annum in the basement of Basildon House, and attendance has averaged around 22 members. We have a mini auction, occasionally a guest speaker, though this is difficult in a collecting media when expertise is still being acquired by the most experienced collectors. What is most useful is that the members meet each other and to date I can report a very friendly atmosphere, although sometimes when speaking from the Chair, it does seem as if all present might be asleep!

With this newsletter, the third issue this year, you will find details of a postal auction which is a trial run and will be extended and improved if it meets with members approval and support. I have proposed STUDY GROUPS to research individual areas of interest in Bond collecting, but this has not yet got off the ground although I believe that in time it will. I think this is because there is some shyness amongst our members, but more particularly for the problems of meeting when we are all busy at our respective jobs. The Society has had a period of "profit taking", and we lost a lot of members when the subscription was raised this year, but I am pleased to report that we have also attracted a lot of new members, and should certainly increase from the present 200 members to 250 or more by the end of the year. This has been difficult for your Committee, in assessing cash flow and therefore what can be achieved in the future. There are a number of projects in the pipeline, some of which will transpire and some will not. I hope I can tell you much more in February at the A.G.M. which we will hold on a Saturday or Sunday afternoon, in larger premises and will welcome as many members throughout the Country as can attend.

I am particularly anxious to see our Society flourish in the Provinces as well as London, and it is difficult as we do not have many members concentrated in one place other than the South East. If there is any energetic member who would like to form a Branch, do please remember that this is acceptable within our Articles and Rules and I am sure will meet with a good response. It has been a year of great fluctuations in Bond values, and I can only reiterate what I said at one of our meetings, which is that in the long term rare Bonds in excellent condition (sometimes with attractive vignette) are bound to rise in value. However it is annoying to pay too much today and be confounded tomorrow! In conclusion, I would like to thank all those members and particularly the members of our Committee, who have worked so hard and I feel sure will continue to support us and help the Society to flourish in the future.

Good Bond hunting and collecting.

PATRICK BERTHOUD
Chairman

The Fifteen Million Dollar Loan or "Bankers' Loan"

One of the major problems the Confederate States had to face as soon as they separated from the Union was that of finance. Massive funds were urgently required as the Confederacy entered the war against the Federal government short of equipment and supplies, lacking a currency of its own as well as the immediate means of making one. In its plight, it "resorted to every expedient known to finance, even the most desperate." (Carl Russell Fish: "The American Civil War"). Christopher G. Memminger whom Jefferson Davis appointed Secretary to the Treasury in the Confederate government and whose portrait appears on many Confederate bonds - see Criswell nos. 50, 84, 88, 102 etc. - realized at an early stage that raising loans was a convenient method of obtaining funds quickly, more so than levying direct taxes which, though preferable, required an expensive and time-consuming machinery for their collection.

On February 1861, two days after the six seceding states had convened at Montgomery, Alabama, the Provisional Congress unanimously accepted a $ 500,000 loan from the state of Alabama, thus inaugurating the use of loans as a method of financing the Confederate States government. Pressed by the urgent need for funds, Congress approved barely three weeks later, on 28 February 1861, "an Act to Raise money for the Support of the Government, and to Provide for the Defence of the Confederate States of America." By this legislation the Confederacy floated its first major loan, sometimes known as the Bankers' Loan.

The act authorized the issue of bonds to the amount of $15 million bearing 8 per cent interest and maturing in ten years. The loan was secured on an export duty levied on cotton at a rate of 1/8 of 1 cent per pound, collectable after 1 August 1861. The proceeds from this duty were specifically allocated to the payment of principal and interest of the loan and there was also a provision for a sinking fund, which was however not adhered to. Various types of bonds were issued in denominations of $1000, $500, $100, and $50 (See Criswell nos. 5, 6, 7, 8), modelled after those used by the federal government. Memminger enjoined the engraver at New Orleans to ensure that the paper was "watered and look like bank note paper, and the plate handsome and difficult to counterfeit."

The first public announcement concerning the loan was made on 16 March 1861. An advertisment entitled "Defence of the Confederate States" appeared in several Southern newspapers stating that "Five millions of this most advantageous investment will be offered to the public on April 17th ensuing, and every citizen throughout the Confederate States will have the opportunity of taking a share of the benefit and at the same time of sustaining the cause of the country." Trusting to the patriotic mood of the people, Memminger held high hopes that the $5 million would be over-subscribed. He believed that such an expression of confidence from the people would assist in getting the Confederacy recognized abroad.

Subscribers were required to make an immediate downpayment of 6 per cent of the amount subscribed for, the remainder to be paid on 1 May. With these easy terms it was intended to attract a wide public. However, in the early months of 1861, it looked as if patriotic subscribers would find it hard to get hold of specie even for that 6 per cent deposit, as many Southern banks had suspended payments amid the confusion and uncertainty of the political situation. But when the banks, upon Memminger's urgent appeal in March, agreed to redeem at par, in specie, all the notes received by the government in payment of the bonds, public interest in the loan became very keen indeed.

On 17 April 1861, the first day the books were opened, the public took the whole $5 million offered. By late April reports reached the Treasury that in fact a much larger sum had been subscribed, probably as much as $8 million - a figure which was verified on 1 May 1861 by Alexander B. Clitherall, the Register of the Treasury (note his signature on some bonds). Meanwhile, after the outbreak of hostilities with the fall of Fort Sumter on 14 April,* Memminger asked President J. Davis to be authorized to accept any amount that was subscribed, instead of reducing the subscriptions to the $5 million called for in the announcement of 16 March, explaining that "due to the present relations with the North, it is desirable to have control of as much money as can be raised."

No sooner had the books closed for the first tranche of the loan than a call for the remainder became imperative. This time, the government appealed directly to the banking and commercial community to take up the rest of the $15 million, as planters and farmers suffered badly from the general scarcity of money. By 15 October 1861 the entire $15 million had been taken up. The success of the flotation was mainly due to the cooperation and support of the banks which had redeemed in specie, at par value, all banknotes used to purchase the bonds, had also given the use of their offices for taking subscriptions and themselves individually subscribed to large amounts. This act of patriotism cost them the loss of control over a large proportion of the specie held in the South, much of which went abroad - to purchase war supplies. In "The Confederate States of America" J.C. Schwab records that the bonds of the $15 million loan were quoted in currency at par till the middle of 1862, then rose to 200 and ranged between 125 and 200 till January 1865; in specie however, the quotations were 80 and 90 until the second quarter of 1862, falling to 33 by the winter of 1862-63, and to 20, 17, 7 and 6 in the following quarters.

*(see Criswell No.137: vignette of Fort Sumter)

Anne-Marie Hendy

A Child's Guide to the Custody of Bonds.
(Based on a Talk given by Mrs. Post of Guildhall Library).

Attached Documents. Subsidiary papers should be removed. Bonds themselves are usually of good quality paper and subsidiary papers are often of lesser quality. This can result in the latter staining or marking the bonds themselves as their acid content may leave yellow marks.

Fasteners. Staples and pins which can leave rust marks should be removed and brass paper clips used instead.

Temperature and Humidity. This should be constant - a relative humidity of about 60 and a temperature of 55 to 65 fahrenheit should be aimed at. Bonds will curl up if kept in too warm a temperature and damp will result in mildew.

Stowage. Covers of polyester or polyvinyl acetate may be used. PVC should not. Melinex (see also below) is recommended but bonds should not be completely encased in it - gaps should be left at the corners to allow air to enter. If cardboard boxes are used the cardboard should be non acidic.

Framed Bonds. Don't hang where there is sunlight, changing humidity, condensation or over a fire or radiator.

Dirty Bonds. Can be cleaned with a very soft rubber.

Flattening. A fairly warm iron (but preferably not a steam iron) should be used on plywood - the bonds being placed between good quality paper. Do NOT iron seals.

Repairs. Do not use cellotape or prepared glue or gum. If the condition of the bonds is such that they have to be mended use stamp paper from the edge of a block of stamps or paste made with flour and water. Note that date stamp ink is liable to run but that most fountain pen ink will not unless it is washable.

Vellum. Can be cleaned with a soft rubber but be careful not to rub off signatures or writing in ink. DON'T iron. Torn vellum should only be repaired by a professional conservationist.

Melinex. Can be purchased in 36" x 50 yard rolls from Boyden, Perry & Co. Ltd., Parkhouse Trading Estate, Camberwell, S.E.5. (Tel: 01-701 0794). Cost - £31

Professional Conservator. Mr. John Cuthbert of Guildhall Library runs private conservation services and can offer assistance. Mrs. Post, also of Guildhall Library, has offered to advise member on other private repairers.

Pennsylvania Vineyards.

Stock certificate for one share in the Company for promoting the Cultivation of Wines in Pennsylvania, upon payment of $20 were issued May 1811, signed by Hugh Ferguson, President, and James Vanuxem, Treasurer.

This venture was incorporated at Philadelphia in 1802 by Pierre Legaux who was born in France in 1748. He arrived in the United States in 1785, settling at Spring Mill, near Philadelphia. He was active in the Philadelphia Society for Promoting Agriculture and envisioned planting vineyards from root stock from France. Upon discovering the native Pennsylvania grapes were more suitable, he formed this Company and tried to interest prominent people of his time, such as Thomas Jefferson. The Company eventually failed. Peter Muhlenberg was the first President.

Earl Moore

The Orange and Alexandria Railroad.

The Orange and Alexandria Railroad Company was founded in 1848 to divert hinterland products away from Baltimore and Richmond to Alexandria, Va. Construction was begun in 1850 and was completed to Culpeper in 1852 and to Gordonsville in 1854, from where the rail line connected with Virginia Central. Warrenton, orignally on a proposed earlier route, was linked by a branch line in 1853. The Manassas Gap Railroad, the first rail line to cross the Blue Ridge Mountains, was completed to Strasburg in 1864 and joined Alexandria with the Upper Piedmont Valley.

The main product that was to be diverted was wheat which was being grown in the Shenandoah Valley. The company received its original charter in 1832, but due to the decline of Alexandria due to Baltimore's monopolies, it was not until 1848 that the town was in a healthy enough state to risk the building of the railroad.

T. J. Robson

The Early Rise of Railways in the U.S.A.

Expanding frontiers, rich agricultural land, the abundance of natural resources all demanded, in the 19th century, an improved form of transportation. The transport revolution was initiated with construction of privately owned toll or turnpike roads, gathered momentum with the introduction of steamships and canal building, and reached maturity in the 1830's with the introduction of steam powered railroads.

Soon after James Watt developed the steam engine, the invention was adapted by John Fitch in 1787 to propel a ship on the Delaware and in the same year by James Rumsey on the Potomac River. Fitch, an American inventor and surveyor, had two years earlier published his 'Map of the Northwest' to finance the building of a commercial steamboat. With Robert Fulton's steamboat, the Clermont, and a boat built by John Stevens, the use of steam propulsion developed. The two different types of steam systems, the Railroad and Steamboat, developed separately and it was not until they united that the railroads began to flourish.

The use of rails for heavily loaded, wheeled vehicles to reduce friction was introduced in England as early as the 17th century. The first American 'tramroad' or 'gravity road' was erected in 1764 for military purposes at the Niagara portage in Lewiston, N.Y., under the direction of Captain John Montressor, a British engineer, known to students of historical cartography also as a mapmaker. A map of the Leiper Railroad in Pennsylvania, dated October 1st 1809, and signed by the surveyor John Thomson may be the first railroad survey in America.

The first ~~of the~~ commercial 'tramroads' was surveyed and
1826 constructed in 1862 at Quincy, Mass. by Gridley Bryant, with the machinery ~~for it~~ developed by Soloman Willard. It was to utilize horsepower to haul granite, needed for building the Bunker Hill Monument, from the quarries at Quincy, four miles to the wharf on the Neponset River. The following year the Mauch Chunk 'gravity road', used for transporting anthratic coal, was constructed in Pennsylvania.

John Stevens, who shares credit with Fulton for inventing the steamboat, is considered to be the father of American railroads. In 1826 Stevens demonstrated the feasibility of steam locomotion on a circular experimental track constructed on his estate in Hoboken, N.J. Three years later George Stephenson perfected a practical steam locomotive in England. The first railroad charter in the U.S.A. was granted to Stevens in 1815. Grants to others followed, and work soon began on the first operational railroad. Surveying and construction started on the Baltimore and Ohio in 1830, and 14 miles of track were opened before the end of that year. The survey was completed by Lt. J. Barney, U.S. Army. This roadbed was extended in 1831 to Frederick, Md., and in 1832, to Point of Rocks. Until 1831, when a locomotive of American manufacture was placed in service, the B and O relied on horsepower. Shortly after the opening of the B and O others followed; the Mohawk and Hudson in September 1830; the Saratoga, opened in July 1832; and the South Carolina Canal and Railroad Company, whose 136 miles of track, completed to Hamburg, constituted in 1833 the longest steam railroad in the world.

The early railroads in the U.S.A. were generally only small routes and were financially unprofitable due to the competition from Canals. However, when the Boston and Lowell Railroad diverted traffic from the Middlesex Canal the success of the new mode of transportation was assured.

Later on with the opening of the Middle West and the Civil War railways in the U.S.A. boomed.

T.J. Robson

City of Nickolaeff

The 5% Gold Loan of 1912 had a total issue of £687,820 of which the Sinking Fund redeemed £12,980 before defaulting, leaving £674,840 outstanding. There were two tranches of this issue the first being £646,200 and the second only £41,620. The only difference between the two tranches is the authentication on the face of the bond by the London County and Westminster Bank.

The second tranche appears to be very rare. I have heard of about 30 of the £20 bonds, 6 of the £100 and 3 of the £500. This is less than 8% of the issue. Where are the rest?

Statistical Data Issue £687,820

1st Tranche	Issued	Numbered	2nd Tranche	Issued	Numbered
£20 bonds	6475	0001-6475	£20 bonds	401	6476-6876
£100 "	3862	0001-3862	£100 "	266	3863-4128
£500 "	261	0001-0261	£500 "	14	0262-0275

The first unpaid coupon which should be attached to the bond is No. 11 dated 15.1.18. A number of the £20 of the first issue have this coupon missing. They were obviously cut off at a Bank, presented for payment and never replaced when they were returned by the Paying Agents. Whether this reduces their value and by how much is difficult to assess. The current Agents are the National Westminster Bank and the Royal Bank of Scotland.

Derek Fawcett

Rarity

Gibbons' April list gives the highest value to the German Issue of the £500 4½% Chinese Gold Loan of 1898. Is this, therefore, the rarest bond?

The 1898 Bond had 100 (£500 denomination) issued. Assuming the Sinking Fund operated equally across the various denominations then there are now 18 or 19 remaining.

I believe there are three other very strong contenders all catalogued in most dealers' lists.

My first choice for a contender is the £1000 Kursk-Kharkov-Azov 1888 SeriesA. If my reading of the Sinking Fund is correct then all these bonds were redeemed by 1910. Has anyone heard of this bond?

My second choice would be the £500 Wolmar Railway which initially had an issue of 20 bonds only. How many of these were surrendered on the compensation settlement is not known, but it could be enough to reduce the number in issue to well under 18 and could be a single figure.

My third choice would be the £500 City of Nickolaeff 2nd tranche where only 14 bonds were issued. It is unlikely that any of these bonds were redeemed by the Sinking Fund but it is a possibility.

There are probably contenders in some of the other currency issues, but this is a mammoth research project. Where, for example, are all the rouble issues which were only issued inside the USSR?

Derek Fawcett

The Steamship Armathwaite Co. Ltd.

The s.s. Armathwaite was built by the Whitehaven Shipbuilding Co. Ltd. in 1881 after an agreement had been made between William McGowan (Timber merchant) and William Burnyeat Jnr (Shipowner) both of Whitehaven to cover the latter's management of building and operating the vessel. The vessel was an Iron screw steamer of 1487 gross tons 255 ft. long and 34.2 ft. wide having a 160 H.P. engine. The official number of the vessel at Lloyds was 74759. Over the years the vessel had a number of captains:-

1881 - 1886	Capt. T. Queen
1886 - 1887	Capt. L. Evans
1887 - 1889	Capt. Bull
1889 - 1895	Capt. L. Evans
1895 - 1897	Capt. R. Lewis

In 1895 the company was known as the 's.s. Armathwaite and Co. Ltd.' with Burnyeat and Dalzell as managers.

In 1897 the vessel was sold to Adolf Deppe of Antwerp and renamed 'NIL' Capt. C. Thom in command. Following the sale of the vessel an Extraordinary General Meeting of the company took place at Whitehaven on January 13th 1898 and it was decided to wind up the company voluntarily. Subsequently the Liquidators William McGowan and Henry Kitchin made two payments on each share, one of £10 on February 24th 1898 and one of £2 on August 28th 1899.

The final winding up meeting took place on 20th September 1899.

The certificate measures 10¼" x 7¾" and is white with black printing. The name of the company is embellished with light decoration and there is a lightly engraved panel at the left hand side of the certificate. There is no vignette. The certificate carries the company seal which depicts a single funnel vessel with two masts and sails. The general text is executed in copper plate with the name of the company in Gothic script. The printer is T. Brakenridge & Co., Whitehaven.

Sources of information: Public Records Office
Lloyds Mercantine Navy List 1884
National Maritime Museum.

T.M. Quinn

Poseidon Limited - The Rise and Fall - and Rise?

In 1967, Poseidon Limited was just one of a number of Australian nickel prospecting companies. Test borings at the small hamlet of Laverton had indicated nickel-bearing ore deposits and the small capital of the company was very soon exhausted.

In 1968, Norman Shierlaw invested a total of 25,000 Swiss francs in Poseidon shares and joined the Board of the Company. At the same time he offered shares in the undertaking to all the inhabitants of Laverton and, above all, to the local police force. Visitors to the site were given highly optimistic reports concerning the extent and value of the nickel ore deposits. Aircraft were chartered and reporters flown over the grey, nickel-bearing mounds of ore, which were clearly discernible in the red Australian sandy landscape. Conservative estimates at the time put the totals deposits in the region of 30-40 million tons of nickel - which would have made Poseidon the largest nickel producer in the world.

As the reports and estimates flowed in, so the share price rose - from 20p at the beginning of 1969, to £15 in October and £20 - £25 in November in the London market. By the end of the year, the share price had reached the £100 mark. Around that heady period, the appearance of the name 'Poseidon' on the Sydney exchange dealings board, would be the signal for a daily stampede of up to 200 brokers - and the commencement of a further round of frenzied bidding. The price rose and rose further; 85-90-96-101 and finally 110. These were the prices dealers were prepared to pay for Poseidon shares. "It all moved so fast, that dealers at the back of the floor had to bring orange boxes and binoculars to be able to follow the prices and not be left out" reminisces one broker.

On 2nd January 1970, the shares closed on London at £120 - compared with its 1967 price of 1½p. It would thus have been possible, with careful timing, to have made a gain of 800,000% in three years. From 3rd January on; the share price began its almost vertical descent back into oblivion. By 1976 the Company could no longer meet its obligations, called in a Receiver and by mid-August, it had sold its Windarra Nickel Mines Pty Ltd. to the Australian Shell Company for $ 31,000,000. The money raised was used to repay outstanding loans from the Australian Industrial Development Corporation as well as other creditors, and the Receiver was removed.

Since Thursday, 14th December 1978, Poseidon shares have once again been dealt in on several Australian stock exchanges and Poseidon is now developing five base metal and gold undertakings in Western Australia. Insiders recommend the share as a "hot tip" in the Australian mining sector!

(With acknowledgements to Theodor Isler, Edisonstr. 10, CH - 8050 Zurich - translation by Daniel Rosenfelder)

Before the Panama Canal

An early scheme for Atlantic/Pacific transportation can be seen on the embossed seal of the British Honduras Co. Ltd. certificates of 1864. Ships were to be bodily lifted onto railway tracks and transported between the oceans.

Ranald Michie

The Republic of Texas

The founder of Texas was Stephen Fuller Austin, born in Virginia 1793, who went to San Antonio, Texas (then part of Mexico) and founded the colony of San Felipe de Austin in 1822. He was imprisoned by Mexico from 1833-35 following his petition for the establishment of Texas as an autonomous Mexican state. After Santa Anna usurped control of the Mexican government a Consultation was called in Texas and elected three Commissioners to the United States to secure men and money to carry on a war against Mexico. Austin was one of these Commissioners along with Branch Tanner Archer and William Harris Wharton, both of whom sought complete independence from Mexico in contrast to Austin's less radical wish for autonomy within the Mexican state. In 1835 Austin became commander-in-chief of the Texas Revolutionary Army but in 1836 was defeated in the election for the Presidency of Texas by Sam Houston - who then made Austin Secretary of State. The Texan Declaration of Independence was made on March 2 1836 and Texas remained independent until 1845.

Texan Loan Bonds were issued in January 1836 to raise funds prior to independence, and were signed by Austin, Archer and Wharton, the three Commissioners to the USA. (Archer later founded the Texas Railroad, Navigation and Banking Co. together with James Collinsworth).

After achieving independence the Government of the Republic of Texas issued a number of bonds in $ 500 and $ 100 denominations. Bonds headed "Republic of Texas" were issued in 1840 in both denominations, each interestingly picturesque with a different design and of course the "Lone Star." The $ 500 bonds were printed from two different plates bearing respectively the letter A or B in the top right-hand corner. A few of each denomination have the 10% interest rate amended by hand to 8%. Some have interesting endorsement signatures, e.g. Ludovic Colquhoun who was a senator in 1837 taken prisoner by the Mexicans at San Antonio in 1842 and later appointed Confederate States Depositary in 1865; also William Bryan, a New Orleans merchant who furnished men and money (estimated $ 90,000) to the army and provisional government of Texas before independence.

Bonds headed "Government Bond" in $ 100 denominations were issued in 1841. They have attractive vignettes of a paddle steamer, a blacksmith and cattle. Like the earlier bonds they were printed in New Orleans by Endicott & Clark. Unlike the earlier bonds they carried the signature of the President or Vice-President of Texas, David G. Burnet signed as Vice-President in 1841, having been the interim first President of the Republic in 1836. Other signatures include Mirabeau B. Lamar, a later President. Perhaps the most sought-after signature is that of Sam Houston but this was often signed by clerks on his behalf.

Brian Mills

Some British Railways

The Stockton & Darlington Railway (opened 27 September 1825) and the Liverpool & Manchester Railway (opened 17 September 1830) Certificates must be the bases of any major and important collection - the cost of these two alone would be about £600.

Members with perhaps £50 to £100 to invest should consider some of the 'younger' railways whose Certificates are more readily available and less expensive.

The following portfolio is well worth attention and some comments on each company may help and be informative to any first time collector.

Great Northern Railway Co. 1845 approximate cost £28 - £30.

The trains ran from Kings Cross in London to Newcastle serving the important Midland towns of Nottingham, Bradford, Leeds, Sheffield and York. For nearly 25 years Patrick Stirling, the company's chief engineer, built up the reputation of running the fastest trains in Europe at that time. When Stirling died in 1895 - after thirty years in office - A.A. Ivatt took over and commenced a major plan to modernise and update a company which was one of the biggest in Europe.

Seventy-ton Atlantic Class engines were introduced at the turn of the century and continued in service until Nationalisation at the end of the war in 1946-47.

The Liverpool Overhead Railway 1888 approximate cost £12

The first experiments with electric traction railways started in Scotland in 1842. Most were expensive failures but Germany and America had been much more successful. By 1890 electric railways were in operation in Ireland and the popular holiday resorts of Blackpool and Brighton. Also in 1890 the world's first deep level railways (tubes) were being built and completion was around 1898. The first underground railway powered by steam was opened in 1863 in London, part of which is now known as the Circle Line.

The Liverpool Overhead was completed in 1893 and was the first electrically operated elevated railway anywhere in the world. However, maintenance was costly and the company went into voluntary liquidation in 1957, and was wound up in October 1960. The Liverpool Corporation dismantled the railway a few years later.

London, Chatham & Dover Railway 1853 approximate cost £12

The company, originally called The East Kent Railway, enjoyed an almost total monopoly of Kent and parts of South London. As a result the fares were exceptionally high and the service considerably worse than it is today! The reputation of high fares, unpunctual services with terrible travelling conditions was well known.

A new management team was introduced by shareholders and modern trains commissioned, and the name changed in 1859 from East Kent Railway. Things perhaps swung too far the other way when by the turn of the century the engines were gaily painted with new and striking colour schemes. Black with green, and red outlines on the boilers plus mountings in copper and brass. The company merged with the Southern Railway in 1923.

The Midland Railway (built in 1852-56) approximate cost £20

The company was everything the London, Chatham & Dover was not. Its passenger trains were fast, efficient, frequent and on time.

Originally the railway covered an area around Birmingham and Leeds but later extended from Carlisle to London, and into North Wales. Merged first with the London Tilbury and Southend Railway in 1912 it was 1922 when a number of companies merged to form the London Midland and Scottish Company which became fully operational in 1923.

During the company's first sixty years only two locomotive superintendents were engaged. As a result the Midland maintained a consistent policy of only using fast, light engines. By 1922 the company ran 3,000 locomotives and only one which could be considered large. This "banking engine" was used on the Lickey incline near Birmingham.

By 1869 the company ran a regular service from London (St. Pancras) to Manchester. Stopping only at Kentish Town, the journey took 5 hrs. 55 mins. Six trains a day ran in each direction.

Rugby, Derby & Manchester 1845 approximate price £10

This was one of the smaller companies engaged in maintaining links between the three major manufacturing towns. Only 60,000 shares were originally issued to raise £160,000. Some £90,000 was returned to investors when the company went out (either takeover or liquidated).

Most, if not all, Certificates had a chunk of the corner cut off when presented for the first (and last) capital distribution. As not many were issued, those Certificates in mint condition could be valuable. Certificates are either red/brown or green, and both command a similar price.

West Cornwall Railway 1845 approximate cost £15

One of the few railway companies that maintained independence throughout its life. Building started in 1845 and the first trains ran the following year. One hundred years later in 1946/47 the company was taken over by the British Transport Commission and shareholders received Transport 3% Stock 1978/88 for their £20 Ordinary Shares.

The company did in fact takeover in the meantime the Exeter Teign Valley and Chagford Railway in 1876, and later the Bristol, Exeter and South Devon Railway. Although the company lasted 100 years, not many Certificates (with their attractive bright red seals) were issued.

London & Birmingham Railway 1833 £100 Ordinary Shares approximate price £80

The first railway out of London, hence, the premium on the price. The Railway opened in 1837. The engines mainly built by Liverpool engineer, Edward Bury, had a number of peculiarities. The engines ran on only four wheels instead of the usual six. The D-shaped iron fireboxes were crowned with high circle domes.

The engines were too small and very often two or even three were employed to pull a single train.

In 1846 the company merged with the London and North Western which also incorporated the locomotive manufacturers Grand Junction. This company was formed in 1841 as engineers at Crewe.

The London and North Western ran from London to Carlisle (some 299 miles). The track made famous by 4-6-2 locomotive No. 4472, the "Flying Scotsman", the first train to reach 100 m.p.h. in Britain.

The railway system in the U.K. was outlined between 1848 and 1850. The engines of this period travelled at 20 m.p.h. and on occasions up to 25 m.p.h. - each engine weight was four to five tons. Today, British Rail diesel electric 'Deltic' class engine would weigh up to 106 tons.

Sleeping Pullman cars and restaurant cars were introduced in the 1870's but it was not until 1891 that the corridor train was introduced.

Richard Jackson

(Note by Editor - it is understood prices quoted have improved since this piece was written).

Bonds In Verse

He loves his bonds, who when the first are broke,
Submits his neck unto a second yoke.

Robert Herrick
(1591 - 1674)

The Chinese and Russian Bond Index

The idea of having a bond and share index was raised in the society's last news letter; and after discussion with your secretary I volunteered for the job. Initially we decided to make the simplest form of Index relating only to Chinese and Russian Bonds. The idea in doing this was that it was far easier for collating prices; either from the Stock Exchange Official List or from dealers' catalogues.

The basis for the index has been derived from a total of twelve bonds six Russian and six Chinese. Out of these twelve three in each group are of the smaller issues, and three from the larger issues. In order to give a fairer comparison the three smaller issues of each grouping have been amalgamated together, and a mean average has been taken.

The prices each month are taken out of a dealers list added to the probate price from the Stock Exchange Official List, divided by two .... and hopefully the resulting price is some slight resemblance to the price that members might possibly obtain at a club auction.

The greater majority of members are obviously aware of the extent of the rise in prices for Russian and Chinese over the last year. In order to leave something for the official record, the base for the index was the price level for April 1978. As can be seen the index was up a startling 659% over the past year, one wonders what a year hence will show?

This index is of course only part of what is wanted by the society and those members who specialise in Americans or Germans, will obviously like to have their interest included in our records; therefore hopefully some scheme will be devised for the monitoring of the non quoted stocks and a more comprehensive index started later on in the year.

Russian Index Stocks	Chinese Index Stocks
4½% State Loan 1909	5% Reorganisation 1913 (English)
4½% South Eastern Railway	5% Hukuang Railway 1911
5% City of Baku	5% Gold Loan 1912
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Kokand Namagan Railway 1910	8% Marconi Loan
City of Saratoff 1909	5% Honan Railway 1905
City of Kieff 1913	4½% Gold Loan 1908

How the Index Has Moved

April	1978	100
April	1979	759
May	1979	725
June	1979	718

N.B. Prices from dealers' lists are taken for £100 Bonds.

Meeting in Memphis

The Society's first meeting on U.S. soil - in fact the first outside London - was held on June 15th at the Rivermont Holiday Inn, Memphis, Tennessee. This was the location of the International Paper Money Show hosted by the Memphis Coin Club.

Thanks to the assistance of the Show's organiser Mike Crabb, the Society's Treasurer Brian Mills was able to publicise a Society meeting. This was attended by seven members, two new members and three guests. There was discussion about the possibility of forming an American Chapter of the Society, about the need for more research especially into U.S. stocks, and for the publication of "trial listings" like the Trial Listing of Mexican Securities which was published in World Coin News of June 5th.

At the Show itself there were 119 dealers' tables! The material on sale was mainly paper money but several tables had share certificates. Our member Ken Prag had the only table specialising entirely in bonds and shares. There were two paper money auctions, and several society meetings.

At least sixteen of our members were at the Show, from Britain, Canada, Germany and Switzerland as well as the U.S.

Altogether a very enjoyable event, which is scheduled again for the first weekend in June 1980. Write to Mike Crabb, P.O. Box 17871, Memphis, Tennessee 38117.

Brian Mills

Societies

The latest issue of the Check List, which is the quarterly newsletter of the Check Collectors Round Table, contains two pages on stocks. The Society is thinking of changing its name, perhaps to Bank History Society or some such. The subscription is $8 for U.S. members and $10 for others. Write to the Secretary, Larry Adams, 969 Park Circle, Boone, Iowa 50036, U.S.A.

We mentioned the Dutch Share Collectors Club in Newsletter 2/79. We have heard there is a Club in France: does anyone know the address? Other societies which are concerned with paper money (which often has vignettes in common with shares) but not so far with shares, include:-

The International Bank Society, 135 Stanstead Road, London SE23 1HH and 4910 Biscane, Apt. 13, Racine, Wisc 53406, U.S.A.
The Society of Paper Money Collectors, P.O. Box 4082, Harrisburg, PA 17111, U.S.A.
The Canadian Paper Money Society, P.O. Box 1074, Adelaide Street, P.O. Toronto, Ontario.

Brian Mills

U.S. Certificate Worth $2.5 Million - Lost and Found!

After reading about a missing share certificate, the Wells Fargo archivist has searched their basement, and found it - apparently now worth $2.5 million! The certificate is dated 1888 and is for 100 shares in the Texas Pacific Land Trust. This now represents 53,000 shares of Texaco Inc plus a holding in the original company. Phone calls claiming ownership are reaching Wells Fargo from several directions. Wells Fargo took possession of the certificate in the course of collecting a debt due to Capt. J.R. DeLamar, a leading American mining figure, around 1896/7. They do not know why they still have it. Does any member have another?

If anyone is thinking of the aesthetic appeal, the certificate has a vignette of an allegorical lady and another of the head of a steer.

Brian Mills

City of Philadelphia 6% Bonds 1850s/70s

These are elaborately engraved bonds with ten vignettes. Centre top is Independence Hall, Philadelphia (not City Hall), where the Liberty Bell hung and in which the Declaration of Independence was agreed in 1776 and the U.S. Constitution later adopted. At that period the building was the State House of Pennsylvania.

Clockwise from Independence Hall are a locomotive, Henry Clay, a rustic female, William Penn, suspension bridge over the Schuylkill River, Benjamin Franklin, a blacksmith, George Washington and a river and boat scene.

The certificates were first produced by Draper, Welsh & Co., Philadelphia. The engraved area measures 20.8cm high x 35.7cm wide. These were used up to 1861, the early year of the Civil War.

Exactly the same engraving was produced by the American Bank Note Company around the beginning of the Civil War era but with notable differences in measurements of the engraved area: 20.5cm high x 36.2cm wide.

During the latter part of the Civil War era, the American Bank Note issues were overprinted in red in a curve "FREE FROM ALL TAXES". Measurements on these bonds: 20.2cm high x 36.2cm wide.

Earl Moore

Exhibitions in New York

Member Bob Kluge has successfully mounted a number of exhibitions of parts of his extensive U.S. collection, in libraries and banks in the New York area. Most recently, in June/July, he had some nice pieces on display, including appropriately local streetcar stocks, in the banking hall of the East River Savings Bank, 26 Cortlandt Street, near Wall Street, New York City.

Brian Mills

Busted Bonds and Battles Long Ago

Well, Smith, What's your fancy for '79?

Quite honestly, Jones, I can't see a single thing to go for. I mean, equities just never get anywhere these days, do they. And as for gilts! Well, I ask you! People are out of their tiny minds to touch them with a bargepole, in my opinion. Can you think of anything, Jones? Something really new, maybe? And exciting?

Could be, Smith, Could be. Ever had a look at American loan stocks?

Fixed interest again? And the dollar premium? Oh Jones!

Couldn't really call it fixed interest. Not the stock I'm thinking of. Thing is, you see, it hasn't paid anyone a dime for 113 years.

And you're telling me to buy it?

Well, who wants high-yielders now? Things have changed since the Cotton Loan made its appearance.

When was that, exactly?

March 1863. And you know what was happening then, of course.

The Civil War?

Spot on. And the Confederates pretty well sweeping the board. As you obviously know.

The Confederates? That gang in the South? But I thought ...
The South was doing jolly well, I can tell you. What with the Alabama sidling out of Liverpool and making merry with Federal shipping. And that fearful pasting for the Lincoln lot at Fredericksburg. Still there was a problem. Fact is they had hardly any money. Not real money anyway. Only dollars and suchlike. Simply had to cadge a loan in Europe. And Schroders set them up with £3m at 7 per cent.

No one thought it was kind of risky?
Well yes, they did. And that's why they rustled up this special ingredient. Turned it into a sort of convertible, you see. The way it worked, as far as I can make out, was that you clenched your bonds firmly between your teeth and swam as far as you could up the Mississippi. Then you swapped them for cotton. At sixpence a pound. After that you just got a standby ticket on some transatlantic flight. And once back in Lancashire you could sell your cotton off again. For four times what you'd paid.

You could? Just like that?
You could. But there was one snag. Normally you couldn't shift cotton from America at all. The North had set up this blockade. And that's why the price bobbed up in England.

You mean, if I bought this loan in London I was positively spurred on to start busting blockades?
Exactly so. How many investors actually buckled down to it is another matter. But the City just loved the idea. The loan was six times over-subscribed. It was issued at 90, and in first dealings touched $94\frac{5}{8}$.

And then?
Well certain difficulties developed, it has to be admitted. The first was the brother of the Confederate agent, believe it or not.

Say that again?
You heard. He went bankrupt. And the price slipped to 86. Before recovering in July to $90\frac{1}{2}$.

But Gettysburg, Jones! July 4!
What a mine of information you are, old chap. But you forget all this was before they had a transatlantic cable. When the news of Gettysburg got to London the Loan struck 55. And by December it was worse. After Chattanooga, people sold out for as little as 37.

Beginning of the end, eh?
Far from it, Smith. Far from it. At that price it was an absolute snip. For a while. The Federals made a hash of their spring campaign. And late in the summer of 1864 Lincoln seemed about to lose the Presidency. The neutral British were thrilled to bits, and the Cotton Loan got right up to $82\frac{1}{2}$ again.

Time to sell?
As you say, Smith. Time to sell. By April 1865 all was over, and the poor old Loan had crashed to 11. And another year of peace reduced it to 4, for good measure.

Poor show, what?
It did look grim. Until the lawyers had a go. Believe it or not, you see, the Confederates had actually earmarked bales and bales of cotton specifically for stockholders. And when the Federal army walked off with the lot it began to look awfully like stealing British property. So, when the United States started claiming against England for the havoc wrought by the Alabama it seemed a smashing chance to put in a counterclaim. By January 1869 chaps in the City were falling over themselves to buy at $9\frac{1}{2}$.

On to a good thing, were they?
Alas, no. The Alabama affair was settled in 1872, and no one who mattered ever gave a thought to the Cotton Loan.

And interest dwindled, I take it?
Well yes it did, a little. Until 1881. When more heavy buying was recorded. On rumours of vast Confederate funds still held in Europe. No one managed to track them down. But that didn't stop the price bounding up again in 1882. To a staggering $1\frac{5}{8}$.

You see, the idea got round there might be a nice kind Democratic President in 1884. Who might be nice and kind to people who had backed the south.

Did that work out?

Well no it didn't. As a matter of fact. And Confederate loans seldom hit headlines again, I fear. Except, of course, in 1891.

Care to jog my memory?

That was when someone tried to serve a summons on a US government official.

Tried? He didn't make it?

No. It proved too difficult.

How was that?

The official was asleep.

Something tells me enthusiasm was flagging.

Ah yes. They had no faith you see. How different it is today. How very different. Yes, things have certainly been stirring in 1978. Oh, everyone has quite given up hope that the infamous Yankees will ever fulfil their obligations. Buyers just like to look at the certificates. Historical interest, they say. Beats me what they see in it. Still, only last month a £500 bond fetched £100 at a Stanley Gibbons auction. Best price seen since April 1865. Indisputable uptrend established. Best booming bandwagon anywhere in sight. Jump on it, Smith.

Colin Greenlaw

(With acknowledgement to The Investors Chronicle)

Brazil Railway Company

4½% First Mortgage 60 Year Bonds.

I wrote a brief article on the Brazil Railway history in our first newsletter published last November, and a number of members have raised queries on my estimates of the English sub division, and the number of Bonds that I estimated as outstanding. You will recall that following the final liquidation payment, all Bonds tendered for payment are shredded and without the liquidators co-operation, it is not possible to accurately gauge the number of Bonds still circulating. The real number of Bonds in Banks and Collectors hand will be very many less.

The main change on my original fitures is that I show the total number of Bonds issued. My estimates are based on a sighting of a larger number of Bonds over a period of two years, and therefore I think my estimates are accurate within 25/50 Bonds. The number of 1912 £100 Bonds is now exact, following a helpful comment from a friend and further research.

The 4½% First Mortgate 60 Year Bonds.

	£20	£100	£200
4½% 1909	9800 Est.	20,500 Est.	Nil
4½% 1911	3700 Est.	6,600 Est.	4250
Total Issued of Serial Nos:	B1-B13530	A1-A27146	C1-C4250
4½% 1912	£100 Bonds = 999 (previous estimate 1500) Nos. A28259 - A29258		

5% (formerly 5½%) Convertible Debentures 1912.

Since the last article was issued, I have noticed some Convertible Debentures in denominations of £100, £200 and £500 circulating and it has been suggested that there are only 15% of each in existence. £2 million was issued 1st August 1912 with option to convert into Common Stock until 1st August 1915 and finally redeemable on 1st August 1922.

The 1974 balance sheet carries an entry that a credit of US$3319 is held by the Trustee to Convertible Debenture holders, "for the benefit of the £9400 Convertible Debenture stock remaining to be paid with value US$3319".

As the Debentures circulating have been cancelled, it is not possible to estimate numbers still in existence since 1922, but at least the vignette of a train passing through a rural scene is attractive and the bonds colourful.

J.P. BERTHOUD.

North American Land Company

Certificates issued in Philadelphia in 1795 were signed by Robert Morris as President and James Marshall as Secretary. Morris's signature can be verified against that on the Declaration of Independence 1776. The Company controlled land in several States. Some of the certificates are issued to Bird Savage & Bird of London.

Robert Morris, born in England 1734, died Philadelphia 1806, was the financier of the American Revolution against George III. He was a successful merchant and a member of the Continental Congress of the United States. When, in 1780, large numbers of revolutionary soldiers were deserting for lack of pay and supplies, Congress turned to Morris for help. He had already raised crucial loans. He now helped organise the Bank of Pennsylvania to raise funds for the military, and in 1781 Congress unanimously appointed him Superintendent of Finance in place of the Board of Treasury. Morris (not to be confused with his unrelated assistant Gouverneur Morris) held his post until the Government moved to New York in 1784. Amongst his many activities were the founding of the Bank of North America (1781), plans for the first national currency (where he opposed Thomas Jefferson's proposal for a decimal currency), and the establishment of a Mint - without Congressional approval!

Morris was later concerned with numerous company ventures often with his associate John Nicholson. These include the Delaware & Schuylkill Canal Navigation Co. (1792) and the Asylum Company (1794), certificates of both of which exist today. The Asylum Co. was intended to provide land in Pennsylvania for refugees from the French Revolution, who had of course helped finance the American Revolution, including it is said Louis XVI and Marie Antoinette.

Robert Morris was eventually bankrupted, spending several years in debtors prison in Philadelphia where George Washington and his wife would visit him. He was released by the passage of the national bankrupt law at the age of 68. John Nicholson had by then died in debtors prison.

James Marshall was brother of John Marshall who was the first Chief Justice of the Supreme Court, the United States' commercial agent in France during the Reign of Terror and, as agent of George Washington, negotiated the release of Lafayette from prison in Austria.

Brian Mills

Variants on Chinese External Loans - 1895 to 1925 inclusive

Donald Ross (address on cover) has compiled a very amateur list of these in the hopes that members can add to it. Obtainable from him in return for a s.a.e. or international reply coupon. If sufficient response is received an improved list will be published in a future news letter.

Old Colony Railroad (A Massachusetts Corporation)

The Old Colony Railroad originally extended from South Boston to Plymouth, and was opened on November 10, 1845. Since that time, the mileage covered by the railroad was much increased by various extensions, consolidations and leases. By 1885 the total length of the railroad operated was 468.32 miles. The lines of the Old Colony Railroad extended from the entire length of Cape Cod to Provincetown; they ran from Newport, Rhode Island to Boston and radiated throughout the Southeastern parts of Massachusetts and Rhode Island. In addition to its railroads, the Old Colony Railroad owned controlling interests in several Steamboat companies servicing Cape Cod, Nantucket and Martha's Vineyard. In 1884 the railroad transported 7,826,501 passengers to and from Boston and other busy manufacturing towns as well as to the quiet fishing villages on the coast of Massachusetts and Rhode Island. The vignette on the 1895 bond shows an Old Colony train chugging past some smoky New England factories. During this period of the railroad's expension, the president of the company was Charles F. Choate, whose signature is on the $1,000 bond of 1895.

In February, 1893 an agreement was made to transfer the lease of the Old Colony Railroad to the New York, New Haven and Hartford Railroad for 99 years. The New Haven assumed all the liabilities of this company and agreed to pay dividends on the stock. The agreement also provided for an exchange of stock on the basis of 9 shares of New Haven for every 10 shares of Old Colony. At this time the Old Colony leased four other railroads: the Boston and Providence; Chatham; Plymouth and Middleborough; and Providence, Warren and Bristol. These leases were all assumed by the New York, New Haven and Hartford Railroad.

The ensuing partnership between the Old Coloney Railroad and the New Haven ran into serious trouble in the mid 1930's since by this time the Old Colony had ceased to be profitable. In 1936 the New Haven tried to reject the previous agreement concerning the leasing of the Old Colony's lines owing to heavy operating losses. The New Haven was ordered to continue the operations of the Old Colony's lines, although the Massachusetts Public Utilities Commission did approve the reduction of passenger service, thereby setting in motion the dispiriting practice of abandoning, one by one, the various lines and closing more and more stations.

In one of many great efforts to keep the Old Colony Railroad alive, the Massachusetts legislature approved a substantial subsidy, but passenger operations were discontinued entirely in 1959. The State of Massachusetts purchased the Boston to Braintree line of the Old Colony through the Massachusetts Bay Transportation Authority, which was obliged to keep the line open for freight service.

In 1968, as a condition of the merger between the Pennsylvania Railroad and the New York Central Railroad, the ICC imposed the condition that the New York, New Haven and Hartford Railroad system be included in that merger.

Within this vast railroad system, therefore, a small portion of the former Colony Railroad is still used for freight service. Today the unpoetic, practical freight trains shunt their way through the New England landscape along the lines formerly used by the grand trains of the Old Colony Railroad.

John Herzog

Early English Railway Shares

Wooden railways existed in English mines at least as early as 1530, and by the 1770s iron ways were being used to carry minerals in and around mines. The earliest shares to which I have seen a reference are those of the Trevil Rail Road Company which issued 55 shares of £100 each on May 30 1793. This Company was in effect a partnership within the Monmouthshire Canal Navigation Company which had been authorised by Parliament in 1792, and it used horse-drawn waggons to carry coal and iron as a feeder service to the canals. Further calls on capital were made in 1795 and 1798. Do any of the shares still exist?

The Surrey Iron Railway Company opened for business on July 26 1803 to carry coal, building materials, manures etc. between Wandsworth and Croydon. Anyone could use the railway on payment of the tolls. This was therefore the first English public railway independent of a canal. A share certificate of the Surrey Iron Railway exists dated 1802, possibly the oldest railway share certificate to have survived. The certificate shows the Company's seal, both printed and embossed, the principal feature being a classical female holding up a wheel on a rail for display, rather in the manner of an auctioneer's assistant. A certificate exists dated 1804 of the Croydon, Merstham & Godstone Iron Railway, an extension of the Surrey Iron Railway. The seal shows a standing Britannia and a number of waggons drawn by a horse - unlike the Surrey Iron where a waggon is drawn by a flying cherub, admittedly uphill!

Not all the early certificates were as interesting visually. The only representation on an 1811 share of the Monmouth Railway Co. is the coat of arms of the town of the town of Monmouth (to which, incidentally, neither the town nor the railway was entitled). An 1814 share of the Severn & Wye Railway and Canal Co. has no printed illustration.

The earliest vignette known to me on a railway share, other than a copy of the seal, is on the 1823 Stockton & Darlington Railway certificate. This has a nice view of a town and a horse and waggons. Possibly the first certificate to show a steam locomotive is the Liverpool and Manchester Railway Company's share of 1827, which shows no less than two trains steaming between the two cities, fronted by a large female figure, perhaps Minerva ~~Britannia~~. In the USA the Mohawk and Hudson Railroad had been incorporated in 1826 and the Baltimore and Ohio in 1827, so possibly one of these had a locomotive vignette on a share before the Liverpool and Manchester?

Brian Mills

Early US Railroad Vignettes

The earliest US railroad certificates with vignettes known to me are those mentioned in my piece in Newsletter 1/79, but I now know of earlier dates: New York, Providence & Boston, 1835; Georgia RR and Banking, 1838. Another type has come to light: Boston & Providence RR dated 1837. This was engraved by S Stiles & Co., New York, and has two nice vignettes somewhat different from those on the later certificate printed by Rawdon, Wright & Hatch and used by the Boston & Providence from at least 1842.

Two early Southern States bonds printed by Rawdon, Wright & Hatch show locomotive vignettes. The State of South Carolina £250 bond of June 1838 (Criswell page 253) has a tiny train, to the right of the central vignette of Commerce. A really fine vignette of a loco, three waggons and a passenger carriage appears as the central item on the Territory of Florida $1,000 bond of January 1838 (Criswell page 199).

I still know of no Baltimore & Ohio RR certificate earlier than 1851, although the company was incorporated in 1827.

The Charleston & Hamburg Railroad was chartered in South Carolina in 1828 and is said to be the first railroad in the world to decide on locomotive as the sole source of motive power. This could well have used loco vignettes on its certificates.

Brian Mills

Counterfeit Protection by ABNCo.

The coloured spots on modern American Bank Note Company certificates are not accidental splashes of printers ink but an anti-counterfeiting device. The following is quoted from the ABNCo publication 'Detection and Recognition of Fraudulent Securities'.

"Planchettes are small circles of special papers, about the size of the head of a straight pin, which are imbedded into the surface of the paper. Although a genuine security will contain numerous planchettes on both the face and back of the document, only the following four colors are used by American Bank Note:

Pink - These planchettes will shine or fluoresce red under an ultraviolet lamp (black light).

Yellow- These planchettes will flouresce yellow under an ultraviolet lamp.

Blue - These planchettes contain strands of blue fibers.

Orchid- These planchettes contain strands of both red and blue fibers.

While these fibers may be difficult to see with the naked eye, they are readily visible when examined with an ordinary magnifying glass.

Although counterfeiters occasionally attempt a simulation of planchettes by printing small circles of color, they have never achieved the effect of the colored fibers in the blue and orchid planchettes.

The planchettes on genuine documents always appear in random positions. If many or all of the planchettes appear in exactly the same positions on two documents, the documents are suspect and should be examined thoroughly."

Brian Mills

Heraldic Bonds and Shares

A surprising number of bonds and shares have coats of arms incorporated into their decorative designs which can add a whole new dimension to their interest. The arms are nearly always national, provincial or civic and where the designer has not included the name of the state, province or town research is sometimes necessary to identify the arms.

The habit of using heraldic devices for decoration seems to be widespread and from the mid-nineteenth century until modern times examples can be found in the bonds and shares of all European countries as well as in those of America, Canada and Russia.

My interest in armorial bonds and shares began when I noticed a particularly fine rendering of the arms of Nova Scotia on a share certificate of the Nova Scotia Land and Gold Crushing and Amalgamating Company Limited of 1863. The arms, though thoroughly Victorian in design were executed with a lightness of touch and a grace which makes them very pleasing. No two heraldic artists work is alike and a comparison of the different styles can be very rewarding.

The Great Northern Railway Company of 1846 has the shields of England and Scotland as its emblem surmounted by a rose and a thistle nicely drawn, but of greater heraldic interest is the seal which repeats the two coats of arms in its design which is probably fairly unusual.

These two examples, both printed by Waterlow, compare favourably with the rather heavy rendering of five coats of arms on the bond of the Chemin de Fer de Charentes of 1873 which includes the arms of Charente itself and four neighbouring provinces. But as against that the French armorial design has two early locomotives emerging from either side which neatly encapsulates pictorially the purpose for which the bond was intended. I am rapidly discovering that there is much to be learnt and enjoyed from the heraldry on bonds and shares.

Gillian Wagner

Repudiation of Loans Issued Before the Civil War by the State of Mississipi.

This note is designed to introduce to the reader the 6% Bonds of the Planters' Bank (issued between 1831 and 1833 - capital $ 2 million) and the 5% Bonds of the Mississipi Bank (issued in 1838 - capital $ 5 million). The latter were mostly purchased by investors in Europe and the dividends on both were payable in London; subscribers included the poet Wordsworth.

The successful flotation of the Union Bank bonds was described as follows:-

"When news of the sale of the bonds reached Jackson, 'the smoke of great guns filled the capital city with a pillar of cloud by day and bonfires and illuminations lighted it with a pillar of fire by night.' In due course of time the $ 5,000,000 in specie and British gold arrived by ocean steamer at New Orleans, thence by river steamer at Vicksburg, thence by a guarded caravan of wagons to Jackson, where the central office was located on a plot of ground now occupied by C.S. Virden's store. Crowds of people gathered to witness this golden caravan."

Sadly, however, in 1841 both banks defaulted and the State Governor pronounced that the State would never pay the interest or repay the capital. In the following year the Mississipi Supreme Court indicated that the State was bound but this was only the first of many judgements leading up to one of 1853 which confirmed the validity of the bonds.

It would be tedious to list all the memorials submitted, the Committees which sat and all the legislation enacted. The most important was the amendment to the State's Constitution of 1875 which reads:-

"Nor shall the State assume, redeem, secure or pay any indebtedness claimed to be due by the State of Mississipi to any person, association or corporation whatsoever claiming the same as owners .... of any Bond or Bonds known as the Union Bank Bonds or the Planters' Bank Bonds."

This specific repudiation of both classes of bonds survives today. And Article 1, Section 10, of the Constitution of the United States is thus publicly set at naught on the Statute Book of the State of Mississipi.

The affair lingered on until the First World War after which it was again high lighted by the emergence of the U.S.A. as a creditor country to the extent of $ 14,000 million. In 1928 the amount of interest owed was assessed at $ 32,000,000. The Council of the Corporation of Foreign Bondholders recorded that "while they are unpaid those Bonds will carry on to generations yet unborn the memory of a grave injustice." In 1930 a number of Scottish holders petitioned every member of the Congress with no known result.

Both Bonds are still obtainable from time to time. The Mississipi ([redacted]) Union Bank Bond has four vignettes in styles very similar to Confederate Bonds. The Planters' Bank of the State of Mississipi ([redacted]) has a very decorative border but no vignettes. The bond is flanked by coupons in the same way as CR 116 - 119.

Acknowledgement is made to the Reports of the Council of the Corporation of Foreign Bondholders which contain much detailed information.

Donald Ross

WANTS AND FOR SALE

J.A. Lyttleton, 2 Elm Walk, West Heath Road, London, N.W.3.
Telephone 01-458 1000

is a collector of Chinese Bonds and Shares and has a few available either as swaps or for sale.

Park Beck, 523 West 121 Street, New York, N.Y. 10027

will try to fill requests for Chinese, Russian and Egyptian bonds. Wants to buy Mississippi bank bonds, Deposit Certificates for such bonds, Mexican bonds and notes, North Carolina RR bonds, and dollar bonds of German cities, power companies, industries, etc. Offers Moody's manuals (each "American and Foreign" of from 1400 to 3000 pages 8" x 11" in size): Banks, Insurance, Real Estate, Investment Trusts 1947; Governments and Municpals 1950 manual, also 1952; Public Utilities 1953; Industrial Manual (with mining, oils, etc.--2976 p.) 1961. Postpaid £ 50 each.

A.R. Holliman, 24 Goodwood Avenue, Hutton, Essex.

seeks certificates of Tobacco or Cigarette Companies pre 1945. He has for sale several Estonian bearer certs. dated1880 in VF condition. Telephone 0277 210706 (evenings only).

Commander Richard Theobald, U.S.N., Webbwood, 209, Blueridge Road, Canboro, N.C. 27510, U.S.A.

has duplicates of the following for sale or exchange

Chinese Govt (Vickers) 100 Pds 8% 10 yr Sterling Treasury Note 1925-29 x/coupons Lloyds, London VF condition

Brazil Railway Co 1909 4½% 1st Mortgage 60-Year Gold Bond 100 pd F cond Train on trestle

St. Louis (MO.) Bridge Co 1887 2nd Pfd 10 shs J P Morgan, London - Bridge and city vignette F

Hudson and Manhattan Railroad 1941 100 Com shs New York harbor vignette F

Missouri, Kansas & Texas Railway 1915 10 shs Locomotive & roundhouse vignetee VF

Baltimore & Ohio Railway 1918 Old-time "Friend of Charleston" vignette 100 shs VG

Cincinnati, Washington & Baltimore Railway 1889 100 com shs Loco., train & station vignette VG cond

Marconi Wireless Telegraph of America 1912 10 com shs Vignette of Transmission towers two hemispheric globes and women figures VF cond.

U. Glasemann, Rulantweg 17, 2 Hamburg5o, West-Germany
Telephone: 040/8808111

buys sells and swaps stock certificates and bonds from all over the world. Periodical list on request free! Offers "one to a ton" welcome!

A.R.A. Wood, 19, Hillwood Common Road, Four Oaks, Sutton Coldfield, West Midlands, B75 5QJ

has available for exchange all in very fine condition

Mexico North Western Railway Company £100 6% Bond 1913

Mexico Government £100 6% Bond 1913

Bonds of the following Russian Cities:-

Baku, 5% Loan 1910 £20
Baku, 5% Loan 1910 £100
Kieff, 5% XXll Loan 1914 £20
Moscow, 4½% Loan 1912 £20
Moscow, 4½% Loan 1912 £100
Vilna, 5% Loan 1912 £20
Saratoff, III, IV, V and VI Combined Loans 5% 1909 2500 Frs. (£99.4.2)
Moscow, 5% Loan 1908 £20
Nikolaef 5% Loan 1912 £20
Nikolaef 5% Loan 1912 £100
St. Petersburg 4½% VIII Loan 1913

will exchange for bonds (in equal condition) of other Russian towns.

Will Itoh, 6020 North 16th Street, Arlington, Virginia 22205, U.S.A.

offers: Boston and New Haven RR 1838, ~~Boston,~~ N.Y., ~~&~~ Providence Lx Boston 1838, MKT signed by Jay Gould and other choice American RR items in exchange for Confederate Bonds, New Mexico and Texas bonds and share certificates (any varieties and any quantity).

J.P. Berthoud, 129 Gloucester Road, London, SW7 4TH

wishes to sell/exchange a few surplus Russian and Chinese Rails. Prefers South American. S.a.e. please.

Brian Mills, 56 The Avenue, Tadworth, Surrey.

Pre-1850 U.S.A. railroads, Texas bonds and Robert Morris stocks are offered in exchange for others similar or for early English. Will also purchase.

Peter Franzen Junr., Gardelenbergstr. 21, 5609 Hückeswagen, Germany. Telephone: 0 21 92 / 23 20

has formed a small group of collectors and friends. He offers an IOS certificate for £5 and can send a list of German shares on application.

Heinz Wetjen, 4050 Mönchengladbach 1, Viktoriastrasse 81, Germany.

offers the following:

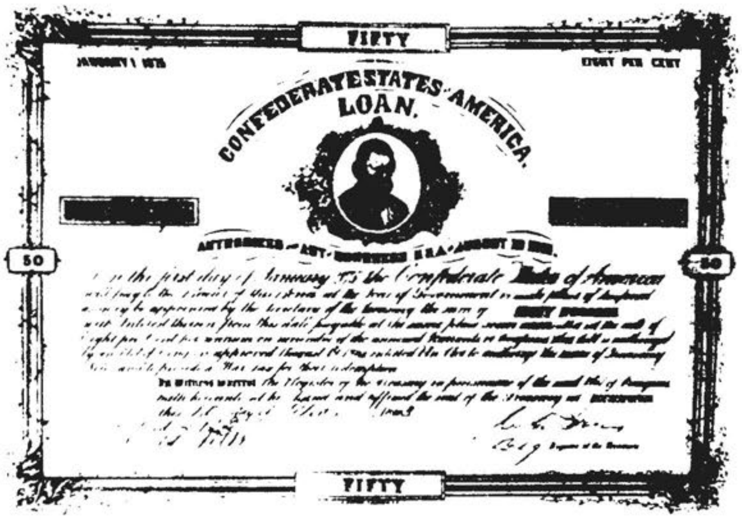
Liberty Bond 10 $ (206b)	£4.50
Le Champ d'or 1 1890	£14.00
The French South African Development 1895 x 1896	£16.00
The Spies Petroleum Comp. 1905-11	£6.00
The Anglo-African Trading Co. 1902	£9.00
The Maikop Spies Comp. 1910/12	£4.50
The Queensland Copper Comp. 1906	£8.00
Barcelona Traction, Light & Power 1 1913-23	£4.50
The Spassky Copper Mine 1919	£5.50

Payment: ½ amount by cheque in advance, remaining amount after receipt of titles - all in very good condition.

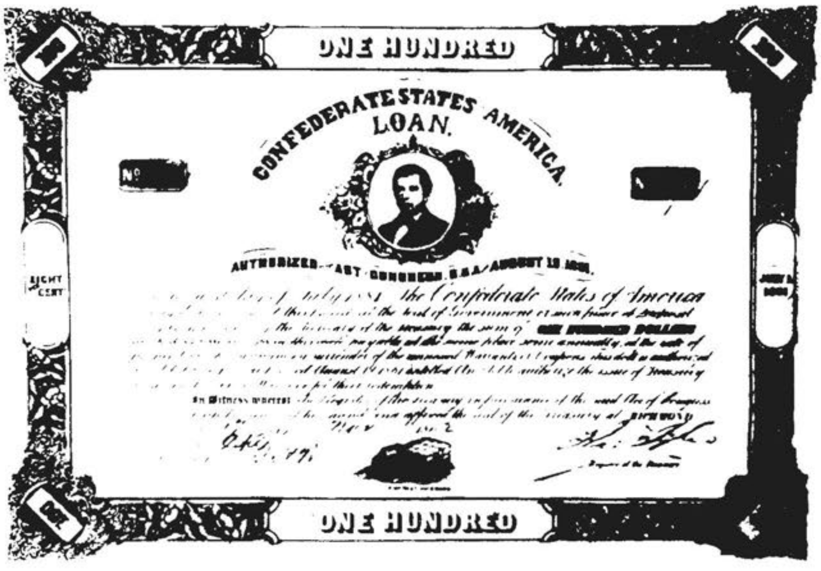
"Picture Guide to Design Similarities in American Confederate States Coupon Bonds" by K.G. Morris, LI.B.

The author is to be congratulated on making the results of his research available to other students in this pamphlet, and it can be strongly recommended - both for its contents - and as an inspiration to other members to share their knowledge. Available from the author at 56, Woodmansterne Road, Coulsdon, Surrey, CR3 2DF. Price 43 pence plus postage, (weight 42 grams).

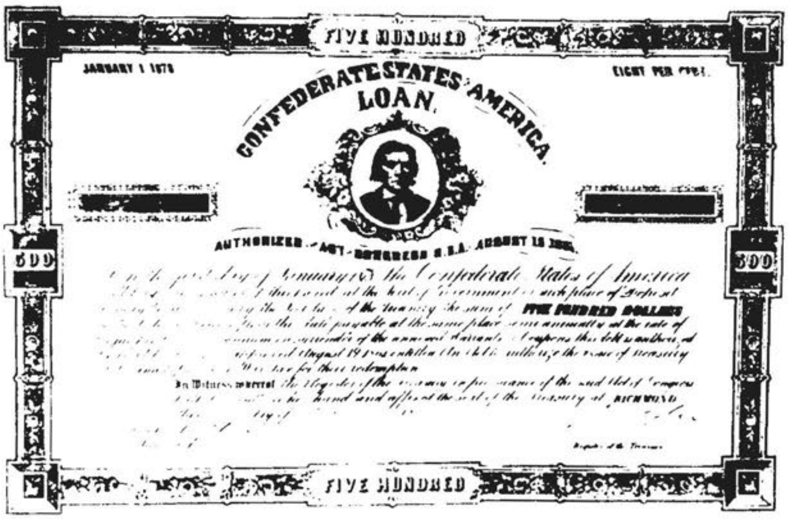
Criswell 18. John H. Reagan.



Criswell 20. Thomas Bragg.



Criswell 48. Edward C. Elmore.



Criswell 70. Alexander H. Stephens.

Criswell 73. R.M.T.Hunter.

Criswell 94. Unidentified Man.