

SHOW THIS PAGE TO YOUR REPUBLICAN NEIGHBOR AND ASK HIM TO READ IT CAREFULLY

Oklahoma has the guaranteed deposit plan and the following Associated Press dispatch tells of its operation in the first bank failure since the law went into effect:

"Guthrie, Okla., May 21.---Within one hour from the time H. H. Smock, Oklahoma banking commissioner, had taken charge of the International Bank of Coalgate he had authority to pay the depositors in full, though the bank's cash and available funds in other banks fell \$22,000 short of the total amount of deposits. The commissioner was enabled to do this under the operation of the new banking law, and this is the first time it has been called into use. Under the operation of the guaranty banking law of Oklahoma a tariff of one cent is levied upon the average annual deposits of the banks and this money is used in payment in full of all depositors of an insolvent state bank, after the funds have been exhausted."

Why should any one, aside from a coterie of big bankers, object to the guaranteed deposits plan? Republicans as well as men of all political parties advocated this plan, yet when platforms of the two parties were written, the democratic platform declared plainly for the plan while the republican platform ignored it.

This is the way the two platforms look on this subject:

Guaranteed Deposits

DEMOCRATIC PLATFORM

We pledge ourselves to legislation under which national banks shall be required to establish a guarantee fund for the prompt payment of the deposits of any insolvent national bank under an equitable system which shall be available to all state banking institutions wishing to use it.

REPUBLICAN PLATFORM

"Paid in Full"---An Oklahoma Incident

Notice
This Bank is in the hands of the
State Bank Commissioner.
Depositors will be paid in full by
The State Banking Board
Please call and get your money.
H. H. Smock
Bank Commissioner,
State of Oklahoma.

May 21 1908

Guthrie, Okla., June 2.—Reader did you ever see a notice like the above posted on the door of any "busted" bank. No, you never did, until this one. This is an exact photograph of the notice which the Oklahoma state bank commissioner, in pursuance of the laws of Oklahoma, posted on the door of the International Bank of Coalgate, Oklahoma. By the end of the second day the depositors had all proved their claims and received their money, except a few who lived from six to fourteen miles from town, and whose checks were made out and left in the hands of another bank to be delivered when it was convenient for the owners to call for them.

The statement made by the bank commissioner to the state banking board, was as follows: The International Bank of Coalgate was closed because its active managing officers had violated the state law by borrowing the following sums, principal and interest: The president, \$7,067; the cashier, \$4,614.

The bank commissioner assembled the board of directors, and demanded that this borrowed money be replaced which, after a reasonable time given, they failed to do. Had this money been replaced these two officers would have been removed and the board of directors might have elected new officers, and the bank continued in operation. On account of the failure to replace the money, the bank commissioner closed the bank at 2:15 p. m., and posted on the door the above notice.

The bank commissioner found that the deposits were \$36,744.93; that there was cash on hand, \$9,574.67; due from other banks, \$7,564.03.

Thursday afternoon, Friday and Saturday sufficed to completely liquidate the affairs of the bank so far as proving and paying depositors was concerned. The bank commissioner drew on the state guaranty fund for \$24,843.73 to furnish additional cash necessary to pay all depositors. The remaining amount due from other banks, and paper readily collectable, the state guaranty fund will be replaced within thirty days. Therefore, no assessment on the secured banks is required.

The bank commissioner had the two offending officers arrested; they are now out on bond awaiting trial. It is the opinion of the bank commissioner that after reimbursing the guarantee fund, the final liquidation of the bank's assets will pay the stockholders about fifty cents on the dollar.

The benefit of the Oklahoma banking law, in its regulation and close inspection of secured banks, is fully demonstrated in this case.

OKLAHOMAN.