

With commercial credits our experience has not been fortunate. We have never done a large business in this line, but the average of loss has been high. The worst was the case of a credit granted to a couple of young Englishmen of the half-gentleman class that I have referred to in a former chapter. Their business was in exporting grain. What they did in this line was perfectly satisfactory. But on one occasion they took a fancy to dabble in the importation of steel rails, which they thought were likely to advance heavily. A small clique of fellows of the same class as themselves were in this venture. We gave them a credit to import a thousand tons, a great mistake as it proved, for they were not in the business; and the price instead of advancing, fell heavily. By this and similar operations the firm was ruined. Some circumstances transpired in our case which created a suspicion of fraud, and we prosecuted one of the parties, but got no satisfaction. We did, however, get judgment against each of them individually. The younger of the firm went home to his father, a country gentleman in the West of England. We sent the judgment to London for execution, but the young fellow was always kept out of the way. The next time I went to England I thought well to go down to see the father and endeavor to effect a compromise. But he flatly refused to see me, and soon afterwards he sent his son out to India. Many years afterwards we heard that he had returned, and that he was about to be married. This, we saw, was our chance. We threatened to put our judgment into execution. An offer of compromise was made at once. We refused to take it. The offer thereupon was doubled, and after consultation with our agents in England, we concluded to settle on these terms. And thus ended this disagreeable business.

Only on one or two occasions during a long course of heavy business in New York have we suffered by actual fraud. We have bought millions of pounds of sterling bills, every year, and made loans on stocks aggregating as has been said, hundreds of millions, but have never had a forged bill of exchange on our hands, nor a fraudulent certificate of stock.

But we were victimized on one occasion by the presentation of forged bills of lading under circumstances more remarkable than anything in my long banking experience, or perhaps in the experience of New York itself. It was a sad case, and one would willingly draw the veil of silence over it. But as these reminiscences are written as lessons of instruction, I cannot pass it by. Moreover, the transactions were all made public through the courts.

We had much business, both in Chicago and New York, with an exporting firm of the highest standing, whose very name carried an assurance of respectability and honor. For many years nothing could be more satisfactory. On one occasion, however, they departed from the usual course and instead of offering bills of exchange with documents they presented the documents themselves, and desired a temporary loan