To promote the evolution of the new state of Michigan from one of forest trails to one a progressive climate for development, the advancement of the banking business held a high priority. Minimum capitalization seems to have been the norm in the organization of a local bank. Creative and varied means were employed to determine the origin of the currency generated. These included state bonds and mortgages on land, unimproved real estate and bank shares, besides precious metals.

At 1838 statewide analysis showed that 75% of the loans issued went to those most closely connected to the bank, the bank directors and stockholders; these were the ones who were most anxious for a community to develop and thereby had the most to gain.

By November, 1837, it was evident to the Legislature that in order to bring some semblance of order to the banking business in this new county to the Union some changes were necessary. Banking commissioners were appointed to inspect and audit specie reserve. Stories or speculation abroad. On at least one occasion a layer of coins over the top of a box of nails and broken glass passed inspection by the county clerk. The transfer of specie from a bank examined one day, through the forest or down the river, to the next bank on the examiner's list. The story goes that one examiner marked a chest of gold and other securities and counted the same specie at three different banks in as many obscure and inaccessible sites. Occasionally an examiner came back to a bank unannounced to learn the box of specie could not be found only to discover it at another bank several days later. The intimate knowledge of the local bank personnel with the forest trails made it possible to precede the examiners who were unfamiliar with the area.

These commissioners, exposing the often fraudulent procedure of "Free Banks", recommended the repeal of the free banking laws. It was also decided that banks organized after January 1, 1838, could not suspend specie payment as had been done regularly in the past. So it was that under these conditions the Bank of Kensington was created. By organizing December 12, 1837, the Board of Directors got in just under the wire.

The signatures of Henry Fink, President, and Fred Hutchinson, Cashier, are on the few remaining 'Bank of Kensington' notes. Only a few collectors of currency have any in their possession. On the Board of Directors one finds the names of Alfred A. Dwight, Sherman Dix, S.R. Hutchinson, Chauncy Crouse, N.F. Butterfield, A. M. Brown and C. F. Cooke. Stockholders include Joel Redway, Joseph Wood and Rinsley Bingham (1854 Republican Governor of Michigan, first in the nation). (By Marianna Bair. To be cont.)

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"The Stone Wall Regiment" (cont.)

You won't want to miss this presentation, where you will learn who the men were, what they did, where they went, and why they were called the Stonewall Regiment.

Gary and Bill will also be available to answer any questions about the State of Michigan "save the Flag" project.

All the Michigan Civil War flags are in desperate need of restoration. Many of the flags have been adopted by Corp clubs and civic organizations. After restoration they will be stored in the Capitol in Lansing for future generations.

Bill and Gary have helped raise funds for one complete restoration and are working on a second one. You will also have an opportunity, the night of the presentation, to do your part. A canister will be provided for your donation, if you desire, and the total donation will be sent to Bannerman in Bill and Gary's names. Just our small way to say thank you for a great evening and for caring about preserving our Michigan History.

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**GENERAL MEETING**

Tuesday, Sept. 15  
Miller Intergenerational  
6:30 potluck  
7:30 meeting  
For more information call Cathy Qualls- 229-8656