

THE VZÁJOMNÁ POMOCNICA IN DOLNÝ KUBÍN

The Vzájomná Pomocnica (Mutual Aid Society) was the first financial institution in Dolný Kubín. Its activity started on 31st January 1869, when 58 people participated in its founding general meeting. The society began to exist officially on 3rd October 1876, when it was added to the register of companies. This happened after the approval of its statutes in June 1875 by the Ministry of Trade and Industry in Budapest, which deliberately delayed the matter.

Adolf Medzihradský, teacher of P.O. Hviezdoslav, writer of Slovak textbooks for elementary schools and founder of fruit growers' societies, played an important part in writing the statutes, which were written in the Slovak language. A. Medzihradský, together with Vendelín Bruck (an amateur theatre enthusiast), Jozef Bohúň (brother of the painter Peter Bohúň), Anton Bulla (founder of the singing circle, author of plays and collector of Slovak folk songs) and other enthusiasts participated in founding the society. The writer Ladislav Nádaši-Jége was also involved.

V. Bruck (up to 1878), Ján Bencúr (up to 1888), Ján Krevá (up to 1913) and finally Ján Obrcian alternated in the position of chairman of the society.

The statutes state that the main activity of the society is: „intermittent collection of monetary deposits, and from the interest, assistance to the members of the society through mutual credit, and the encouragement of thrift“. The original intention was that the society would exist for three years, but its activity ended only after 52 years. The minimum number of members was set at 50, an upper limit was not set. Every new member had to deposit 70 kreuzers (kr) as a registration fee and had to deposit a certain amount in the society treasury every week or month. The initial deposit was at least 1 gulden (G) and at most 200 G. Weekly deposits were set at 10 kr to 4 G, and monthly deposits from 50 kr to 20 G, while „the collector takes deposits and gives receipts, these are recorded in the auxiliary book and every first and fifteenth day of the month they are put in the society safe and properly added to the book of deposits as well as to the passbooks of individual members“.



The annual interest rate for deposits was 6%, for loans 8% and for obligations 10%. Loans to non-members had an interest rate of 10% and a provision of 2% paid in advance. The society created a reserve fund from the registration fees of new members and a regular annual share of the net profit.

Membership of the society could be terminated after three months notice. A member could be expelled, if his deposits were delayed for three months, if loan repayments had to be enforced or „if his life and public behaviour harm the good reputation of the society, or if he seriously violates these statutes.“

The highest body of the society was the general meeting, which met once a year and was composed of the chairman, nine deputy chairmen, the treasurer, notary, „book-keeper“ and „lawyer“. The treasurer administered the safe, to which he had the first key. The administrator represented the society before the „authorities“, called general meetings, kept the society seal and had the second key to the safe. He was responsible for putting money into the safe and taking it out. He took deposits from the members every Sunday. The notary was responsible for the minutes at general meetings, he prepared the society notices, kept an inventory of society property and dealt with the correspondence of the society. The „book-keeper“ dealt with all the account books and deposit books. He calculated the amounts of interest every quarter year, prepared the final accounts and balance sheet of the society. Jozef Hubčík held the function of accountant in the society for more than 20 years. The whole agenda of the society was dealt with in the Slovak language.

The deposits of the Pomocnica grew most rapidly in the period 1890 to 1911 thanks to „American savings“. The society gradually deviated from its initial idea of helping the poor develop thrift and it began to finance trade and industry as well. On 21st November 1907, the committee of the society authorized a loan of 21,000 crowns (K) to the Orava Refinery of Trstená, but it suffered a loss of 18,000 K on its participation. In January 1913, the committee stated that the society had pro-



perty worth more than 34,000 K in the refinery, but it had no account documents about this. The minutes from 4th April 1913 state that the former chairman Jozef Krevá had to be considered responsible for this, since „the loan given to this refinery shows lack of knowledge and caution, since it was not sufficiently secured and did not correspond to the strength of our Pomocnica“. The loss from the refinery was definitively written off only against the profit from 1918.

This loss, as well as the fact that two further financial institutions – a branch of the Tatra banka and the Dolno-kubínsky sporiteľný a úverný ústav (Dolný Kubín

Savings and Loans Institute) – began to operate in Dolný Kubín, led to members of the society campaigning for its transformation into a joint stock bank. A significant lowering of interest rates in financial institutions, which forced the society to reduce its interest rate to 2% from 1st January 1919, also contributed to this. A general meeting on 30th May 1920 definitively authorized the transformation of the society into the “Banka Orava, joint stock company of Dolný Kubín“, which took over all the assets and liabilities of the societies, as well as its employees.

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