

ment of interest not to be made to the State until the expiration of three years from the payment of each instalment on the subscription to the capital stock of the company, and any excess of dividends on the capital stock of the State in the said company, above six per cent. annum, shall be distributed to the other stockholders of the company.

These considerations have been formally complied with, and by the advice of the Attorney General, the Treasurer for the Western Shore has subscribed for capital stock of the Eastern Shore Rail Road Company to the amount of one million of dollars; upon this state of fact there is no ground on which the validity of the subscription to the capital stock of the company could be questioned. But having understood that many of the original stockholders were insufficient to comply with the requisitions which might reasonably be expected to be made for the payment of instalments on the capital stock subscribed by them, and impressed with the belief that the State, in requiring subscriptions to a certain amount, as a condition upon which alone the public subscription was to be made, intended that the persons making such subscriptions, should be able to comply with their engagements. Your committee thought it was right to require from the president of the company, a list of the original subscribers and of the present stockholders of the company, with such information as would enable your committee to ascertain how far the State could rely on the ability of the company to assure to the State the substantial advantages for which he had stipulated.

Your committee therefore caused a subpoena to be issued for Thos. Emory, of Queen Ann's county, to produce before your committee the books and papers of the company which were supposed to be in his possession, as the president thereof. And subsequently, at the instance of the secretary of the company, subpoenas were issued requiring the attendance of a number of witnesses, to testify on behalf of the company. The severity of the season, and a variety of circumstances which were explained to your committee, delayed the appearance of the witnesses summoned until the 19th of February, 1838, on which day the president, secretary and several directors of the company appeared before the company, and produced for inspection the books and papers of the company on the 20th of the same month. Your committee received lists of the original subscribers and of the present stockholders of the company, and examined John W. Crisfield, one of the stockholders thereof, on certain interrogatories touching the pecuniary sufficiency of these subscribers and stockholders. On the 21st your committee examined John P. Gale, the president of the company, and Littleton D. Teackle, its secretary, and Col. James Kearney, its chief engineer.

From all the evidence before your committee, and which accompanies this report, they conclude that the greater portion of the stock was originally subscribed for by persons of undoubted solvency, and that extensive transfers have been lately made of the stocks standing in the names of persons of doubtful ability, to others of whose solvency your committee can have no doubt—so that at the present mo-