

strict him in the price he may sell at, it being impossible for them to form any opinion of the state of foreign markets, to which he may repair, for such securities, and which are subject to much fluctuation, depending on the state of their monetary affairs as well as the amounts of such stocks offering at any particular period, they, however intend giving him the option of either making absolute sales or of borrowing on the security of the bonds at such rates of interest, and for such period of time as may appear to him best to subserve the interest of the company, and they will also authorise him to make sale of the whole or any part of the bonds in this country should a favorable opportunity offer, or if it be necessary to dispose of a part by sale or hypothecation to meet any financial exigency."

The committee had been instructed, in an order of the board of the 5th of June, "to adopt such measures as they may deem expedient for the negotiation or sale of the Sterling stock, in payment of the subscription on the part of the State. The measures adopted for *the negotiation or sale*, are pointed out in the report; in which the committee state, that they must look to other places than New York and Philadelphia, "for carrying out the views of the board, *so as to enable the great and important work under their care to proceed with vigor and despatch, and failing to find a market in the United States, for the securities on the sale of which its progress depends, that of Europe has appeared to them the only remaining resource.*"

The object of the board was the vigorous prosecution of the work, and *its progress depended upon the sale of the securities*. Mr. McLane was authorised to make an absolute sale of the bonds, or to borrow money upon them, at such rates of interest, and for such periods of time, as might appear to him best to *subserve the interest of the company*. He was authorised to make sale of the whole or any part of the bonds, or, if necessary, to dispose of a part by sale or hypothecation, to meet any financial exigency.

The foregoing extracts prove, that the bonds were to be sent to Europe to be hypothecated or sold; and the subsequent proceedings of Mr. McLane show, that he understood the object of the company, and exerted all his skill to accomplish it. The terms of his agreement with Messrs. Baring, Brothers & Co. are recited in letters which were exchanged between the parties, on the 12th of October. In answer to Mr. McLane, they acknowledge the receipt of the bonds, and then proceed to state, that "These bonds are deposited in our hands to be sold on account of the Baltimore and Ohio Rail Road Company, at such limits and prices as the company may think proper to give from time to time. It is agreed that the company shall be advised as we progress in sales, and be authorised to draw for the equivalent; and after the end of February next to be at liberty to value upon us in anticipation of sales at 60 ds. st. to the extent of £10,000, and for a similar sum monthly, or later as the company may think proper, not exceeding in the whole the sum of £40,000; and in case this facility should be