



[The following was found among the papers relating to the Baltimore and Susquehanna Rail Road Company.]

The Chesapeake and Ohio Canal Company has this day deposited with the Merchants' Bank of Baltimore, ten bonds of the State of Maryland six per cent. Loan, from No. 421 to No. 430, inclusive, issued in the name of the State of Maryland, for five thousand dollars each, as collateral security for the payment of a promissory note for fifty thousand dollars, held by said Bank, drawn by George C. Washington, President of said Company, dated the eighth day of June, 1838, and payable at the said Merchants' Bank of Baltimore sixty days after date, with the understanding that if said note, or any one or more renewals thereof, which may be made by said Bank, shall not be paid at maturity, the said Bank may, at any time thereafter, proceed to sell said stock, at either public or private sale, without any further notice, for the purpose of satisfying said note or renewals.

If said stock be sold, and the proceeds of sale shall be insufficient to pay said note or renewals, the parties thereto shall remain liable for such deficiency, but if the proceeds of sale shall exceed the amount of said note or renewals, the said Bank shall remain liable for such excess.

Duplicate originals of this agreement are at the same time executed, one of which is retained by said Chesapeake and Ohio Canal Company and the other by said Bank.

Baltimore, June 8th, 1838.

Witness,—D. SPRIGG.

It is further understood, that the said Chesapeake and Ohio Canal Company shall have the privilege of paying the said note of fifty thousand dollars, at any time previous to its maturity. The said Merchants' Bank hereby agreeing to refund the interest for the unexpired time for which said note may have to run.