

above 4000 tons, the delivery was to be suspended until the month of March, 1842, when it was to recommence and continue at the rate of 800 tons per month, until the remaining 4014 tons should be delivered.

Simultaneously with the order authorizing a contract for the iron rails, the Board proposed to the Messrs. Baring that, in lieu of the right of the Company under the original arrangement with that house to require monthly advances of £10,000 until the whole amount of the Bonds should be sold, the advances should be limited to a sum not exceeding in the whole £80,000 or \$400,000; and that under this new modification, if it should become necessary to make any advance in payment of the iron, the Messrs. Baring would not insist upon selling the bonds below the company's limits to cover the advances, or that they would allow a longer credit than that stipulated in the original arrangement.

Under these directions, the Messrs. Baring made the contract upon the terms already stated; and in their letter of advice upon the subject they state that "although they reserve to themselves the right of disposing of the bonds of the company for the purpose of covering their advances, it is not their intention to force them on the market and make sales prejudicial to the interests of the company." "It is always our rule," they observe, "under similar circumstances to the present, to retain that privilege, and it is more on that account that we are now unwilling to relinquish it," and in other communications they reiterate the same sentiments, and give the fullest assurances of their "anxious desire to do the best for the interests of the company, as well as to support the character of the State."

By these arrangements, therefore, the company suppose their right to ask advances from the Messrs. Baring upon the State Bonds cannot exceed in the whole the sum of £80,000, and entertain no expectation, unless the credit of the State should be permanently impaired, that any necessity will arise to apply the State Bonds in payment of the iron below the limits heretofore fixed for their sale.

The first delivery of the iron amounting to 800 tons, is supposed to have been made on the 28th July last, the second of 400 tons on the 31st August, the third of 400 tons on the 3rd September, the fourth of 405 tons on the 18th September, the fifth of 400 tons on the 23rd September, the sixth of 400 tons on the 2nd October; and the seventh of 590 tons on the 10th November, amounting by the latest advices to 3395 tons, and costing \$140,044.

The credit of the first delivery, therefore, of 800 tons amounting to \$33,000, will not expire until the 28th instant, and the advance which may then be made in payment for it, could not, according even to the original agreement, authorise a sale of the bonds before the 28th May next; while for all the subsequent deliveries, the credit would be postponed to a much more remote period.

It may be proper to add, that exclusive of the foregoing sum of