

barrels of flour, to be delivered in this state at a stipulated price, or at the current market price at the time and place of delivery, to discharge the interest which may be agreed on for any loan or credit which he might obtain in Europe on behalf of this state, *until payment of the principal.* On this part of the resolve your committee beg leave to remark, that it seems to have been the intention of the legislature, that on payment of the principal borrowed the interest should cease, and consequently the obligation to furnish the said one thousand hogheads yearly, meant to be appropriated to the payment of that interest, should likewise determine on the extinction of the principal debt. By the resolve last mentioned, the said Matthew Ridley, Esq; was further authorized to borrow to the amount of one thousand hogheads of tobacco, or eight thousand barrels of flour, or to the amount of both, for the payment of a principal sum, upon the supposition, as your committee conceive, that loans might not be procured for any length of time upon interest, and that the lenders of money would insist upon a speedy reimbursement, in the enumerated articles, of the capital sums advanced on a short credit. Your committee likewise find, that the governor and council, by their commission granted unto the said Matthew Ridley, Esq; on the twenty-eighth day of March, as above mentioned, did thereby authorize and empower him to obtain, from the courts of France and Spain, or the individuals of France, Spain, and Holland, loans of money, arms, ammunition, and cloathing, for this state, and to transact and negotiate all other business, matters, and things, that might by them be committed to his management, in conformity to the instructions then given, or thereafter to be given by them to the said Matthew Ridley, Esq; which commission and instructions, together with the resolve of the assembly of the ninth of June seventeen hundred and eighty-one, approving his appointment, were transmitted to Matthew Ridley, Esq; and an invoice of sundry goods directed to be purchased, in a letter written by the governor and council, and dated the fifteenth day of August seventeen hundred and eighty-one. As the letter of the governor and council, and their instructions to Matthew Ridley, Esq; throw some light on the resolve of the ninth of June seventeen hundred and eighty-one, and were directory to Matthew Ridley, Esq; in making the purchases of the articles ordered in the above mentioned invoice, and were to be the rule of his conduct in contracting for loans of money, your committee think proper to report the substance of that letter and the instructions. Speaking of the resolve of the ninth of June seventeen hundred and eighty-one, they say, it points out the mode for his complying with the engagements he may make for the articles enumerated in the invoice, which were not to exceed in value the quantity of flour and tobacco limited by the resolution; after noticing that the flour and tobacco were to be delivered in the state at a stipulated price, or at the current market price at the time and place of delivery, they instruct him not to engage tobacco for less than fourteen livres per hundred pounds; the compensation for monies obtained on loan was not to exceed eight per cent. per annum on tobacco, and nine on flour. In consequence of the above appointment of Matthew Ridley, Esq; as agent for this state, the confirmation of that appointment by the legislature, and of the above letter and instructions, the said Matthew Ridley, on the thirty-first day of July last, entered into contract with Messieurs Nicholas and Jacob Van Staphorst, merchants of Amsterdam, by which it is agreed, that the said Nicholas and Jacob Van Staphorst shall open a money negotiation for the sum of six hundred thousand guilders, in behalf of the state of Maryland, under this restriction, however, and express reservation, that if the said negotiation should not succeed, that then the said Nicholas and Jacob Van Staphorst shall not be held to furnish, at farthest, on the first day of January seventeen hundred and eighty-three, more than the sum of three hundred thousand guilders, at one shilling and ten-pence sterling per guilder, equal to twenty-seven thousand five hundred pounds sterling, or so much more as shall be by them received; they the said Nicholas and Jacob Van Staphorst to bear every expence attending the negotiation of their said loan, upon the condition of receiving four and a half per cent. on the raised capital, and one per cent. on the annual interest thereof. And the said Matthew Ridley, Esq; on behalf of this state, binds himself to deliver to Messieurs Nicholas and Jacob Van Staphorst, or their order, yearly, during the ten next successive years, one million pounds of good clean merchantable tobacco, from the upper and middle warehouses of the western shore of this state, or tobacco of equal quality, packed in hogheads of not less than nine hundred and fifty pounds each, at the price of six and a half guilders Dutch current money for every hundred pounds, clear of cask, to be delivered to the attorney or attorneys of the said Nicholas and Jacob Van Staphorst, at Baltimore, or at such other port or ports in this state as shall be by them or their attorneys appointed; the tobacco to be packed in oak and not in pine staves. This tobacco is not to be subjected to any taxes whatever, already laid or hereafter to be laid, in consequence of its not having been removed or shipped at any particular time or period, full latitude being given to the said Nicholas and Jacob Van Staphorst, to remove or ship the same, as may be most convenient to them, provided that it shall be made to appear, that the tobacco for which this exemption is claimed, is truly and bonâ fide the same as delivered by the order of the state in part of this contract. It is further stipulated by the parties to the contract aforesaid, that the first delivery of the tobacco shall be made at farthest on or before the first day of April seventeen hundred