

of 173,733 dollars, at the rate of four shillings and sixpence sterling to the dollar, amounting in all to £39,089 sterling; this issue to be secured by the £32,030:17:2 sterling invested in Bank Stock in the hands of the London Trustees. As the Bank of England stock with its prospective dividends would be more than sufficient to take up the Bills of Exchange at maturity, no taxes were dedicated to be added to the Sinking Fund, as in the case of old issue of Bills of Credit recently retired. These new Bills of Credit were to be issued to pay the public debt in arrears and a reserve of sufficient amount to pay the Clerk of the Upper House should the Crown so decide, leaving a small balance to be used as the Assembly might direct. Two commissioners, to be appointed by the Lord Proprietary or the Governor, were to supervise the printing and issuing of the Bills of Credit in the form of paper currency; the commissioners were to keep a fair account of all receipts and expenditures, to be laid before a joint committee of the two houses to be appointed at the next session, the commissioners after reporting to be thereupon discharged. The paper currency was to be deposited in one of the Iron Chests in the Paper Currency Office, this Chest to have two locks with different combinations, each Commissioner to have a key, so that neither might have access except in the presence of the other. When the Office or repository was turned over to the joint committee of the two houses, the Governor was to have the key of the Office, one of the keys of the Iron Chest was to be held by the President of the Upper House, the other by the Speaker of the Lower House. The act specifically provided that this issue of Bills of Credit should not be construed as legal tender in discharge of any contract, unless so provided in the contract (pp. 264, 275). The two Commissioners appointed by Governor Sharpe were John Clapham and Robert Coudon (*Maryland Historical Mag.* XXVI, 1931, 355).

At the 1768 session, a joint committee appointed by the Assembly, composed of two members of the Upper House and ten members of the Lower House, with Benedict Calvert as chairman, inspected the recently created Office for Issuing Bills of Credit and the accounts of the commissioners appointed to pay off the public claims and issue the Bills of Credit and, on June 22, 1768, rendered its report. It found that as of May 21, 1767, the Trustees in London held £31,000 stock of the Bank of England, which had been acquired at a cost of £39,179:17:6 Sterling, and £1,235:4:0 Sterling uninvested. It was also reported that Bills of Credit to the amount of 145,808 dollars in Bills had been paid out to claimants up to March 5, 1767, and that since then additional sums had been paid out under orders of the Assembly, leaving in the office unissued paper currency to the amount of 17,466 dollars.

There were considerable misgivings as to whether this issue of Bills of Credit or paper currency was legal and not contrary to a recent act of Parliament prohibiting the issue of paper money by the colonies to be used as legal tender. Although the credit of Maryland among the colonies stood high because its previous issue of Bills of Credit had been amply secured by Bank of England stock held in a sinking fund and paid off in full, the paper money of certain other colonies was so unstable and showed such great depreciation, that