

after the 3d of January, 1870, instead of immediately as the resolutions provided.

In the meantime, Mr. John S. Gittings and the Chesapeake Bank, taking advantage of this delay, applied for and obtained from the Circuit Court of Baltimore city an injunction to prevent the further payment of the moneys appropriated by the resolution of the Board, upon the alleged ground that such appropriation was not in strict conformity with the legal and equitable priorities of the Bondholders.

Under these circumstances the Company employed Counsel, Messrs. Marshall and Carter, and have acted since entirely by the advice contained in their opinion, a copy of which (being paper No. 11) is herewith submitted.

The Board take pleasure in calling special attention to the prompt and satisfactory action of the Board of Public Works of Virginia, in the passage of their resolution of the 4th of January.

This resolution and the agreement made in pursuance of it relieve the Company from all possible embarrassment by reason of the payment to Virginia, inasmuch as they authorize such payment to be applied to whatever account the Court of Appeals in the pending case of Virginia vs. the Company and others may decide to be proper.

From this brief statement and the accompanying papers the Stockholders will have no difficulty, it is hoped, in fully understanding the whole subject covered by this resolution.

By order of the Board,

J. H. GORDON,

*Pres't Chesapeake and Ohio Canal Co.*

Which was read.

On motion by Mr. Clarke,

The communication and accompanying papers were referred to the Special Committee to investigate the charges against Senator Spates.

[See Document Z.]

The Senate bill entitled an Act to amend Article 81, of the Code of Public General Laws, entitled "Revenue and Taxes" by adding sub-sections five and six, to section 34, of Article 81, and relating to the appointment of collectors and collection of taxes.

Being upon the second reading,

Mr. Earle submitted the following amendment :

Sec. 7. *And be it enacted*, That all laws inconsistent with this Act, be and the same are hereby repealed.

Sec. 8. *And be it enacted*, That Washington and Alleghany counties are hereby exempted from the operations of this law.