

and Treasurer, the amount of interest due to the State by the Susquehanna Canal Company, and by the Tide-Water Canal Company, to January 1st, 1888, under their respective bonds and mortgages, made to the State, or for its benefit—to compromise such indebtedness—to extend the time of payment thereof—and to reduce the rate of interest thereon, after January 1st, 1888.

This indebtedness had been long pending, with little prospect of its adjustment. A favorable opportunity occurring for negotiation, it was thought best, by all the Executive Officers of the State, that the powers given by the Act referred to should be exercised in the following manner, namely, that the arrears of interest due to the State by the said Companies to January 1st, 1888, on their respective bonds and mortgages, should be settled by their payment into the State Treasury of the sum of \$127,500; that the period for the payment of the debt due by those Canal Companies, and secured by mortgages upon their property, should be extended for a period of fifty years from January 1st, 1888, and that the rate of interest payable on said bonds and mortgages after January 1st, 1888, should be reduced to two per centum per annum. Those terms were agreed to on the part of the State and the two Canal Companies. The sum of \$127,500 was paid into the State Treasury, and also the reduced interest for the year ending on January 1st, 1889, and the transaction completed.

Under the same authority settlement has been secured through counsel of the claims of the Maryland Coal Company, the Consolidation Coal Company and other small claims, all of which appear in this report.

#### COLUMBIA AND PORT DEPOSIT RAILROAD COMPANY.

The Attorney-General has examined the papers connected with the foreclosure proceedings in the Court of Common Pleas, No. 2, in the city of Philadelphia, instituted by the Pennsylvania Railroad Company against the Columbia and Port Deposit Railroad Company and George B. Roberts, Surviving Trustee.

The suit was brought to the June Term, 1889, for the sale of the property of the defendant Company under a mortgage made 1st February, 1868, by the defendant Company to Trustees, for the purpose of securing the payment of \$2,500,000 of Bonds (\$1,000 each), with interest at 7 per cent. per annum. Certain changes in the trusteeship from time to time took place, but at