

and the residue of the subscription shall be paid whenever assessed or called for by the Board of Directors," the Comptroller of the Treasury could not legally issue his warrant until such assessment had been made by the Board of Directors of the Company. We find no evidence showing, or tending to show that this assessment was ever made by the Board of Directors of the Southern Maryland Railroad Company, or proof thereof filed with the Comptroller or Treasurer of the State. Indeed, as the Act of 1868, chapter 150, Section 6, requires the Directors of said Company to be stockholders thereof, and it appears from the testimony of Samuel S. Smoot, that he is the only stockholder of said company, other than the State of Maryland, we do not see how there could be any Board of Directors of said Company. Be that as it may, no proof of any such assessment could be found after diligent search.

On the 19th of December, 1873, the Southern Maryland Railroad Company borrowed a certain sum of money from Robert T. Baldwin, of Baltimore city, and assigned to him the claim of the company for the remainder of the State's subscription of \$163,000, said remainder being \$81,500, although it had not yet obtained any recommendation from the County Commissioners.

On the 24th day of December, 1874, the County Commissioners of St. Mary's county, at Leonardtown, in said county, passed a resolution recommending the State Treasurer to pay \$81,500, to the Southern Maryland Railroad Company, "in conformity to the provisions of said Act." On the same day at Annapolis, before this resolution could by any possibility have reached there, without any assessment by the Board of Directors of the Company, and this time, without even an affidavit from Smoot, the Comptroller issued his warrant to said Baldwin, assignee, for the sum of \$30,500, and on the 20th day of January following, another warrant to Alexander Brown & Sons, assignees of said Baldwin, for the sum of \$51,000. There is no evidence whatever that the provisions of the Acts of 1868 (chapters 454 and 150) had been complied with before or since the issuing of these warrants.

The undersigned would further report, that from the admissions of Samuel S. Smoot and Hamilton G. Fant, made in their testimony taken before the Committee, it appears that the statement in their joint affidavit of February 6th, 1873, to the effect that \$500,000 in money was paid to the Treasurer of the Southern Maryland Railroad Company by other subscribers in the State of Maryland, is untrue. It appears from their testimony that they claim that two per cen-