

Answer of George C. Washington, President of the Chesapeake and Ohio Canal Company, to the interrogatories propounded to him by the committee of Ways and Means, of the House of Delegates of Maryland.

1st. I am President of the Chesapeake and Ohio canal company, and stood in the same relation to that company, at the date of the contract between it and two of the commissioners of the State, for the purchase of three millions of the stock of the State, created under the provisions of the act of May, 1836, ch. 395.

2nd. I am acquainted with the nature of that contract, and with the views of the company in entering into it. By the contract, the company agreed to purchase three millions of the stock of the State at the price fixed by law, provided the commissioners should not dispose of it at that or a higher price in Europe or elsewhere. A copy of this contract accompanied a recent communication from the commissioners to the Executive, and is now in the possession of the Legislature. The company not doubting its power to contract for the purchase of the stock, in general meeting of the stockholders, authorized the President and Directors to make an offer for the stock, at the price fixed at its minimum by law. Similar proceedings were adopted by the stockholders on a former occasion, in reference to the loan by the State, of \$2,000,000 to the Chesapeake and Ohio canal company, and \$1,000,000 to the Susquehanna rail road company. When the stock of the State was offered for sale to meet these objects, the canal company then bid the law price for two millions of the stock, but as a higher offer was made, did not obtain it.

In neither instance did the company make proposals for the stock with any view to speculation, but was influenced by considerations of mutual advantage to the State and company—more especially was this case in reference to the contract with the commissioners; who deemed it their duty to offer the stock in foreign markets, and with that object visited Europe. The fact that an offer had been made to them at home on the terms of the law, and by a responsible party, was well calculated to inspire confidence in the stock abroad, and aid them in their negotiations, at the same time, that the fact of the conditional contract between the company and the commissioners had the effect of sustaining its credit, and enabling it to prosecute its works with greater vigor. If the efforts of the commissioners to negotiate the sale of the stock in Europe, had been crowned with success, all the desires of the company would have been gratified, and it was only in view of a possible failure abroad, that it bid for the stock, deeming it a duty to be in position as purchaser, to make it available at the earliest moment, and knowing that unless funds were soon obtained, the work would have to be abandoned at a ruinous sacrifice to the State and to every other interest.

We conceived, that should profit accrue on the resale of the stock, it would be receiving additional means in aid of the canal, and a pro-