

The State was not liable in any event, for the payment of prizes in State Schemes during the preceding years last mentioned, the payment of prizes being demandable by the terms of such schemes from the contractors and their securities only; satisfactory bonds being annually required by the commissioners to secure the payment of all prizes.

By the above exhibit, the relative receipts and expenditures under the two systems are shewn, and by comparing them, it will be seen that the revenue created by Lottery, and paid into the Treasury under the new system exceeds that under the old system of \$15,030 49 per annum, being an increase of revenue of nearly two per cent, while the expenses have increased but \$755.96 per annum, or one ninth, the commissioners having provided under the new system, that the expenses attending the publishing schemes, tickets &c., be borne by *the contractors*, thereby evading any increase in the expenditures of any importance under the system. This management is the more important, inasmuch as the expenses under the operations of the new system are proeortiuante to the increase of revenue.

It is proper also to bear in mind, that under the old system, the State was held responsible for the payment of all prizes, as well as sundry expenses, whereas under the new system the contractors with their securities are *alone responsible*, and the whole expense embracing the compensation of commissioners and clerks, is paid out of monies arising from the system.

All which is respectfully submitted.

WM. R. STUART,
E. HUGHES,
J. S. WILLIAMS.

Baltimore, Feb. 21, 1839.

State of Maryland,
City of Baltimore, Sct:

On the 21st day of February, eighteen hundred and thirty nine, personally appeared the above named William R. Stuart, Edward Hughes and John S. Williams and made oath on the Holy Evangely of Almighty God, that the foregoing statements are correct, according to their knowledge and belief.

Sworn before

JAS. B. LATIMER.