

pany, held by R. Imley, included in the 1133 shares certified to have been paid by private stockholders? Have the instalments on 1133 shares of the capital stock of the Eastern Shore Rail Road Company been paid exclusive of the 100 shares of Wm. Norris and 50 shares of R. Imley?

Ans. The 100 shares of stock belonging to Norris and the 50 shares of stock belonging to Imley, are included in and a part of the 1133 shares certified to have been paid; and least there should be a misunderstanding, I will take occasion to explain the mode in which instalments have been paid under the resolution of the last session, together with the constitution which has been put upon that resolution by myself and other officers of the company as far as I am acquainted with their opinions.

The language of the resolution is that the Treasurer of the Western Shore shall pay to the company a sum not exceeding \$200.00; provided, a like proportional payment shall have been first made in cash by bona fide stockholders owning at least 1133 shares of the capital stock of the said company. This provision of requiring the instalments to be made in cash by bona fide stockholders, was evidently designed to preserve the company and the State from payments to be made by other persons than stockholders, and in a medium not available or useful to the company. Thus varying the charter, we are led to examine the testimony which was before the legislature, in order to see what it was which they designed to prevent. By reference to the evidence then before them, it will be seen that there was a large amount of forfeited stock, the instalments on which falling due previous to the meeting of the legislature, had been met by the bona fide holders thereof, but by the directors borrowing on the joint and several notes upon their individual responsibility, a sum sufficient to meet the then accruing instalments on that stock. This transaction will be seen at large by the answers of Mr. Johnston on page 24, Gen. Sewall, page 47, and of Gen. Emory, page 85 and 6 of the printed testimony of last year. This course was severely reprehended, and it was the chief cause of complaint against the directors at the last session. It was a recurrence of this transaction I have always thought which was intended to be prevented by the restriction contained in the resolution alluded to. The resolution too granted the relief it did "to meet the present necessities of the company, in carrying on its present operations," which evidently means the payment of the liabilities already due, or becoming due upon its then existing contracts; and although the term "cash" was used, I never could imagine that the resolution intended to prohibit the payment by stockholders of the instalments due on their stock, in the claims they might have upon the company, when the object of the legislature was to provide for the present necessities of the company. The term cash in its strict sense means gold and silver, the current coin of the country, but it is believed not to have been used in the resolution with that meaning, for if it had, it would have precluded the pay-