geous. Other circumstancs connected with thes edebts increased very much the embarrassments of the new board, and lessened the chances of making even a tolerably good sale of the five per cent. sterling bonds. The money borrowed by the old board of directors was due in various amounts to different parties. To the Bank of the United States $200,000; to the Bank of America, $200,000; to A. Brown & Sons, $100,000; to the Merchant's Bank of Baltimore, $150,000; to the Mechanics' Bank of Batlmore, $100,000; to the Bank of Washington $115,000; to the Western Bank of Baltimore $85,000; to the Bank of Potomac $90,000; to the Commercial and Farmer's Bank of Baltimore, $40,000; to the Girard Bank of Philadelphia $20,000. For each of these debts a portion of the six per cent. bonds of the State, issued under the law passed in 1836, were hypothecated, the holders having powers in nearly every case to sell them privately or publicly. A similar distribution of other debts of the company, and of other six per cent. bonds of the State, had been made by their agent, Mr. Peabody, in London. The laws of the last session of the Maryland Legislature, authorising an issue of five per cent. sterling bonds of the State, to the amount of $4,575,000, required that the six per cent. bonds should be redeemed and cancelled, by substituting for them the sterling bonds. This took away from the new board the authority to decide upon the time, terms and manner, in which a large proportion of the sterling bonds should go into the market. The legislature had directed that they should be plac d in the hands of different parties, and the board had no power, if they felt the disposition, to disregard this mandate. The board saw, however, the inevitable consequences which must ensue upon such a disposition of the sterling bonds, at a time when the difficulties, with which those who had to hold them were to struggle, were almost without example.

The Bank of the U. S., one of the institutions concerned, was making immense sacrifices, spasmodic efforts to save its charter, and preserve its credit; and each and all of the other banks named, were struggling against one of those tides in the credit system, which periodically sweep broad and wide over the land, and bury in irretrievable ruin, hundreds and thousands of its victims. To have placed these sterling bonds in the hands of parties thus situated, on the terms upon which the six per cents. were held, must have eventuated in their sale, at prices below even 50 in the 100. Lots of them would have been offered at public auction, in the midst of the money crisis of August and September last, when money was worth from two to three per cent. per month, equivalent to 24 and 36 per cent. per annum; and it cannot be supposed that a large amount of them would have commanded even 50 in the 100, the price at which Indiana 5 per cents. were selling at the same period. That you and the Legislature, may judge of the necessities of the banking institutions referred to, at the time mentioned, letters from their officers numbered from 1 to 18 are appended to this report. In these letters further indulgence is