

President of the Canal Company and the Banking Company, directly at variance with the facts in the case. I know not from whom this information in the case was derived, but apprehend that Mr. Ingle, late Chief Clerk of the company, had an agency in this matter, from the fact, that he was present at the meeting in Frederick, and from the fact that the representation given by the commissioners to the legislature, in this case, corresponds in many particulars with the statements of Mr. Ingle on this subject, made in his answers to interrogatories propounded by the internal improvement committee of which you are chairman, which answers must have led the committee into error if they had not under a sense of justice to me called for the papers in the case together with my views of the transaction. As my answer to the interrogatory of the committee, gives the truth and the *whole* truth in this matter, I beg leave to recall it to your recollection by transcribing here its most material portion.

Before the August estimate (1839) which was payable early in September became due, there was a meeting of the President and Directors of the Canal Company, on the 28th of August 1839, when Francis Thomas, President, James Carroll, Jacob G. Davies, Joseph White, and Phineas Janney, Directors, attended. The board thus organized, approved (Mr. White, dissenting) of the arrangements made with Messrs. Christmas, Livingston and Prime, and E. Riggs; and the President was authorized to negotiate drafts, to be accepted by them, for one hundred thousand dollars, to pay the August monthly estimate. Doubts however were entertained whether such drafts if accepted could be discounted by the banks of Maryland, and the District of Columbia, then taking measures to guard against a necessity for suspending specie payments. In view of this, two of the Directors, after the board had adjourned, recommended to the President, if he could accomplish a sale of bills on Mr. Peabody at not less than 7 per cent premium, in New York, to adopt that means to procure so much of the money needed, as could not be had by discounting the proposed drafts.

Drafts on Mr. E. Riggs, to the amount of \$33,000 accepted by him, were discounted by the banks.

Messrs. C. L. and P. when applied to, to accept according to their contract, other drafts to the amount of \$67,000, admitted their obligation to do so, but expressed a wish to be released from their contract in that respect. The undersigned having good reason to believe that the drafts if accepted could not be discounted, consented to release Messrs. C. L. and P. as proposed, provided they would find a purchaser for bills on Mr. Peabody, to the amount of \$65,000, at a premium of not less than seven per cent. The North American Trust and Banking company was applied to, and consented to purchase the bills, at a premium of $7\frac{1}{2}$ per cent. the undersigned agreeing to give the banking company an order on Mr.