

which I believe were applied to the payment of estimates then due. The President of the company then went to New York, and entered into contracts on the 17th of that month, with E. Riggs, and with Christmas Livingston & Prime, (the contracts are reprinted) by which they were bound to accept drafts, payable at 90 days after date for \$300,000 in three monthly instalments, the company hypothecating with them State bonds as security. These drafts, or nearly all of them, after being accepted were brought back and discounted by the banks in the District of Columbia and in Maryland. These, together with the sale of some bills of exchange, furnished the company with money until September of that year.

The estimates which were becoming due *in September*, were not provided for; the President therefore drew bills of exchange on Mr. Peabody, payable at 90 days after sight, for £15,000 sterling, (having previously sent to Mr. Peabody, State bonds with directions to sell them to meet these and other bills already drawn) which bills he took to N. York and sold to the North American Trust and Banking company, for \$71,666 66 cents, hypothecating with that company £20,000 sterling of 5 per cent State bonds, as security for the payment of the bills at maturity. This money was sent directly to the line of the canal, and there applied to the payment of estimates, &c., due in September.

Not having means provided to pay the estimates due in October, the board determined to issue the scrip of the company upon a pledge of State bonds, placed in the hands of Trustees; and in the months of November and December 1839, and January and February 1840, this issue was made to the amount of \$300,000, payable at six months after date with interest. Nearly all of this scrip, together with the previous issues of the company, have been redeemed.

The printed documents published by the Legislature at its last session, from which, aided by my memory, I make most of my answers, do not bring down the transactions of the company farther than February last, and not having reference to the books of the company, I cannot say how money was obtained after the scrip was exhausted, otherwise than by bills drawn on Mr. Peabody. I believe that very little else was obtained before I resigned my place as clerk of the company in July last. The contractors were permitted to draw orders on the company which were accepted, as a means of temporary relief.