

An order was made by the board in June last, for another issue of scrip, but none had been issued during my time.

I know that the President of the company did, at several times, apply to two gentlemen who were Directors of the company, and also Presidents of Banks in the District of Columbia, for loans on the note of the company, secured by a pledge of State bonds. One of them and perhaps both, did lend in this way upon urgent occasions. The amount I cannot state except in one case, where \$60,000 was loaned in July 1839, for six months, to be applied exclusively to the redemption of the balance of scrip then in circulation. One of the Banks in Fredericktown, also made a small loan in a similar way. The President, I presume, applied to other Banks—but their situation at that time, and especially of those in the District of Columbia was such, that it was regarded as labour lost, to apply for large sums of money on loan, in the simple way in which it was formerly borrowed.

4th Interrogatory. Could money have been obtained for the purposes of the company on better terms than those adopted in the summer of 1839, either by the issue of scrip, or by the actual sale of the State Bonds at that time?

Answer. I do not profess to be a financier; I shall therefore limit my answer to what I believe could have been done, assigning some reasons upon which my opinion is founded.

I do believe now, and I did believe in the summer of 1839, that money and other means could have been obtained for the purposes of the company, on better terms than those which were adopted.

I believe that the State bonds when first issued would have sold to a considerable amount for prices much above those at which they have been sold. Being in Baltimore a short time before the bonds were first issued, I applied to a gentleman there, (now a Director of the Company,) very competent to form a correct judgment in such matters, to know what the value of the sterling 5 per cent. State bonds was. His reply was, that none of them were yet in the market, but that the currency 5 per cent. bonds of the State could not then be had for less than their par value, and that he supposed the sterling bonds would be worth fully as much, or more, than the currency bonds.

About the latter end of June or beginning of July the first issue of bonds was made, by which time some depression had