

for the purpose of selling State bonds, of which he took with him a large amount. I had occasion to be with the President at his chamber, on the night before his departure, and the subject of the price of bonds was introduced. He declared in unqualified terms, that he would not sacrifice the credit of the State by parting with the bonds for less than par, other than a commission off of one per cent for brokerage. The price of State securities had then declined somewhat, and knowing the need of the company to have money, I entreated him not to refuse the rate which I had named, if it should be offered. On the following morning, I went early to the canal office, to get the package of bonds from the vault for the President, and then walked with him to the car office. On the way, the conversation was resumed, in regard to the price to be taken for them, and he then told me that he thought he would agree to take 97 per cent, clear of commission. I presume that I repeated my views on the subject, for I felt anxious that a sale should be made. In the course of the morning of that day, the director of the company from Alexandria, a member of the committee of finance, having been invited, by letter from the President, to join him in the visit to New York, came up to the canal office for the purpose of doing so, but he having then gone, this gentleman declined to follow him. I then repeated what had passed between the President and myself, relative to the sale of the bonds, and at my request, that gentleman addressed a letter to Mr. Thomas, enforcing the advice which I had given, to sell the bonds at the price suggested by me, if more could not be had for them. The President returned home without having made any sales.

On the 1st of July, 1839, there were in circulation, of the scrip previously issued, about \$80,000, near one half being of denomination less than \$5. Of this scrip \$2,500 was bearing interest, the remainder was without interest. The President of the company declared the circulation of the notes under \$5 in Maryland, to be a violation of law, and the whole issue of scrip to be contrary to the known wishes of the people of that State, to which alone the company must look for further aid. He therefore negotiated a loan of \$60,000 from the bank of Washington for six months, the money to remain in bank for the sole purpose of redeeming this scrip, with the condition that it should be redeemed in coin. I was then directed to write to all the banks in upper Maryland, to know whether they would