

bonds to obtain funds necessary to meet his acceptances of the drafts made by the canal company on him.

“The meeting approved of what had been done.”

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“IN MEETING. December 7th, 1839.

“Present, Francis Thomas, President, Jacob G. Davies, Joseph White, John I. Abert and Phineas Janney, directors.

“The proceedings of the President and Director who attended in meeting on the 23d ult. having been read, they were approved, except that Mr. White declined to approve of the sale of 5 per cent Maryland State Bonds made to the North American Trust and Banking Company, and of the power given to Elisha Riggs to sell bonds at the prices stated.”

*2nd Interrogatory.* In the same testimony mentioned, is made of the sale of 5 per cent bonds by the President to the North American Trust and Banking Company without the previous consent of the board? State whether the President was authorized as the agent of the company to make the sale in question, and if yea, what terms were prescribed to him?

*Answer.* A short time before the President made the sale of State bonds to the North American Trust and Banking Company, a resolution was passed by the board authorizing him to take up the bills of exchange which had come back from London, protested for non-acceptance, by selling the £20,000 of State bonds hypothecated with that company, at a price not less than 75 per cent of their par value, payable in New York or specie funds; or if the sale could not be effected he was authorized to make such other arrangement in the case as might be practicable.

After the President returned from New York where he had sold the bonds hypothecated, and others with them, at a price below that limited by the board, to wit, at 66 per cent, he submitted what he had done for the confirmation of the board, and it was confirmed on the 7th of December, 1839, as the answer to the first of these interrogatories shews.

After the board had passed the order approving of the sale, I suggested that it was inconsistent with the previous order limiting the price of the bonds, and upon turning to that order, not then yet recorded, on the journal, a few words were added to it, which were intended to cover the case. I remember how-