

doing so he had been required to get from you, he being in N. York, and you in Washington city, your signature to all the requisitions necessary to settle the account with the banking company according to the forms established for keeping the books of the canal company?

7th. Did not the President when the bills of exchange were originally sold to the N. American Trust and Banking Company, give to that institution an order on Mr. Peabody for £20,000 in Maryland 5 per cent?

8th. Did not Mr. Peabody refuse to hand over these bonds to the agent of the banking company in London, and refuse also to accept the bills? And was it not in consequence of the protest of the order, as well as the bills, that the bills came back to the United States before maturity?

9th. Were there not in Mr. Peabody's hands in 5 per cent. bonds, enough belonging to the canal company when the order for £20,000 was presented, to have justified his compliance with the order?

11th. When the committee of stockholders in June last were engaged in examining into the condition of the canal company, did you call their attention particularly to this transaction with the N. American Trust and Banking Company?

12th. Did you at the same time notify the President, or any member of the Board of Directors, that you had so done, that they might give such explanations to the committee as ought to have been, and could have been offered?

*Answer.* For the sake of better explaining the transactions with the N. American Trust and Banking Company, so far as has as yet come to my knowledge either from documents seen by me, or from verbal communications from the President to me, and in order to give a corrected reply, according to the order of time to which the above interrogatories are supposed to refer, I embrace the replies to them in one answer.

It appears from the agreement of which I annex a copy, that the bonds which were pledged, were not to be sold, unless the drafts on Geo. Peabody for £15,000 should not be paid at maturity. See copy marked A.

I presume also, that the receipt of which a copy marked B is annexed, refers to the foregoing bonds and that the date "9th September" mentioned as that of the arrangement entered into between the President of the canal company and the President of the trust company, should in reality be the "10 Sept." and