

It was indeed a most fortunate circumstance that Mr. Peabody refused to hand over, upon the order, to the agent of the Trust Company the £20,000 bonds in London, but I know not that it was in consequence merely of this refusal that the bills were returned to the United States before maturity, and nothing but his watchful care for the interests of the company prevented Mr. Peabody's being overreached both in regard to the order for the bonds, and in the demand made by said Agent of payment of the seconds of the bills.

Mr. Peabody's letters detail the whole history of these matters, and exhibit the hopes and purpose he had of paying all drafts on him at maturity.

In his letter of 6th December, 1839, he says—

“You omitted to name to me the terms of your contract with that bank, (Trust Co.) when the £15,000 was drawn for, and I had no idea that they had authority to sell the bonds before the *maturity* of the bills, until you reported the sales per Great Western. So confident was I that the bills were here, and that the parties had written for the stock hypothecated in N. York, that I included them in my statement of payments when I made my sale of the bonds. After refusing acceptance to the bills, had I delivered the bonds agreeably to your order, no doubt they would have been sacrificed here, and my plans thereby frustrated. A delivery of the bonds, and the most accommodating offer which my situation would justify, I made on condition, that they would pledge themselves not to sell them here, but all were rejected. My impression was, that they would send for the bonds pledged in New York, and I had in view some arrangement which would enable me to accept the bills, and prevent a sacrifice of the bonds here.”

His letter of 6th January, 1840, says—

“The holders of the *seconds* of the bills you negotiated to the North American Trust and Banking Company, for reasons best known to themselves, presented them for payment on the 2nd inst. and had them regularly protested for non-payment. My answer to the Notary was as follows, and it will be embodied in the protest.

“If the bills which were originally presented (first) and protested for non-acceptance, had been detained in this country, they would have been accepted a month ago, of it presented to-day, they would have been paid by me. I cannot however pay the seconds.”