

Directors, attended. The Board thus organised approved, (Mr. White dissenting) of the arrangements made with Messrs. Christmas, Livingston & Prime, and E. Riggs; and the President was authorised to negotiate drafts, to be accepted by them, for one hundred thousand dollars, to pay the August monthly estimate. Doubts, how ever, were entertained, whether such drafts, if accepted, could be discounted by the banks of Maryland and the District of Columbia, then taking measures to guard against a necessity for suspending specie payments. In view of this, two of the Directors, after the Board had adjourned, recommended to the President, if he could accomplish a sale of bills on Mr. Peabody at not less than seven per cent. premium, in New York, to adopt that means to procure so much of the money needed as could, not be had by discounting the proposed drafts.

Drafts on Mr. E. Riggs, to the amount of \$33,000, accepted by him, were discounted by the banks.

Messrs. C. L. & P., when applied to, to accept, according to this contract other drafts to the amount of \$67,000, admitted this obligation to do so, but expressed a wish to be released from this contract in that respect. The undersigned, having good reason to believe that the drafts, if accepted, could not be discounted, consented to release Messrs. C. L. & P. as proposed, provided, they would find a purchaser for bills on Mr. Peabody, to the amount of £15,000, at a premium of not less than seven per cent. The North American Trust and Banking Company was applied to and consented to purchase the bills at a premium of  $7\frac{1}{2}$  per cent; the undersigned agreeing, to give the banking company an order on Mr. Peabody, directing him to hand over to the agent of the banking company in London, £20,000 in Maryland 5 per cent. sterling bonds, to be held as collateral security, for the payment of the bills at maturity, and to be sold, if the bills were not punctually paid when due. At the same time, the undersigned, handed to the banking company, other £20,000 of the Maryland 5 per cents, to be retained at New York, and to be returned as soon as information was received that Mr. Peabody had delivered the £20,000 in London, in pursuance of the order on him.

The bills were sent out and were protested for non-acceptance, and the orders on Mr. Peabody for £20,000, was dishonoured also, by the agent of the canal company. This refusal