

to accept *both* the orders and the bills, made the sale of the bonds in New York unavoidable.

Immediately upon the return of the bills and of the orders under protest, the £20,000 left with the banking company were advertised for sale in New York, and a claim for damages, on account of the protest of the bills, was made against the canal company. The whole matter was submitted to the board of directors of the canal company, when an order was passed authorising the President to settle the claims of the banking company by a sale of Maryland sterling bonds at 75, or in such other mode as he should find practicable. The undersigned went immediately to New York, and there made an effort, through intelligent agents, to make sale of a sufficient amount of the bonds on the terms mentioned in the orders of the board. This was found to be absolutely impossible. The bonds were offered to Messrs. Prime, Ward, King & Co., to Messrs. Christmas, Livingston & Prime, to Mr. E. Riggs, to the bank of New York, to the bank of America, and to other banks and bankers, who severally declined to become the purchasers, on terms that could be possibly submitted to.

Thus circumstanced, the undersigned had an interview with the president and directors of the North American Trust and Banking Company, and prevailed upon them to become the purchasers of the £20,000 hypothecated, and £5,000 besides, on the terms mentioned in the account hereto appended. From that account, it will be seen that the banking company waived its claim to damages for protest, and consented to have the January coupons cut off of the bonds. The undersigned, did not then and does not now, consider it very material in deciding upon the terms of sale, to inquire, whether damages for protest for non-acceptance could be legally claimed. Damages for protest for non-payment, could certainly be recovered. And as there was then no reason to believe that the bills could be paid by Mr. Peabody at maturity, a short time would have to elapse, before the banking company, it was reasonable to suppose, would have a claim against the canal company for \$83,393 34 as follows:

Amount paid for £15,000 bills of exchange,	\$71,666 66
Damages thereon for protest,	10,749 99
Interest from date of bills to time of payment,	879 64
Cost of protest for non-acceptance,	97 05
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	\$83,393 34