

grew out of the effort of the Western Bank to negotiate certain State of Maryland Bonds, which had been hypothecated to the Western Bank, by the Chesapeake and Ohio Canal Company for a loan to said company.

To the second interrogatory I reply, that the usual rate of interest and commission charged by Talbot Jones & Co., of which house, I am the senior partner,—for the loan of money at any period, is six per cent per annum for the former, and two and a half per cent for the latter. It may be proper for me further to say that, looking at the extreme embarrassment of the money market, at the period indicated, I have no doubt that much higher rates, upon both items, were demanded by money'd men; which rates were no doubt often regulated according to the necessity of the borrower and the nature of the securities.

3rd. The usual rate for accepting, by undoubted houses in Baltimore, is  $2\frac{1}{2}$  premium; but the condition of the money market was unusual at the period designated by the committee, and must have been governed by the circumstances mentioned in the previous answer. The house of which I am a member, would not have accepted, at that time, for any body, at any price. I know nothing of the practice, in this respect in New York; but have no doubt that similar causes produced similar results in that city, as well as in Baltimore.

4th Interrogatory. The Western Bank of Baltimore held on the 1st of June, 1839, hypothecated by the Chesapeake and Ohio Canal Company, eighty-five thousand dollars of Maryland State 6 per cents. The bank sold a short time previous to the suspension of specie payments in 1839, \$35,000 of these bonds at ninety per cent., reserving to the canal company, eighteen months interest, which had accrued upon said bonds. The bonds were dated on the 1st April, 1838. About the time of this sale, the bank had determined to send a portion of the bonds to New York for sale; but after our agent had left for that city, the President of the canal company called and stated that he would greatly prefer to have money borrowed upon the bonds, even at one per cent per month, than to have them sold in the then condition of the money market, and requested that an effort might be made to this effect. The agent of the bank was instructed to act in accordance with this request, and was making an effort to fulfil it, when the suspension of specie pay-