

ments by the banks of Philadelphia and New York rendered any further negotiation, in relation to the matter, for the time being, unnecessary.

5th Interrogatory. I know nothing of the condition of any of the banks mentioned in this interrogatory, or of their ability to extend the time of payment of the loans to the canal company, except in regard to the Western Bank of Baltimore. In relation to this bank, it became necessary for it to curtail its discount line, as much as possible, and to call in its loans, in order to prepare for the resumption of specie payments, which was expected and did take place, on the 15th January last, in Philadelphia and on the 1st February in Baltimore. And in order to accomplish this object, it was deemed right to endeavour to secure the payment especially, of such loans as were made outside of the commercial community; the reason of this policy will be obvious to the committee, as a course which would have favored the canal company at the expense of the commercial interests, would scarcely have been considered just or proper.

I suppose similar reasons would have prevailed with the various other institutions named in the interrogatory, and therefore concluded that they could not have given indulgence to the canal company until now.

6th Interrogatory. I am not certain that I understand precisely the purport of this interrogatory, but suppose it is to ask, whether the various banks and bankers to which the canal company was indebted by the hypothecation of State bonds, would have consented to hold up the bonds so hypothecated, and to permit their debts to remain unpaid, while the canal company should go on to sell 2,000,000, of State bonds, to be appropriated to other purposes.

If I am right in my conjecture, I answer, I do not think the individuals and banks, creditors of the canal company, would have consented to this course, and for this reason, that the debts due by the canal company to them, would have been very oppressive, and at the same time the market for the very same description of security which they held, would have been occupied much to their disadvantage, by the canal company. I have not heard of any sales of State stocks recently, except perhaps, a small sale of Maryland 6 per cents, a few days