

ANSWER OF TRUEMAN CROSS, ASSISTANT CASHIER.

COMMERCIAL & FARMER'S BANK OF BALTIMORE,

January 27th, 1841.

To the Honorable EDWARD A. LYNCH.

DEAR SIR:—Your favor of the 23d inst., covering an order of the House of Delegates, relating to the hypothecation and sale of the bonds pledged by the Chesapeake and Ohio Canal Company to this bank, has been received, and in answer thereto I beg leave to state.

That on the 8th day of May 1838, this bank loaned to the Chesapeake and Ohio Canal Company, forty thousand dollars on the hypothecation of six per cent bonds of the State of Maryland, (reserving the right to call on said company for payment whenever the interest of the company required it;) the loan was continued to be renewed from time to time up to December 1839, although in the interim, the President of the company was frequently urged to make arrangement for its liquidation. Finally an order was passed by the board of the bank, on the 23d July, 1839, and forwarded to the President of the Chesapeake and Ohio Canal Company, in which he was advised the stock pledged to this bank would be sold within thirty days, unless provision be made to pay their note then due and under protest. The company not complying with the terms as stated above, a resolution passed our board the 27th September 1839, directing an advertisement of the bonds pledged, to be sold at public auction in the city, on the 9th day of October 1839. Previous to the day of sale, a committee on the part of the canal company was appointed to arrange with the banks of the city the debt due by said company, and on the 27th December 1839, this bank purchased of said committee 5 per cent sterling bonds at \$85—(being their own proposition) to the amount of debt due this bank, and which has been subsequently sold to C. C. Jamison, Esq. the 27th June 1840, at \$87 50 less his commission.

I am yours, very respectfully,

TRUEMAN CROSS,

Assistant Cashier.