

the eminent chief justice of the State, one of the parties to the contract, but they applied to eminent counsel of Baltimore, whom they requested to advise them as to such course of proceeding as should not only secure them their own rights, but be perfectly respectful to the State. It appears that the contract with the commissioners was made under the advice and opinion of Reverdy Johnson, Esq. of Baltimore, concurred in by John H. R. Latrobe, Esq. which opinion, I ask leave to read to the committee, and to embody a copy in my answer to this interrogatory. (See the opinion of R. Johnson, Esq.)

I think it proper to add here, that Mr. Latrobe was the regular attorney of the company, and on the present occasion the additional advice of Mr. Johnson was obtained in order that the directors might proceed with all the circumspection due to the importance of the subject. In pursuance of the opinion of these gentlemen, the contract was entered into, and was intended to be in conformity with it. In the deliberations of the board leading to the contract, the State was represented by its directors; some, if not all of whom, participated in and consented to it. I have never understood that the contract was viewed either by the board or by the counsel, as a dealing in stock, properly so called; but rather for the purpose of borrowing stock to raise money, with the intention to aid the object of the legislature; and of realizing the stock issued by the State as the wants of the road should require it. It was no part of the object to render more secure, or to place farther beyond the reach of the legislature, the rights conferred by the law; these were deemed to have been vested and fixed by the Treasurer's subscription; and the fullest confidence was entertained that the legislature would, in good faith, respect and sustain them.

I have understood that the company would have been better satisfied if the stock could have been sold by the commissioners to other parties, and the money by them been paid into the Treasury. As the law appeared to make it the duty of the commissioners to proceed to Europe for the purpose of negotiating the stock there, before making an absolute sale in the United States, the contract was conditional, to become absolute only after all other efforts to effect a sale should fail. In one respect the arrangement of the company was deemed more favorable to the State than if the loan had been disposed of entire to a third party; since in the last case the State might be exposed to the loss of interest upon the money in the Treasury, until at least some provision should be made, if such indeed were practicable for lending it out. It is not probable that at the time of making the contract, the subsequent derangement of the financial concerns of the community in its full extent, could have been anticipated. The company is understood to have calculated that though the commissioners might fail in disposing of the entire loan at the price required, still it might aid the State in selling portions of the amount as the work should require it.

It may now be difficult to say how far this expectation is likely to be realized within a short time. I do not despair that by the time the