

which sails from this port for London, on the 20th inst. The last named bonds are directed to the Messrs. Browns, of Liverpool, formerly of Baltimore, who will make arrangements with you to exchange them for the six per cents hypothecated in London. By one of the steam ships to sail from here on the first of August, you may expect to receive from me an amount of bonds amply sufficient to meet all the engagements I have invited you to assume; and by one of the same vessels, Messrs. Alexander Brown & Sons, who have been appointed agents for the purpose, by the treasurer of Maryland, will be prepared to send to you five per cent. bonds sufficient to exchange for all the six per cents you have in charge.

Having seen in one of your letters to Col. Washington, a suggestion from you that Mr. McLane could probably facilitate your negotiations;—I take the liberty to remark upon the proposition. There is, you know, an essential difference between the condition of the canal company and that of the Baltimore and Ohio Railroad company. The latter company is out of debt, has no contractors demanding funds, and can wait for a more convenient season. The canal company is deeply in debt. They owe very nearly \$3,000,000. In addition to this, about \$1,500,000 will be required within the next twelve months, to progress with the work now under contract. The canal company then must have \$4,500,000 before the first day of July, 1840. We shall need \$2,000,000 in this country by the first of December next; and you will probably be called upon peremptorily to pay all or nearly all of the money borrowed in London, by the same day: at all events you cannot hope to postpone payment of any considerable portion of the debt you have contracted, longer than this time next year. Can you, without injustice to the canal company, thus circumstanced, allow Mr. McLane, or any other agent of any of the companies to whom Maryland has issued bonds, to go into the market with you? Is it not our duty to anticipate his and their movements? Have we not cause to apprehend a stagnation in the market for Maryland bonds? These questions you are well prepared to decide. You are at the centre of information, and have doubtless taken the precaution to obtain the best information, so as to be ready to determine to what extent you ought to act in concert with Mr. McLane. The whole matter, with the time, place, and manner of discharging the trust confided to you, is submitted to your discretion, in the full belief that you will, as far as you can, consistently with your obligations, to act within a limited time, make a judicious disposition of the securities committed to your care.

In execution of an agreement entered into by my predecessor, I have drawn bills on you, in favour of Messrs. A. Brown & Sons, of the value of \$100,000, to be sent out after the 27th of this month, payable at 60 days after sight. Besides these, you need not apprehend that you will be called on for funds until