

you should dispose of it in Europe. The whole board of directors, deeply regret that you have not complied with the requests made; and see very clearly that enormous sacrifices will be inevitable, if the Liverpool should bring information that you have dishonoured all our bills. The stock offered by Mr. Riggs will not bring more than 76, I fear, and immediately upon that fact being known, all the parties who hold Maryland stocks, in this country and in Europe, will come into the market, under an impression, that delay will make these securities less and less valuable. I still hope that you have concluded to accept the bills, as the stock will be sold at all events, we should be benefited by your accepting, as that would postpone sales for sixty days. And in any event a sale by you in Europe, is to be very greatly preferred, to a sale by others in this country.

To Mr. Jenkins I must refer you for further information.

I am, very respectfully, &c.

FRANCIS THOMAS, *Prest.*

*C. & O. C. Co.*

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*Letter to George Peabody, Esq., London, Oct. 18, 1839.*

*New York, Oct. 18, 1839.*

*George Peabody, Esq., London.*

*Dear Sir,*

I fear that it is too late now to make an arrangement by which any portion of the state bonds, issued for the benefit of the canal company, can be saved. A fear of such contingency as that which now exists led me, in July last, to urge you to sell without delay, an amount of the bonds sufficient to extricate the company from debt. I thought, then, we should both avoid responsibility if we avoided all speculations about the future, and took the market price for that which the state had given to the canal company to pay its debts; and I still think that you could not have been blamed if, in pursuance of the directions given, you had disposed of the bonds for less than 70. Such a sale would certainly have been better than any we are likely to have made now.

It seems to me you have failed to appreciate fully one circumstance connected with the debts of the canal company. Nearly all of its creditors hold state bonds, and have power to sell them, publicly or privately, to pay the debts, if they are not paid by me at maturity. Under these circumstances, our efforts to prevent a sacrifice of the bonds could not but be unavailing. We have never had but two alternatives: we must sell at a sacrifice, or stand still, and see others selling all around us for less than we could obtain. If one of the parties to whom I was *compelled* to give bills (and I have given none but upon

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