

Misagents and myself to be novel, only because we had not sense enough to understand the Senate it; he has only borrowed from the stockholders, instead of borrowing from others, and thereby made net profits of the money expended in the necessary repairs of the road.

You will perceive that the whole argument of the President of the Company, rests upon the fact alleged by him, that he borrowed the money from the stockholders of the Company, instead of borrowing from others as the Charter and the law of the last session gave him the power to do.

A contract for the loan of money like every other contract requires two parties, a party who possesses the power to lend as well as a party who possesses the power to borrow; and as this Company possesses no power under their Charter to lend money, it necessarily follows that the Company possesses no power to contract with its stockholders as stockholders for such a loan as is alleged to have been made to the Company by them. But if the President of the Company intended to allege that the stockholders of this Company individually loaned to the Company the money which is alleged to have been borrowed of the stockholders, which is the only manner in which a loan could have been legally effected with them, then I deny that any such loan was ever made by them to the Company. The money has been expended in the repairs of the road, and when the dividend was declared, it was not optional with the stockholders to take the money or the bonds. The only choice left them was to take the bond or nothing. A singular loan treaty. They first use the money which the President of the Company says belonged to the stockholders, and then say to them that they must take these bonds or receive nothing.

Notwithstanding the "viresimilitudo" which is supposed to exist between the present dividend and the stock dividend declared in 1838, upon the stocks of the Washington Branch, I humbly apprehend that no intelligent man can will discover the slightest analogy between the two cases.

The dividend declared in 1838, was a dividend of four per cent. in cash and ten per cent. in additional stocks of the Company. In that case no discrimination was made between the stockholders: each stockholder received his four per cent. in cash and his ten per cent. of additional stocks. In the case of the present dividend, one portion of the stockholders are paid their whole dividend in cash, while another portion are paid two thirds of their dividend in the bonds of the Company. It must be apparent to any reflecting mind that the stock portion of the dividend, in the first case, and the bond portion in the latter, neither increased or diminished the actual amount of the dividend declared, for it must be conceded, in reference to the stock dividend, that the intrinsic value of the original stock was fifteen per cent. precisely, ten per cent. by the creation and division amongst the stockholders, of that amount of new stocks.