OFFICE BALTO. & SUSQUEHANNA RAIL ROAD CO.

December 15th, 1840.

To the Stockholders of the

Baltimore and Susquehanna Rail Road Company.

The President and Directors of THE BALTIMORE AND SUSQUEHANNA RAIL ROAD COMPANY submit to the stockholders a report of their proceedings during the year, ending on the 30th September, 1840.

Our last annual report apprized the stockholders of the difficulties which had rendered the act of Assembly of December session, 1838, chap. 395, unavailable for the relief of the company. By the provisions of that act, a loan of seven hundred and fifty thousand dollars, was to be made by the State, to the company, for the purpose of enabling us to complete both our own works, and a portion of the Wrightsville, York and Gettysburg Rail Road; but when the act had been accepted by the company, notwithstanding the objections which many of the stockholders entertained to its provisions, it was found that one of its restrictions, prohibiting a sale of the State five per cent. stock for a less price than its nominal par value, deprived the company of the benefits which it was the object of the act to afford, as the Commissioner of Loans was unable to effect sales of the stock to any great extent at that rate. Application was made to the Legislature at their last session to remove this restriction; and in pursuance of the resolutions adopted by the stockholders in general meeting, on the 4th June, 1838, the memorial presented by the board, likewise represented the views entertained of other provisions of the act by the individual stockholders in the company, and solicited a modification of them. By the act of December session, 1839, chap. 20, the Legislature authorised a six per cent. stock, to be issued in lieu of the five per cent. stock; but no other change in the features of the law could be obtained. The same limitation, however, on the sale of the new stock was again prescribed; and the stocks of the State having all been throughout the year somewhat below par, the Commissioner of Loans has only been able to dispose of the stock issued for this company, by receiving in payment for it the claims of such of the creditors of the company as were willing to purchase the stock at par to the amount of their respective claims. This, however, has been done to so great an extent, that the debts of the company, except those for interest due the State and City, have been reduced to a comparatively small amount; and to meet them the stock still remains in the hands of the commissioner. The act last mentioned also reserved out of the stock to be issued, an amount equal to the interest due by the company to the State, to the 1st of January, 1840.

In the month of April last, the long sought communication with the Pennsylvania improvements, by an unbroken line of Rail Road from Baltimore to Columbia was at length obtained, by the completion of that portion of the road of the Wrightsville, York and Gettysburg Rail Road Company, which extends from York to Wrightsville. By agreement between that company and this, the locomotives of the Baltimore and Susquehanna Rail Road Company run to Wrightsville; and hitherto the whole transportation on the road has been done by them. To the trade of Baltimore the same facilities are thus given, as if this company had succeeded in directly carrying into effect their original design, of constructing, under the authority of a single charter, a Rail Road "from the City of Baltimore to some suitable point or points on the Susquehanna River." We have therefore now to congratulate the stockholders on their having practically completed the enterprise in which they so zealously engaged, and in which they have persevered through difficulties and embarrassments, such as it has been the lot of but few similar companies to encounter, and perhaps of still fewer to surmount.

Soon after the communication with the Pennsylvania Canals and the Columbia Rail Road was thus opened, the transportation line of Messrs. D. Leech & Co. established a depot in Howard street, and made arrangements for running their cars regularly on the road, carrying produce and merchandise between Baltimore and Pittsburg, or other points on the line of the Pennsylvania works. At a later period Messrs. Bingham & Brothers opened a depot in the same neighborhood, and placed their line on the road. During the fall the proprietors of the Portable Boat Line also made preparations to use this route; but no cars of this line have yet run on the road, though some freight has been forwarded by its agents. Besides these lines, Messrs. James O'Conner & Co., whose Portable Car Body Line commenced business on the road as soon as it was completed to York, as mentioned in our last annual report, have kept their line regularly in operation throughout the season, running from their depot in North street. The Emigrant Line of Leech & Co. has continued to forward that class of passengers for Pittsburg to Wrightsville, in the cars of the company.

The whole amount of transportation over the road by the three lines of Messrs. O'Conner, Leech and Bingham, from the 1st October, 1839, to the 1st October, 1840, has been

Transported Eastward,	7,078,734 lbs. equal to	3,539 $\frac{734}{2000}$ tons.
Transported Westward,	6,629,662 lbs. equal to	3,314 $\frac{1662}{2000}$ tons.
Total,	13,708,396 lbs.	6,854 $\frac{396}{2000}$ tons.

This trade was all carried on with places beyond Columbia, and nearly, if not quite the whole of it, with Pittsburg.

In addition to the regular transportation lines, the plan adopted by the company, of permitting cars, owned by individuals, to pass over the road, paying a certain rate for toll, and for the motive power