

in cash, \$10,000 in security, and a still further sum, he does not name the amount, it may be \$25,000 each—and that he is the same one who on the 3d of April, 1847, wrote, "You can either establish the truth or falsehood for a bet to any amount that I am able to put up, or *without money* as may best suit you." And again in the same letter he says, "I am now ready either for any amount of money, or without betting a dollar, as may best suit you. \* \* Or, "\$20,000 against \$5,000." What is the matter? Why this change, it may be asked. The answer must be obvious to any one; he was only "bluffing," he never had any intention of arbitrating.

I now give my reply to his two last under dates of the 15th and 16th.

"NEW YORK, 20th May, 1857.

"J. B. SMITH,

"Montreal,

"Yours of the 15th and 16th inst. are at hand, contents noted. Said letters cannot be a reply to my clear and fair propositions for an amicable appointment of arbitrators, or a mutual settlement of our difficulty. Being fully *determined not to be drawn from the subject under consideration*, i. e., the settlement as proposed by the appointment of arbitrators, to whom the whole question is to be decided, I shall *refrain from making any comments upon the language* to be found in your letter of the 15th inst., an extract of which is as follows—'that your object is to *extort money from me*.' \* \* 'Your heartless and dishonest conduct.' \* \* 'When you named your friend Stephens to arbitrate for my money you must have enjoyed more than a *quiet smile*.' \* \* 'I have great objections against arbitrating.' \* \* 'Your charges are *falsehoods*.' \* \* 'You at once become an honest and moral man (on paper), and say that to bet is not legal.' \* \* 'I am quite willing to give you a chance of proving your statements. But without anything being at stake on the issue what have I gained?' \* \* 'I tell you you utter a *falsehood*.' \* \* 'I will bet you \$10,000 that your charges are falsehoods.' \* \* 'I will bet you \$10,000 that you have not rendered a truthful and full statement of your transactions from 1839 to 1849.' \* \* 'You base and cowardly hypocrite.'" \* \*