

that is wanted to complete the canal to Cumberland, by exhibiting several bids from responsible contractors for the entire unfinished portion of the canal. This we regard as the best possible evidence of the sum required, but still with a view to satisfy the Messrs. Barings, on all points mentioned, it may be advisable to have the opinion of judges of their own selection, "as to the amount required for the completion of the work, its productiveness when finished—and the financial position and good management of the company," and we would be willing to abide the scrutiny with perfect confidence. On all these points, except the last of course, our recent report is more full and particular than any former one issued from this company.

It is now in the hands of the printer—nearly ready for publication, and as soon as ready I will, as requested by Mr. Ward, forward a copy to the Messrs. Barings, as also, one to him and yourself. In correcting the proof I shall take the liberty of briefly noticing the prospect of negotiating a loan, contained in the letter of Mr. Ward, but of course, without mentioning names. Since the report of August, 1842, referred to by the Messrs. Barings, a full measurement of the work done on the fifty miles between Dam No. 6 and Cumberland, was completed, on the 1st December, 1842, which reduced the estimate for the work yet to be done to \$1,545,000. We have bids to do the entire work for about \$200,000 less, than this estimate, owing mainly, to the great reduction in the price of labor and provisions, which has taken place since that estimate was made out. Under these circumstances, and in view of the generous interest, which the Messrs. Barings have hitherto manifested for the success of our enterprise, I feel a strong confidence, that when they have fully satisfied themselves in regard to the points mentioned they will agree to aid us, by furnishing the means to finish the canal to Cumberland. The loan will be amply secured, as by the law that we expect to have passed, the whole nett revenues of the canal between Cumberland and Georgetown, will be pledged and mortgaged for the re-payment, with the accruing interest, payable semi-annually; the principal to be paid in, say—twenty years.

We have not had it in contemplation, to borrow money now to pay off the debts of the company, as Mr. Ward seems to think, but to issue bonds to the creditors for the sums due them, with secondary liens to come in *pari passu* with the liens of the State of Maryland upon the nett profits of the work, after the liens for the loan to complete it are provided for by the payment of interest, and the appropriation of an ample sinking fund to redeem the principal by the time it becomes due. The sum of \$1,500,000 will be ample to finish the canal, and meet all contingencies. We shall earnestly endeavor to have a law passed waiving the State liens early in the session, and would be glad to have the loan negotiated during the winter, so that we may enter into the contract, and have the work commenced as soon as the spring opens. For these reasons I hope the Messrs. Barings will take the subject into immediate consideration.