

tolls of the canal, with certain reservations, and they were specially authorised to contract with parties who might engage to complete the work of the canal, on the condition of paying them in the whole or in part in the bonds so to be issued. Subsequently to the passing of the said act, viz : on the 27th September 1845, the canal company entered into a contract with Walter Gwynn, Wm. B. Thompson, James Hunter and Walter Cunningham, for the execution of the said work. The principal conditions of this contract were, that the said contractors should complete the canal from Dam No. 6, to Cumberland, a distance of 50 miles, under the directions and in a manner acceptable to the chief Engineer, in a period of a little more than two years from the date thereof, that they should pay into the hands of a trustee for the canal company, in specified instalments the sum of \$100,000 in cash, for the discharge of certain claims and for the payment of the expenses of engineering and salaries during the progress of the work, and would also pay such sums in cash as should be sufficient to discharge all dividends of interest on the bonds to be issued in pursuance of the act, to a period subsequent to the completion of the canal ; and that in consideration thereof, the said canal company would make payment in their bonds to be issued in conformity with the conditions of the said act, in monthly payments as the work should advance amounting in all to \$1,625,000.

Upon the execution of this contract, the said Gwynn & company, entered into sub-contracts with a large number of experienced and efficient canal contractors for the execution of the principal parts of the work, some of whom entered immediately thereon. They also entered upon negotiations for the sale of the bonds for obtaining funds for the prosecution of the work. Their efforts to this end proved unsuccessful from a want of confidence in the community that the canal would be completed by the resources provided, and that the canal company would obtain a sufficient revenue to afford an adequate security for the investment. One of the parties in London to whom application was made for a loan on these bonds, so far entertained the proposition as to request information upon the question of the sufficiency of the appropriation for the completion of the canal to Cumberland, and also upon the assurance which such completion would afford a sufficient revenue to the canal to constitute an adequate guaranty to the payment of the principal and interest on the bonds in addition to the necessary charges of repairs and management. Two gentlemen in compliance with this request, visited the canal, entered into an investigation of these points and made a detailed report thereon. Although the proposal for a loan was declined on other grounds than those connected with the investigation, the opinion there expressed as to the sufficiency of the amount proposed to be paid in bonds under the contract for the completion of the canal, is here quoted, as having a proper bearing on the merits of the claim now presented by the petitioners. It is in the following words :