

Sec. —. The said President and Directors shall keep the said Canal in good navigable order and repair for permanent use, and provide the necessary supply of water, and shall have full power to manage the business and regulate the tolls of said Canal according to its charter, and pay salaries of the officers and current expenses, including the repair debt, before any of the tolls and revenues shall be otherwise applied by them, and shall then pay the annual interest henceforth accruing on the bonds secured by said mortgage, and shall from time to time apply the surplus revenues to the extinguishment of such of said bonds as the holders thereof may be willing to receive the current market value for, provided said President and Directors shall not apply said surplus to the satisfaction of any of said bonds which they or either of them may be the holders of, and all the bonds so extinguished shall be registered and delivered over to the Treasurer of the State of Maryland, and the said President and Directors shall report quarterly to the Board of Public Works a detailed statement of the tolls and revenues of said Canal, and the amount, nature, and character of their expenditures which reports shall be verified by the affidavit of the President.

*Which was read.*

Mr. Barnes submitted the following as a substitute for the amendment submitted by Mr. Walsh :

Sec. 3. In the election of the President and Directors of the Chesapeake and Ohio Canal Company, the Board of Public Works shall cast the vote of the State for three Directors from among such persons as may be nominated by the trustees named in a deed of mortgage from said Canal Company to Phineas Janney and others, executed on the 5th day of June, 1848, in pursuance of an Act of General Assembly of Maryland of 1844, ch. 281, and their successors. And in like manner from among such persons as may be nominated by a majority in interest of all other creditors, other than lien creditors, one Director, and for the President and two other Directors, the vote of the State shall be cast by the said Board of Public Works for such persons as said Board may deem qualified for the discharge of their respective duties. Provided the President and five of said Directors, at the time of their election and for five years previous, shall have been residents of the State of Maryland ; and this mode of electing the President and Directors shall continue until the preferred debt now owing shall be paid, or until the Legislature shall otherwise provide.

And it shall be the duty of the President and Directors of said Canal Company to make to the Comptroller of the State true and accurate quarterly statements of all revenues and expenses of said Canal, and to deposit semi-annually with