

is hereby, authorized and empowered to issue the bonds of the said Company, under its corporate seal, and signed by the President, and countersigned by the Treasurer thereof, to the total amount of five hundred thousand dollars, for the purpose of putting and keeping the said Chesapeake and Ohio Canal and its works, in good condition and repair, for the payment of the current expenses of the said canal, and for the providing of such supply of water as may be necessary to make the said canal effective as a means of transportation; and the said bonds shall be issued in sums of not less than one hundred dollars each, and each of said bonds shall be payable twenty years after date to bearer, redeemable, however, at the pleasure of the Company at any time after the expiration of ten years from their respective dates, and shall bear interest in the mean time at the rate of six per centum per annum in equal half yearly instalments on the first days of January and July in each and every year, according to the tenor of the coupons for said interest to be attached to the said bonds. And the said bonds shall express upon their face that the same are issued under the provisions of this Act, and without any preference or priority over each other, are preferred and are absolute liens on the revenues, tolls and property of the said Chesapeake and Ohio Canal Company to be paid and discharged in preference to any other claims or liens upon the said Chesapeake and Ohio Canal Company, or its works or property, and in preference to any bonds which may be subsequently issued by the said Chesapeake and Ohio Canal Company, for the purpose of putting and keeping the said canal and its works in good condition and repair for the payment of the current expenses of the said canal, and for the providing of such supply of water as may be necessary to make the said canal effective as a means of transportation; and the President and Directors of the said Chesapeake and Ohio Canal Company shall have power to sell and dispose of so many of said bonds as may be necessary on such terms as to them may seem proper, and to apply the proceeds thereof to the putting and keeping of the said canal and its works in good condition and repair, to the payment of the current expenses of the said canal, and to the providing of such supply of water as may be necessary to make the said canal effective as a means of transportation, and to no other use or purpose whatsoever.

SEC. 2. *And be it enacted*, That the said Chesapeake and Ohio Canal Company be, and is hereby, authorized to secure the payment of the principal and interest of the said bonds to the amount of five hundred thousand dollars, authorized to be issued by this Act as aforesaid, by the mortgage of the