

the future completion of the said Canal to Cumberland, as is provided for in the first clause of the first section of this act, this State hereby pledges the distributive share of the proceeds of the sales of the public lands that may be hereafter paid to this State under and by virtue of the act entitled, "an act to appropriate the proceeds of the sales of the public lands and to grant pre-emption rights," passed by the Congress of the United States, and approved on the fourth day of September eighteen hundred and forty-one, or any law amendatory of, or supplementary to the same; so far as the said distributive share of said proceeds may, from time to time, be necessary to pay said interest, or supply a deficiency in the sinking fund provided for the purpose of paying the principal of said debt by the ninth section of this act, after the same shall begin to accumulate. And the Treasurer of the Western Shore of this State is hereby directed to pay over the said proceeds, from time to time as the same may be received by him, upon the requisition of the president and directors of said company, and upon being satisfied that the said proceeds are needed for the purpose or purposes aforesaid.

Sec. 7. And be it enacted, That the said Chesapeake and Ohio Canal Company shall, within a reasonable time after this law shall take effect, and before it shall issue any bonds as aforesaid, execute in due and legal form a deed of mortgage to this State upon all the tolls, rights, effects, property and estate of said company, to pay, indemnify and save harmless this State for or on account of any loss that may be sustained, or advances that may be made to, or for the use and benefit of said Chesapeake and Ohio Canal Company under and by virtue of this act,—which said mortgage shall be recorded in the office of the said company in the same book with the bonds of the second class of lien, and the original shall be delivered to the Treasurer of the Western Shore of Maryland for safe keeping, and the same shall thereupon be good and valid to all intents and purposes: provided, that the rights and interests conveyed by said mortgage, shall in no way impair or interfere with the priority of liens by the first section of this act created or provided for.

Sec. 8. And be it enacted, That the interest on the bonds constituting the liens of the first class as aforesaid, shall be paid out of the nett revenues of the canal between Georgetown and Cumberland, as hereinbefore provided; from time to time as the said interest becomes due, and in the order in which it becomes due; and when the annual nett revenues of the canal, as aforesaid, shall be more than may be required to pay the interest on said bonds, then the surplus shall be applied to the payment of the interest on the bonds constituting the liens of the second class, as the same may become due and in the order in which it may become due.

Sec. 9. And be it enacted, That for the purpose of providing for the payment of the principal of the debt by the first section of this act authorized to be contracted for the completion of the said