

trust. It is presumed, that nearly all of it has been paid into the Chesapeake Bank of Baltimore, which institution, liberally, makes large advances for its redemption, relying upon a sale of the bonds for the payment. The canal company has nothing to redeem the \$453,406.92 of scrip issued since July 1840, except the funds in the hands of the Barings, Brothers & Co., amounting, if the sterling bonds unsold can be sold at their nominal value in London, (of which there is no probability.) to \$253,577.77. No part of the last named scrip will become due before the 9th of April 1841; and it is for the stockholders of the company to decide, in what form, and when, its payment shall be provided for.

The President and Directors, believe, that the circumstances, under which they consented to execute the order of the stockholders for the issue of this scrip, are not properly appreciated.

It is true, that, by arresting the work in progress, as soon as the General Assembly adjourned, the directors could have avoided adding to the scrip then paid out. By such a proceeding, however, the company would have been liable to pay damages to five of the contractors to whom work was let by the old board of directors, a few days before they were superseded; one of those contracts was to be completed on the 30th of November, and the other four on the 31st of December 1840. And the parties, holding them refused to abandon at the time named, and have persisted in refusing since. If the board, without their consent, had omitted to pay the monthly estimates from time to time, in some form acceptable to them, actions for damages would have been brought, and a jury must have allowed large amounts to men who had encountered great expense and had submitted to many privations to comply, on their part, with the obligations of their contracts. The work on the great tunnel, could have been suspended. We learn from the report of the chief engineer, forwarded to you recently, that that great work cannot now be *certainly* completed, in less time than thirty months. And as ten months' progress has been made on it, since last spring, if it had then been abandoned, to be recommenced next April, forty months labor would still have been required to complete it. And, as active trade in the canal cannot begin, until the tunnel is finished, the Stockholders would have been without dividends, until July 1844. Looking to these consequences, I cannot but believe, that the determination to gratify the request of the