

SIR,—We addressed on 3rd December last, through the medium of our agent, Mr. T. W. Ward of Boston, a letter to Mr. Turner, which has doubtless come before you, which in conveying to him our accounts of last year with the Chesapeake and Ohio Canal Company, explained our intention, (if no satisfactory arrangement was made before the end of February next here for settling the balance due to us,) of proceeding to the sale of the stock in our hands, in order to diminish the amount to the debit of the company. In confirming to you, sir, the contents of this letter, we have the honor to acknowledge receipt of your communication of 3rd November last, accompanied by a letter from Mr. Turner, and the fourteenth annual report of your company. In answer to your inquiry, “whether the amount required to complete the canal “to Cumberland, on the bonds constituting the first class of liens “thereon provided for, in case the bill submitted to the Legislature of Maryland last session (excluding the security proposed “in the sixth section,) should be passed into a law could be raised “in London,” we regret to be constrained to say, that under existing circumstances it would be hopeless to attempt a loan of the nature described.

The financial statement of the concerns of the company contained in the report, although unfavourable enough, is yet brighter

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than the case justifies, for we observe that you calculate the value of the bonds with us at 72 per cent., whilst their price is here 50 per cent. without buyers, and you enter into account the last July, dividend on those bonds as received by us, when as you are aware the State has not paid the same, so that instead of having a surplus to receive from us, we shall have a very considerable claim against the company after realizing the bonds.

We are fully aware of the importance of the completion of the canal to Cumberland, and feel too lively an interest both as agents here of your company and of the State, not to be most anxious to do all in our power to advance the public works and the prosperity of Maryland; but it would only be leading you into error, if we held out any prospect of obtaining the sum you require, until the credit of Maryland has been re-established, and the finances placed on a regular and solid basis; and we may add, that the section to which you allude, giving to your new proposed loan priority of claim upon the proceeds of the public lands, would not facilitate here the attainment of your object, because it would be considered a breach of faith upon the part of the State, to give any preference to one company, or to a new debt over existing engagements, and would thus mar instead of advancing any future financial operation, in which Maryland or its inhabitants should be concerned. The non-payment of the dividends of the