

Twenty thousand on the 1st of January next, and the residue in equal monthly instalments of four thousand dollars per month thereafter; the same to be applied under the orders of the Board to defray the necessary expenses appertaining to the completion of the canal, as authorised by the first section of the law.

Thirdly. They covenant and bind themselves to pay the interest on all the bonds that may be issued in fulfilment of the contract, up to, and including the interest that will fall due on the 1st January, 1848, or on the day for the payment of the semi-annual interest next after the completion of the canal to Cumberland.

They also bind themselves to cash for the company at their *par value*, the amount of bonds further authorised to be issued under the act of 1844, chapter 281, after satisfying the provisions of the contract, in case the company should find it necessary to issue and dispose of the same, at any time between the date of the contract and the expiration of one year after the canal shall be completed to Cumberland.

And in consideration of the premises, and of the performance of the other covenants and agreements contained in the contract, this company agrees to pay and deliver to the said contractors, sixteen hundred and twenty-five thousand dollars in the bonds of the company, to be issued under and pursuant to the act of 1844, chapter 281—the same to be made payable in thirty-five years from their respective dates, and to bear interest at the rate of *six per centum per annum*, payable semi-annually. The payment and delivery thereof to be in the manner following, that is to say:

First. Upon the payment of each instalment of the one hundred thousand dollars, and of each instalment of interest, the company is to deliver to the contractors an equal amount of the said bonds at their *par value*.

Secondly. A monthly estimate is to be made of the work as it progresses and of the materials provided, and four-fifths of the estimate is to be thereupon paid to the contractors in the said bonds—the other fifth, or *twenty per cent.*, is to be retained by the company as security for the fulfilment of the contract. But it is expressly provided, that *no part of any one of said monthly estimates shall be paid to the said contractors*, until after they shall have finally concluded an arrangement satisfactory to the President and Directors of this company, and the Maryland State agents, for the sale or hypothecation of the bonds they may or might become entitled to under the contract, or have given to this company a bond or bonds with ample personal security to be approved by the Board of President and Directors and the State agents, conditioned for the due and faithful performance of the contract, and every part thereof on their part to be performed.

Thirdly. The right is reserved to the company to make any change it may see fit in the plans of the unfinished work, and the same are to be executed by the contractors according to such change. The difference in cost in consequence of such change,