

own knowledge, we have reason to believe that they are progressing under the most favorable auspices, and with the promise of early success. No bonds, however, have yet been issued by the company, nor will any be delivered to the contractors for the construction of the work until after they shall have placed themselves in a condition to be entitled to receive them according to the terms of the contract.

They have, however, in the meantime, commenced operations pursuant to their agreement, and have already gathered a number of laborers upon the line. As the season is now so nearly drawing to a close the force will probably not be materially augmented this year, but, upon the opening of the next spring, they contemplate making it full and effective, and thenceforward pressing on the work to completion with all due diligence, so as to finish it by the time limited in the contract.

The assurance the company has that this will be done, is to be found—in the joint obligation of the parties contained in the contract itself, some of whom are gentlemen of known standing and responsibility and of scientific skill and judgment in engineering, and they risk their all in the enterprize—In the bonds executed by them with ample personal security approved by the President and Directors of the company, and the agents of the State of Maryland, conditioned for an expenditure forthwith, and with all due diligence, of at least one hundred and fifty thousand dollars in the construction of the work, irrespective of any payments to be made to them therefor, and the whole of which is to be forfeited, if they do not proceed—In the fact that they have already commenced the work with commendable energy, and are pressing forward in compliance with the condition of the above mentioned bonds—In the reservation of one-fifth, or *twenty per cent.* from each monthly estimate after the contractors shall have placed themselves in a condition to be entitled to receive payments for the work, which is forfeited to the company upon a failure on their part to fulfil all their agreements—In their measures now in progress for a successful negotiation of the bonds—And in the forfeiture to the company of all materials provided and work performed in case the contract be at any time declared abandoned for non performance, as is therein provided for. Additional motives to energy and promptitude in the execution of the work and for its early completion, and a saving the company harmless from the accumulation of interest in the event of delay should it be found inexpedient to enforce the stronger provisions in that behalf made, are provided for in the stipulation that the contractors are to pay the interest on all the bonds that may be issued up to and including the half year's interest that will become due and payable, next after the completion of the canal and the opening of the navigation to Cumberland; and the interests of the company, are further specially guarded by the provision, that *no part of any monthly estimate is to be paid to the contractors until after they shall have finally concluded an arrangement, satisfactory to the*