

The only other duty imposed upon this company by the law of the last session, of which we have just spoken, is contained in the seventh section thereof, which requires the company "to execute to the State and deliver to the Treasurer of the Western Shore of Maryland a mortgage on the canal, its lands, tolls, and revenues, subject to the liens and pledges by the foregoing provisions of the act made, created or authorised, as an additional security for the payment of of the loan made by the State to this company, under the act of December session, 1834, chapter 241, and the interest due and in arrear, and which may hereafter accrue thereon;" which mortgage is required to be submitted to the Attorney General of the State, and to be approved by him as sufficient in law. The draft of a mortgage to the State, in full compliance with the above provision, has been prepared and submitted to the examination of the Attorney General. As soon as it is returned to the Board, it will be executed and delivered to the Treasurer of the Western Shore of Maryland.

In closing this subject we will present a brief statement of the amount of liens or preferred claims upon the annual nett revenues of the company that will result from the waiver of the liens of the State by the act of 1844, chapter 281, and the carrying into effect the provisions of the contract. Throwing out of view the small debt due and in arrear for repairs and officers' salaries, which will soon be paid off, the summary will be as follows:

1st. The interest on \$1,625,000 of bonds, payable semi-annually,	\$97,500
2nd. The interest on the debts of the Potomac Company, adjusted under the 12th section of the charter of this company, not to exceed -	5,000
3rd. The annual amount to be set apart as a sinking fund to pay the principal of the bonds when they become due,	25,000
Total,	\$127,500

A through transportation of at least 195,000 tons per annum on an average of years for five years, dating from the end of six months after the canal shall be completed to Cumberland, which is equivalent to at least the same amount of revenue in dollars, has been securely guarantied to the company, as has been already shewn, which alone will exceed the amount necessary to discharge the above mentioned preferred claims by the sum of \$67,500. Assuming that the way trade will always be sufficient to meet the current expenses, of which there can be no doubt, this sum and any further accumulation that may accrue will be applicable to the payment of the arrears due the State.

We must not be understood, however, as supposing it at all probable that there will ever be occasion to resort to the guaranties. The rapidly increasing demand for coal and iron throughout the country, and the growing and energetic spirit of enterprise which is concentrating itself in Allegany county for the purpose of develop-