

dent and Directors to issue the bonds of the company with preferred liens upon its revenues, as therein provided, to an amount not exceeding \$1,700,000, (which was considerably less than the amount suggested by the company at the time as expedient to be provided,) for the purposes mentioned in the act; and to contract and pay for the completion of the canal to Cumberland, &c., with said bonds. And to make the bonds of the company thus issued preferred liens on its revenues according to the provisions of the act, the liens of the State of Maryland, then having priority, were waived and postponed in their favor. Little more than one year previously, as will be seen by reference to the Governor's message, at December session, 1843, and the communication made by the State Treasurer to the Senate, under date of the 26th December, of the same year, these State liens had been advertised in the money markets of Europe and America, upon an offer to receive in exchange therefor Maryland bonds, which then commanded only about forty cents in the dollar, without attracting a bid or eliciting a single inquiry on the subject, and they must ever have continued measurably valueless to the State, without the completion of the canal to Cumberland.

The act of 1844, chapter 281, was passed on the 10th day of March, 1845. It was accepted by the stockholders of the company on the 29th of April. By the 29th of July, the guaranties of tonnage, required as a condition precedent to the issuing of the bonds were obtained, and formally approved, and on the 25th of September of the same year, a contract, which at the ensuing session of the legislature received, we believe, the approval of all the authorities of the State, was entered into for the completion of the work to Cumberland, the consideration of which was payable in the bonds. So far, therefore, as the action of the company was concerned, the provisions of the law were carried into effect with the utmost promptitude and decision. By the terms of the contract, the canal was to be finished in two years, and with a view to guard the bonds from depreciation and to ensure their adequacy for the fulfilment of the undertaking, a provision was incorporated in the contract, that no bonds were to be paid to the contractors for the work, until they should give bond with ample security for the fulfilment of the entire contract, or conclude an arrangement for the negotiation of such amount of the company's bonds to which they might become entitled, as would afford to the Maryland State agents, and the board of President and directors, a reasonable guaranty of their ability to comply with their engagements. It was not at the time deemed practicable, that the security for the immense amount that would be required, could be given, and the reliance of the contractors was on an arrangement for the negotiation. They did not, however, we believe, suppose that this could be effected until after the State of Maryland had provided for the resumption of the payment of the interest on the State debt, because they had ascertained, and indeed the company had previously been informed, as may be seen by