

individuals in Boston. But unfortunately before the proposition was definitely accepted, and the details of it arranged, viz. in May, 1847, the negotiation was interrupted and finally broken off by the occurrence of the disastrous commercial crisis in England, which put a sudden check upon many financial operations in that country. The principal party having declined to go on with the operation, the other parties in Boston declined also? The undersigned having become acquainted with the nature of the contract for completing the Canal, and with the state of the work, and placing great confidence in the sufficiency of the estimates of the engineer, did not hesitate to express their conviction, that if the contractors could succeed in effecting an arrangement on terms not varying materially from those which had been the basis of the negotiation which had thus failed, they would be able to bring the work to a successful termination. In proof of their confidence, they consented at the request of the said contractors, and of some of the parties disposed to unite in the purchase of the bonds, to act in the capacity of trustees for the purposes above stated, on the condition that the Canal Company would consent to such modifications of the contract, as the lapse of time and a change of circumstances required.

Unfortunately during the period which was lost in fruitless negotiations, a material change took place in the condition of the money markets of the country, particularly in New York and Boston, in consequence of large investments in various enterprises and a large United States loan, by which a new obstacle was placed in the way of an advantageous loan, on securities like these bonds. It was found that the best terms on which an arrangement could be closed, for a loan of \$500,000 was 60 per cent on the par value of the bonds. A contract was accordingly closed, with a large number of responsible persons on these terms, the subscribers to the agreement engaging to pay at this rate, on demand and delivery of the bonds, as they should be issued in the progress of the work. These terms onerous as they seem, now that the Canal is on the eve of completion, were at the time regarded by most capitalists, as not sufficiently advantageous to cover the supposed risk of failure in the completion of the Canal. This arrangement left \$400,000 of the bonds which were to be paid under the contracts to be disposed of under the guarantees above mentioned \$200,000 in payments on the sub-contract, and a balance of \$191,666 to be disposed of at pleasure. The Canal Company, on a report to it of the completion of this arrangement, modified the contract for the completion of the Canal, by postponing the date of completion to the 1st of November, 1849, and authorised the payment in bonds of the work already done, subject to the reservation of 20 per cent under the contract.

This detailed narrative has been given to account for the unavoidable suspension of the work under the contract, for a period of nearly two years, and for the necessary devotion by the petitioners of nearly the whole of their time during that period, to efforts for