

Form, numbers, amounts, and payment of Debentures.

Certificate of shares to be held as public property; but no vote to be given or interest received.

Application of dividends and disposal of Provincial shares.

Authority given to the Governor in Council to advance Provincial Debentures by way of loan to the Company.

Faith, Credit and Revenues of the Province pledged for the interest and principal of the Debentures.

Governor in Council authorised to appoint a consulting Engineer.

Suspension clause.

adopted, shall in all cases be subject to the approval of His Excellency the Lieutenant Governor in Council.

3. The Debentures shall be in the form hereto annexed, marked Schedule No. 1; they shall be signed by the Lieutenant Governor, and verified by his seal of office, and also countersigned by the Provincial Treasurer; they shall be numbered consecutively beginning with number one, and shall be issued in such sums, not less than one hundred pounds sterling, as may be deemed expedient; the interest thereon shall be paid half-yearly in London, and the principal of such Debentures shall be paid in full, at the end of twenty years from the date of their respective issues, to the then holders thereof, at the same place.

4. The certificates of shares in the European and North American Railway Company from time to time received by the Provincial Treasurer, shall be held by him for and on behalf of the Province, as public property; and while such shares are so held, no vote thereon shall be given at any meeting of the shareholders in the said Company; and no interest shall be paid to, or be claimed by the Province, in respect of such shares, in consideration of their having been paid for in full at the time of subscription.

5. The dividends accruing from the shares held by the Provincial Treasurer shall be applied towards the payment of interest on the said Debentures; and at the expiration of twenty years, when such debentures become due and payable, the shares not previously disposed of, shall then be sold, and the proceeds applied towards the payment of the said debentures; provided that there shall be no sale by the Province, of any share so held, below the par value, until the expiration of ten years from the time of the first subscription for stock by the Provincial Treasurer.

6. The Lieutenant Governor in Council is hereby authorised, and required, to advance Provincial Debentures in the form specified in Schedule No. 1. payable in like manner, by way of loan to the said European and North American Railway Company, such loan being payable in twenty years, with interest thereon payable half yearly, and to an amount, which, with the Provincial subscriptions for stock, shall not in the aggregate exceed three thousand pounds sterling per mile of the principal line of Railway, and of its said several branches and extensions; such loan to be from time to time advanced, as the construction of the principal railway, and of such branches and extensions shall progress, and under such restrictions as the Lieutenant Governor in Council may from time to time impose, for the protection of the public interest, and to secure the proper application of the said loan; and such loan and the interest accruing thereon, is to attach, and stand, and is hereby declared to be, a primary mortgage, or first charge, in favour of this Province, upon the principal railway, its branches and extensions, stations, station houses, rolling stock, and property of every description, and shall attach immediately on the advance of each portion of such loan, upon all property owned by the said Company, and whether the said principal railway, its branches and extensions, shall be in course of construction, or fully completed, any law, usage or custom to the contrary notwithstanding: and in order to ascertain and fix the amounts from time to time advanced to the said Company, the President and Treasurer of the same, shall deliver to the Provincial Treasurer, on the receipt of each portion of the loan, a certificate under the seal of the Company, stating its amount in the form No. 2 in the Appendix to this Act; which receipt shall be sufficient evidence of such primary mortgage, or first charge, under this Act.

7. Subject to the payment of any previously existing Provincial liability, and of the Civil List, the faith and credit of this Province, and the ordinary revenues thereof, and the amount or proceeds of any special impost which may hereafter be levied and collected for the purpose of paying off all such railway debentures, and the interest thereon, shall be, and hereby are declared, pledged to any and every holder of the same for payment of interest as it becomes due, and for payment in full of the said debentures, when the principal of the same becomes due and payable.

8. The Lieutenant Governor in Council is hereby authorised, from time to time, to appoint during pleasure, some fit and proper person of eminent standing in his profession, as consulting Engineer on behalf of this Province, whose duty it shall be to watch over the interests of the Province, in the construction of the principal Railway herein before described, and its branches and extensions.

9. This Act shall not come into force until Her Majesty's Royal approbation thereof shall be first had and declared.