

and the net proceeds, after deduction of working expenses, returned into court for distribution, under the order of the court, to the various creditors according to their rank and priority.

5. For such other relief as might be necessary.

The petitioner set forth :—

The Provincial Statutes under which the government guarantee was given ;—the statutes incorporating the roads forming part of the Grand Trunk Company ;—the agreement of union between the various companies which was filed and admitted ;—the statute ratifying the union ;—the issuing of £2,000,000 of bonds under the act of 1856 ;—that the plaintiff is owner and holder of £10,600 of such preferential bonds, transferable by delivery, on which arrears of interest had accrued ; that the security of the preferential bondholders rested mainly on the efficient working of the road and the application of the tolls and revenues to the payment of interest on such bonds ; that this security would be greatly impaired by the sale of the road and of rolling stock, plant, &c., which were *immeubles par destination* ; that the rights of the plaintiff would be destroyed if he were forced to file oppositions *afin de conserver* on the proceeds of any sale by the sheriff ; that the interest on all the preferential bonds was over due ; that the company was in embarrassed circumstances and largely indebted, and large judgments obtained against them ; and that the revenues, tolls and profits of the road, instead of being applied to the payment of the interest due to the preferential creditors, were applied to pay common and unprivileged creditors ; and that under the present management the preferential creditors were exposed to the danger of losing their security.

The plea was a "general issue."

Mr. *Robertson* then referred to the various statutes set up in the declaration, namely :—The statute of 1849, 12 Vic, ch. 29, which provided for a "guarantee of interest on loans to be raised by any company for the construction of a line of railway not less than 75 miles in length, within this province ;" and enacted "that the payment of interest guaranteed by the province shall be the first charge upon the tolls and profits of