

arbitrators, to dispute the quantity and prices of works, and materials charged for, by the said C. S. Gzowski, D. L. Macpherson, L. H. Holton, and A. T. Galt, and each and every other claim made by them in like manner as if such arbitration had been made between the said C. S. Gzowski and his said partners and the party of the first part.

THIRD—The party of the first part agree to pay the amount of any award which may be made by the said Arbitrators, or a majority of them, by virtue of the above reference, in favour of the party of the second part, for and on account of the claims of the said Gzowski & partners, against the said City, hereinbefore agreed to be assumed and settled by the said party of the second part, in Debentures of the party of the first part, payable in twenty years, with interest thereon, at the rate of six per cent. per annum, payable semi-annually, the said Debentures and interest to be payable in sterling money, in the City of London, England, at such banking-house as the party of the second part may name, the said sterling money to be at the rate of 24s. 4d. currency for each pound sterling, or in cash, at the option of the party of the first part. Provided always, that if the party of the first part elect to pay the amount of such award in Debentures, payable as aforesaid, then the rate of premium or discount at which the said party of the second part shall be bound to receive the same shall be fixed by T. G. Ridout, Esq., Cashier of the Bank of Upper Canada, and the parties hereto mutually agree to pay and receive the amount of such award in the Debentures, at such rate as the said T. G. Ridout shall so fix. But if the said party of the first part elect to pay the amount of such award in cash, then the said party of the first part shall be allowed a credit of twelve months from the date of such award to pay the same, the amount so awarded to bear interest, at the rate of six per cent. from the date of such award.

The said party of the first part also agrees that they will make the debentures so to be issued, payable in such sums as the party of the second part may require. Provided, that they shall not be required to issue Debentures for a smaller sum than £100 each. It is also agreed, that the said party of the first part shall declare their option, and deliver the Debentures on certificate hereinafter mentioned to the party of the second part, within one calendar month from the making of the said award; and that if the party of the first part do not within the said term of one calendar month elect to pay the said