ARTICLES OF AGREEMENT made and entered into this Thirty-first day of December, in the year of Our Lord One Thousand Eight Hundred and Eighty-three, between the Napanee, Tamworth and Quebec Railway Company, of the first part, and Her Majesty Queen Victoria, represented therein by the Minister of Railways and Canals, of the second part:

Witnesseth that whereas it is in and by an Act passed in the Session of the Parliament of Canada, held in the forty-sixth year of Her Majesty's Reign, chaptered twenty-five, and intituled: "An Act for authorizing subsidies for the construction of the lines of Railway therein mentioned "amongst other things in effect enacted that it shall "be lawful for the Governor in Council to grant to the Napanee, Tamworth and Quebec Railway Company, for twenty-eight miles of their railway, from Napanee to Tamworth, in the Province of Ontario, a subsidy not exceeding three thousand two hundred dollars per mile, nor exceeding in the whole eighty-nine thousand six hundred dollars, the said subsidy to be granted to the Company herein named, it being provided therein that the line of railway shall be commenced within two years from the first day of July last (1883), and completed within a reasonable time, not to exceed four years from and after the passing of this Act (25th May, 1883), to be fixed by Order in Council and according to descriptions and specifications, to be approved by the Governor in Council, such subsidy to be payable by instalments on the completion of each section of not less than ten miles of railway, proportionate to the value of the portion so completed in comparison with the whole work undertaken to be established by the report of the said Minister of Railways and Canals, provided always that the granting of such subsidy shall be subject to such conditions for securing such running powers or traffic arrangements and other rights, as will afford all reasonable facilities and equal mileage rates to all railways connecting with that so subsidized, as the Governor in Council may determine."

And whereas the Napanee, Tamworth and Quebec Railway Company has established, to the satisfaction of the Governor in Council, its ability to complete the said railway within a reasonable time to be fixed by Order in Council, such time having been fixed as follows: Twenty-eight miles of said road from Napanee to Tamworth on or before the thirty-first day of December, A. D. eighteen hundred and eighty-four, And whereas the Governor in Council has duly approved of the descrip-

tions and specifications hereto annexed, marked "A;"

Now this Agreement Witnesseth, that in consideration of the said subsidy, to be paid in the manner aforesaid, the Napanee, Tamworth and Quebec Railway Company covenants and agrees to and with Her Majesty, her Heirs and Successors, in manner

following, that is to say:—

1. That the Company shall and will, well, truly and faithfully, make, build, construct and complete a line of railway from Napanee, on the Napanee River, Bay of Quinté, north to the Village of Tamworth, in the Province of Ontario, the points and approximate route and course being shown on the map hereunto annexed, marked B," and all bridges, culverts and works appurtenant thereto, and will build, construct and complete the said line of railway, bridges, culverts, works, and all engineering services, whether in the field, or in preparing plans or doing other office works, to the entire satisfaction of the Governor in Council.

2. That the Company shall and will locate and construct the said line of railway on as straight a course as practicable, between Napanee and Tamworth, with only such deviations as may seem absolutely indispensable to avoid serious engineering obstacles

and as shall be allowed by the Governor in Council.

3. That the gradients and alignments shall be the best that the physical features of the country will admit of in conformity with the aforesaid specification hereto

annexed, marked "A."

4 That the Company shall and will furnish profiles, plans and bills of quantities of the whole line of railway, in 10 mile sections, and that, before the work is commenced on any 15 mile section, such profiles, plans and bills of quantities shall be approved by the Governor in Council, and before any payments are made, the Com-