

- Limitation. (6) No amounts shall be spent for a purpose mentioned in this section in excess of the amount authorized by this section in respect of that purpose, and for the purposes of this subsection any expenditure made under paragraph (b) of subsection (1) of section 3 of the *Canadian National Railways Financing and Guarantee Act, 1958*, shall be deemed to be an expenditure under paragraph (a) of subsection (1) of this section. 5
- Issue of securities. 4. (1) Subject to the provisions of this Act and with the approval of the Governor in Council, the National Company may issue notes, equipment trust certificates, bonds, debentures or other securities, bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may approve, to provide amounts required for the purposes of section 3. 10 15
- Application of amounts available. (2) Amounts available from reserves for depreciation and debt discount amortization shall be applied towards meeting the expenditures authorized by section 3.
- Maximum amount of securities. (3) The aggregate principal amount of securities issued under this section outstanding at any one time shall not exceed the amount necessary to provide the National Company with the net amount of \$289,900,000 less the amount that the National Company receives in respect of the period from the 1st day of January, 1959 to the 30th day of June, 1960, both inclusive, from the sale to the Minister of Finance of preferred stock of the National Company, and for the purposes of this subsection, any securities issued under the *Canadian National Railways Financing and Guarantee Act, 1958*, in respect of the amounts required for capital expenditures under paragraph (b) of subsection (1) of section 3 of that Act, shall be deemed to have been issued under this section. 20 25 30

GUARANTEES.

- Guarantee. 5. (1) The Governor in Council may authorize the guarantee by Her Majesty in right of Canada of the principal and interest of the securities and may approve or decide the form, manner and conditions of such guarantees. 35
- Signature of guarantee. (2) A guarantee under this Act may be signed on behalf of Her Majesty by the Minister of Finance or by such other person as the Governor in Council may designate, and such signature is conclusive evidence for all purposes that the guarantee is valid and that the relative provisions of the Act have been complied with. 40