

15. That the price at which the alternate blocks of land retained by the Government shall be sold by the Government, shall be from time to time adjusted by agreement between the Government and the Company, according to the price that is found to be obtainable for such lands without obstructing the settlement of the country. But unless the Company shall sell lands granted to them at a lower average price, or shall otherwise agree, the Government shall, for and during the term of twenty years from the date hereof, retain the upset price of such alternate blocks at an average price of not less than two dollars and fifty cents per acre. The provisions of this clause are, however, subject to the sanction of Parliament.

16. That the subdivision of blocks of land granted to the Company shall be made in conformity with the system of survey prescribed by the Dominion Lands Act and any amendment thereof; and shall be made by the Company, and be subject to the inspection and approval of the Surveyor General of Dominion lands.

17. That the Government shall extinguish the Indian title affecting the lands herein appropriated, and to be hereafter granted in aid of the railway.

SUBSIDY.

18. That a subsidy or aid in money, amounting to thirty million dollars, is hereby granted to the Company, payable from time to time by instalments at intervals of one month as any portion of the railway is proceeded with, in proportion to the length, difficulty of construction and cost of such portion, such proportion to be ascertained and settled in the same manner as is herein provided with respect to the grants of land.

19. That the Company shall allow as part of the subsidy, the cost of the survey made in the years one thousand eight hundred and seventy-one and one thousand eight hundred and seventy-two, and to be made in the year one thousand eight hundred and seventy-three, by the Government of Canada, for the purpose of ascertaining the best line for the railway.

20. That it shall be lawful for the Company to accept and receive from the Government of any Province, or from any Municipality in Canada, or from any Corporation, a subsidy or aid in money, or bonds, or securities, payable in such manner, at such times, on such conditions, and at such places in Canada or elsewhere as may be agreed upon with the Company.

BOARD OF TRUSTEES.

21. That the Company may by By-Law create a Board of Trustees, to consist of three persons, to be chosen and to be removable at pleasure, as follows, that is to say: one member thereof by the Government, one other member thereof by the Board of Directors, and one other member thereof by or on behalf of the bondholders, in such manner as may be provided by such by-law; and upon the completion of such Board by the choice of such members the same shall be published by the Secretary of the Company in the *Canada Gazette*.

22. That the removal, resignation, mental incapacity, or insolvency of any member of the Board shall vacate his appointment as such; and thereupon or upon the death of any member, the vacancy occasioned thereby shall be filled by the choice of a person to be a member of the said Board by the Government, the Board of Directors, or the bondholders, as the case may be by whom the member whose vacant seat is to be filled was originally chosen. And such change shall be published in the manner aforesaid.

23. That the duties and powers of the Board of Trustees shall be as follows:—

i. To receive from time to time from the Government of Canada such portion or portions of the subsidy of thirty million dollars as may be earned by, and payable to the Company as hereinbefore mentioned.

ii. To receive from time to time the nett proceeds of the sales or rents of such portions of the land hereby appropriated as may from time to time be sold or leased by the Company; and also all such subsidies and aids as may be granted to the Company by the Government of any Province, or by any Municipality or other Corporation.

iii. To pay the Board of Trustees, for their services, such sums of money as shall be from time to time fixed by by-law of the Company.

iv. After payment of the expenses of the trust, to invest all monies received by them as Trustees in the securities of the Government of Canada, or of any of its Provinces, or of the United Kingdom of Great Britain and Ireland, or of any of the Colonies of the United Kingdom, or of the British Possessions in India, or of the United States of America; and the Board may from time to time sell any such securities, and shall in any such case forthwith reinvest the proceeds of any such sale in other securities of the nature and kind hereinbefore mentioned, or in lieu thereof, when so directed by resolution of the bondholders passed in accordance with a by-law of the Company, purchase outstanding bonds of the Company.

v. The investments to be so made as hereinbefore directed, and the securities whereof the same shall from time to time consist, shall form a sinking fund, to be held by the Board of Trustees, upon the trusts following, that is to say, upon trust to pay all costs and charges, which may be incurred in respect of the execution of the trusts hereby created, and in the investment and re-investment as hereinbefore mentioned, and thereafter