

eighty thousand nine hundred and twelve dollars, the whole with interest (including interest on any interest in default),—for the release of the said lien and charge upon such repayment,—for continuing the sale and realization of the value of the said lands, after the redemption of the land grant bonds,—for the payment to the Government of the proceeds of such sales, and for the discharge of such lands from the said charge upon payment of the price of sale thereof,—such price not to be less than one dollar and twenty-five cents per acre: Provided always, that, among such remedies, terms, and conditions, it shall be agreed and provided:—

Proviso.

Completion of central and eastern sections in May, 1886.

Provision for ensuring satisfactory progress of work.

1. That the Company shall complete the central and eastern sections of the railway not later than the month of May, one thousand eight hundred and eighty-six, and shall from month to month, in the meantime, make such progress with the work on both sections, as will satisfy the Government that the agreement in this respect will be fulfilled; and should the Government at any time not be satisfied with the progress being made with the work, and so notify the Company, and if forthwith after such notice, the Company do not put on such additional force and thereafter maintain the same, and also take such other steps to accelerate the progress of the work, as may be sufficient to ensure the completion thereof in the said month of May, one thousand eight hundred and eighty-six, and as shall be satisfactory to the Government, then and in that case, no further advances on account of the loan aforesaid shall be made to the Company; and in that case the total amount up to that time advanced on account of the said loan shall, as additional security for the payment thereof, be a charge against and a form of a lien upon any cash subsidy then earned and not paid, and on any cash subsidy thereafter earned by the Company; and—

On default for twelve months of payment of interest or principal as agreed, the whole property of the Company to become vested in Her Majesty and be taken possession of by Minister of Railways and Canals, &c.

2. That upon default for twelve months in the payment of any half-yearly instalment of interest upon the said loan, or any part thereof, or of interest upon the said sum of seven million three hundred and eighty thousand nine hundred and twelve dollars, or any part thereof, or in the payment of the principal of either of the said sums or any part of either of them when the same shall become due, in accordance with the provisions hereof, the right of the Company under their contract hereinbefore mentioned, to demand or receive any further cash or land subsidy shall cease and determine, and the said railway and extensions thereof, branches, equipment, rolling stock, plant, including steamers, and all lands and property of the Company and all land grant bonds then in the possession of the Government shall, upon the occurrence and continuance for the said period of twelve months of such default, *ipso facto*, and without any notice or proceeding whatsoever, vest in Her Majesty and shall forthwith, thereupon, be taken possession of by the Minister of Railways and Canals,