

The charges for selling the Provincial Debentures would be as on former occasions, namely, our commission of one per cent. and a quarter per cent. brokerage; and we should charge an additional commission of one per cent. if we came under cash advance before making sales.

There will also be a Stamp duty of one-eighth per cent. on the amount of the Debentures.

We should charge interest on advance at the rate of five per cent. per annum, allowing four per cent. when the account is in cash.

We think that thirty years will be a suitable period for the Debentures to run, but it is desirable that they should all be of the same date, whether issued at once for the full amount or by partial instalments, so that the whole should be reimbursable at the same period; it will be advisable to adhere to the form of the Debentures now in circulation, and to make the Dividends payable on the 1st January and 1st July.

We shall be glad to learn at what price you wish to effect sales, and if you would prefer to fix a limit at which we could open a subscription for the whole amount, or to make gradual sales as opportunities may offer; at present these securities are not much in demand, and the market limited.

We have, &c.

(Signed)

BARING BROTHERS & Co.

MEMORANDUM OF AGREEMENT made and entered into this fifteenth day of August, one thousand eight hundred and sixty five, between the International Contract Company, (Limited,) of 85 Cannon Street West, in the City of London, (hereinafter called the said Company,) of the one part, and Her Majesty Queen Victoria, herein represented by Albert James Smith and John Campbell Allen, Esquires, Members of and acting for and on behalf of the Government of the Province of New Brunswick, in British North America, of the other part: Whereas by an Act of the General Assembly of the said Province of New Brunswick, made and passed in the 27th year of Her Majesty's Reign, intituled "An Act in aid of the construction of Railways," the Governor in Council of the said Province is authorized and empowered to consent and agree with any Company or Body Corporate possessing sufficient capital, for the construction of certain lines of Railway in the said Act mentioned, of which the line hereinafter described is a part: And whereas arrangements have been made by the said International Contract Company, (Limited,) for the construction of a line of Railway from Truro, in the Province of Nova Scotia, to the boundary line of the Province of New Brunswick: And whereas the said Company has offered to construct a line of Railway in accordance with and subject to the provisions of the said recited Act of Assembly, in continuation of the said Nova Scotia Railway from the said boundary line, to intersect the European and North American Railway at some point between Moncton Station and Point du Chene, passing through the Parish of Dorchester, in the County of Westmorland, between the Court House and Dorchester Island. Now this Agreement witnesseth, and it is hereby declared and agreed as follows:—

1. The said recited Act of Assembly shall be the basis of, and shall be construed and considered to be incorporated in this Agreement, so far as the same may be applicable thereto.

2. The said Company, in consideration of the benefits and advantages secured to them by the said recited Act, hereby agree to construct the said line of Railway from the boundary of the Province of Nova Scotia to the said point of intersection of the European and North American Railway, passing through the said Parish of Dorchester between the Court House and Dorchester Island, as hereinbefore mentioned.

3. The works shall be equal in point of construction and efficiency and similar in character to those of the line in Nova Scotia from Halifax to Truro, the gradients and curves to be such as the nature of the country may admit of consistently with public safety, and not to be considered fixed by the grades and curves laid down on the copy of the surveys prepared and signed by Mr. J. E. Boyd, the Government Engineer, except that in no part of the line shall there be a steeper gradient or a sharper curve than the steepest gradient and sharpest curve shown on such copy of surveys.

4. The rails to be used in the construction of the said Railroad shall weigh sixty pounds to the yard, and shall be joined together with Fish Plates.

5. The said Railroad shall be completed and open for traffic within four years from the first day of November next.