

business or in any way in connection therewith, the intention of the parties being that the business carried on by the said Montmorency Electric Power Company on, from and since the sixteenth day of August last shall be so carried on for the sole profit and advantage of the said Quebec, Montmorency and Charlevoix Railway Company, but at the sole risk, cost and charges of the said Quebec, Montmorency and Charlevoix Railway Company in the same manner and to the same effect as though the said business had been carried on by the said Quebec, Montmorency and Charlevoix Railway Company; and the said Quebec, Montmorency and Charlevoix Railway Company hereby undertakes, binds and obliges itself to indemnify and hold harmless the said Montmorency Electric Power Company from all liability of every nature and kind whatsoever incurred by the said Montmorency Electric Power Company in connection with the business carried on by it since the sixteenth day of August last, save and except always the cost of or any liability arising from the improvements now being carried on and which the said Montmorency Electric Power Company undertakes by this deed to complete; and until the said hereby sold property shall have been transferred to the said Quebec, Montmorency and Charlevoix Railway Company the Manager of the said Quebec, Montmorency and Charlevoix Railway Company shall be entitled to the supervision and control of the business of the said Montmorency Electric Power Company and the officers of the said Montmorency Electric Power Company shall obey all lawful orders of the Manager of the said Quebec, Montmorency and Charlevoix Railway Company, provided such power shall not apply to the improvements now being carried on and the cost of which is to be borne by the said Montmorency Electric Power Company—the said Montmorency Electric Power Company hereby undertakes to pay and satisfy all debts incurred by it previous to the sixteenth day of August last, save and except the bonded indebtedness of the said Montmorency Electric Power Company as hereinafter specified, and debts incurred for plant or supplies received since the sixteenth of August last [1898] but hereby agrees to pay the interest^t on its said bonds accrued prior to the said sixteenth day of August last, the said Quebec, Montmorency and Charlevoix Railway Company undertaking to pay and satisfy all interest accrued and to accrue from and since the sixteenth day of August last, together with the capital as hereinafter specified.

After the said Montmorency Electric Power Company shall have paid the interest on its bonds to the sixteenth day of August last and all debts and liabilities due by it [save the capital of its bonded indebtedness and any debts incurred for plant or supplies since the sixteenth of August last] and the costs of the improvements which it has undertaken to complete, and a dividend upon its stock from the first of June to the sixteenth day of August last at the rate of six per cent per annum, it shall pay over to the Quebec, Montmorency and Charlevoix Railway Company the surplus, if any, of the moneys on hand and shall transfer any remaining assets of any nature or kind whatsoever it may be possessed of.

The said Montmorency Electric Power Company shall pay the proportion of Municipal and school taxes and other chages