

province of Manitoba, en route to Rainy River at or near its mouth, via the state of Minnesota, which line from Winnipeg to said boundary is estimated at 101 miles in length or thereabouts, which line is hereinafter referred to as "the said railway," as the same is now located and constructed or in course of construction, and as the same may be hereafter located and constructed; together with all the Company's property, comprising telegraph and telephone lines erected along the said railway or used in connection therewith and with all rights of way and station grounds, station houses, engine houses, freight sheds, machine shops and all other structures now held and acquired, or which hereafter may be held or acquired by the Company, its successors or assigns, for use in the construction, maintenance, operation and running of the said railway and telegraph and telephone lines, and also all locomotives, tenders, passenger, baggage, freight and other cars, and all other rolling stock, steam shovels and equipment whatsoever, and all machinery, tools and implements, and all supplies and materials now held or hereafter acquired by the Company, its successors or assigns, for constructing, maintaining, operating and repairing the said railway and telegraph and telephone lines, or any of the equipment or appurtenances, thereof, and all tolls, incomes, rents, issues, profits and sources of money arising or to arise from the said railway and other property except as hereinafter provided; and also all other privileges, powers, immunities and all other corporate and other franchises in respect of the said railway now owned, held or enjoyed by the Company or hereafter to be held, owned or conferred upon it, its successors and assigns; save and except as provided in *The Railway Act of Canada*, and save and except the Company's land grant from the Dominion of Canada which is hereby expressly excepted and reserved from the operation of this mortgage.

To have and to hold the above described property, premises, things, rights, privileges and franchises acquired and to be acquired, and hereby expressed to be conveyed and intended so to be unto the trustees, their heirs and assigns, according to the nature and quality thereof, as joint tenants and not as tenants in common, and to their successors in the said trust:

In trust, nevertheless, to and for the uses and for the purposes and conditions hereinafter set forth:

9. Until default shall be made in the payment of the principal or interest of the said bonds hereby secured, or of some one or more of them, or in respect of something herein required to be done, or some condition or covenant to be performed by it, the Company and its assigns shall be suffered and permitted to possess, manage and enjoy the said railway, and all other property expressed to be conveyed hereby, together with the equipment and appurtenances thereof, and the franchises appertaining thereto, and to take and use the rents, incomes, profits, tolls and issues thereof, in the same manner and with the same effect as if this deed had not been made, but subject or to be subject nevertheless to the lien of these presents.

10. In case default shall be made in the payment of any interest to accrue on any of the aforesaid bonds to be issued by the Company, when such interest shall become payable according to the tenor of such bond or the terms of any coupons