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*Fourthly*—That in case of such entry the Canadian Government shall be entitled to claim and receive from the Imperial Government the promised grant in aid, of £50,000 sterling, or any increase of such grant.

It is understood that if any balance of such grant in aid should remain unexpended after defraying the outlay made by the Dominion Government in consequence of the failure as aforesaid of the Province, such balance shall be paid to said Province; while, on the other hand, if said grant in aid should prove insufficient to complete the works, the amount of the deficiency shall be placed to the debit of the Debt Account of the Province.

It is further understood that the right of property in the Dock shall, subject to the temporary right of possession as before mentioned, remain in the Government of British Columbia.

*Fifthly*—That the Imperial Government shall be made a party to this arrangement and its approval obtained.

*Sixthly*—That the sanction of the Legislature of British Columbia be also obtained to this agreement.

*Seventhly*—That, subject to the foregoing conditions, the advances so made of \$250,000 shall not bear interest, and shall be considered as a grant of money in lieu of the 12th Article of the Terms of Union between Canada and British Columbia.

All which is respectfully submitted.

(Signed)

S. L. TILLEY,  
*Minister of Finance.*