

Certain mortgages, bonds and debentures to be void.

1. Except for the purpose of securing such interest as may accrue and become due on or before the first day of March or the first day of September which shall first happen after the passing of this Act, all the said mortgages and other bonds and debentures issued or adopted by the Buffalo and Lake Huron Railway Company, and all coupons belonging thereto, and all mortgage or trust deeds for securing any of the same, shall, from and after the passing of this Act, be absolutely void and of no effect.

What shall be substituted therefor.

2. In lieu thereof there are hereby created first and second mortgage bond debts of the Buffalo and Lake Huron Railway Company; the former not to exceed a total of three hundred and five thousand pounds sterling, being the aggregate principal amount of the outstanding first and second section first mortgage bonds, and bearing interest at the rate of six pounds per cent. per annum from the first day of March or the first day of September which shall first happen after the passing of this Act, payable half-yearly on the first days of March and September, or within twenty-one days from such dates respectively, in London, England; and the latter equal to the aggregate principal amount of all the other outstanding mortgage or other bonds or debentures issued or adopted by the said company, and bearing interest at the rate of five pounds ten shillings per cent. per annum from the same date, and payable half-yearly, on the same days and at the same place; and the holders of the first and second section first mortgage bonds shall be entitled to, and shall be deemed to hold, portions of the said first mortgage bond debt, and the holders of the said other mortgage or other bonds or debentures shall be entitled to, and shall be deemed to hold, portions of the said second mortgage bond debt, equal to the principal amounts of their respective bonds or debentures: Provided that the aggregate amount of the said first and second mortgage bonds debt shall not exceed seven hundred and sixty-three thousand seven hundred and fifty-eight pounds sterling.

Mortgage bond debt charged on the company.

3. The said first mortgage bond debt and the interest thereof are hereby charged on all the railway, undertaking and property of the Buffalo and Lake Huron Railway Company, vested in the Grand Trunk Railway Company of Canada, subject only to the obligations imposed on the former company by its several Acts with respect to the maintenance, management, and working of the vested property, and on the said rent charge of forty-two thousand five hundred pounds, and all other sums payable by the latter company to the former; and the said second mortgage bond debt and the interest thereof are hereby charged on the said railway undertaking, property, rent charge, and other sums next after the charge of the said first mortgage bond debt.

Holders of such debt to have remedy at law and in equity.

4. Every holder of any amount of either of the said mortgage bond debts shall have all such remedies at law and in equity as though the Buffalo and Lake Huron Railway Company had conveyed or assigned to him the said railway, undertaking, property, rent charge, and other sums by way of mortgage, to secure his portion of such debt and the interest thereof, subject and in the order of priority mentioned in the preceding section, and with all the other incidents herein expressed in relation thereto, and though such mortgage deed were duly registered in every county in which any portion of the said railway or property is situate; but any judgment, decree, appointment of receiver, or other relief which shall be given at the suit of any person upon either of the charges hereby created, or as though upon such a mortgage as