

And whereas, pursuant to the provisions of the said Act, shares amounting to four million two hundred thousand dollars of the capital stock of the Parry Sound Company have been duly issued and allotted.

And whereas, the persons named in the first schedule hereto are the shareholders of the Parry Sound Company holding the shares in the capital stock of the Parry Sound Company for the amounts and with the amounts paid thereon respectively, as is set opposite their respective names.

And whereas the final completion of the said railway is still in progress.

And whereas, the assets of the Parry Sound Company are specified and set out in the second schedule hereto annexed.

And whereas the Parry Sound Company have agreed and have legally bound themselves to issue, pursuant to the powers on them conferred by the said Act of incorporation, and to deliver to John Rudolphus Booth first mortgage bonds to the amount of six million six hundred thousand dollars, bearing interest at the rate of five per cent per annum from the date of said obligations to issue the same respectively, all of which obligations shall be assumed and duly carried out by and as an obligation of the company to be amalgamated under this indenture.

And whereas the Atlantic Company have been duly incorporated by an Act of the Parliament of Canada, being chapter fifty-seven of the statutes of eighteen hundred and seventy-nine, intituled "An Act to amend the Acts incorporating the Coteau and Province Line Railway and Bridge Company and the Montreal and Ottawa Junction Railway Company, and amending Acts, and to amalgamate the said companies," which said Act has been duly amended in divers particulars by the following Acts duly passed by the Parliament of Canada, and being chapter seventy-two of the statutes of eighteen hundred and eighty-six, also chapter sixty-seven of the statutes of eighteen hundred and eighty-seven, and also chapter thirty seven of the statutes of eighteen hundred and ninety-seven, as will more fully and at large appear reference being had to to the said several amending Acts.

And whereas, pursuant to the provisions of the said Act of incorporation and of the amending Acts thereto, ordinary shares to the amount of two million dollars of the capital stock of the Atlantic Company have been duly issued, and also preference shares to the amount of one million dollars of the capital stock of the Atlantic Company have been duly issued.

And whereas the parties named in the third schedule hereto are the shareholders of the Atlantic Company, holding ordinary shares of the capital stock as well as preferred shares of the capital stock of the Atlantic Company for the amounts and with the sums paid thereon respectively as is set opposite their respective names.

And whereas the further completion of the said railway and branches is still in progress.

And whereas the assets of the Atlantic Company are specified and set out in the fourth schedule hereto.

And whereas the Atlantic Company have, pursuant to the powers to them granted, issued first mortgage bonds to the amount of three million four hundred and fifty thousand dollars.