

in the first article of this Agreement and except the sums of money, Bonds, and Stock receivable under this Agreement, from the Grand Trunk Company, shall vest absolutely in the Grand Trunk Company, and be deemed part of their undertaking, subject (1) to all obligations imposed on the Buffalo Company by their several Acts, with respect to the maintenance, management, and working of the vested property; (2) to all existing mortgages and incumbrances thereon; (3) to all mortgages and incumbrances to be created under the provisos in this clause hereinafter contained; (4) to an annual rent charge thereon, and on the tolls or rates arising therefrom, of the sum of £42,500, payable to the Buffalo Company by the Grand Trunk Company, under the (14) clause of this Agreement (but not to extend to any further sums payable under that clause) with power for the Buffalo Company, by distress as for rent in arrear, and by entry upon the Railway Works and property of the Buffalo Company hereby vested in the Grand Trunk Company, and by the receipt of the tolls, rates, and profits arising therefrom, to recover payment of the said annual sum of £42,500, and of any half-yearly payment thereof, when in arrear for six months. Provided always, that the Buffalo Company may from time to time issue Mortgage Bonds, Debentures, or Debenture Stock, in renewal of, or in substitution for, (but not to a greater amount, nor at a higher rate of interest) existing Mortgage Bonds and Debentures of the Buffalo Company, including the £166,666 13s. 4d., Bonds issued by the Buffalo, Brantford, and Goderich Railway Company, and including the £61070 16s. 8d., or Capitalized Coupon Bonds, issued by the Buffalo Company in 1865, and all such Mortgage Bonds, Debentures, or Debenture Stock may extend over the whole of the undertaking of the Buffalo Company hereby vested in the Grand Trunk Company, and this, although the securities for which they are substituted may extend over a part only; And the Buffalo Company may also issue Mortgage Bonds, Debentures, or Debenture Stock, extending over the whole undertaking of the Buffalo Company, to an amount not exceeding £44,988, bearing interest at a rate not exceeding £6 per cent. per annum, in satisfaction of, and in order to capitalize the present arrears of interest to that amount on the present Debenture debt; subject only as hereinbefore in this clause mentioned the Railway Works surplus lands, property and rights of the Buffalo Company, hereby vested in the Grand Trunk Company, shall be held by them free from all the debts, liabilities, and obligations of the Buffalo Company.

5. All the provisions of part III of The Companies' Clauses Act, 1863, relating to Debenture Stock, shall, except so far as they are varied by sec. 24 of the Railway Companies' Act, 1867, and by this Agreement apply to the Debenture Stock to be created and issued under the preceding article, as if the same had been set forth in this Agreement.

6. On the passing of the Act hereinafter mentioned, £615,000 of Ordinary Stock, and £615,000 of 4th Preference Stock, shall be deemed to have been created by the Grand Trunk Company, to rank respectively with, and to have the same privileges and incidents as are attached to the Ordinary Stock, and to the 4th Preference Stock of the Grand Trunk Company respectively, by the Grand Trunk Arrangements Act, 1862, and to be consolidated with, and to form part of those Stocks respectively, and to be entitled respectively to the respective dividends mentioned in the said Act, as from the day of the passing of the said Act, or the