

THE FRANCHISE.

The Franchise is exclusive and for twenty years, the longest term permitted by the laws of the Province. At the end of this term the Municipal Corporation must either buy the property and plant at its real value, with the consent of the ratepayers, or continue the franchise for another term of twenty years.

During the first five years of the original term this Company will enjoy complete exemption from taxation and any other charge by the City.

During the succeeding fifteen years taxes will be paid on half the assessed value only, on real estate, plant and equipment; but no taxes on franchise or income. During the second five years the Company will pay to the City \$250 per mile of unpaved streets occupied and \$500 per mile of paved streets.

The pavements now contemplated will amount to about one and a half miles.

During the last ten years these mileage charges will be doubled.

The Company must keep in repair the roadway between the rails and for 18 inches on each side.

There is no percentage or other charge on the receipts of the Company.