

and erect water-works; and no works shall be made or constructed by the said Company under this Act, the effect of which will be to injure, disturb, or in any way affect the purity or quality of the water supplied by the Montreal Water-Works, or which may, in any way, interfere with the good working of the said Water-Works, or obstruct in any way the tail-race entering the River St. Lawrence; and the Company shall be responsible for any damages to be suffered by the Corporation, by reason of any of the works made or constructed by the Company.

Works of the Company not to affect or interfere with the water works;

Company to be responsible.

40. Nothing in this Act shall give, or be constructed to give the Company the power of having possession of or of interfering with, or of exercising any control whatever over any lands belonging to Her Majesty, or any works or water powers under the control of the Dominion or of the Quebec Government, save as herein specially provided for.

Company to have no control over lands belonging to the Crown, &c.

41. Nothing in this Act contained shall relieve the Company from liability for any damage they may cause by back water or the overflow of lands, or the obstruction of drainage consequent on the construction of the works herein contemplated, but claims for such damages may be voluntarily waived or settled for by agreement.

Company liable for damages by back water, &c.

42. All suits for indemnity for any damage or injury sustained by reason of the powers and authority given by this Act, shall be brought within six calendar months next after the time of such supposed damage sustained; or in case there shall be a continuation of damages, then within six calendar months next after the doing or committing such damage shall cease, and not afterwards.

Limitation of time for recovery of damages against Company.

43. One of the said three divisions of said Works must be commenced within five years, and the whole of the said Works must be completed within ten years after the passing of this Act, failing which the powers hereby granted shall cease; nevertheless, if any one, or an effective part or parts of any one or more of said divisions shall have been made so complete as to admit of, or their being practically useful although only for water powers, all the powers given by this Act, in so far as applicable, shall remain in force in regard to the same, and in such case either of said canals may terminate where found convenient.

Time for commencement and completion of works.

44. Her Majesty, Her Heirs and Successors may, at any time, assume the possession and property and works of the said Company, and the rights, privileges and advantages thereof, (all which shall, after such assumption, be vested in Her Majesty, Her Heirs and Successors,) on giving to the Company one year's notice, and on paying to the Company the value of such property and works, to be fixed by Arbitrators, one to be chosen by the Minister of Public Works, another by the Company, and in case of disagreement, a third Arbitrator, to be chosen by the said two Arbitrators, a majority of whom to decide in such case; Provided that such value shall not be fixed at less than the capital stock, with interest from the time of investment thereof at eight per cent., after deduction of all dividend received. The said

Works of the Company may be assumed by the Crown.

Terms.

Proviso.