

8. *The Company* covenant and agree with the Government to repay to the Government the said sum of twenty-two million five hundred thousand dollars, or so much thereof as shall be loaned to the Company under the provisions hereof, and of the said Act, on or before the first day of May, one thousand eight hundred and ninety-one, with interest at the rate of five per cent. per annum, payable half-yearly, on the first days of May and November in each year, until full payment of the principal, and with interest also at the same rate upon any instalment of such interest which shall remain unpaid after the day on which it will become due under the terms hereof.

9. *As Security* for the re-payment of the said loan, with interest as aforesaid, and as additional security for the payment of the said sum of seven million three hundred and eighty thousand nine hundred and twelve dollars, and interest, falling due on the seventh day of November, one thousand eight hundred and eighty-eight, the Company hereby covenant and agree that the Government shall have a first lien and charge upon the entire property of the Company, real and personal, now owned or hereafter to be acquired and owned by them, including their main line of railway, the extensions thereof, their branch lines of railway, the whole of their equipment, rolling stock and plant, and all their steamers and vessels, and also upon the land grant of the Company, earned and to be hereafter earned, saving always, however, the rights of the holders of the existing mortgages on the extensions of the line of the railway from Callander to Brockville and Montreal, as security for the unpaid balances of the purchase money of the lines constituting the said extensions, and subject to the mortgage upon the land grant executed by the Company to secure their issue of land grant bonds, and the Company, under the authority of the said Act, and of the unanimous vote of a special general meeting of their Shareholders called for the purpose, do hereby con-