

Joliette Company has been or may be hereafter authorized to construct by the Parliament of Canada or the legislature of the province of Quebec or by the Board of Railway Commissioners of Canada, under the provisions of the Railway Act, 1903, together with the appurtenances of them and of each of them, including amongst other things, all land, stations, station grounds, freight houses, shops, engine houses, water tanks, equipment and implements of every kind, and all other personal property of the Joliette Company relating to the railways so demised as aforesaid, tracks, sidings, turn tables, water and water rights, and all buildings, erections and structures of every kind which may have been or may be acquired for use in connection therewith, and all powers, privileges and franchises in respect of the said railways and branches, and other properties or any of them; all of which railways, branches and appurtenances, and powers, privileges, franchises and other properties are hereinafter referred to in the aggregate as "the said demised railway": To have and to hold the same and every part thereof unto the Pacific Company, its successors and assigns, for and during the term of ninety-four years to be computed from the first day of January, one thousand nine hundred and six, and thenceforth next ensuing and fully to be complete and ended, yielding and paying therefor to the Joliette Company, its successors and assigns, yearly and every year during the said term, the annual rent which the Pacific Company hereinafter covenants to pay such rent to be paid at the respective days and times and in the manner and upon the terms and conditions hereinafter specified.

2. The Joliette Company, for itself and its successors, doth hereby covenant with the Pacific Company, its successors and assigns as follows, that is to say:—

3. The Joliette Company will not at any time hereafter, without the consent of the Pacific Company, given in writing, under its corporate seal, issue any bond or debenture stock or preference stock, or create any other financial obligation which would at any time be an encumbrance on the said demised railway or any part thereof.

4. The Joliette Company will, concurrently with the taking effect of this indenture, or as soon as practicable, issue first mortgage bonds to the amount of one hundred and twenty-five thousand dollars, terminable at the expiration of ninety-four years from the first day of January, one thousand nine hundred and six, and bearing interest at the rate of four per centum per annum, payable half-yearly on the first day of January and July in each year, the first payment of interest to fall due and payable on the first day of July, one thousand nine hundred and six; the said bonds when issued shall be deposited with the trustees for the holders of such bonds under a first mortgage upon the Joliette Railway and undertaking to be made to secure the same.

5. The Joliette Company will, from time to time, at the request of the Pacific Company, under its corporate seal, issue bonds, debentures, debenture stock or other securities to such amount or amounts as the Pacific Company may desire, carrying interest at a rate not exceeding four per centum per annum, payable half-yearly; provided, however, that the aggregate of