

Moneys received in respect of postal services to be applied in payment of dividend to certain creditors.

22. The proceeds of any bonds issued by the Company, under section two, shall be applicable and applied in or towards the payment of a dividend on all debts of the Company (whether judgment or other debts,) subsisting at the date of the passing of this Act, other than Bond debts, arrears of rent and interest, of notarial mortgages registered in Lower Canada, and debts (if any) incurred in respect of working expenses subsequently to the thirty-first of December, one thousand eight hundred and sixty-one, and the directors of the company shall take all necessary measures for carrying out the provisions of the said section and of this section; provided, always, that all debts other than for principal or interest on Bonds now due in Canada, of amounts not exceeding five hundred dollars each shall be paid in full.

Creditors to receive fourth Preference Stock for the balance of their debts, and the debts to be discharged.

23. For the balance which will remain due to the several creditors after payment of so much as shall be paid in money, or received in bonds under section two, they shall respectively be entitled, on delivering up any securities which they may hold after such realization as mentioned in the last preceding section, to receive stock equal in nominal amount to the difference between the sum paid in money or bonds and stock as aforesaid, and twenty shillings in the pound, such payment to be made in perpetual stock to be created as next hereinafter mentioned, and such payment and delivery of stock shall be accepted by them respectively, in full satisfaction and discharge of their respective debts, and on the payment or tender of such dividend, and the delivery or readiness to deliver such stock, every such debt shall be absolutely barred and extinguished; Provided always, that this and the next preceding section shall be subject to the consent of three fourths in amount of such creditors of the company, resident in America, and three fourths of the creditors, resident in England respectively, to be given in writing on or before the first day of November, one thousand eight hundred and sixty-two; but should such consent be withheld for a period of three months beyond such date, then the appropriation of the moneys receivable by the Company for postal services, and for the conveyance of troops and military stores and munitions of war, as set forth in section one, shall cease and determine; and all parties shall be remitted to the position occupied by them respectively, prior to the passing of this Act.

Proviso.

If such consent be refused.

Directors to create stock accordingly.

24. The Directors shall, subject to the proviso to the next preceding section, create and from time to time issue such amount of stock as shall be required and sufficient for the purpose of providing for the balance or difference mentioned in the last preceding section, and the stock so created shall rank with the fourth preference stock hereinbefore mentioned, and shall have the same qualities and incidents as such stock.