

sons for damages sustained, the said party of the second part and his successors in the trust shall not be liable or responsible for the same, but the same shall be borne and paid by the parties of the first part, and in case any of the property hereby conveyed shall from any cause be destroyed or injured while in possession of the parties of the second part, the said party of the second part shall not in any way be responsible for the same.

AND the parties of the first part covenant to indemnify and see harmless the party of the second part and his successors in the trusts hereby created from all costs, damages and expenses to which he may be liable for or by reason of his taking possession of the said Railway and of the property hereby conveyed and the said Railway, unless such costs, damages and expenses shall be occasioned by the wilful default of the party of the second part himself and not by any servant, officer or agent employed by him in the necessary working of the said Railway.

AND it is hereby agreed that in the event of the party of the second part taking possession of the said Railway and other property hereby conveyed it shall and may be lawful for him to use the name of the Company in all matters connected or arising from the working of the said Railway, and to appoint or remove all servants and officers connected with the working of the said Railway, and in the place or stead of those removed to appoint others.

AND it is hereby agreed between the parties to these presents that in case default shall happen to be made in the payment of the principal money of the said Bonds or of any of them when they shall become due and payable, of which default the production of the Bonds or any of them shall be sufficient evidence, and sixty days shall have elapsed from the time of such default without payment by the Company in the meantime, it shall be lawful for the party of the second part and his successors in the said trust, on the written request of the holders of at least one-fourth of the Bonds then unpaid, and on being satisfied that payment thereof had been demanded, without any further consent or concurrence of the said Company, when and he shall think fit peaceably and quietly to enter into and upon and to take possession of all and every the said premises and to receive and to take the rents, issue and profits thereof. And after such entry to cause the said Railway, lands, stock, plant, chattels, property and franchises to be sold at public auction in the said City of Toronto, giving at least forty days notice of the time, place and terms of such sale by publishing the same in two newspapers published in the said City, with liberty if said party or his successors in the trust shall see fit to buy in the said premises or any part thereof at any such auction without being answerable for any loss or diminution in price by resale in the same manner and with full power and lawful and absolute authority to execute to the purchaser or purchasers thereof a good and sufficient deed of conveyance and transfer for, the same, and which shall be a bar against the parties of the first part, their successors and assigns, and all persons claiming under them, of all right, interest or claim in or to said premises or any part thereof, and the purchaser or purchasers shall not be bound to see to or be answerable for the application or non-application of the purchase money or any